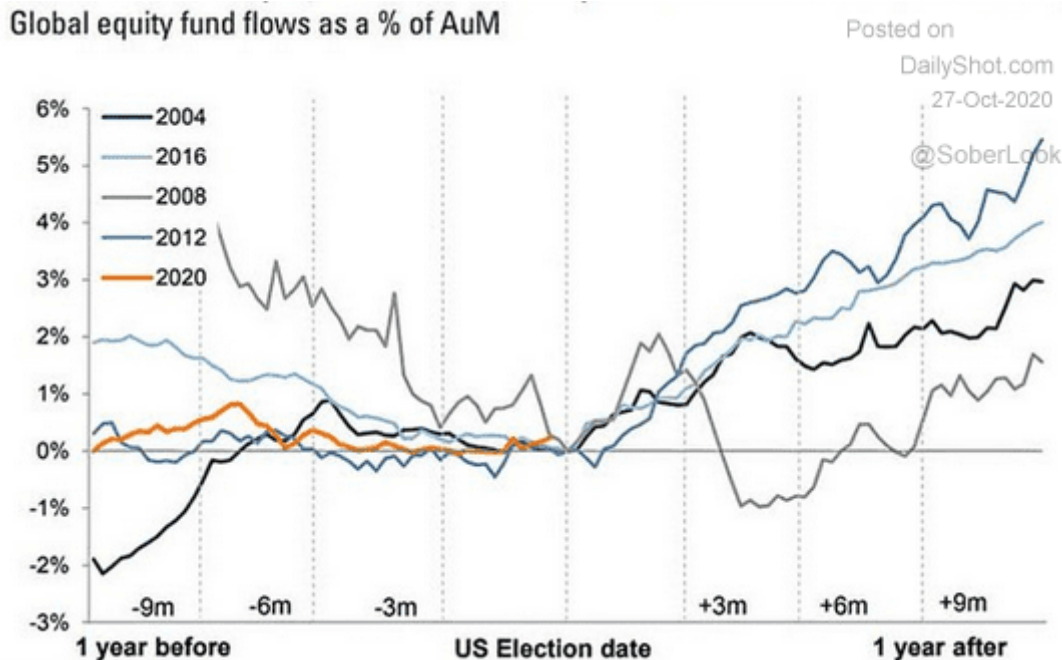


## Who Will Win the Election... Stocks!



Source: Goldman Sachs and DailyShot.com as of 10/27/2020

- US elections always come with a great deal of uncertainty. Historically this drives flows out of stocks until Election Day, as can be seen in the chart above. Following Election Day, regardless of which party wins, there tends to be a relief rally as money flows back into stocks.
- This is reflected in performance around the election as well. The MSCI ACWI, a global stock index, was generally flat in the months leading up to the past 4 elections. **Once we moved past those elections, the average return over the next 9 months was +15% and the market was up double digits in each instance.**
- Over the past few months, the market has tracked previous election years. Concerns are heightened because of the election, COVID-19 and stalled stimulus negotiations. Our sense is that several of these will be resolved after the election. If history is a guide, this may set the table for markets to move higher into next year.

The index mentioned above is unmanaged, and not available for direct investment; it includes reinvestment of dividends; it does not reflect management fees or transaction costs: **The MSCI ACWI Index**, MSCI's flagship global equity index, is designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 26 emerging markets.

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