

Charts: A History of Prices

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Interest Rates

Commodity Prices

Updated to end-2014

Stock Prices

Dow Jones Industrial Average (extended), 1789 to date

Monthly bars

Log scale

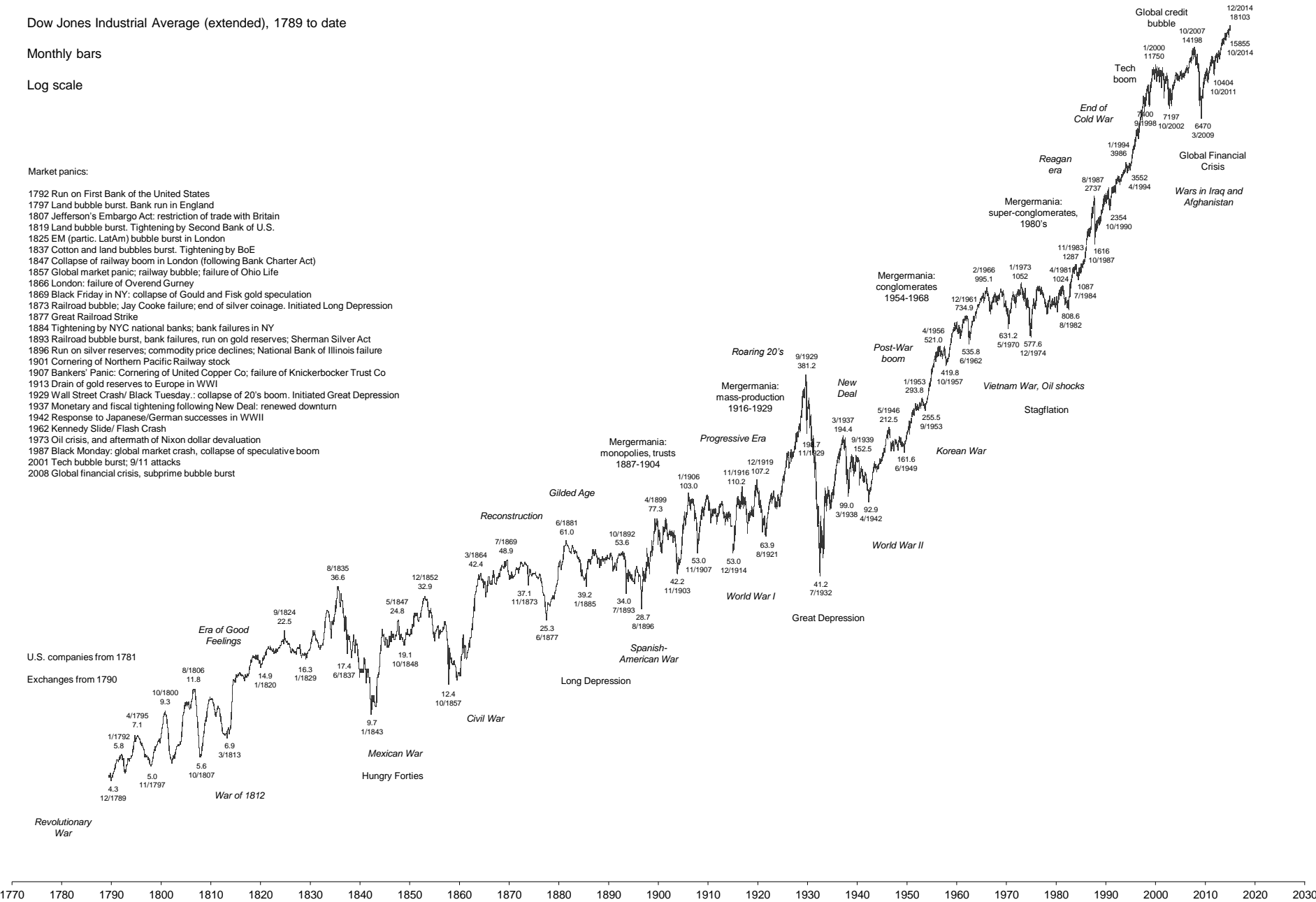
Market panics:

- 1792 Run on First Bank of the United States
- 1797 Land bubble burst. Bank run in England
- 1807 Jefferson's Embargo Act: restriction of trade with Britain
- 1819 Land bubble burst. Tightening by Second Bank of U.S.
- 1825 EM (partic. LatAm) bubble burst in London
- 1837 Cotton and land bubbles burst. Tightening by BoE
- 1847 Collapse of railway boom in London (following Bank Charter Act)
- 1857 Global market panic; railway bubble; failure of Ohio Life
- 1866 London: failure of Overend Gurney
- 1869 Black Friday in NY: collapse of Gould and Fisk gold speculation
- 1873 Railroad bubble; Jay Cooke failure; end of silver coinage. Initiated Long Depression
- 1877 Great Railroad Strike
- 1884 Tightening by NYC national banks; bank failures in NY
- 1893 Railroad bubble burst, bank failures, run on gold reserves; Sherman Silver Act
- 1896 Run on silver reserves; commodity price declines; National Bank of Illinois failure
- 1901 Cornering of Northern Pacific Railway stock
- 1907 Bankers' Panic: Cornering of United Copper Co; failure of Knickerbocker Trust Co
- 1913 Drain of gold reserves to Europe in WWI
- 1929 Wall Street Crash/ Black Tuesday.: collapse of 20's boom. Initiated Great Depression
- 1937 Monetary and fiscal tightening following New Deal: renewed downturn
- 1942 Response to Japanese/German successes in WWII
- 1962 Kennedy Slide/ Flash Crash
- 1973 Oil crisis, and aftermath of Nixon dollar devaluation
- 1987 Black Monday: global market crash, collapse of speculative boom
- 2001 Tech bubble burst; 9/11 attacks
- 2008 Global financial crisis, subprime bubble burst

U.S. companies from 1781

Exchanges from 1790

Revolutionary War

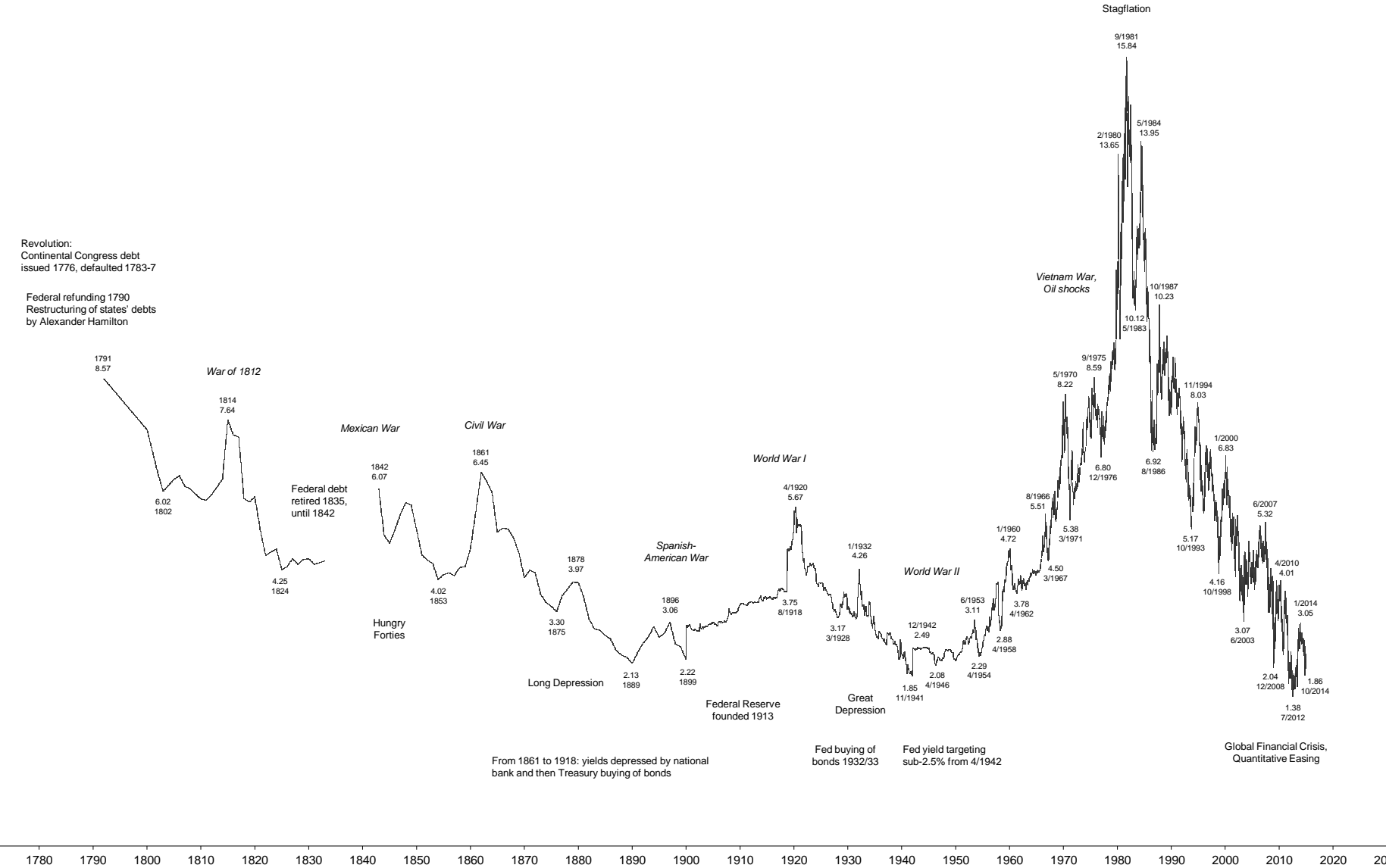


Interest Rates

Yield on 10-year U.S. Treasuries, 1791 to date

Monthly bars

Linear scale

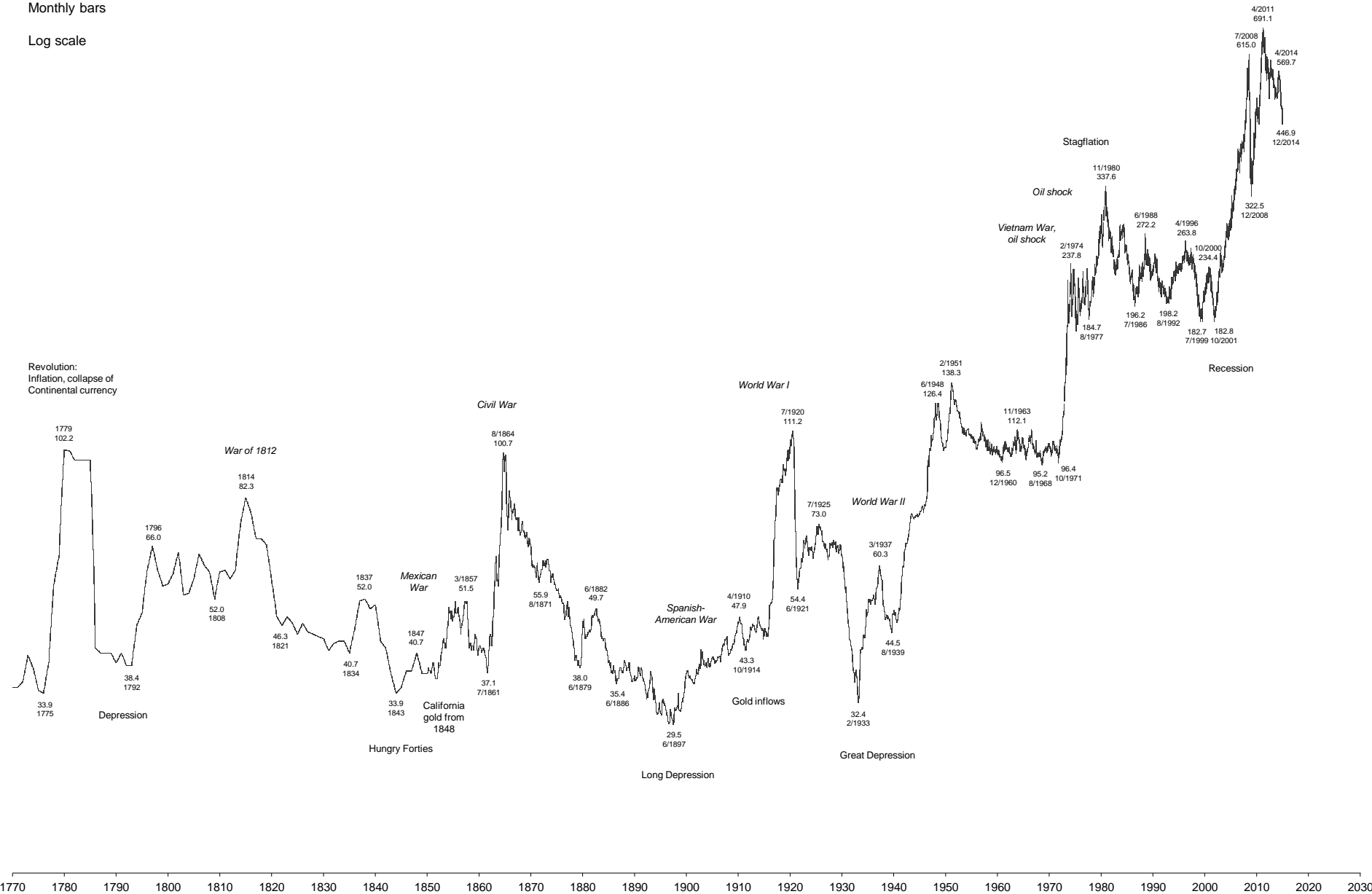


Commodity Prices

Continuous Commodity Index (extended), 1770 to date

Monthly bars

Log scale

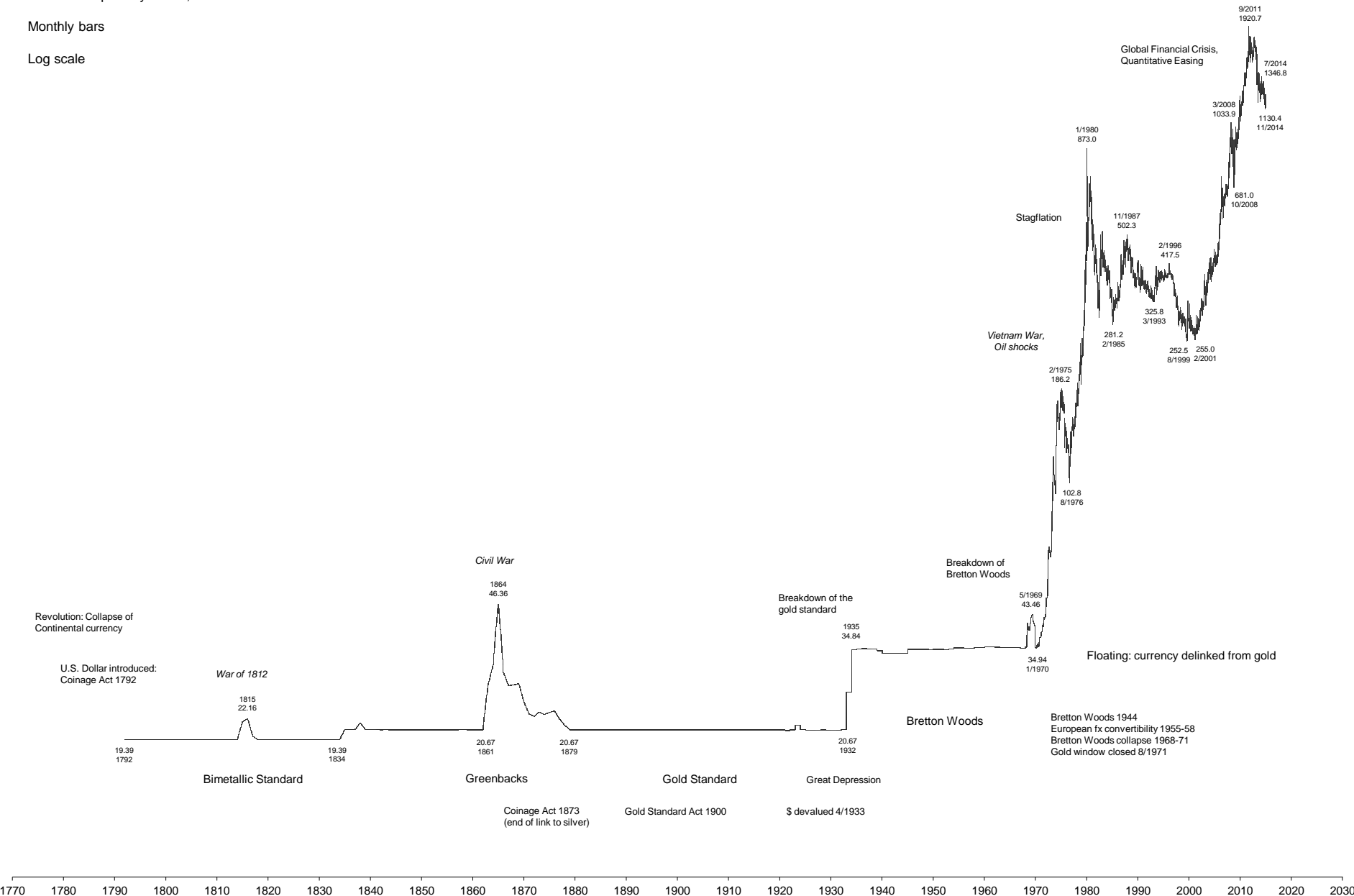


The Gold Price

U.S. dollars per troy ounce, 1792 to date

Monthly bars

Log scale

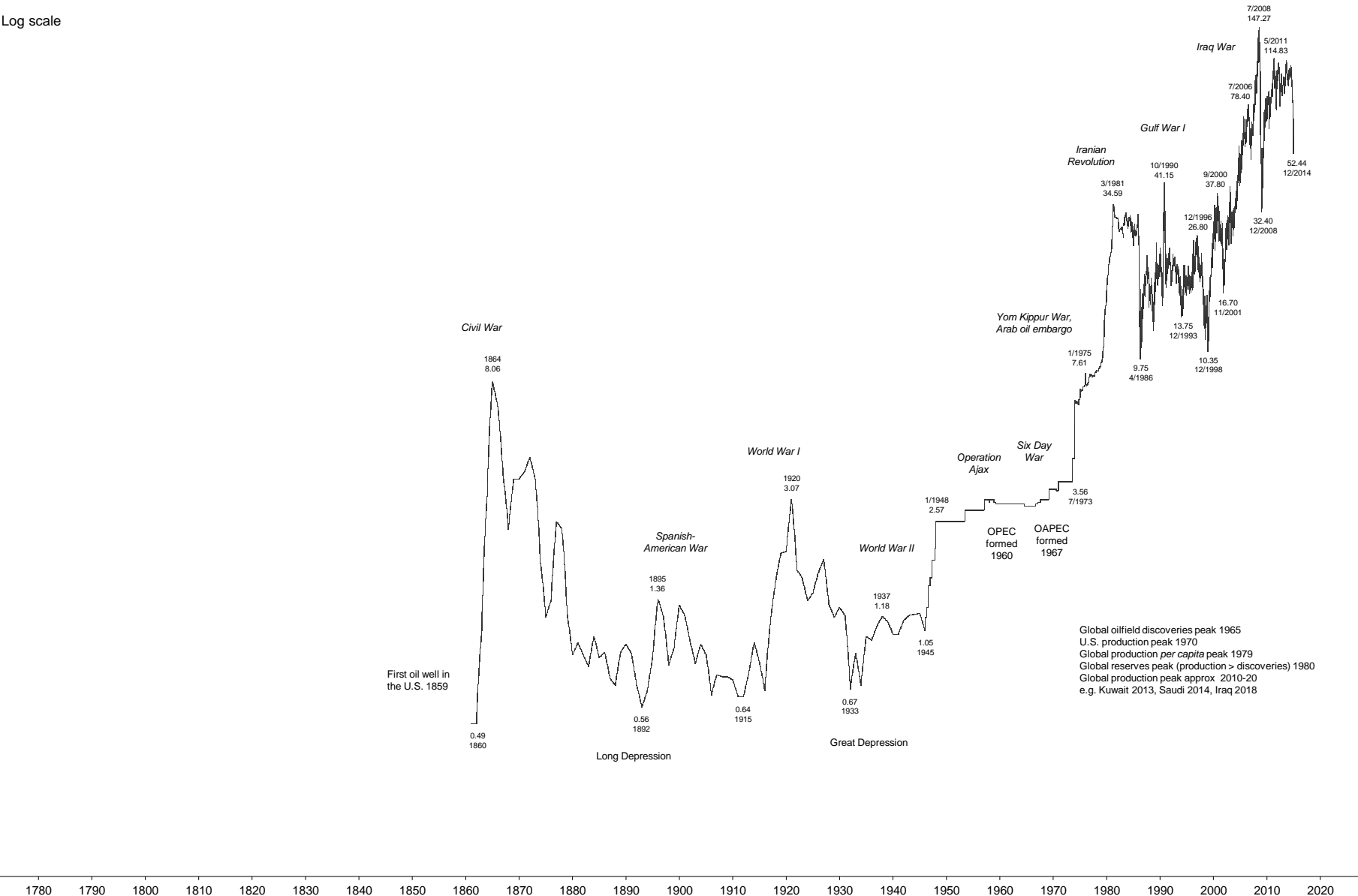


The Oil Price

U.S. dollars per barrel, 1860 to date

Monthly bars

Log scale

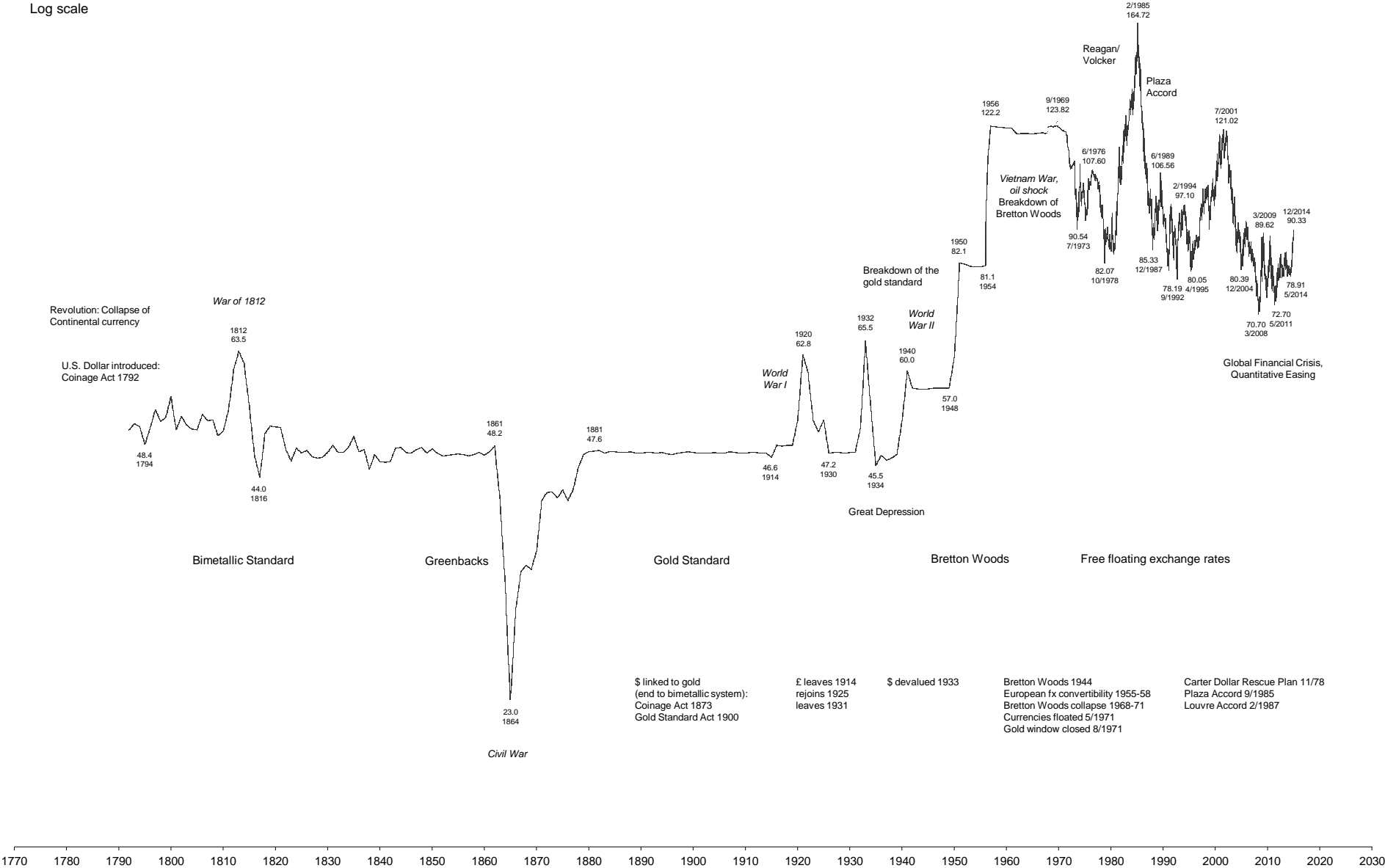


The U.S. Dollar

U.S. Dollar Index (extended), 1792 to date

Monthly bars

Log scale

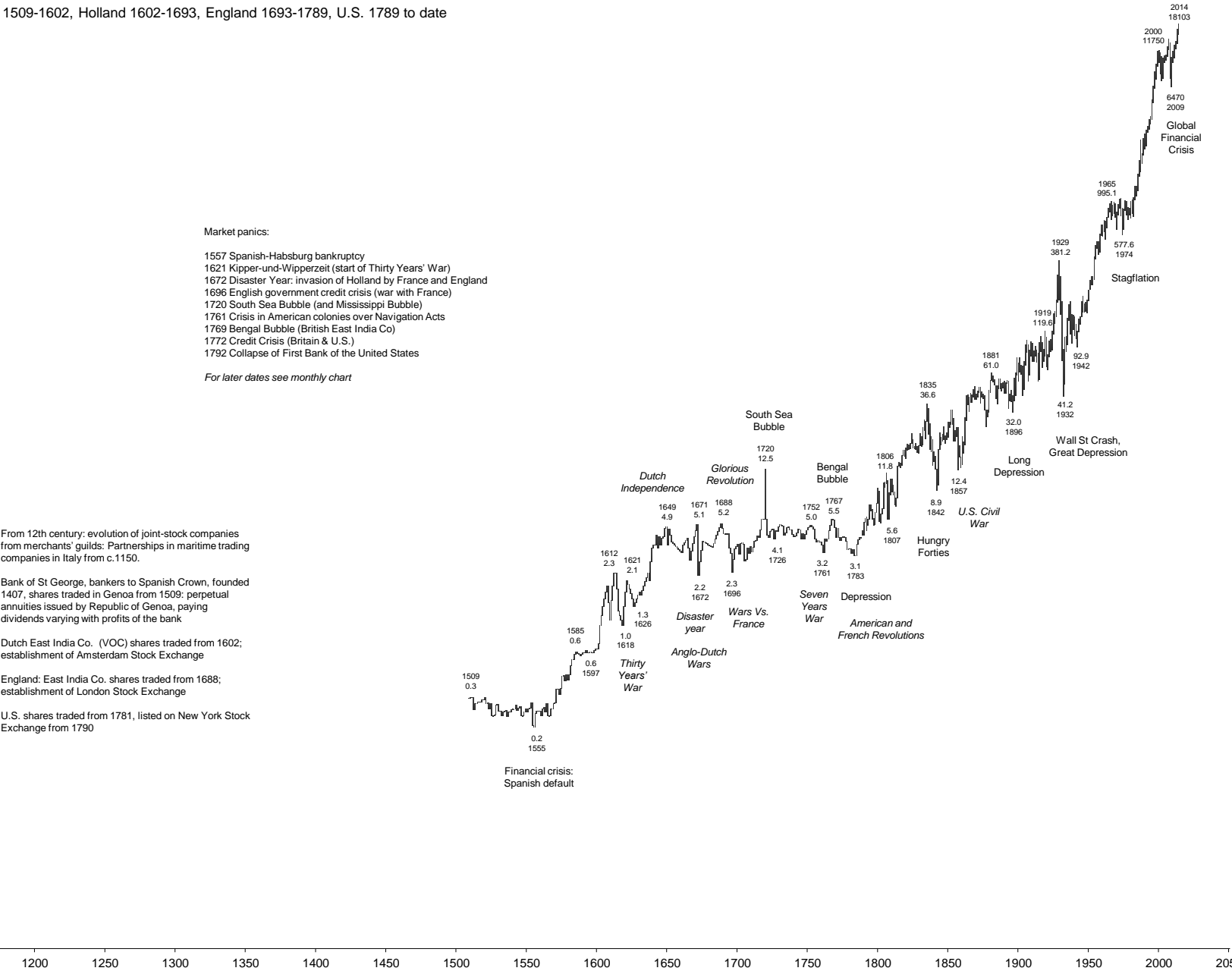


Stock Prices

Composite index: Genoa 1509-1602, Holland 1602-1693, England 1693-1789, U.S. 1789 to date

Yearly bars

Log scale

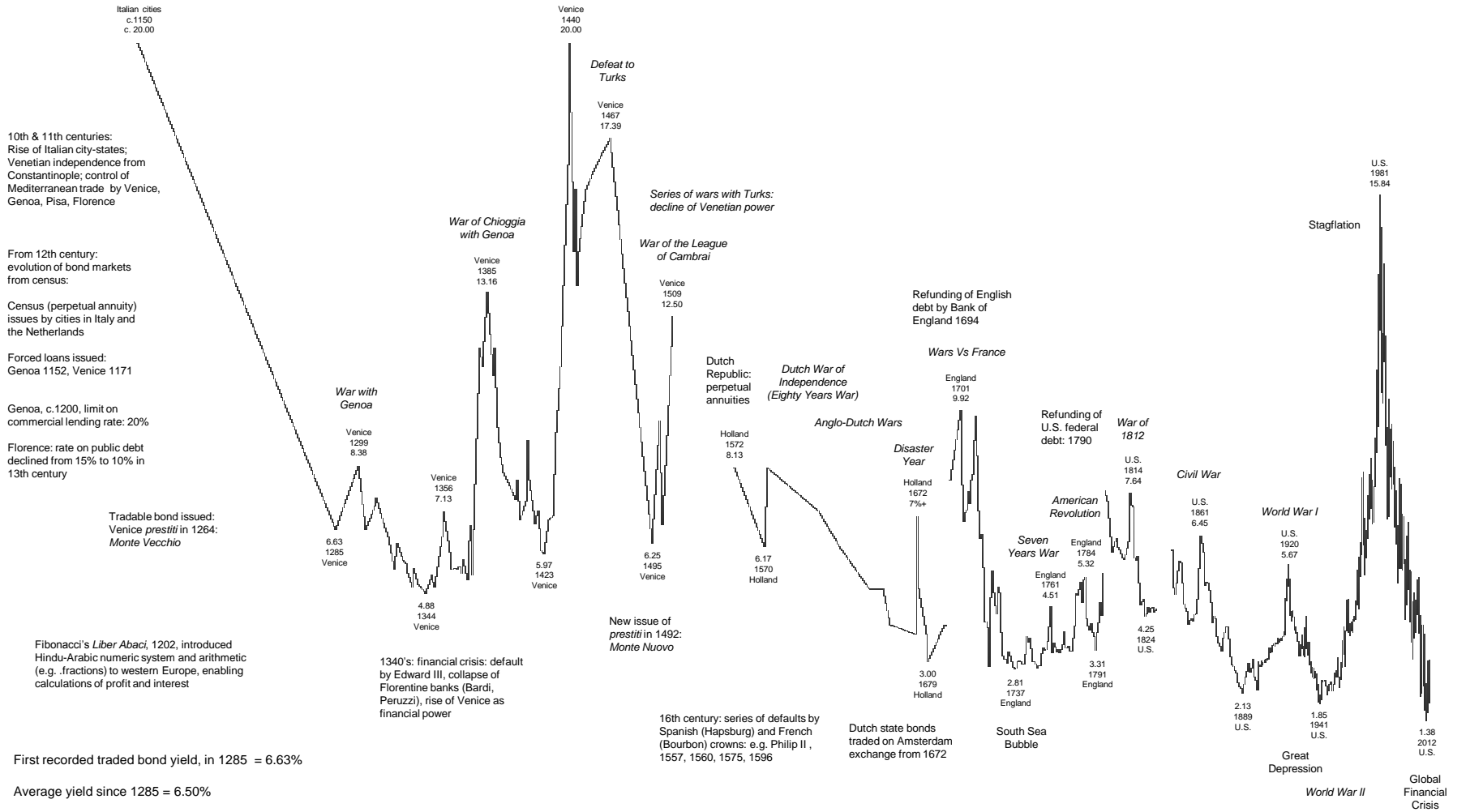


Interest Rates

Yields on long-term sovereign debt: Venice 1285-1509, Holland 1550-1693, England 1694-1797, U.S. 1798 to date

Yearly bars

Linear scale



Commodity Prices

Composite index: England 1170-1792, U.S. 1792 to date

Yearly bars

Log scale

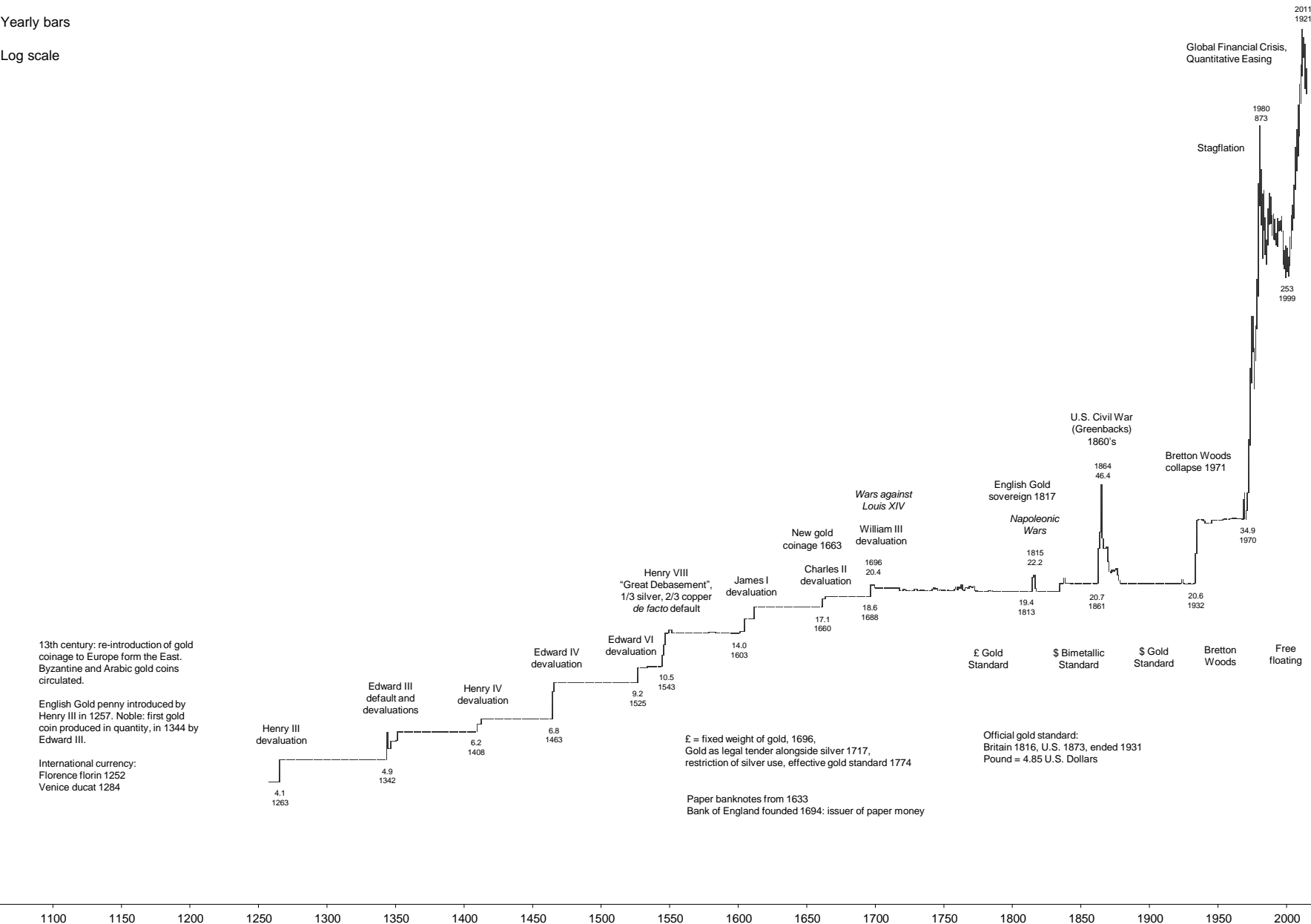


The Gold Price

Sterling price converted to Dollars 1257-1791, Dollar price 1792 to date

Yearly bars

Log scale



Interest Rates

Lending rates in Mesopotamia 3000 BC-600 BC, in Greece and Rome 600 BC-300 AD; Yields on Western government bonds 1150 to date

Decennial bars

Linear scale

From c. 3000 BC: use of metals as money by weight in Mesopotamia. Temples as proto-banks: repositories of wealth, lending at interest

Ancient Sumer: Custom of 1 shekel per mina per month = 20%; Rates of 25% recorded (also: India: Laws of Manu, 24%)

Ur: financial centre of Sumer until crash of 1788 BC caused by cancellation of debts under Rim-Sin

Babylon: Code of Hammurabi, 1772 BC. Codified earlier Sumerian custom of 20%. Average rates of 10-25% recorded through Old Babylonian, Assyrian and Neo-Babylonian iterations, until Persian conquest 539 BC, then rates of 40+%

Adoption of Near Eastern financial practices by Greek city states

5th century Greece: spread of coined money and credit; freeing of hoarded capital for productive loans (after Persian Wars, silver discoveries at Laurion)

3rd/4th century Rome: inflation, fiscal crisis

Dark Ages in the West: Anti-usury laws, e.g. Capitularies of Charlemagne 814 AD

Commercial Revolution of the Middle Ages: easing of prohibitions on usury, rise of banking and state finance in Italy and the Netherlands; evolution of bond markets from census annuities

Origins of interest rates:

Natural multiplying of borrowed livestock via reproduction: hence words for interest in ancient languages: Sumerian *mash* = calf, Greek *tokos* = calf, Latin *pecus* = flock, Egyptian *ms* = give birth.

Uruk, "city of sheepfolds", pastoral agricultural economy; had a numerical and writing system for quantifying and recording contracts, and the Mesopotamian calendar system for recording time in lunar months and solar years.

Early rates of interest determined by the standard units of quantity and time, e.g. 1 shekel per mina per month = 20% p.a. in Babylon (Code of Hammurabi), 1 ounce per pound per year = 8.33 % p.a. in Rome (Twelve Tables).

Debt crisis in Archaic Greece: usurious loans, payment in kind, debt servitude; until Solon's reforms, 594 BC

Sulla 88 BC Limit 100th /mth = 12%

State bankruptcy during Social War 90 BC and civil wars 49-31 BC

Credit crisis 33 AD

373 BC: Defaults by Greek states on loans at Delos

Greece: Temple at Delos From c.500 BC, 10%

Rome: Twelve Tables 443 BC Limit 1 oz/lb/year = 8.33%

8% 300-200 BC Athens/Rome

Roman expansion: inflows of silver & gold, falling rates

Rome 100 AD 5%

Expansion of coinage under Julius Caesar and Augustus. Reduction under Tiberius: credit crisis in 33 AD

Eastern (Byzantine) Empire: Constantine, 325 AD, limit 12.5%; Code of Justinian 528 AD, limit 8%; 850 AD limit raised to 11.5%

Italian cities c.1150 20%

Venice 1430s 20.00

U.S. 1980s 15.84

England 1700s 9.92

Holland 1570s 8.13

U.S. 1910s 7.64

6.25 1490s Venice

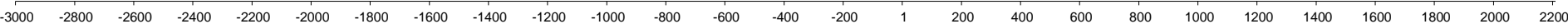
3.00 1670s Holland

2.81 1730s England

1.85 1940s U.S.

1.38 2010s U.S.

4.88 1340s Venice



Commodity Prices

Composite indices: Babylon 1840 BC-1620 BC, Greece 500 BC-250 BC, Rome 250 BC-300 AD, England 1170-1790, U.S. 1790 to date

Decennial bars

Log scale

