

Trump Rally vs. Trump Tariffs vs. Trump Bear Market

Major Equity Index Cumulative Total Returns (USD)

Index	11/8/16-3/18/20	3/8/18-3/18/20	2/19/20-3/18/20
NASDAQ 100	54.93%	5.25%	-26.12%
S&P 500	19.88%	-8.86%	-29.05%
MSCI Emerging Markets Net TR	-5.71%	-30.71%	-28.53%
MSCI Daily TR Net World (ex U.S.)	-10.09%	-28.59%	-32.46%
S&P MidCap 400	-12.11%	-32.08%	-39.92%
S&P SmallCap 600	-13.07%	-35.12%	-40.77%

Source: Bloomberg. **Past performance is no guarantee of future results.**

View from the Observation Deck

1. With respect to the stock market, perhaps three of the most defining dates for the Trump administration in its first term have been election day (11/8/16), the day the first round of tariffs on imported steel (25%) and aluminum (10%) were launched (3/8/18) and the day the S&P 500 Index peaked following an impressive 10-year, 11-month bull market run (2/19/20), in our opinion.
2. As we are witnessing on a daily basis, the negative toll on the global economy and securities markets from the escalation and spread of the coronavirus (COVID-19) is substantial.
3. The U.S. dollar, which can be a safe-haven destination for foreign investors, didn't strengthen under the Trump administration until the tariffs commenced on 3/8/18. From 11/8/16 through 03/8/18, the U.S. dollar declined by 7.85%, as measured by the U.S. Dollar Index (DXY), according to Bloomberg. From 3/8/18 through 3/18/20, however, the U.S. Dollar Index rose by 12.18%.
4. The U.S. Dollar Index stood at a reading of 101.16 on 3/18/20, the highest it has been since March 2017, according to Bloomberg. Its historical average is 90 to 91.
5. The combination of the trade tariffs and COVID-19 have created some serious headwinds for stocks, as indicated in the table above.
6. For comparative purposes, [click here](#) to see where total returns stood for the indices in the table above as of 1/10/20, prior to the 2/19/20 peak in the S&P 500 Index.

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 NASDAQ 100 Index includes 100 of the largest domestic and non-financial companies listed on The NASDAQ Stock Market based on market capitalization. The S&P SmallCap 600 Index is a capitalization-weighted index that tracks U.S. stocks with a small market capitalization. The S&P 500 Index is a capitalization-weighted index comprised of 500 stocks (currently 505) used to measure large-cap U.S. stock market performance. The S&P MidCap 400 Index is a capitalization-weighted index that tracks the mid-range sector of the U.S. stock market. The MSCI World (ex U.S.) Index is a free-float weighted index designed to measure the equity market performance of developed markets. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The U.S. Dollar Index (DXY) indicates the general international value of the dollar relative to a basket of major world currencies.

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