

What History Tells us about US Presidential Elections and the Market.....

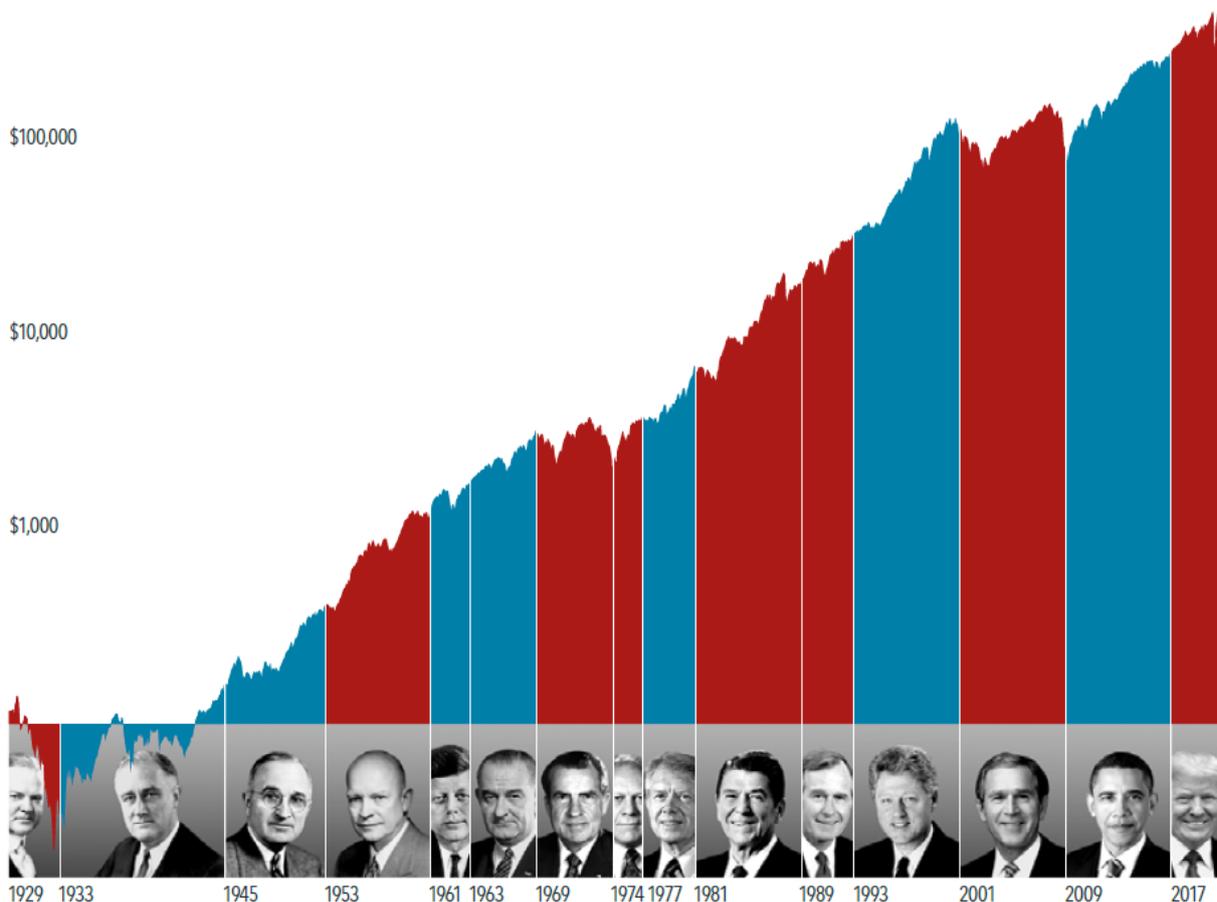
It's natural for investors to look for a connection between who wins the White House and which way stocks will go. But as nearly a century of returns show, stocks have trended upward across administrations from both parties.

Shareholders are investing in companies, not a political party. And companies focus on serving their customers and growing their businesses, regardless of who is in the White House.

US presidents may have an impact on market returns, but so do hundreds, if not thousands, of other factors – the actions of foreign leaders, a global pandemic, interest rate changes, rising and falling of oil prices, and technological advances, just to name a few.

Stocks have rewarded disciplined investors for decades, through Democratic and Republican presidencies. It is an important lesson on the benefits of a long-term investment approach.

GROWTH OF \$100
FAMA/FRENCH TOTAL US MARKET RESEARCH INDEX
March 4, 1929–June 30, 2020



Past performance, including hypothetical performance, is not a guarantee of future results.

In US dollars. Growth of wealth shows the growth of a hypothetical investment of \$100 of securities in the Fama/French US Total Market Research Index. The chart begins with the start of the first full presidential term (March 4, 1929) for which Fama/French Total US Market Research Index data is available and ends on June 30, 2020. Data presented in the growth of wealth chart is hypothetical and assumes reinvestment of income and no transaction costs or taxes. The chart is for illustrative purposes only and is not indicative of any investment.

Fama/French Total US Market Research Index: This value-weighted US market index is constructed every month, using all issues listed on the NYSE, AMEX, or Nasdaq with available outstanding shares and valid prices for that month and the month before. Exclusions: American depositary receipts. Sources: CRSP for value-weighted US market return. Rebalancing: Monthly. Dividends: Reinvested in the paying company until the portfolio is rebalanced.

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