

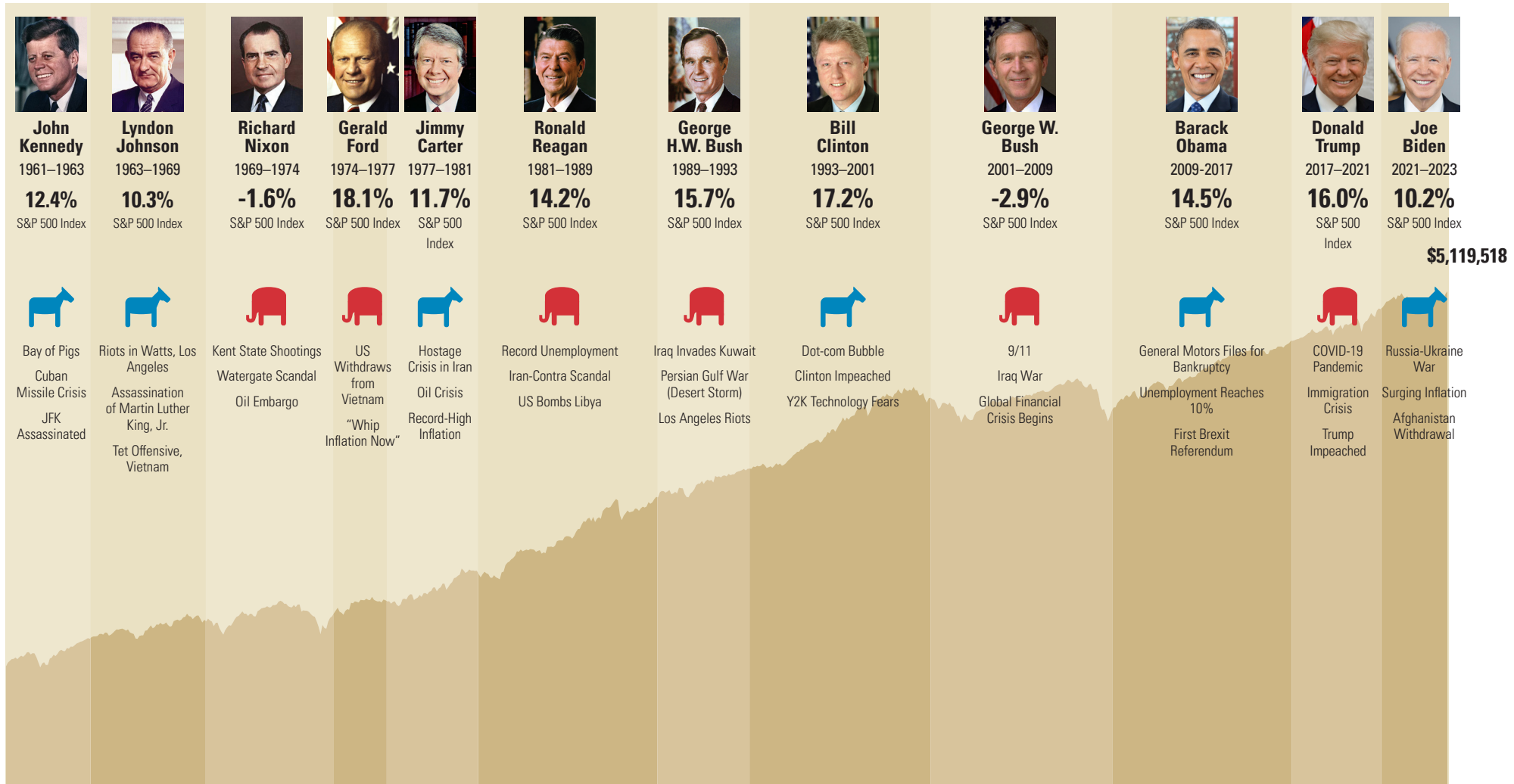
Politics

Resource Kit



Market Performance and Party Affiliation

Hypothetical Growth of \$10,000 in the S&P 500 Index (1961-2023)



As of 12/23. Past performance does not guarantee future results. Indices are unmanaged and not available for direct investment. S&P 500 Index is a market capitalization-weighted price index composed of 500 widely held common stocks. Data Source: Morningstar, 3/24.

Presidential Election Years Have Been Good for Investors

S&P 500 Index Returns (%) in Presidential Election Years

| Election Year | President Elected | Stock Returns (%) |
|---------------|-------------------|-------------------|
| 1928 | Hoover | 43.61 |
| 1932 | Roosevelt | -8.19 |
| 1936 | Roosevelt | 33.92 |
| 1940 | Roosevelt | -9.78 |
| 1944 | Roosevelt | 19.75 |
| 1948 | Truman | 5.50 |
| 1952 | Eisenhower | 18.37 |
| 1956 | Eisenhower | 6.56 |
| 1960 | Kennedy | 0.47 |
| 1964 | Johnson | 16.48 |
| 1968 | Nixon | 11.06 |
| 1972 | Nixon | 19.00 |
| 1976 | Carter | 23.93 |
| 1980 | Reagan | 32.50 |
| 1984 | Reagan | 6.27 |
| 1988 | Bush (H.W.) | 16.61 |
| 1992 | Clinton | 7.62 |
| 1996 | Clinton | 22.96 |
| 2000 | Bush (W.) | -9.10 |
| 2004 | Bush (W.) | 10.88 |
| 2008 | Obama | -37.00 |
| 2012 | Obama | 16.00 |
| 2016 | Trump | 11.96 |
| 2020 | Biden | 18.40 |

■ Republican ■ Democrat

STOCKS HAD A POSITIVE RETURN IN

83% OF PRESIDENTIAL ELECTION YEARS

DURING PRESIDENTIAL ELECTION YEARS, STOCKS AVERAGED A GAIN OF

2.78%

VS.

9.34%

IN THE FIRST HALF

IN THE SECOND HALF

S&P 500 INDEX AVERAGE ANNUAL RETURNS (1928-2023)

PRESIDENTIAL ELECTION YEARS

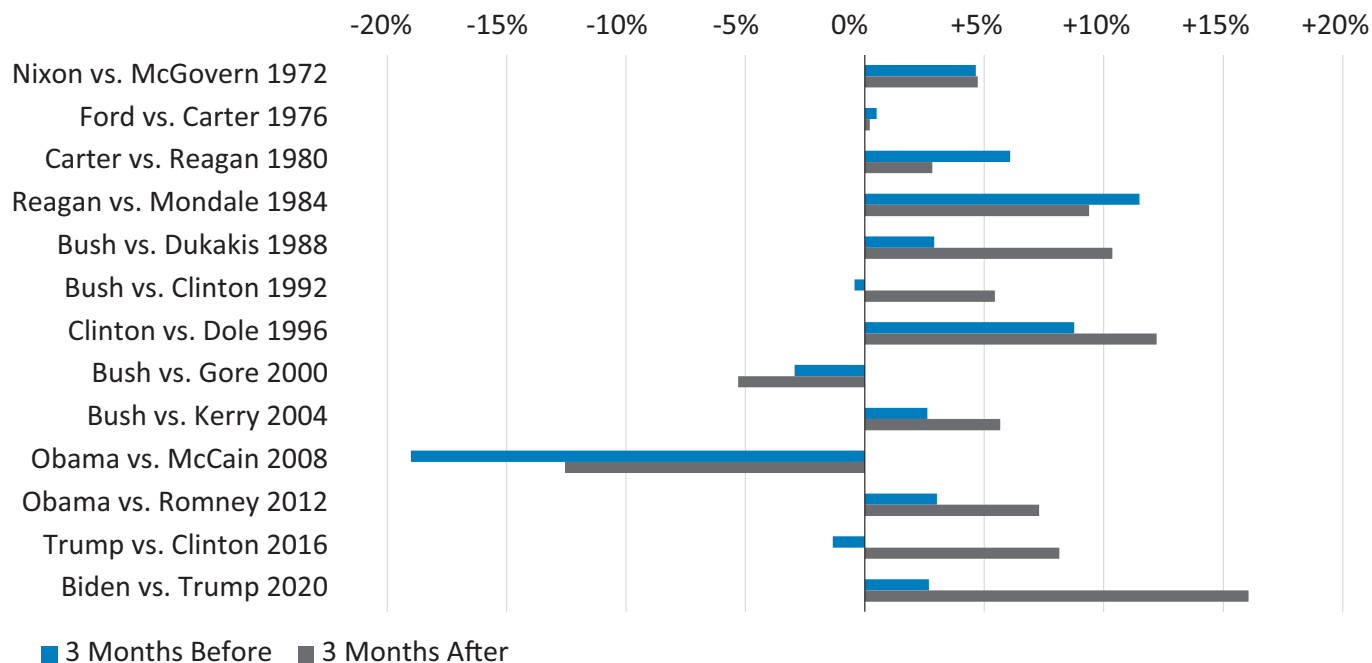
ALL YEARS

11.57%

10.01%

Market Performance Tends to Be Positive 3 Months Before and After Presidential Elections

S&P 500 Index (% Returns) in Presidential Election Years



Going back to 1972, the stock market has averaged



1.5% GAIN
THREE MONTHS **BEFORE**
ELECTION DAY

5.0% GAIN
THREE MONTHS **AFTER**
ELECTION DAY



As of 12/23. Past performance does not guarantee future results. Investors cannot directly invest in an index. Source: Ned Davis Research, 1/24.

The Stock Market Has Marched on Despite Changes in the White House and Interest Rates

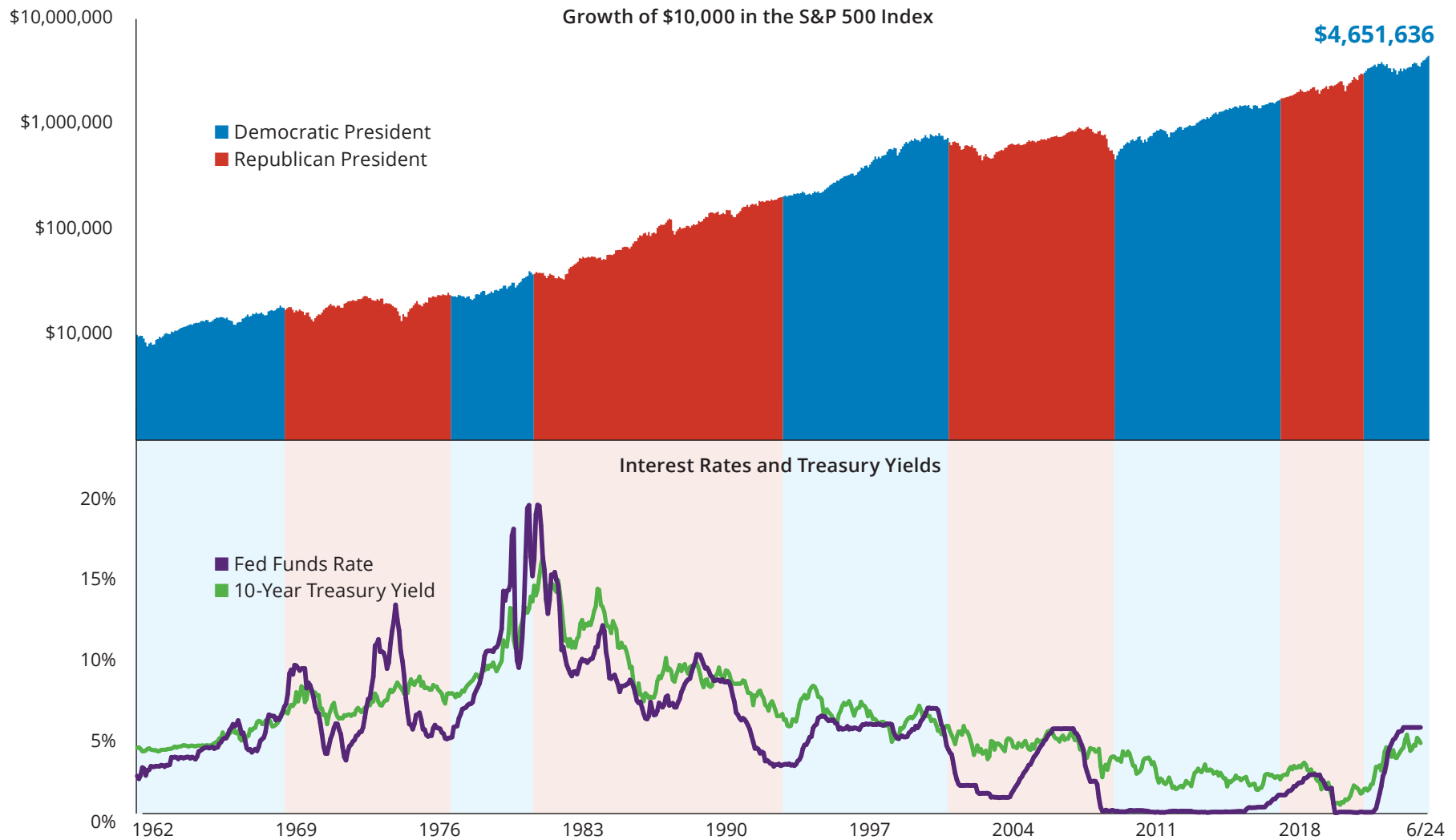


Chart data as of 1962–6/30/24. **Past performance does not guarantee future results.** Indices are unmanaged and not available for direct investment. The federal funds rate is the target interest rate set by the Federal Open Market Committee. This target is the rate at which commercial banks borrow and lend their excess reserves to each other overnight. Data Sources: Morningstar and FRED, 7/24.

The Next President Is Unlikely to Sink the Economy—or the Stock Market

Average US GDP Growth and S&P 500 Index Returns for Presidential Terms Since 1980



Ronald Wilson Reagan
40th US President—1981-1989



| In 1980 His Critics Said: | Average US GDP Growth* | S&P 500 Index Average Annual Return* |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------------------------|
| -Former actor lacks the experience to be president -Belligerence toward the Soviet Union could lead to nuclear war -Reaganomics is dangerous and won't work | 3.5% | 14.2% |



George Herbert Walker Bush
41st US President—1989-1993



| In 1988 His Critics Said: | Average US GDP Growth | S&P 500 Index Average Annual Return |
|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------------------|
| -Not a strong leader like Reagan -Lacks vision ("the vision thing") -Part of the Reagan administration that doubled the national debt | 2.2% | 15.7% |



William Jefferson Clinton
42nd US President—1993-2001



| In 1992 His Critics Said: | Average US GDP Growth | S&P 500 Index Average Annual Return |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------------------|
| -Governor of a small state—unproven on the national scale -Tax increases will sink the US economy -Government takeover of healthcare will nationalize 20% of the US economy | 3.9% | 17.2% |



George Walker Bush
43rd US President—2001-2009



| In 2000 His Critics Said: | Average US GDP Growth | S&P 500 Index Average Annual Return |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------------------|
| -Running for president because of his last name, not his accomplishments -Tax cuts will only benefit the wealthy -No foreign policy experience—not ready for a crisis | 2.2% | -2.9% |



Barack Hussein Obama
44th US President—2009-2017



| In 2008 His Critics Said: | Average US GDP Growth | S&P 500 Index Average Annual Return |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------------------|
| -Inexperienced—only served two years in the US Senate before running for president -Soaring rhetoric and exorbitant campaign promises are “just words” -Desire for a large stimulus bill and healthcare plan will explode the national debt | 1.7% | 14.5% |



Donald John Trump
45th US President—2017-2021



| In 2016 His Critics Said: | Average US GDP Growth | S&P 500 Index Average Annual Return |
|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------------------|
| -Never held political office -Doesn't speak or act in a way that's presidential -Trade war with China will damage the US economy | 1.4% | 16.0% |



Joseph Robinette Biden, Jr.
46th US President—2021-Present



| In 2020 His Critics Said: | Average US GDP Growth | S&P 500 Index Average Annual Return |
|----------------------------------------------------------------------------------------------|-----------------------|-------------------------------------|
| -Too old to be president -Career politician -More of a vice president than a president | 3.3% | 13.1% |

*GDP is calculated beginning on January 1 of the year a president is elected; S&P 500 Index returns are calculated beginning on Inauguration Day. For President Biden, GDP is as of 6/30/24 (most recent data available), and S&P 500 Index returns are as of 7/31/24. Data Sources: US Bureau of Economic Analysis and IMF via FactSet, Morningstar, and Hartford Funds, 8/24.

Past performance does not guarantee future results. Indices are unmanaged and not available for direct investment. For illustrative purposes only.

How Markets React When the President and Congress Represent the Same Political Party

S&P 500 Index Performance (%); (D) Democrat, (R) Republican, 1937–Present

| | | | | | Performance Following Start Date | | | | |
|----------------|------|---------------------------|--------|-------|----------------------------------|--------------|--------------|--------------|--------------|
| Start | End | President | Senate | House | 1 Yr | 3 Yr | 5 Yr | 10 Yr | 20 Yr |
| 1937 | 1939 | D - Franklin D. Roosevelt | D | D | -34.73 | -5.27 | -7.47 | 4.37 | 11.12 |
| 1939 | 1941 | D - Franklin D. Roosevelt | D | D | -0.38 | -7.37 | 3.71 | 7.18 | 13.38 |
| 1941 | 1943 | D - Franklin D. Roosevelt | D | D | -11.59 | 10.11 | 16.81 | 13.25 | 14.66 |
| 1943 | 1945 | D - Franklin D. Roosevelt | D | D | 25.63 | 26.97 | 14.74 | 16.95 | 15.16 |
| 1945 | 1947 | D - Harry S. Truman | D | D | 36.31 | 9.82 | 10.60 | 17.00 | 14.88 |
| 1949 | 1951 | D - Harry S. Truman | D | D | 18.60 | 24.58 | 17.74 | 19.94 | 14.86 |
| 1951 | 1953 | D - Harry S. Truman | D | D | 23.97 | 13.21 | 23.76 | 16.08 | 12.06 |
| 1953 | 1955 | R - Dwight D. Eisenhower | R | R | -0.94 | 25.63 | 13.51 | 13.40 | 11.64 |
| 1961 | 1963 | D - John F. Kennedy | D | D | 26.88 | 12.48 | 13.25 | 8.18 | 8.31 |
| 1963 | 1965 | D - Lyndon B. Johnson | D | D | 22.76 | 17.14 | 12.37 | 9.91 | 8.30 |
| 1965 | 1967 | D - Lyndon B. Johnson | D | D | 12.46 | 7.83 | 4.98 | 1.25 | 7.79 |
| 1967 | 1969 | D - Lyndon B. Johnson | D | D | 23.89 | 8.01 | 8.38 | 6.62 | 10.15 |
| 1977 | 1979 | D - Jimmy Carter | D | D | -7.19 | 5.41 | 8.09 | 13.80 | 14.54 |
| 1979 | 1981 | D - Jimmy Carter | D | D | 18.45 | 14.27 | 17.30 | 16.27 | 17.73 |
| 1993 | 1995 | D - Bill Clinton | D | D | 10.08 | 15.35 | 20.27 | 9.35 | 8.22 |
| 2003 | 2005 | R - George W. Bush | R | R | 28.68 | 14.39 | 12.83 | 7.10 | 9.80 |
| 2005 | 2007 | R - George W. Bush | R | R | 4.91 | 8.63 | 0.42 | 7.68 | |
| 2009 | 2011 | D - Barack Obama | D | D | 26.46 | 14.12 | 17.94 | 13.12 | |
| 2017 | 2019 | R - Donald Trump | R | R | 21.83 | 15.28 | 18.48 | | |
| 2021 | 2023 | D - Joe Biden | D | D | 28.71 | 10.01 | | | |
| Average | | | | | 13.74 | 12.03 | 11.99 | 11.19 | 12.04 |

Summary

| | 1 Yr | 3 Yr | 5 Yr | 10 Yr | 20 Yr |
|------------|------|------|------|-------|-------|
| # Positive | 15 | 18 | 18 | 18 | 16 |
| # Negative | 5 | 2 | 1 | 0 | 0 |
| Total | 20 | 20 | 19 | 18 | 16 |
| % Positive | 75% | 90% | 95% | 100% | 100% |
| % Negative | 25% | 10% | 5% | 0% | 0% |

Past performance does not guarantee future results. Indices are unmanaged and not available for direct reinvestment. Data starts on January 1 of the year following each November midterm election. Data Sources: Morningstar and Hartford Funds, 1/24.

How Markets React When the President and Congress Represent Different Political Parties

S&P 500 Index Performance (%); (D) Democrat, (R) Republican, 1937–Present

| | | | | | Performance Following Start Date | | | | |
|---------|------|--------------------------|--------|-------|----------------------------------|-------|-------|-------|-------|
| Start | End | President | Senate | House | 1 Yr | 3 Yr | 5 Yr | 10 Yr | 20 Yr |
| 1947 | 1949 | D - Harry S. Truman | R | R | 5.63 | 9.70 | 16.56 | 18.29 | 13.65 |
| 1955 | 1957 | R - Dwight D. Eisenhower | D | D | 31.41 | 7.70 | 14.90 | 12.79 | 6.86 |
| 1957 | 1959 | R - Dwight D. Eisenhower | D | D | -10.72 | 12.69 | 12.77 | 9.19 | 7.90 |
| 1959 | 1961 | R - Dwight D. Eisenhower | D | D | 11.95 | 12.58 | 9.86 | 10.00 | 6.52 |
| 1969 | 1971 | R - Richard Nixon | D | D | -8.40 | 2.82 | 1.99 | 3.16 | 9.52 |
| 1971 | 1973 | R - Richard Nixon | D | D | 14.22 | 5.06 | 3.22 | 8.45 | 11.14 |
| 1973 | 1975 | R - Gerald Ford | D | D | -14.67 | -4.82 | -0.18 | 6.71 | 11.32 |
| 1975 | 1977 | R - Gerald Ford | D | D | 37.14 | 16.37 | 14.74 | 14.75 | 14.56 |
| 1981 | 1983 | R - Ronald Reagan | R | D | -4.88 | 12.28 | 14.63 | 13.90 | 15.66 |
| 1983 | 1985 | R - Ronald Reagan | R | D | 22.46 | 19.63 | 16.40 | 16.13 | 12.69 |
| 1985 | 1987 | R - Ronald Reagan | R | D | 31.64 | 18.00 | 20.33 | 14.36 | 13.21 |
| 1987 | 1989 | R - Ronald Reagan | D | D | 5.18 | 17.32 | 15.35 | 15.28 | 11.80 |
| 1989 | 1991 | R - George H.W. Bush | D | D | 31.69 | 18.53 | 14.55 | 19.21 | 8.43 |
| 1991 | 1993 | R - George H.W. Bush | D | D | 30.47 | 15.62 | 16.59 | 17.45 | 9.14 |
| 1995 | 1997 | D - Bill Clinton | R | R | 37.58 | 31.15 | 28.56 | 12.07 | 9.85 |
| 1997 | 1999 | D - Bill Clinton | R | R | 33.36 | 27.58 | 10.70 | 8.42 | 7.68 |
| 1999 | 2001 | D - Bill Clinton | R | R | 21.04 | -1.03 | -0.57 | -1.38 | 5.62 |
| 2001 | 2003 | R - George W. Bush | D | R | -11.89 | -4.05 | 0.54 | 1.41 | 7.47 |
| 2007 | 2009 | R - George W. Bush | D | D | 5.49 | -5.63 | -0.25 | 6.94 | |
| 2011 | 2013 | D - Barack Obama | D | R | 2.11 | 16.18 | 12.57 | 13.88 | |
| 2013 | 2015 | D - Barack Obama | D | R | 32.39 | 15.14 | 15.79 | 12.56 | |
| 2015 | 2017 | D - Barack Obama | R | R | 1.38 | 11.41 | 11.70 | | |
| 2019 | 2021 | R - Donald Trump | R | D | 31.49 | 26.06 | | | |
| 2023 | 2025 | D - Joe Biden | D | R | 26.29 | | | | |
| Average | | | | | 15.10 | 12.19 | 11.40 | 11.12 | 10.17 |

Summary

| | 1 Yr | 3 Yr | 5 Yr | 10 Yr | 20 Yr |
|------------|------|------|------|-------|-------|
| # Positive | 19 | 19 | 19 | 20 | 18 |
| # Negative | 5 | 4 | 3 | 1 | 0 |
| Total | 24 | 23 | 22 | 21 | 18 |
| % Positive | 79% | 83% | 86% | 95% | 100% |
| % Negative | 21% | 17% | 14% | 5% | 0% |

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