

Market Perspectives: Thoughts on the Election

September 2016

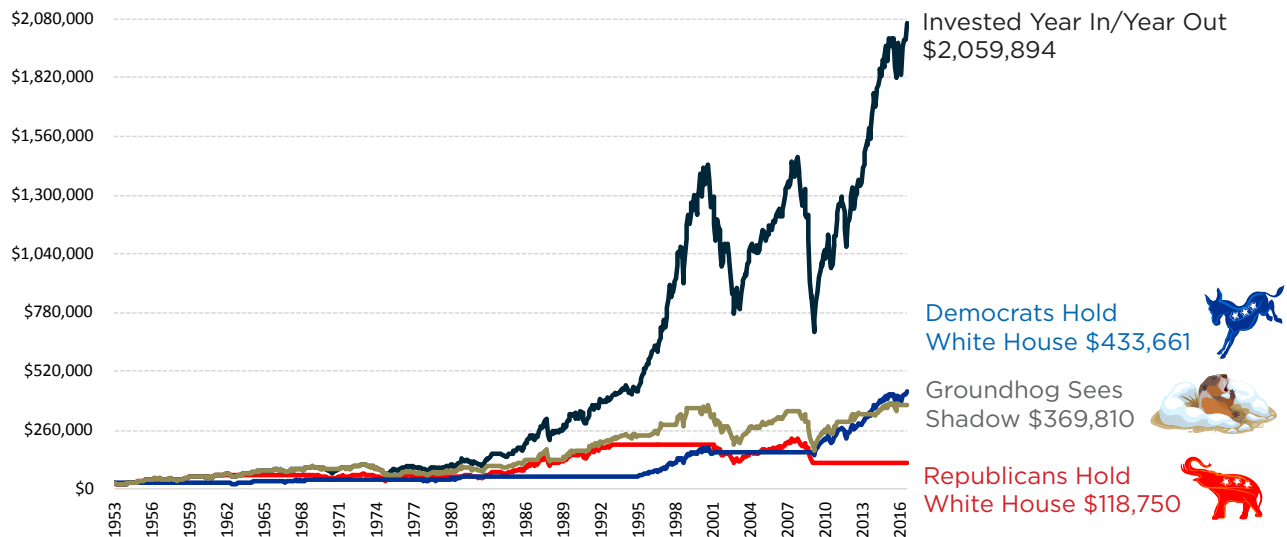
BUY THE REPUBLICAN, BUY THE DEMOCRAT ...OR BUY THE MARKET?



Anxiety and elections have a long history of going hand in hand, and this year's election is certainly no exception. While we might be inclined to let our political biases drive our investment decisions, history has shown it doesn't pay to invest along party lines.

We evaluated the growth of \$25,000 since the early 1950s against three criteria: investing by political party; the years in which Punxsutawney Phil saw his shadow; and simply staying fully invested the whole period. We found that putting politics (or weather) aside and spending 'time in the market' yielded a far better outcome than 'timing the market' based on political party.

As the news of November grows in volume, we encourage you to consider the market's history before taking a partisan approach to your portfolio.



Source: Bloomberg, S&P 500 returns, data 1/1/1953-7/29/2016; groundhog.org

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