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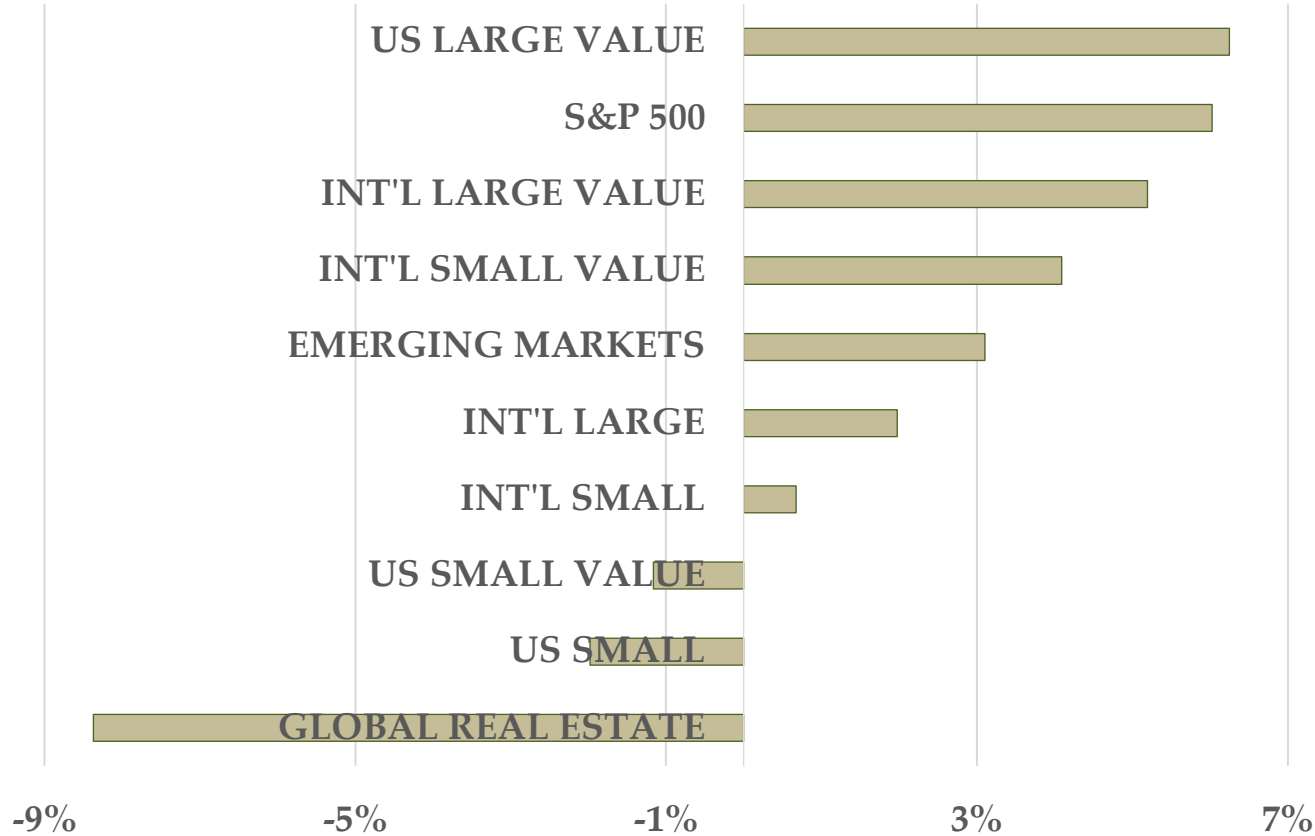


## **Election Season: Does the Market Care Who's President?**

Dr. Dave Yeske and Yusuf Abugideiri

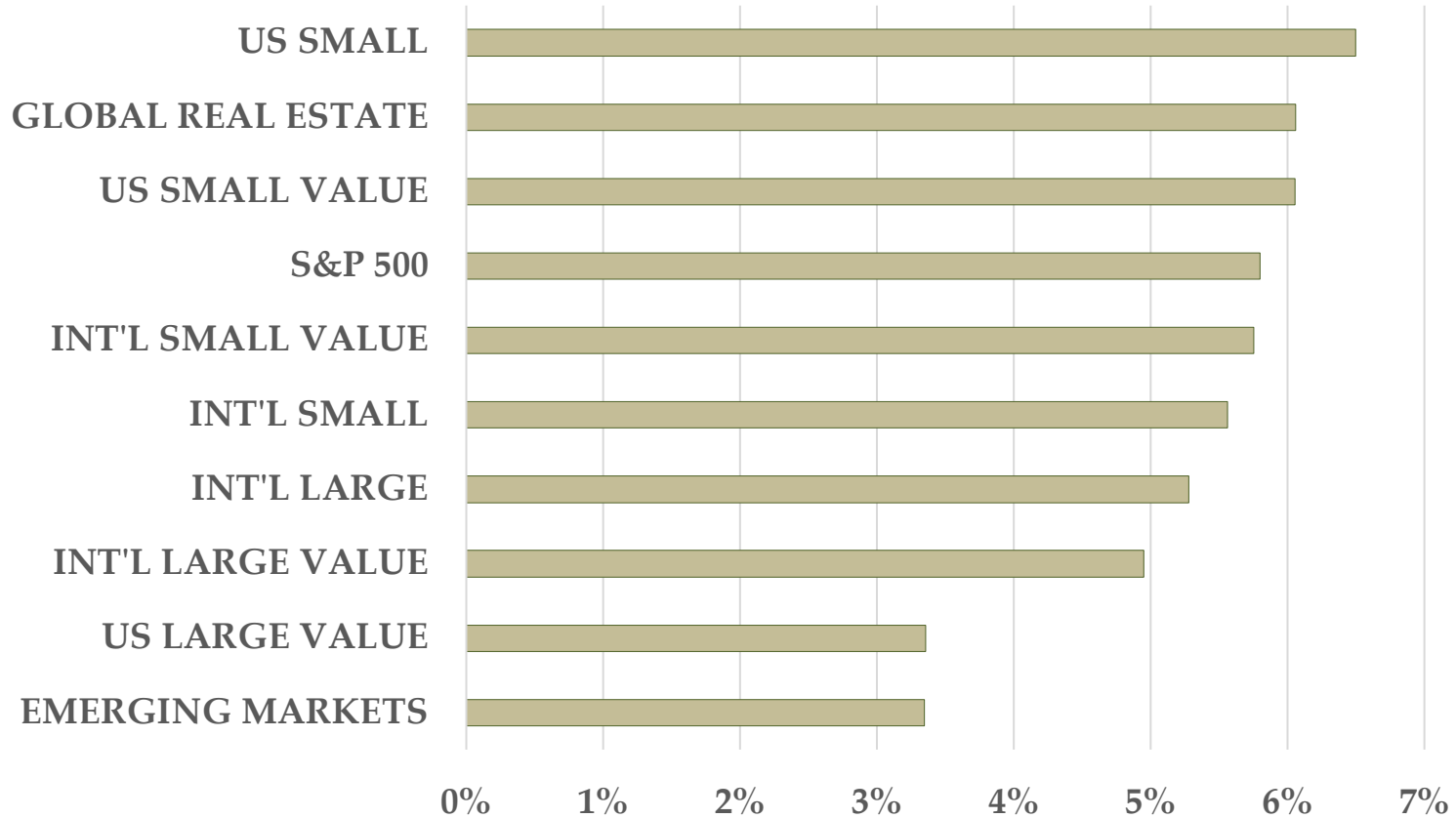
# Since We Last Talked (Performance YTD - 4/30)

Returns: Year-to-Date (through April 30th)

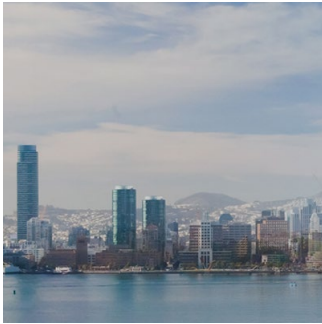


# Since We Last Talked (Performance since 4/30)

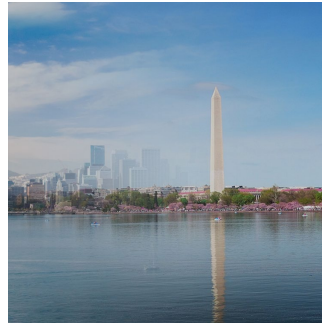
Returns: Month-to-Date (through May 21st)



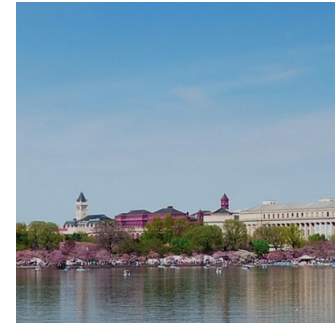
# *Market Returns and Election Years*



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



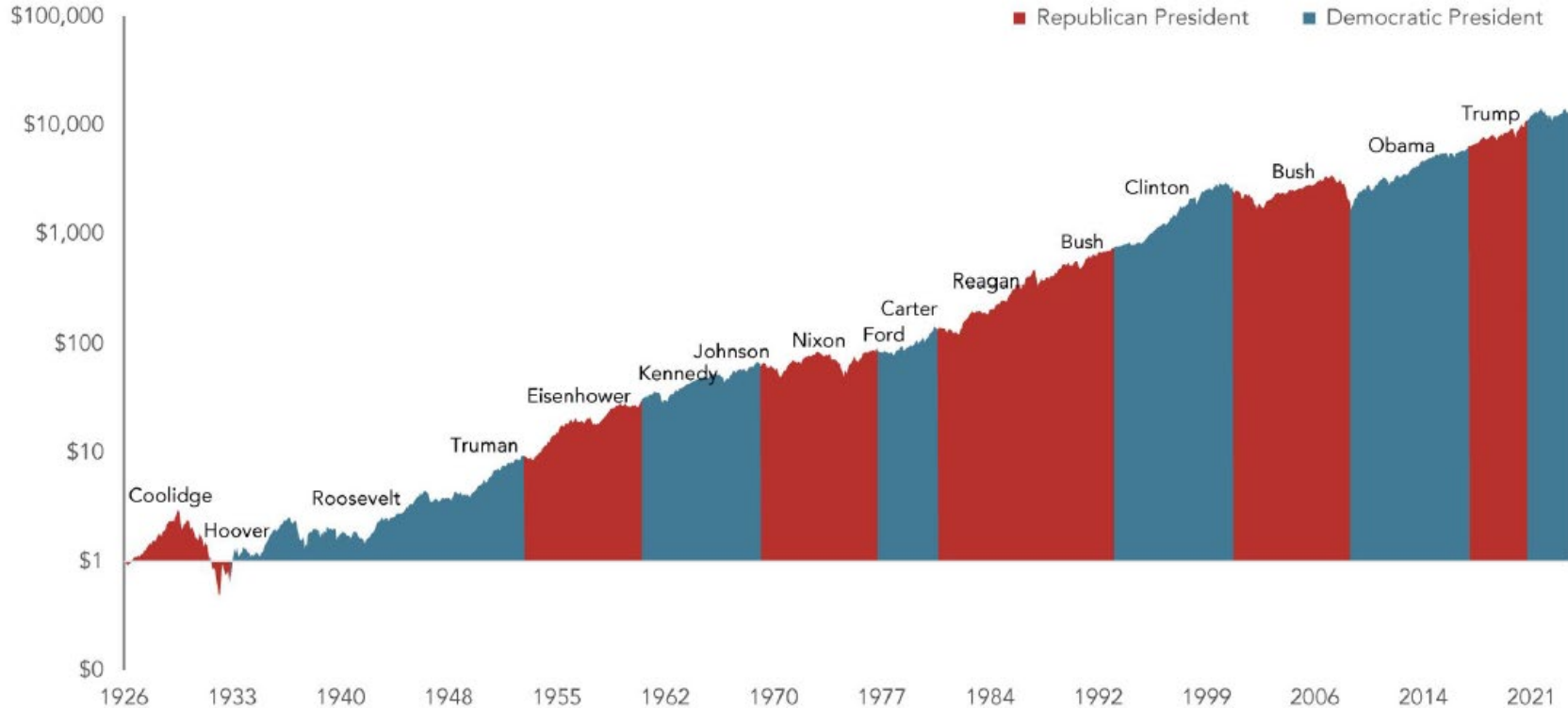
On average, market returns have been positive both in election years and in the subsequent year.



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

# The Market Doesn't Care Who's President...

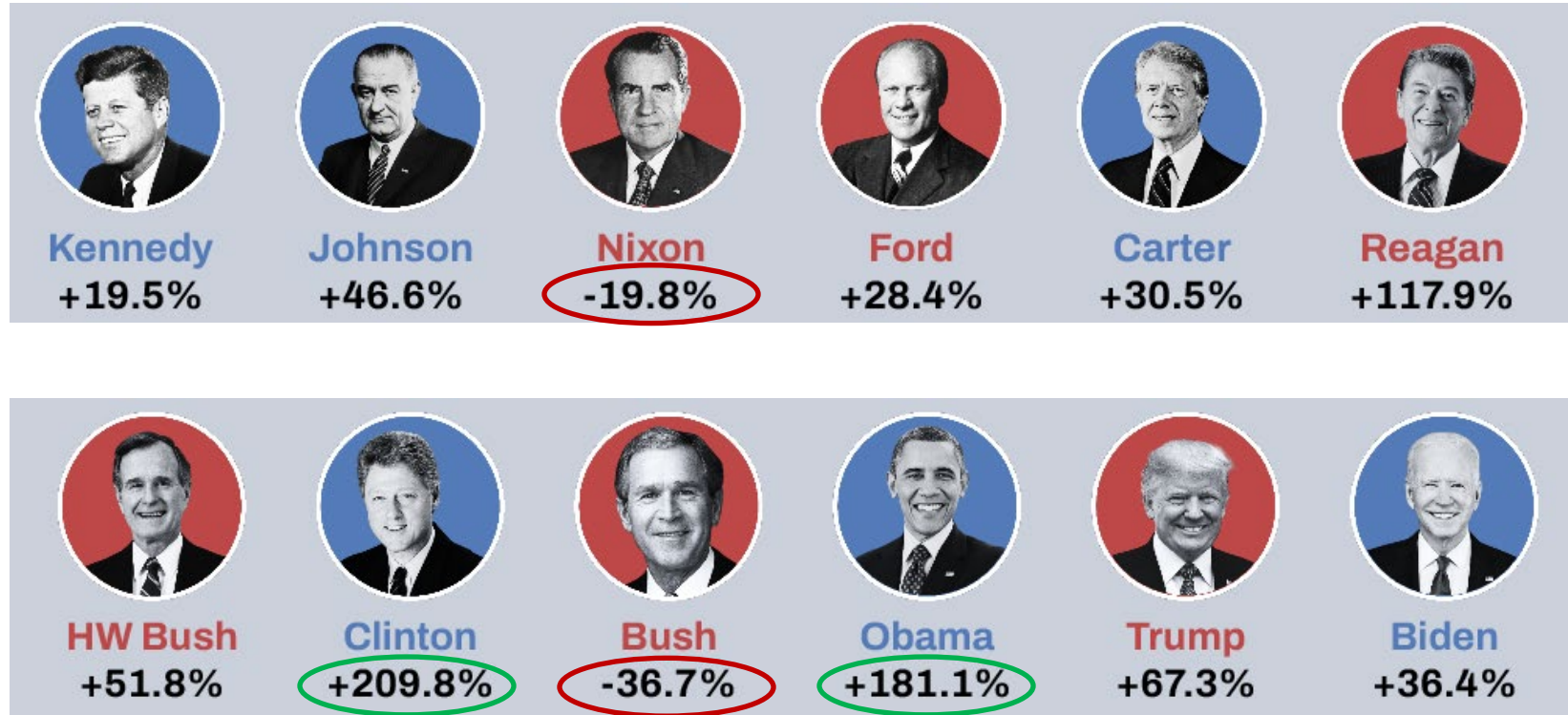
Growth of a dollar invested in the S&P 500: January 1926–December 2023



via DFA



# The Market Doesn't Care Who's President...

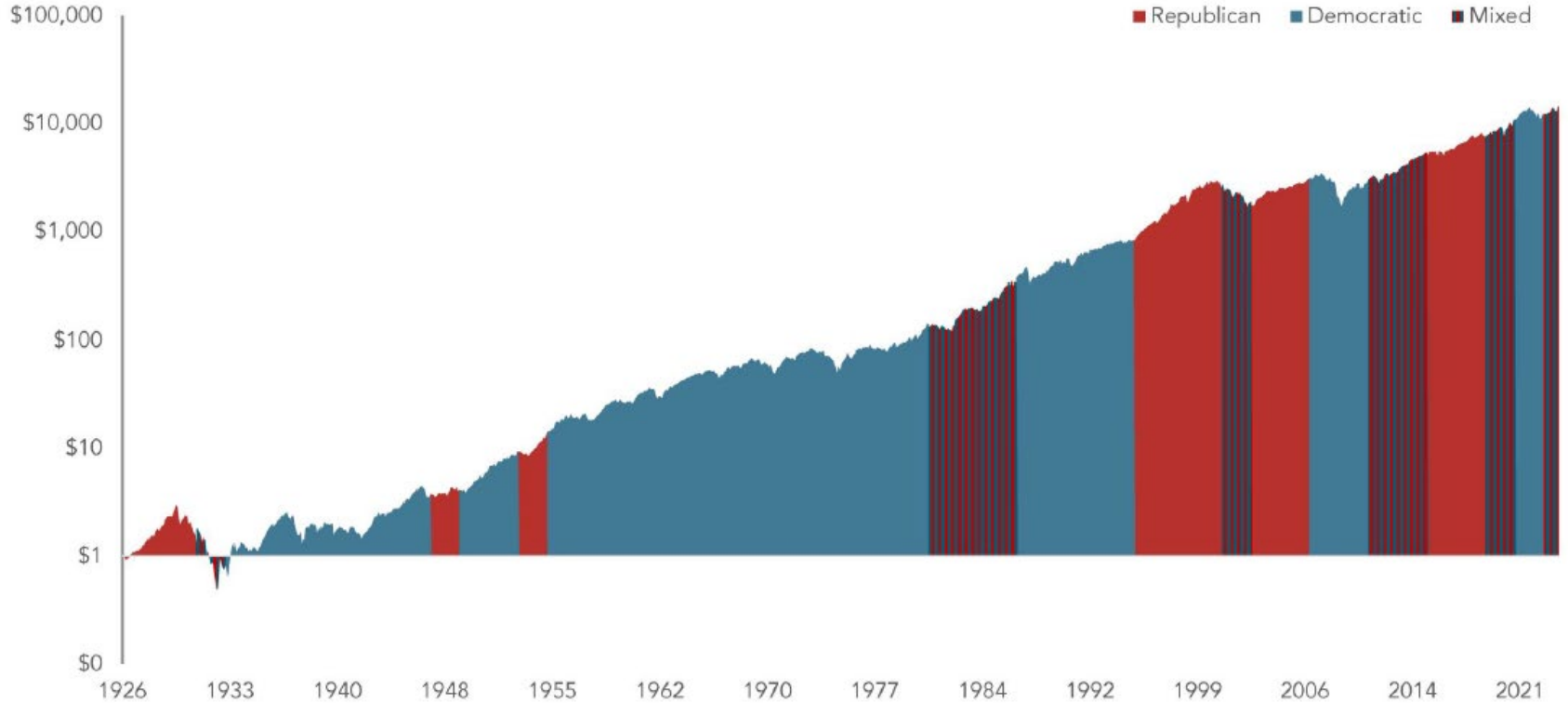


S&P500 Performance (via YCHARTS)



# ...or Who's Controlling Congress

January 1926–December 2023

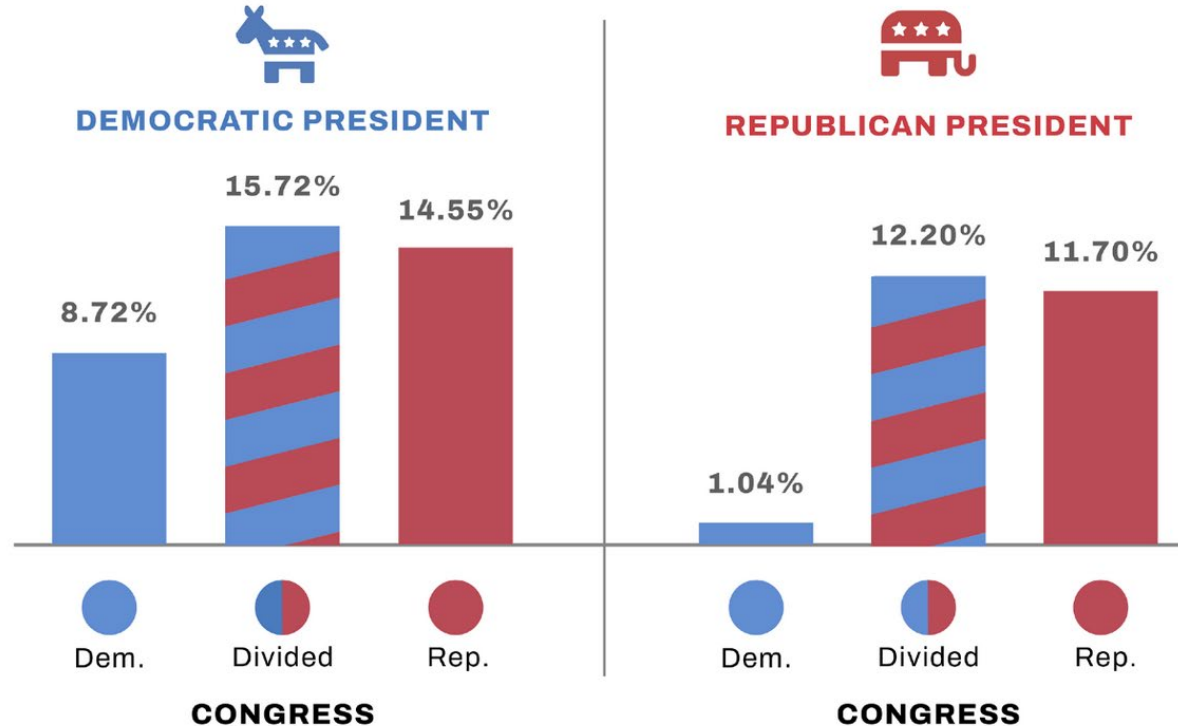


*S&P500 Performance via DFA*



# ...or Who's Controlling Congress

## Average Annualized S&P 500 Performance 1950-2023



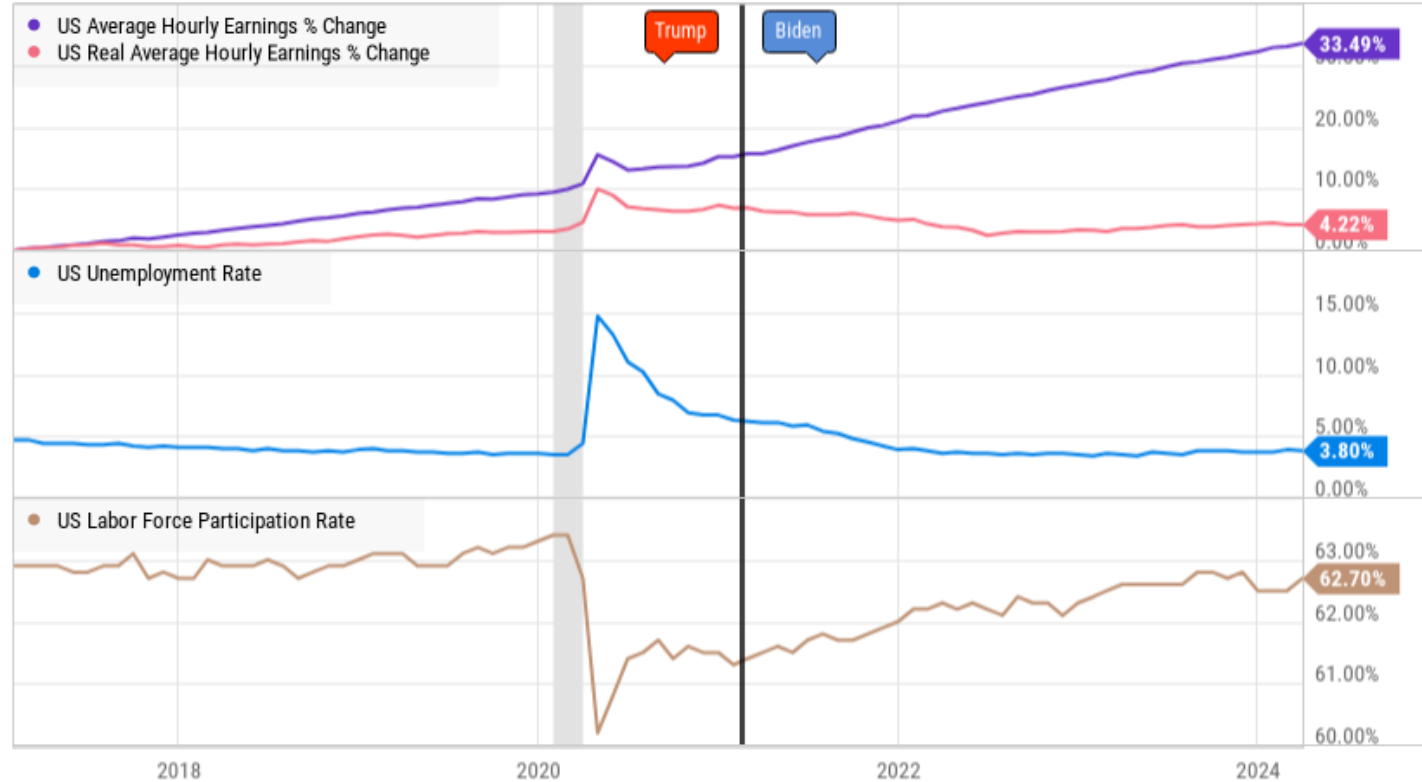
YCHARTS





# And Neither Does the Economy

## Employment: Trump vs. Biden



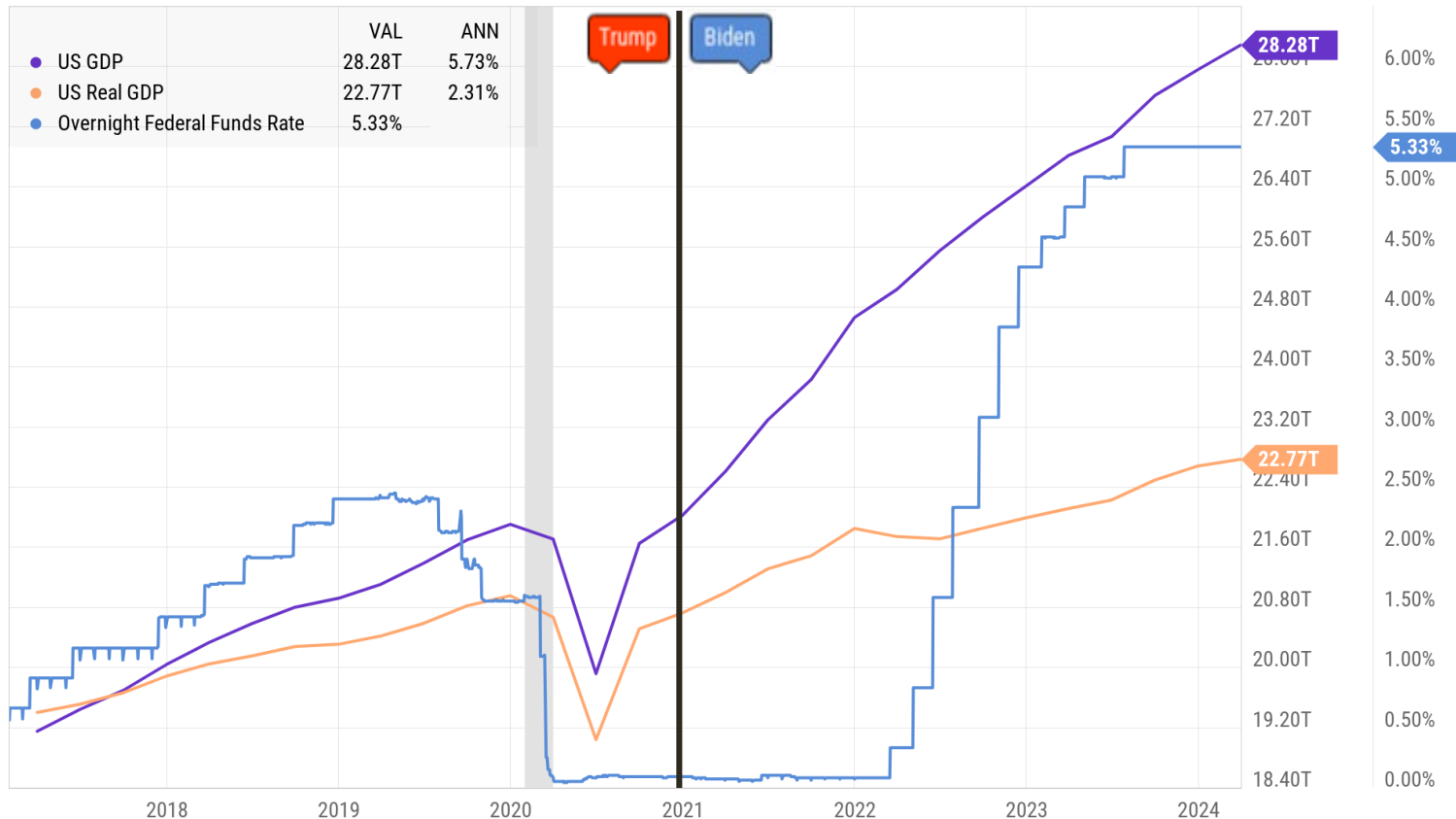
Date Range: 01/31/2017 - 03/31/2024

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# And Neither Does the Economy



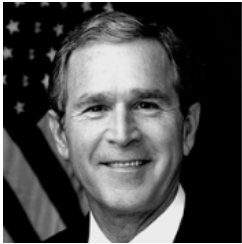
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# *An Abbreviated Walk Down Memory Lane*



## **2001-2008: Bush**

Of these four, only one with negative returns across presidency.



## **2009-2016: Obama**

US markets experienced longest bull cycle ever during presidency.



## **2017-2020: Trump**

US markets continued their rise until COVID.



## **2021-2023: Biden**

Markets have been choppy (yet positive) in a post-COVID economy.

# George W. Bush

2001-2009

Terms: Two

Max Unemployment: 7.8%

Annualized Inflation: 2.3%

Average GDP Growth: 2.2%

Dot Com Meltdown			
Year	YB Portfolio	Benchmark	Difference
2000	12.2%	-10.4%	22.6%
2001	-8.3%	-12.5%	4.2%
2002	-10.5%	-15.4%	4.9%
2003	29.6%	25.7%	3.9%
2004	17.3%	11.2%	6.1%
2005	8.4%	7.7%	0.7%



# *Barack Obama*

## **2009-2017**

Terms: Two

Max Unemployment: 10%

Annualized Inflation: 1.7%

Average GDP Growth: 1.6%

<b>Great Recession</b>			
Year	YB Portfolio	Benchmark	Difference
2008	-29.9%	-33.5%	<b>3.6%</b>
2009	24.9%	25.7%	-0.8%

<b>Greek Debt Crisis</b>			
Year	YB Portfolio	Benchmark	Difference
2011	-5.7%	-7.1%	<b>1.4%</b>
2012	13.0%	11.2%	<b>1.8%</b>

<b>China Slows Down</b>			
Year	YB Portfolio	Benchmark	Difference
2015	-3.0%	-2.7%	-0.3%
2016	9.2%	4.7%	<b>4.5%</b>

# *Donald Trump*

2017-2020

Terms: One

Max Unemployment: 14.7%

Annualized Inflation: 1.7%

Average GDP Growth: -2.5%

Bear Market of 2018 (Q4)			
Year	YB Portfolio	Benchmark	Difference
2018	-9.6%	-7.6%	-2.0%
2019	14.8%	16.8%	-2.0%

COVID			
Year	YB Portfolio	Benchmark	Difference
2020	6.5%	10.0%	-3.5%
2021	14.3%	11.8%	2.5%



# *Joe Biden*

**2021-**

Terms: One (so far...)

Max Unemployment: 6.4%

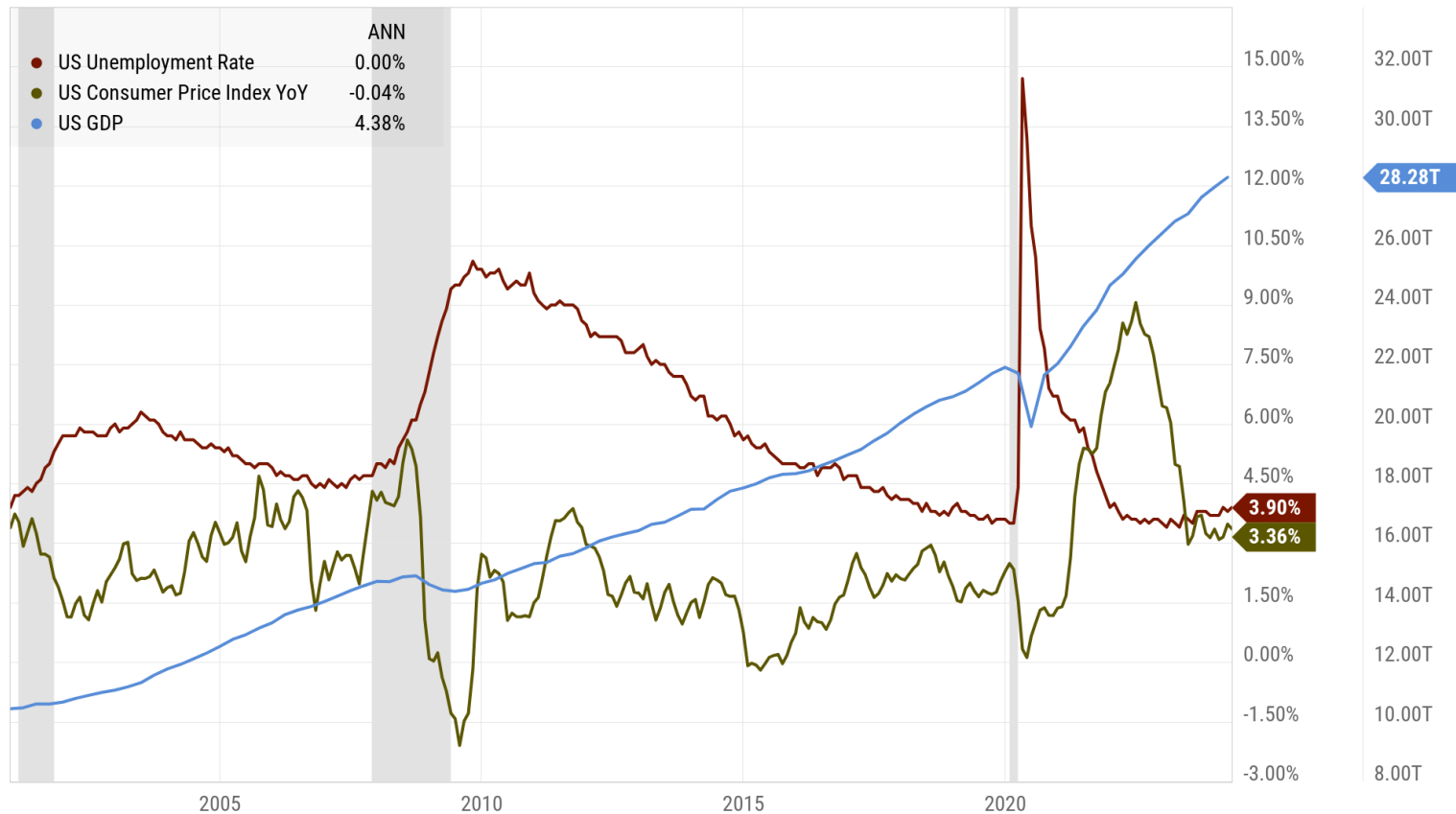
Annualized Inflation: 5.6%

Average GDP Growth: 8%

Inflation Score			
Year	YB Portfolio	Benchmark	Difference
2022	-11.0%	-13.9%	2.9%
2023	13.3%	14.1%	-0.8%



# Economic Indicators Since 2001: Four Presidents



Date Range: 12/31/2000 - 04/30/2024

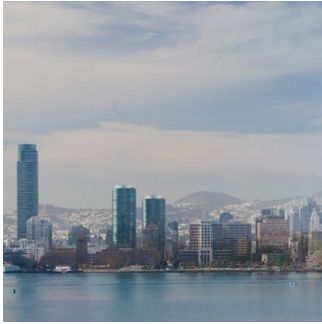
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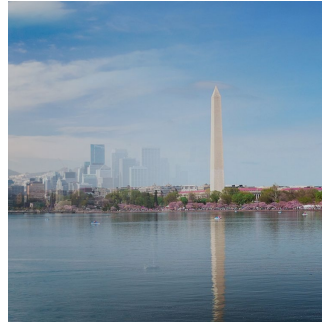




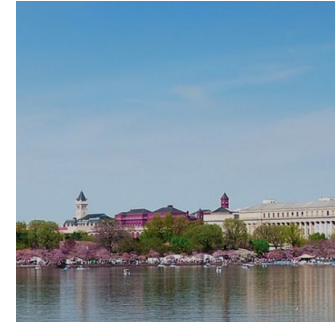
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# *Key Dates*

## **Election Day**

- November 5<sup>th</sup>

## **Federal Open Market Committee**

- June 11<sup>th</sup> and 12<sup>th</sup>
- July 30<sup>th</sup> and 31<sup>st</sup>
- September 17<sup>th</sup> and 18<sup>th</sup>

## **Bureau of Labor Statistics (CPI)**

- June 12<sup>th</sup>
- July 11<sup>th</sup>
- August 14<sup>th</sup>
- September 11<sup>th</sup>





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