

# Market Returns During Election Years

# Market Returns and Election Years

It is difficult to identify systematic return patterns in elections years.

---

On average, market returns have been positive both in election years and the subsequent year.

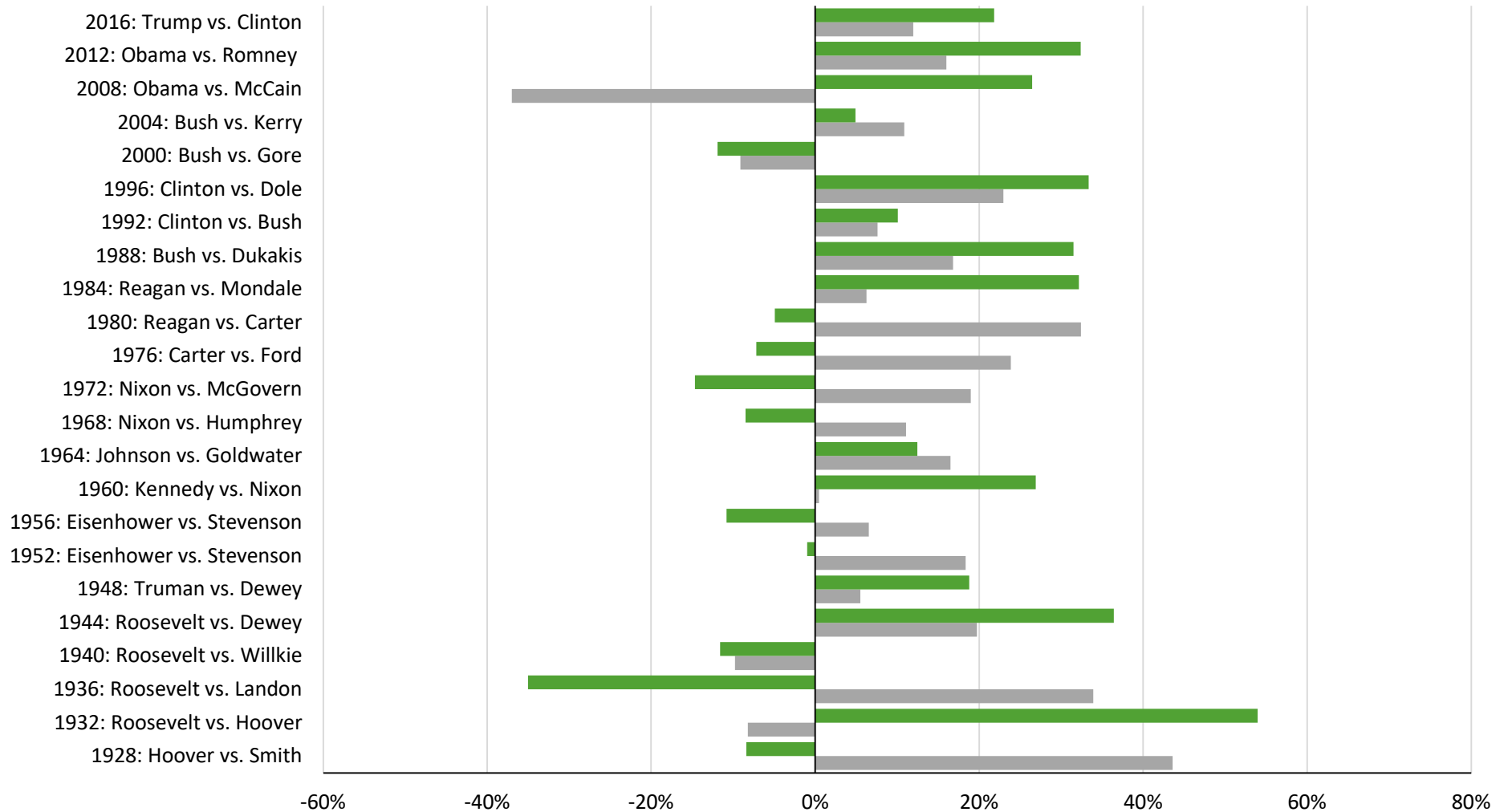
---

Market expectations associated with election outcomes are embedded in security prices.

# Returns During and After Election Years

S&P 500 Index: 1928–2017

■ Average Return Year Subsequent to Election = 9.9%  
 ■ Average Return During Election Year = 11.3%

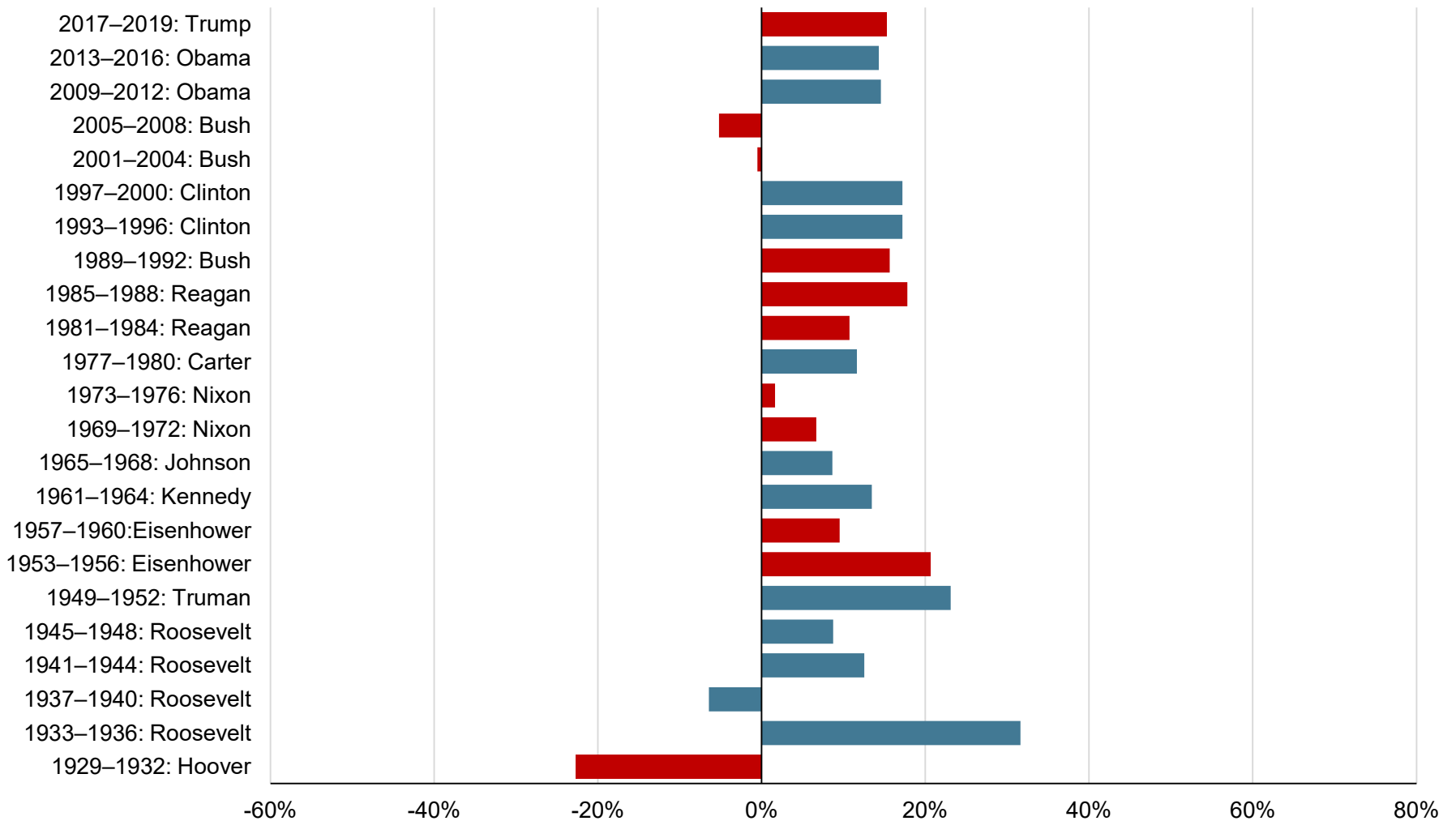


Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower. Source: S&P data © 2019 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

# Annualized Returns During Presidential Terms

S&P 500 Index: 1929–2019

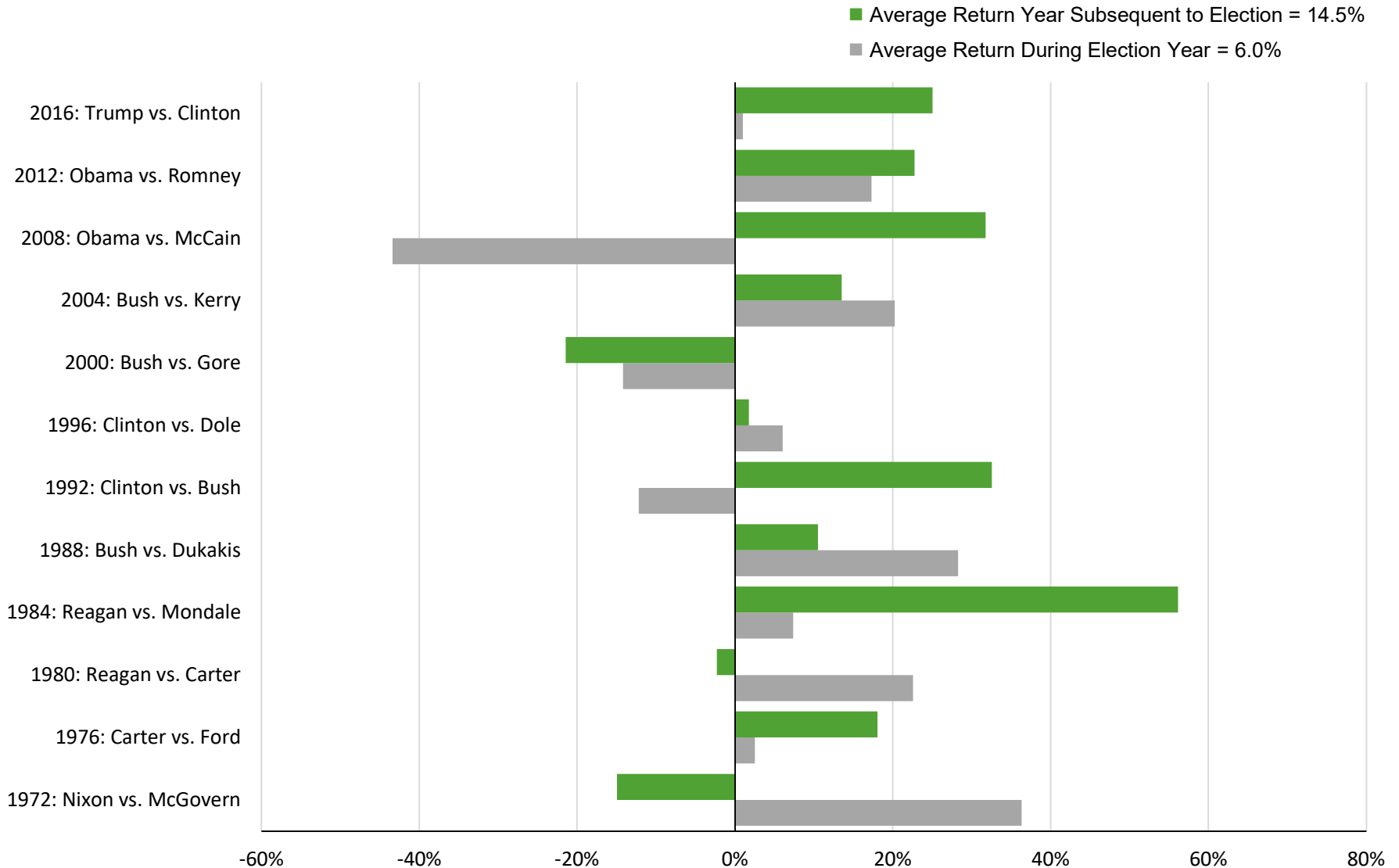
Average Return for Presidential Terms = 10.3%



Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower. Source: S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

# Returns During and After Election Years

MSCI EAFE Index<sup>1</sup>: 1972–2017



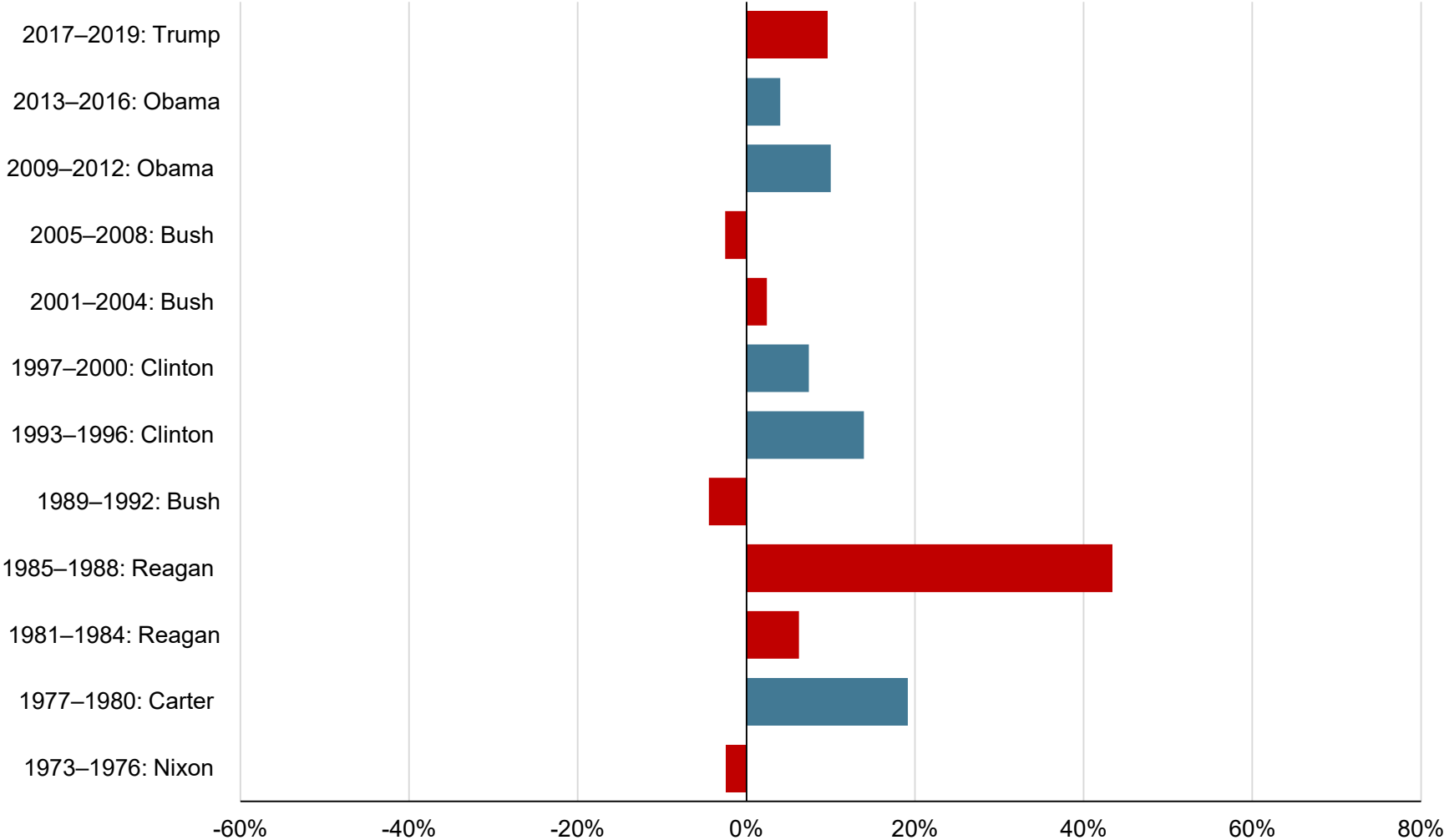
1. Net dividends.

Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower. Source: MSCI data © MSCI 2019, all rights reserved.

# Annualized Returns During Presidential Terms

MSCI EAFE Index<sup>1</sup>: 1973–2019

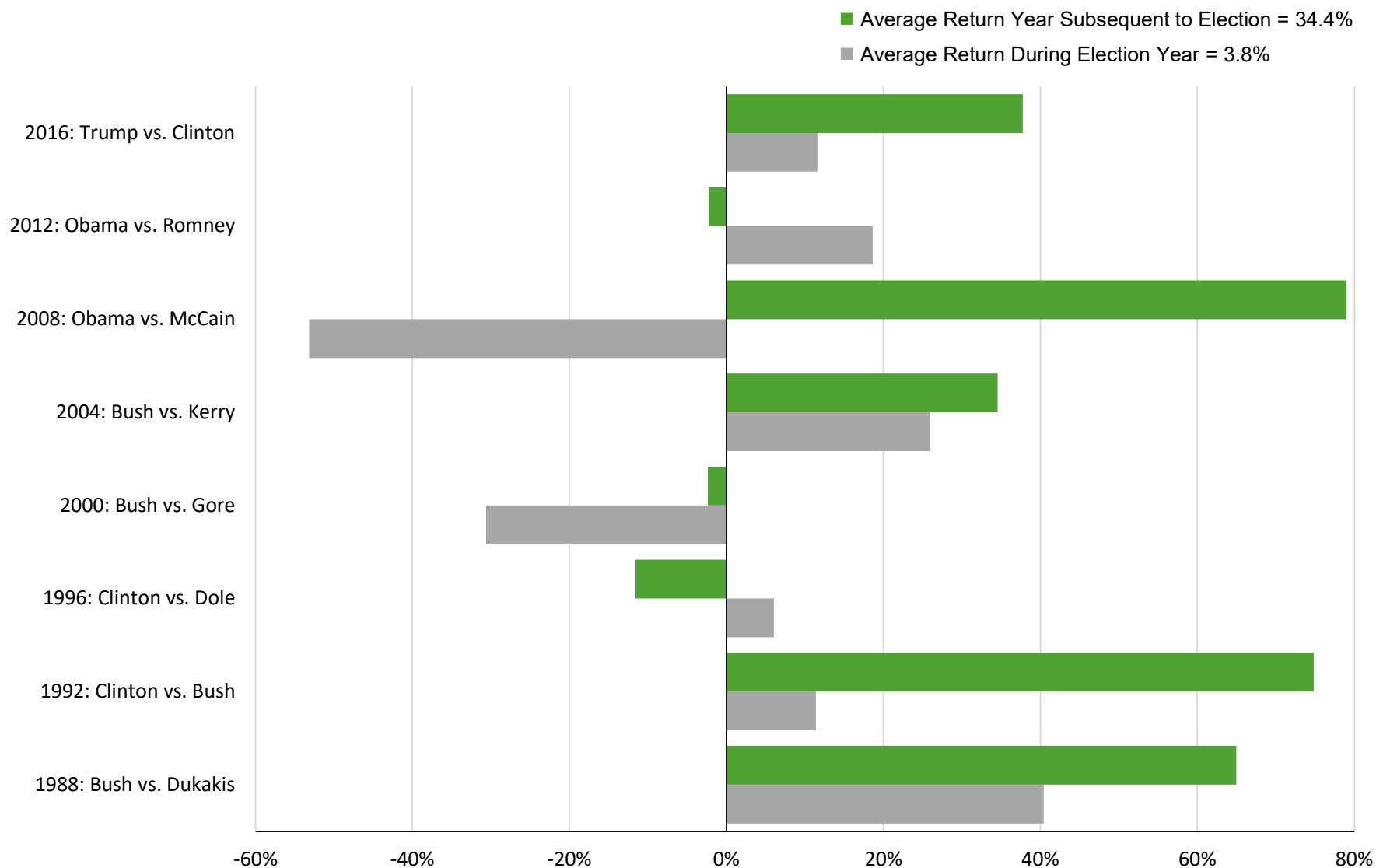
Average Return for Presidential Terms = 8.9%



1. Net Dividends. Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower. Source: MSCI data © MSCI 2020, all rights reserved.

# Returns During and After Election Years

MSCI Emerging Markets Index<sup>1</sup>: 1988–2017



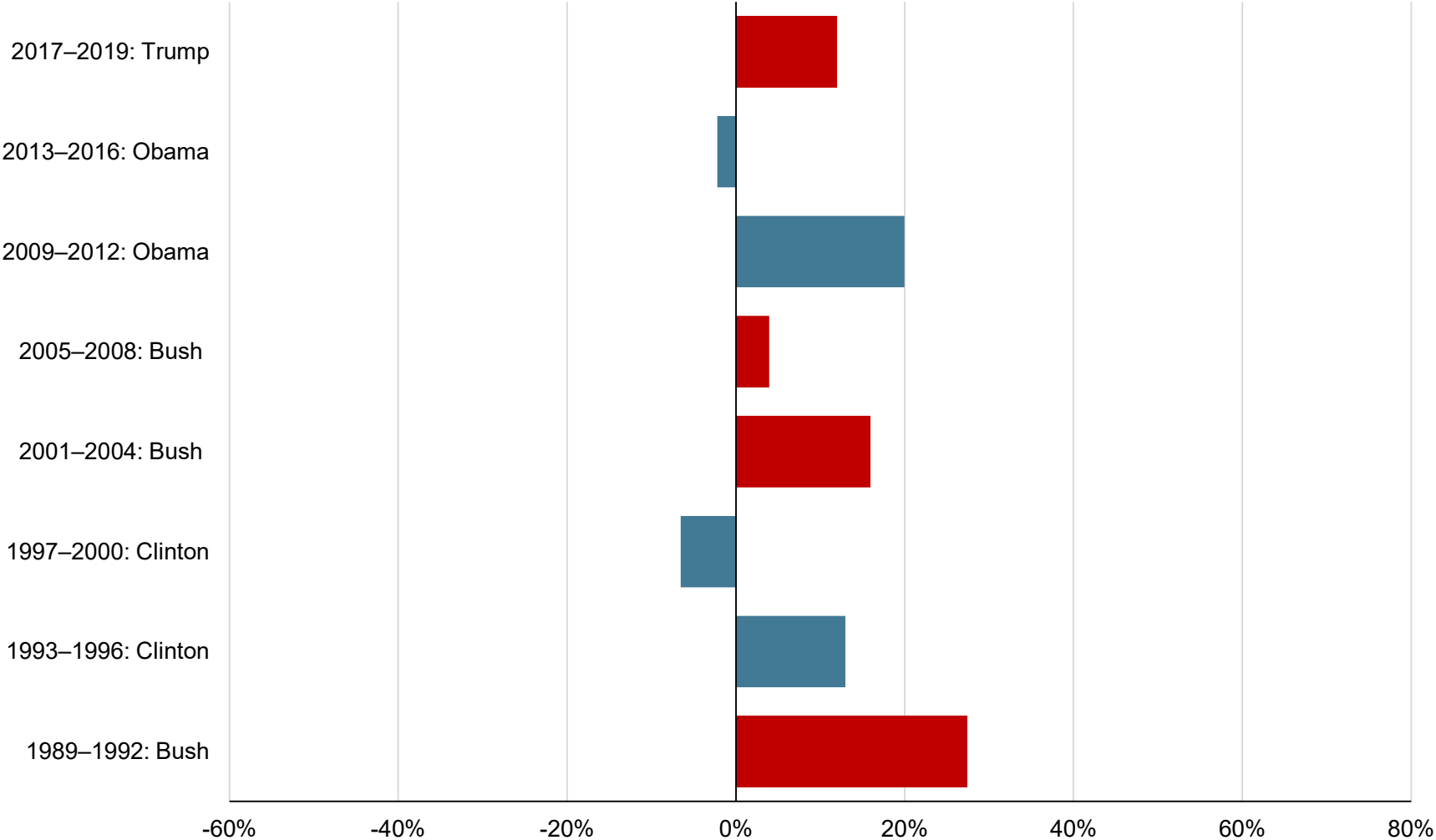
1. Gross dividends.

Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower. Source: MSCI data © MSCI 2019, all rights reserved.

# Annualized Returns During Presidential Terms

MSCI Emerging Markets Index<sup>1</sup>: 1989–2019

Average Return for Presidential Terms = 10.4%

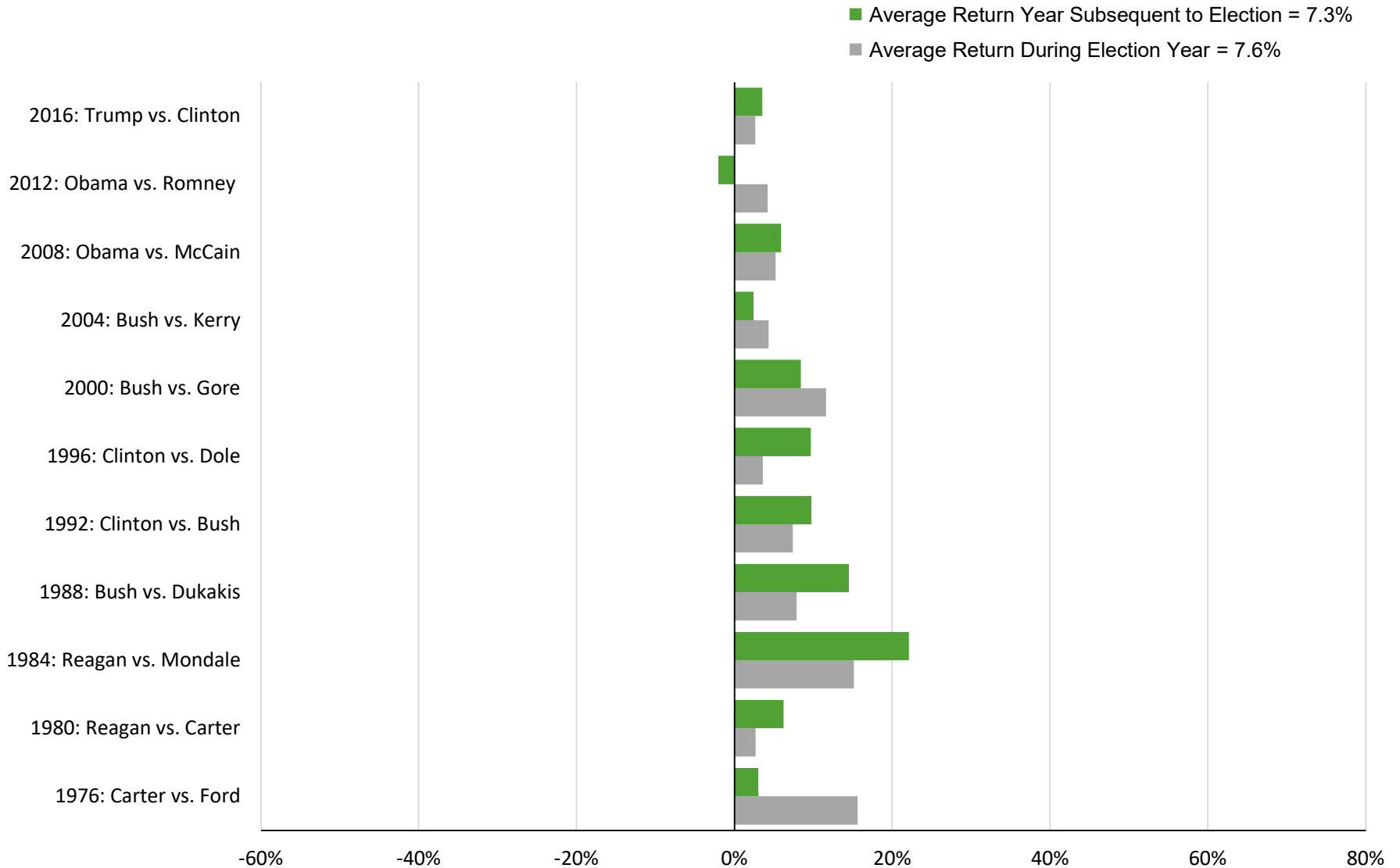


1. Gross dividends. Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower. Source: MSCI data © MSCI 2020, all rights reserved.



# Returns During and After Election Years

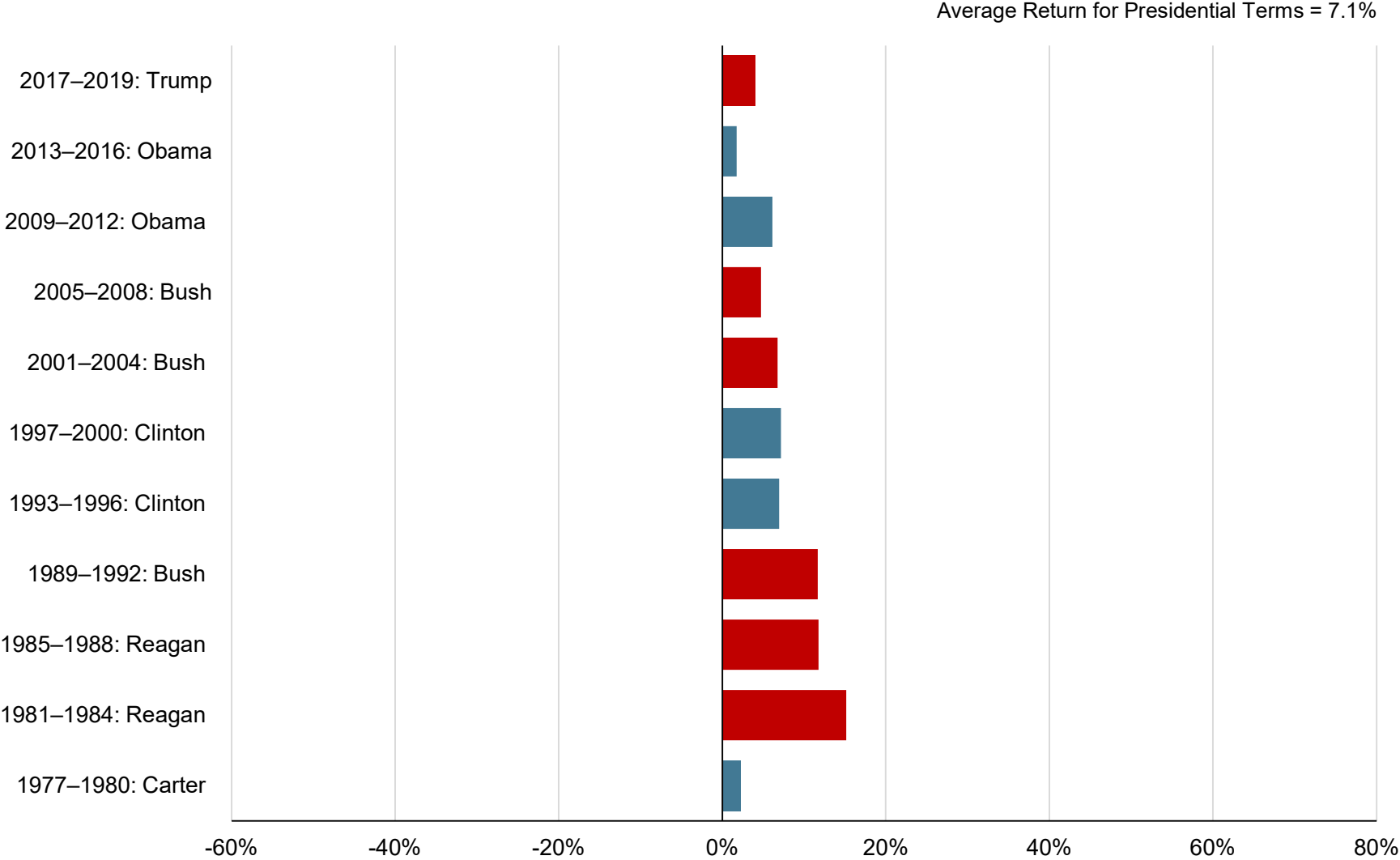
Bloomberg Barclays US Aggregate Bond Index: 1976–2017



Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower. Source: Bloomberg Barclays data provided by Bloomberg.

# Annualized Returns During Presidential Terms

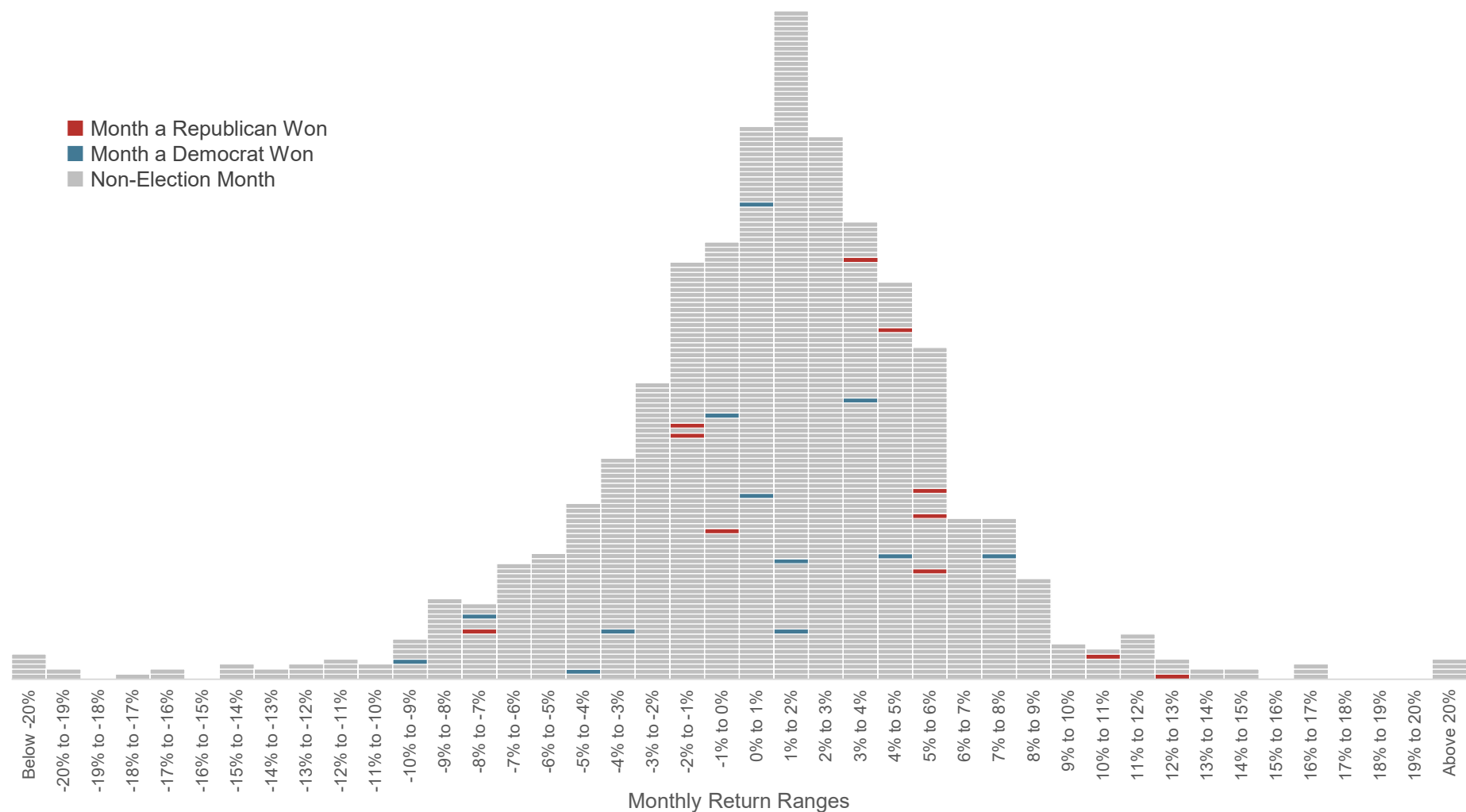
Bloomberg Barclays US Aggregate Bond Index: 1977–2019



Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower. Source: Bloomberg Barclays data provided by Bloomberg.

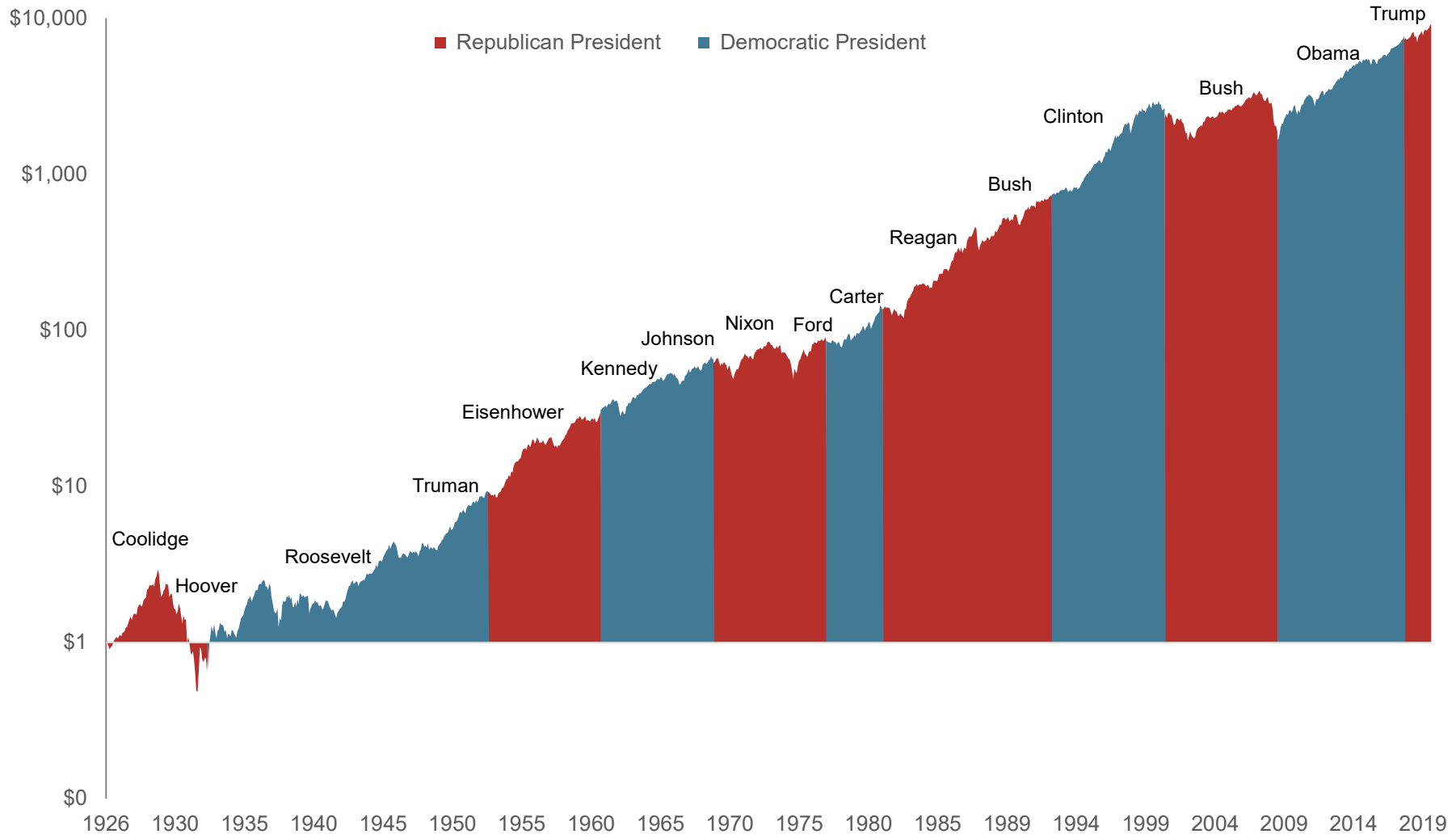
# Presidential Elections and S&P 500 Returns

Histogram of Monthly Returns: January 1926–December 2019



# Markets Have Rewarded Long-Term Investors under a Variety of Presidents

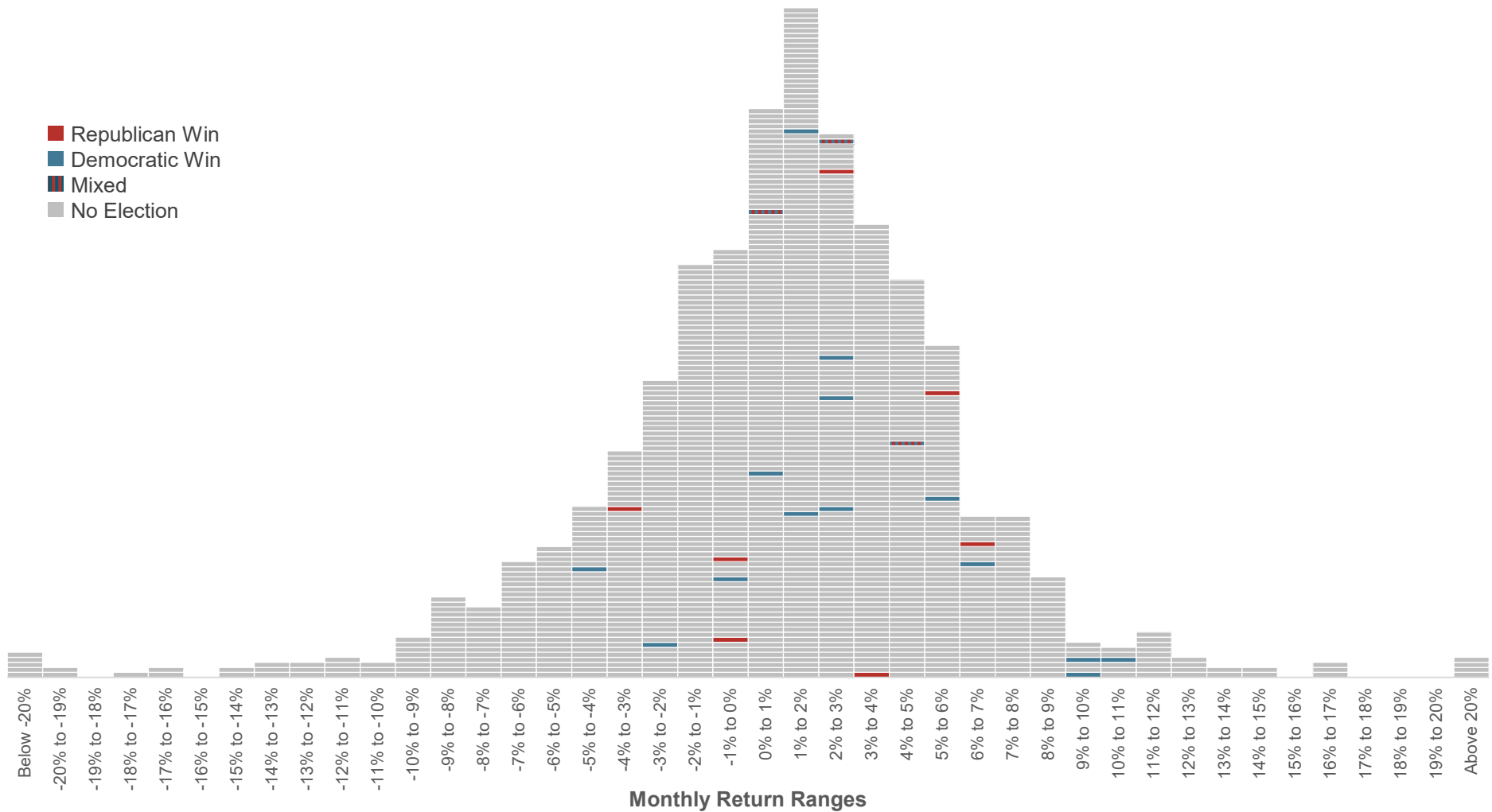
Growth of a Dollar Invested in the S&P 500: January 1926–December 2019



Past performance is not a guarantee of future results. Indices are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio. Source: S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

# Midterm Elections and S&P 500 Index Returns

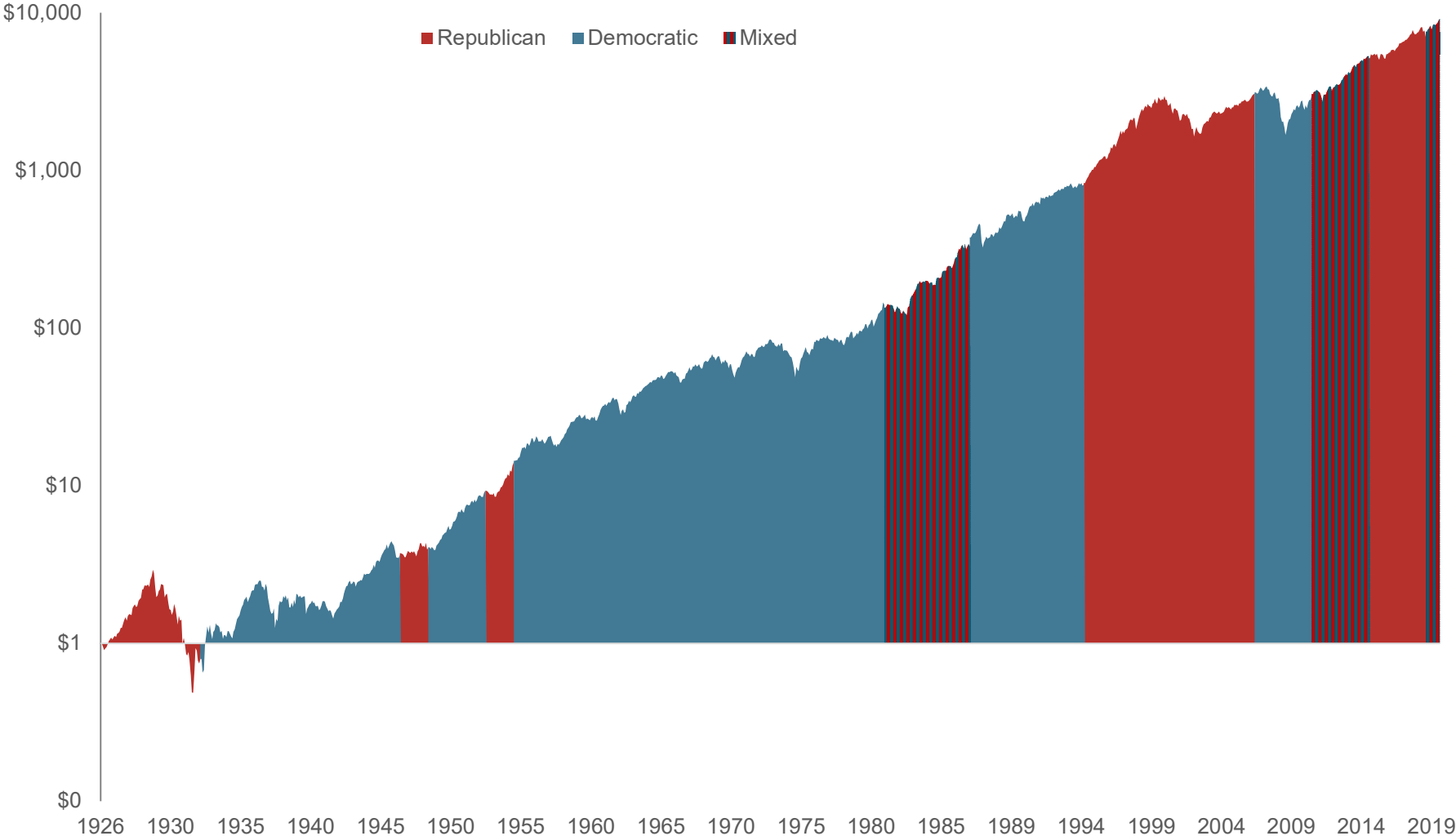
Histogram of Monthly Returns: January 1926–December 2019



Past performance is not a guarantee of future results. Indices are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio. Source: S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

# Hypothetical Growth of \$1 Invested in the S&P 500 Index and Party Control of Congress

January 1926–December 2019



Past performance is not a guarantee of future results. Indices are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio. Source: S&P data © 2020 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.