

So we are three weeks into 2024 and there is already a lot of election anxiety going on. And in a recent survey by Nationwide, a third of the investors believed that the U.S. economy would go into a recession within 12 months if their preferred political party is not victorious. So we figured let's go ahead and look at some statistical data and see if we can medicate that anxiety.

So here's a pretty cool chart this chart shows each year of the election cycle and year four is what we're in right now and as you can see going back to 1950 the SMP in an election year has given us on average a 9.1% rate of return. So what this kind of tells us is that presidential elections actually have very little impact on the markets. Market moves are more likely to be driven by fundamentals like corporate earnings, interest rates, and other economic factors but in a year like this, we can expect to have some heightened volatility-- but that's only because the markets don't like uncertainty. In fact, the market is probably less concerned with who gets elected as it is not knowing who the next president is going to be. So as always, I hope this chart kind of helps calm things down in your mind and if there is anything we can do to help you know where to find us. All the best!