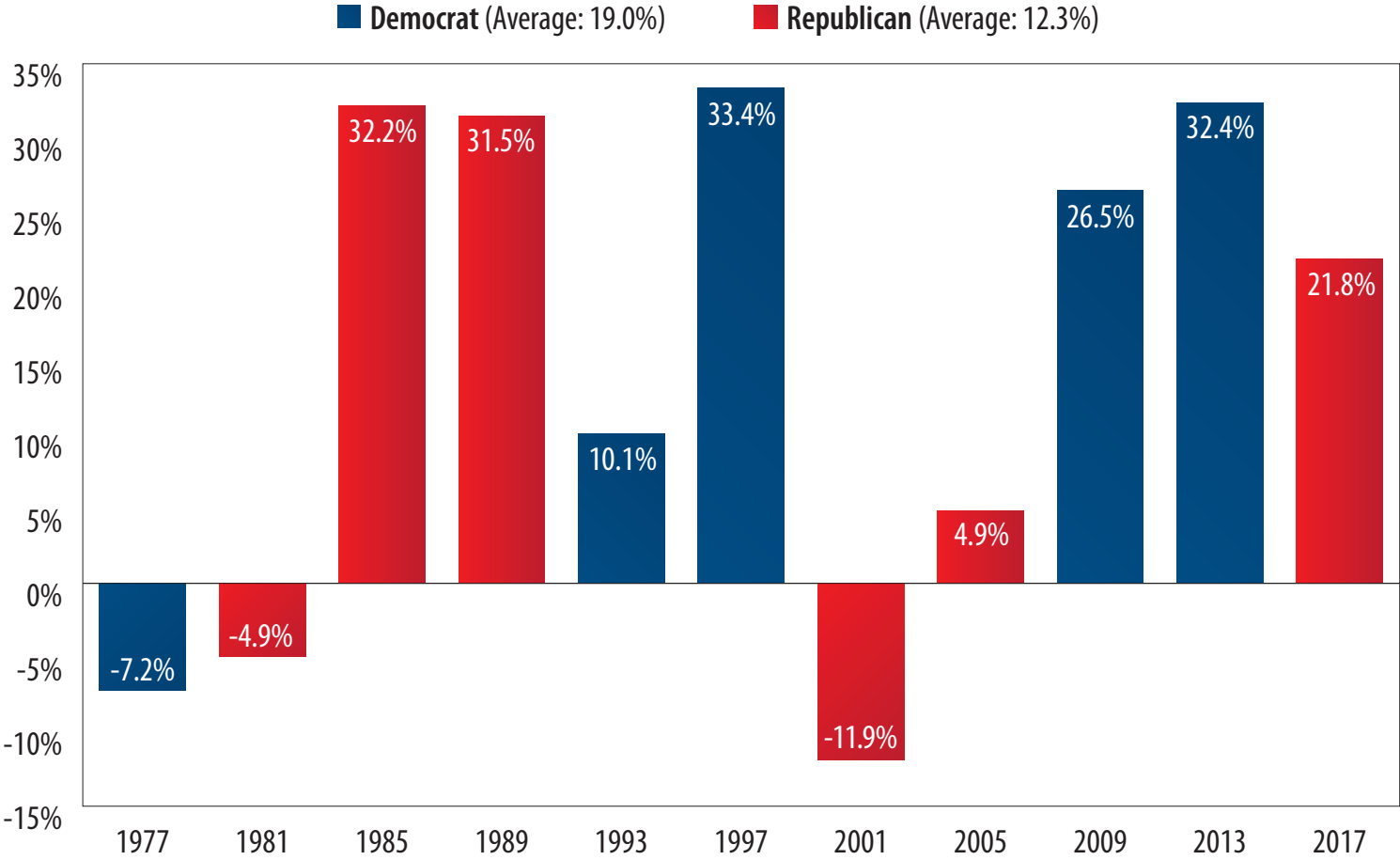




# CLIENT RESOURCE KIT

## ELECTION

 First Trust



Source: Morningstar/Ibbotson Associates. **Past performance is no guarantee of future results.** Data shows first year returns of the last 11 presidential terms. This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions and other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance.

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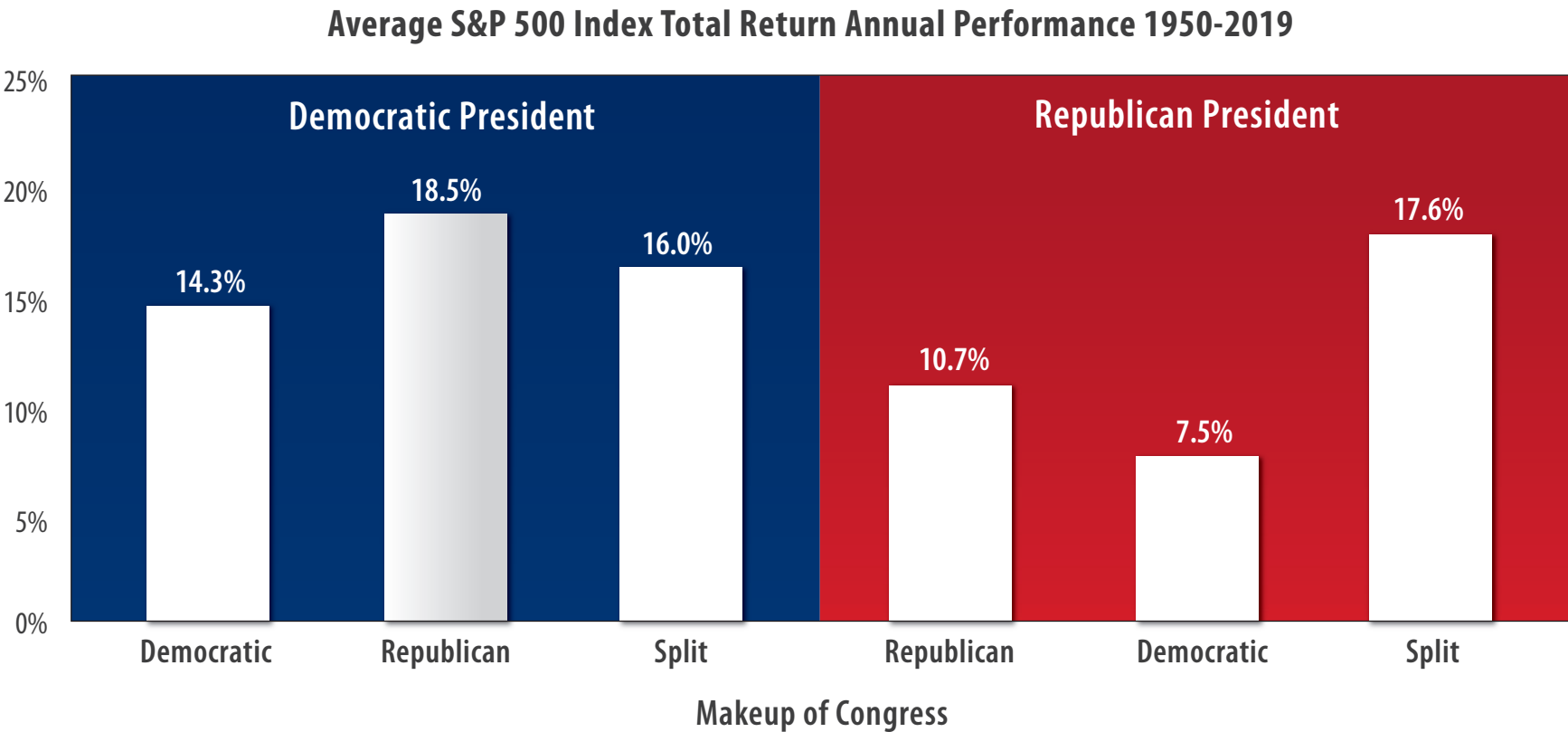
# How Stocks Have Fared In The First Year Of A Four-Year Presidential Term

## S&P 500 Index & Sector Index Total Returns

	1993	1997	2001	2005	2009	2013	2017
<b>White House</b>	Democrat	Democrat	Republican	Republican	Democrat	Democrat	Republican
<b>Senate</b>	Democrat	Republican	Democrat	Republican	Democrat	Democrat	Republican
<b>House of Representatives</b>	Democrat	Republican	Republican	Republican	Democrat	Republican	Republican
<b>S&amp;P 500 Index</b>	10.08%	33.36%	-11.89%	4.91%	26.46%	32.39%	21.83%
<b>Communication Services</b>	15.06%	41.24%	-12.24%	-5.63%	8.93%	11.47%	-1.25%
<b>Consumer Discretionary</b>	14.64%	34.36%	2.79%	-6.37%	41.31%	43.08%	22.98%
<b>Consumer Staples</b>	-3.86%	32.89%	-6.40%	3.58%	14.89%	26.14%	13.49%
<b>Energy</b>	15.88%	25.28%	-10.39%	31.37%	13.82%	25.07%	-1.01%
<b>Financials</b>	10.60%	48.15%	-8.95%	6.48%	17.22%	35.63%	22.18%
<b>Health Care</b>	-8.18%	43.73%	-11.96%	6.46%	19.70%	41.46%	22.08%
<b>Industrials</b>	21.71%	28.53%	-25.87%	0.99%	61.72%	28.43%	38.83%
<b>Information Technology</b>	18.58%	27.04%	-5.74%	2.32%	20.93%	40.68%	21.03%
<b>Materials</b>	13.46%	8.41%	3.48%	4.42%	48.59%	25.60%	23.84%
<b>Real Estate</b>	N/A	N/A	N/A	12.56%	27.10%	1.60%	10.85%
<b>Utilities</b>	13.69%	24.65%	-30.45%	16.84%	11.91%	13.21%	12.11%

Source: Bloomberg and The Spokesman-Review. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. Investors cannot invest directly in an index. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. The 11 major S&P 500 Sector Indices are capitalization-weighted and comprised of S&P 500 constituents representing a specific sector.

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Source: Morningstar. **Past performance is no guarantee of future results.** This chart is for illustrative purposes only and not indicative of any actual investment. These returns were the result of certain market factors and events which may not be repeated in the future. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. Investors cannot invest directly in an index.

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# S&P 500 Index Returns In U.S. Presidential Election Years

Since 1928

There are many factors that impact stock market returns, but one common concern of investors is how the stock market will be impacted by a change in America's President. In past election years, the S&P 500 Index has seen more positive performance than negative. Below we take a look at S&P 500 Index performance during presidential election years, which have historically provided positive gains for stocks.

## S&P 500 Index Total Returns During Presidential Election Years (1928-2016)

U.S. Presidential Election Results	Average Return
A Republican was elected	15.3%
A Democrat was elected	7.6%
All election years	11.28%

## Observations

There have been 23 elections since the S&P 500 Index began. In these election years:

- 19 of the 23 years (83%) provided positive performance
- When a Republican was in office and a Republican was elected (or reelected), the total return for the year averaged 11.9%
- When a Republican was in office and a Democrat was elected, the total return for the year averaged -2.6%

## Historical U.S. Presidential Election Results

Election Year	President Elected	S&P 500 Index Total Return
2020	?	?
2016	Trump	12.0%
2012	Obama	16.0%
2008	Obama	-37.0%
2004	Bush W.	10.9%
2000	Bush W.	-9.1%
1996	Clinton	23.1%
1992	Clinton	7.7%
1988	Bush H.W.	16.8%
1984	Reagan	6.3%
1980	Reagan	32.4%
1976	Carter	23.8%
1972	Nixon	19.0%
1968	Nixon	11.1%
1964	Johnson	16.5%
1960	Kennedy	0.5%
1956	Eisenhower	6.6%
1952	Eisenhower	18.4%
1948	Truman	5.5%
1944	Roosevelt	19.8%
1940	Roosevelt	-9.8%
1936	Roosevelt	33.9%
1932	Roosevelt	-8.2%
1928	Hoover	43.6%

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