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## Market Returns Around U.S. Presidential Elections



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Disclosure: Professional Financial Strategies, Inc. is an investment adviser registered with the Securities and Exchange Commission, and independently associated with Charles Schwab & Co., TIAA and Dimensional Fund Advisors LP. A current disclosure brochure is available calling 585.218.9080 or emailing: [paulhill@professionalfinancial.com](mailto:paulhill@professionalfinancial.com).

# Market Returns and Election Years

It is difficult to identify systematic return patterns in elections years.

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On average, market returns have been positive both in election years and the subsequent year.

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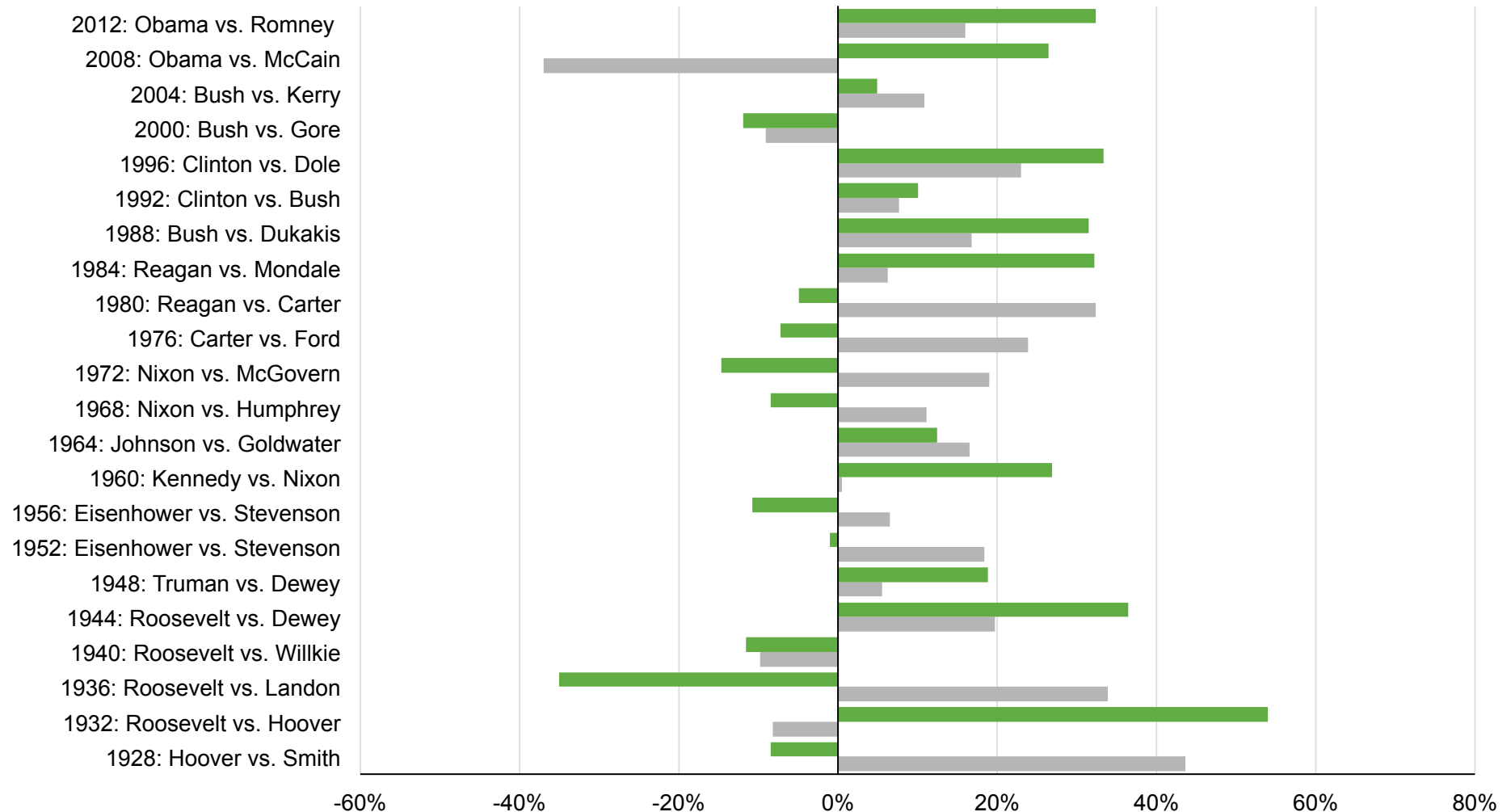
Market expectations associated with election outcomes are embedded in security prices.

# Returns During and After Election Years

S&P 500 Index: 1928–2013

■ Average Return Year Subsequent to Election = 9.3%

■ Average Return During Election Year = 11.2%

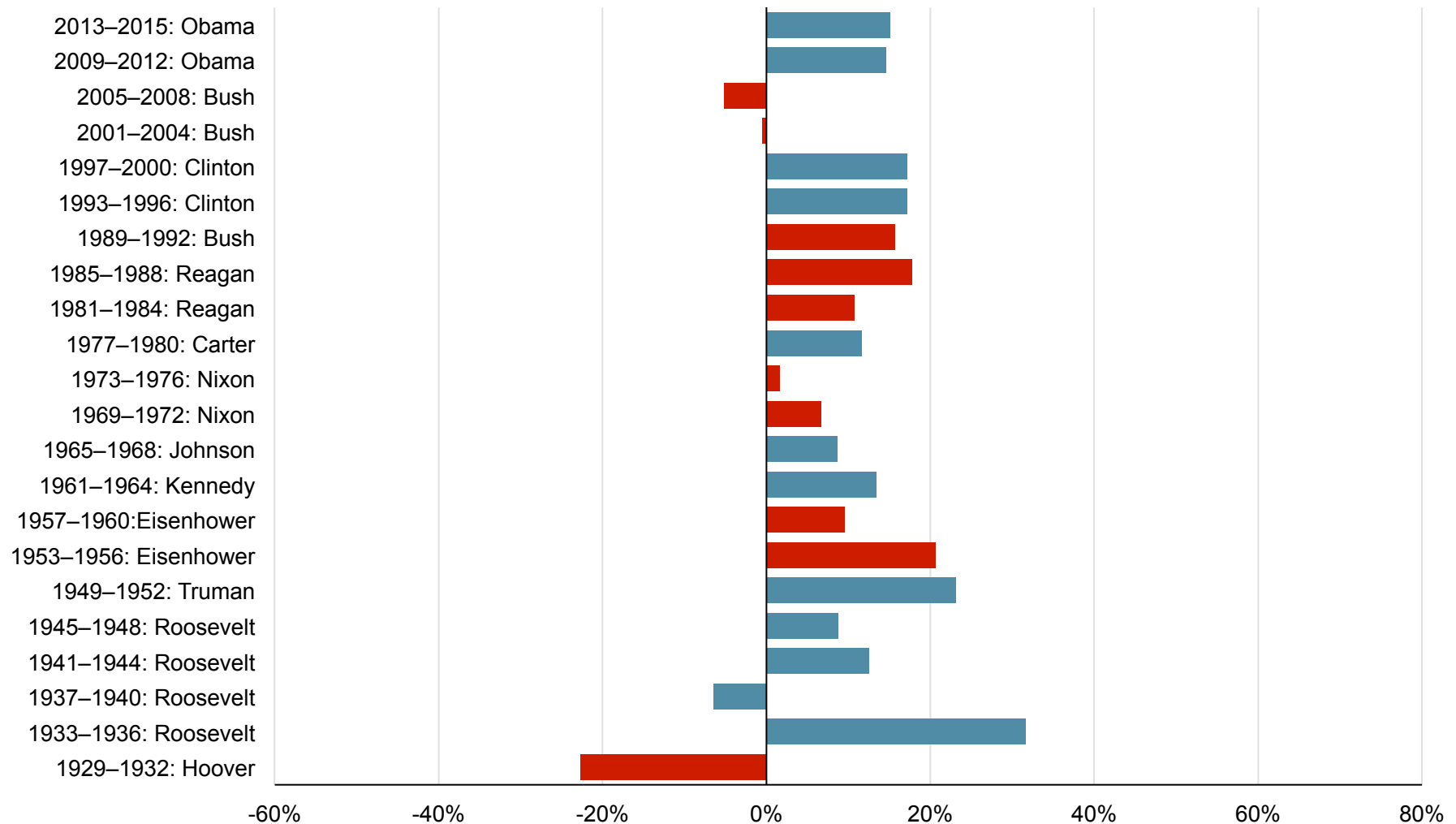


Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Actual returns may be lower. Source: The S&P data is provided by Standard & Poor's Index Services Group.

# Annualized Returns During Presidential Terms

S&P 500 Index: 1929–2015

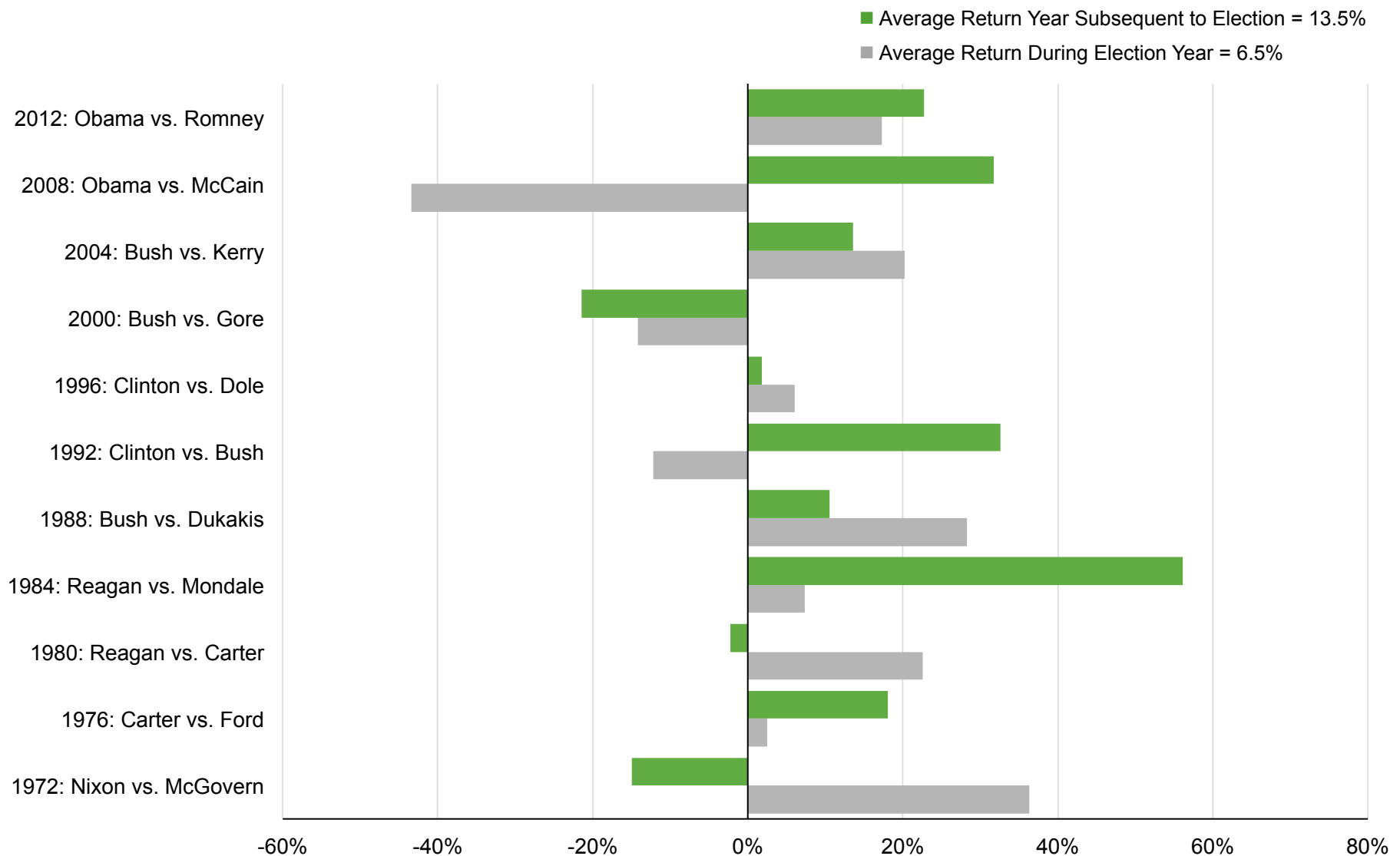
Average Return for Presidential Terms = 10.1%



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# Returns During and After Election Years

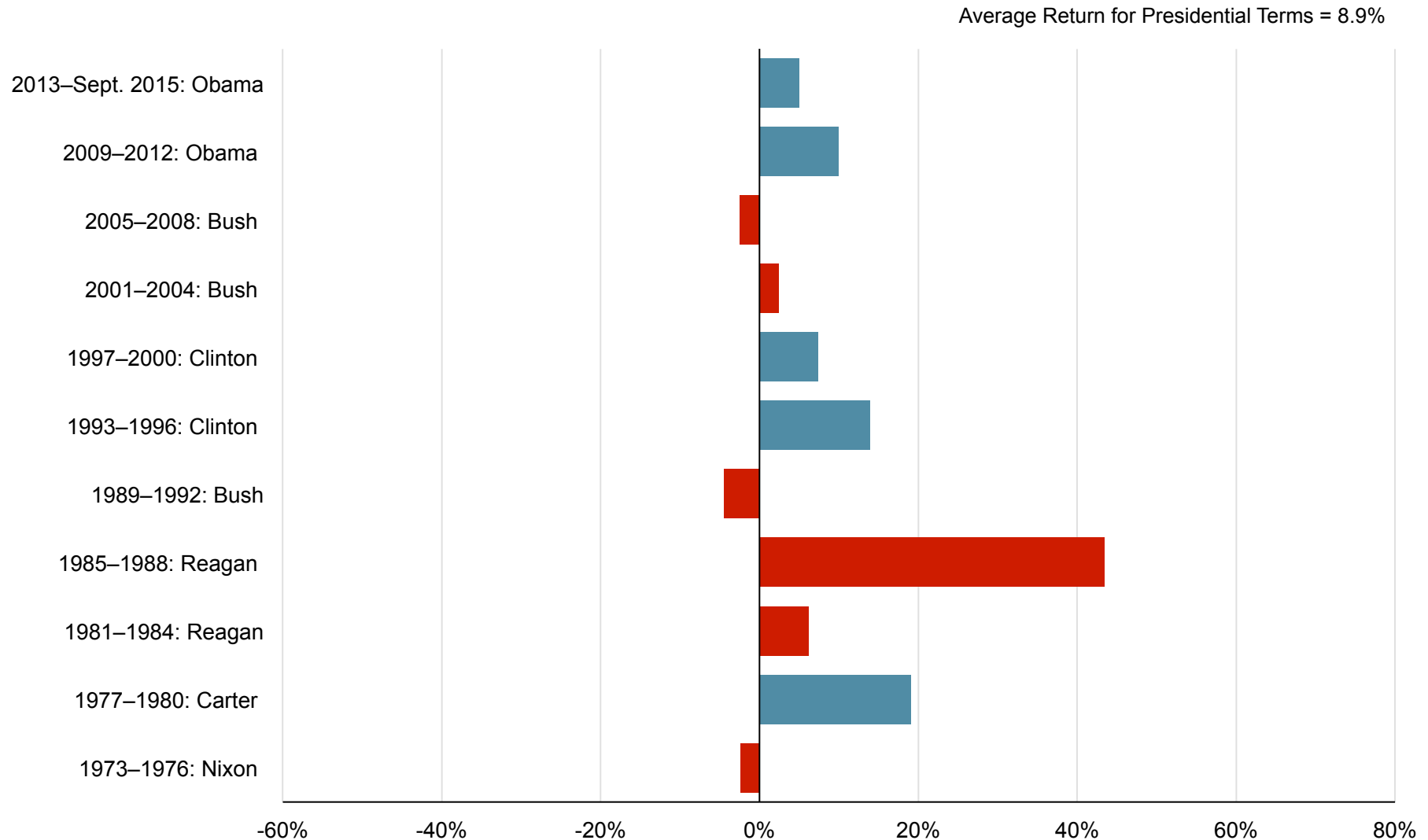
MSCI EAFE Index: 1972–2013



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# Annualized Returns During Presidential Terms

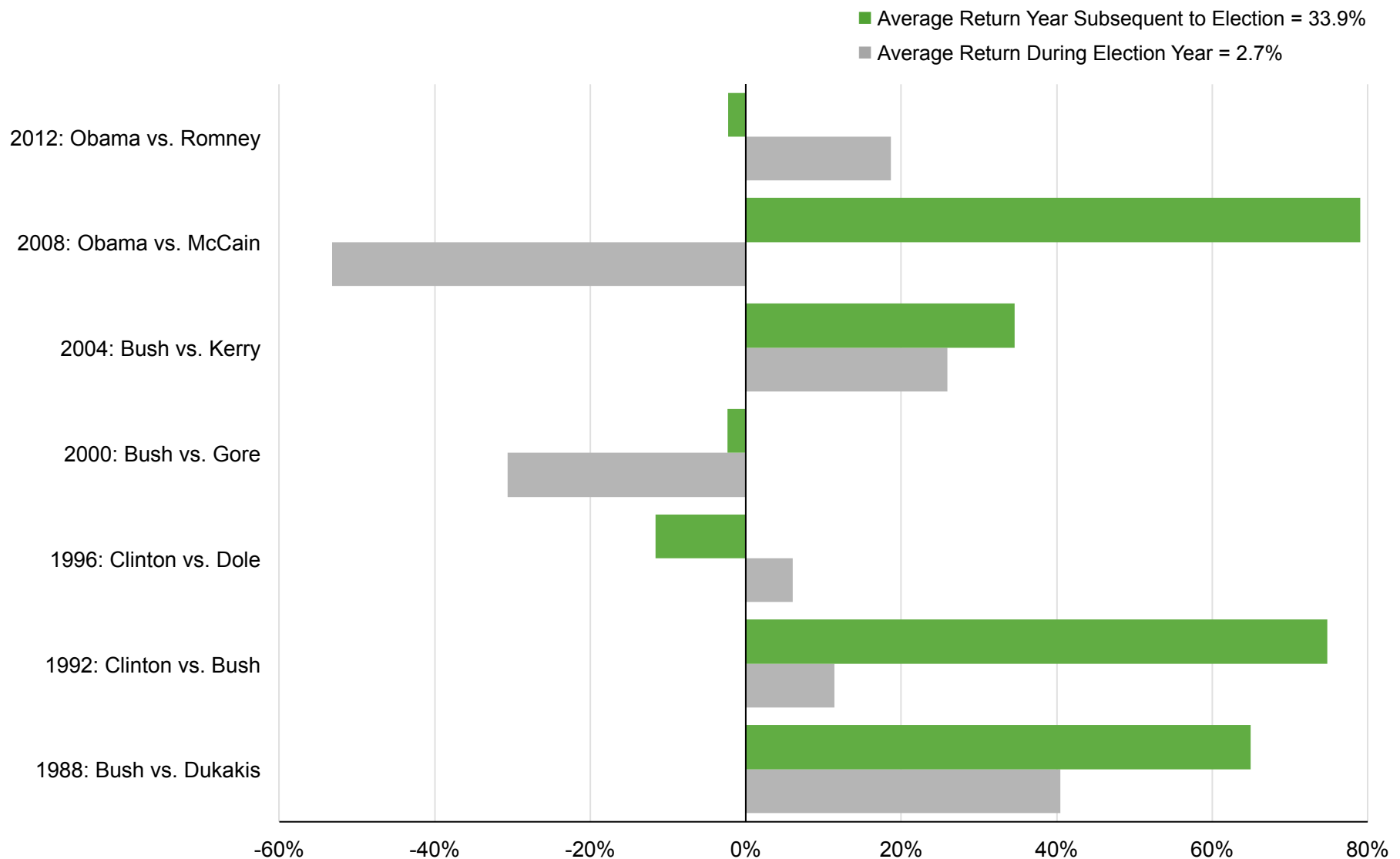
MSCI EAFE Index: 1973–2015



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# Returns During and After Election Years

MSCI Emerging Markets Index<sup>1</sup>: 1988–2013



<sup>1</sup>. Gross dividends.

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# Annualized Returns During Presidential Terms

MSCI Emerging Markets Index<sup>1</sup>: 1989–2015



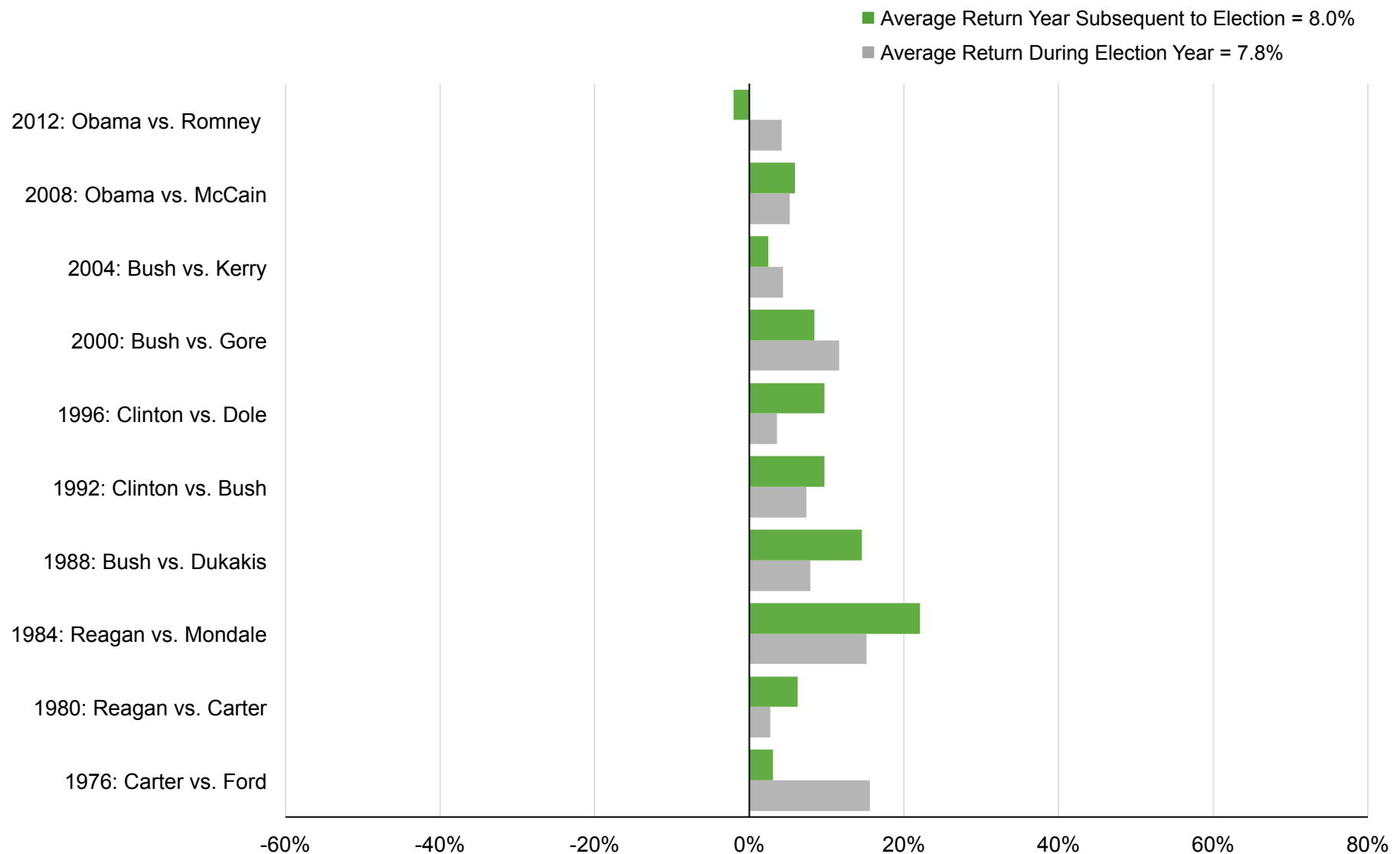
1. Gross dividends.

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# Returns During and After Election Years

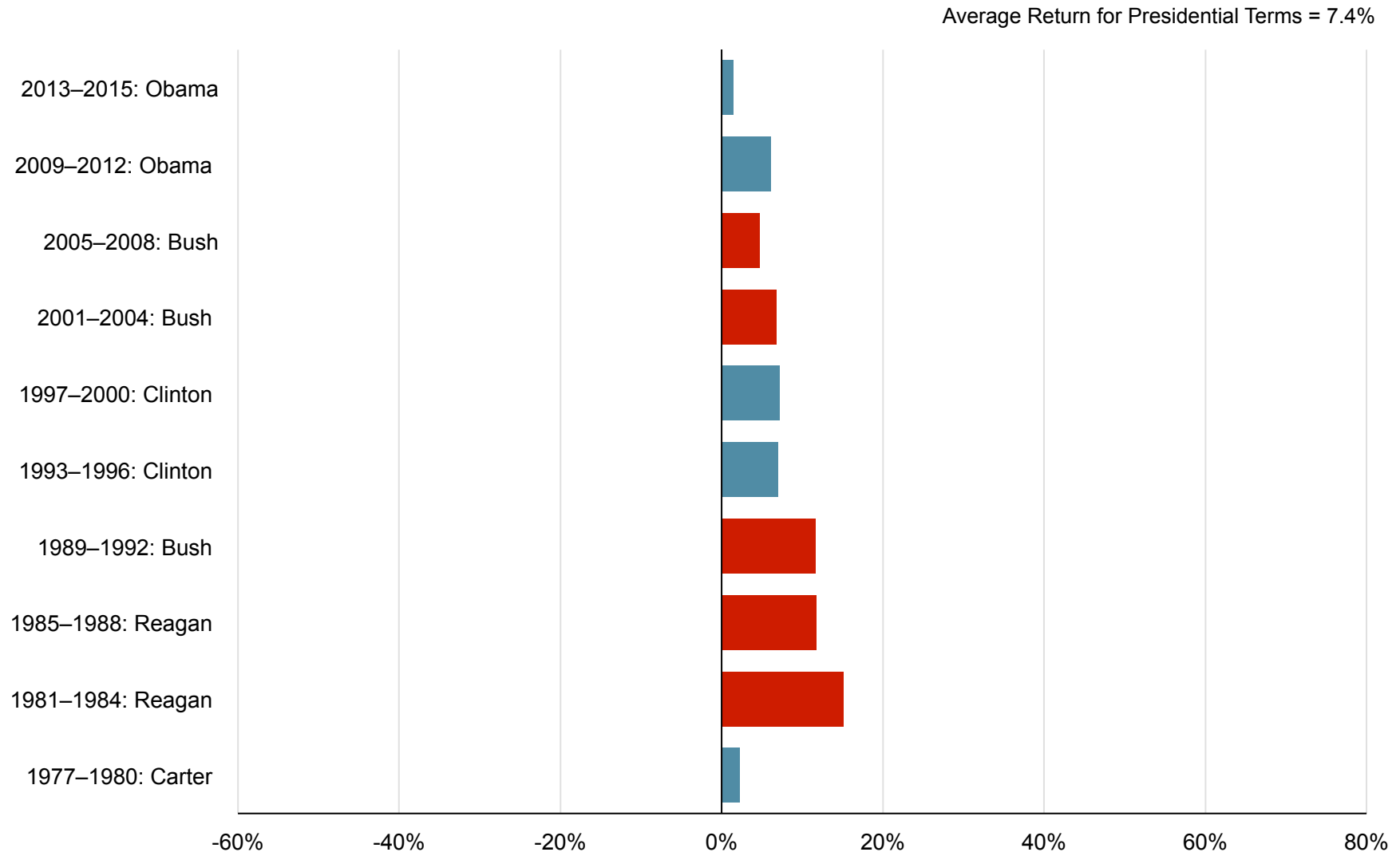
Barclays Capital US Aggregate Bond Index: 1976–2013



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# Annualized Returns During Presidential Terms

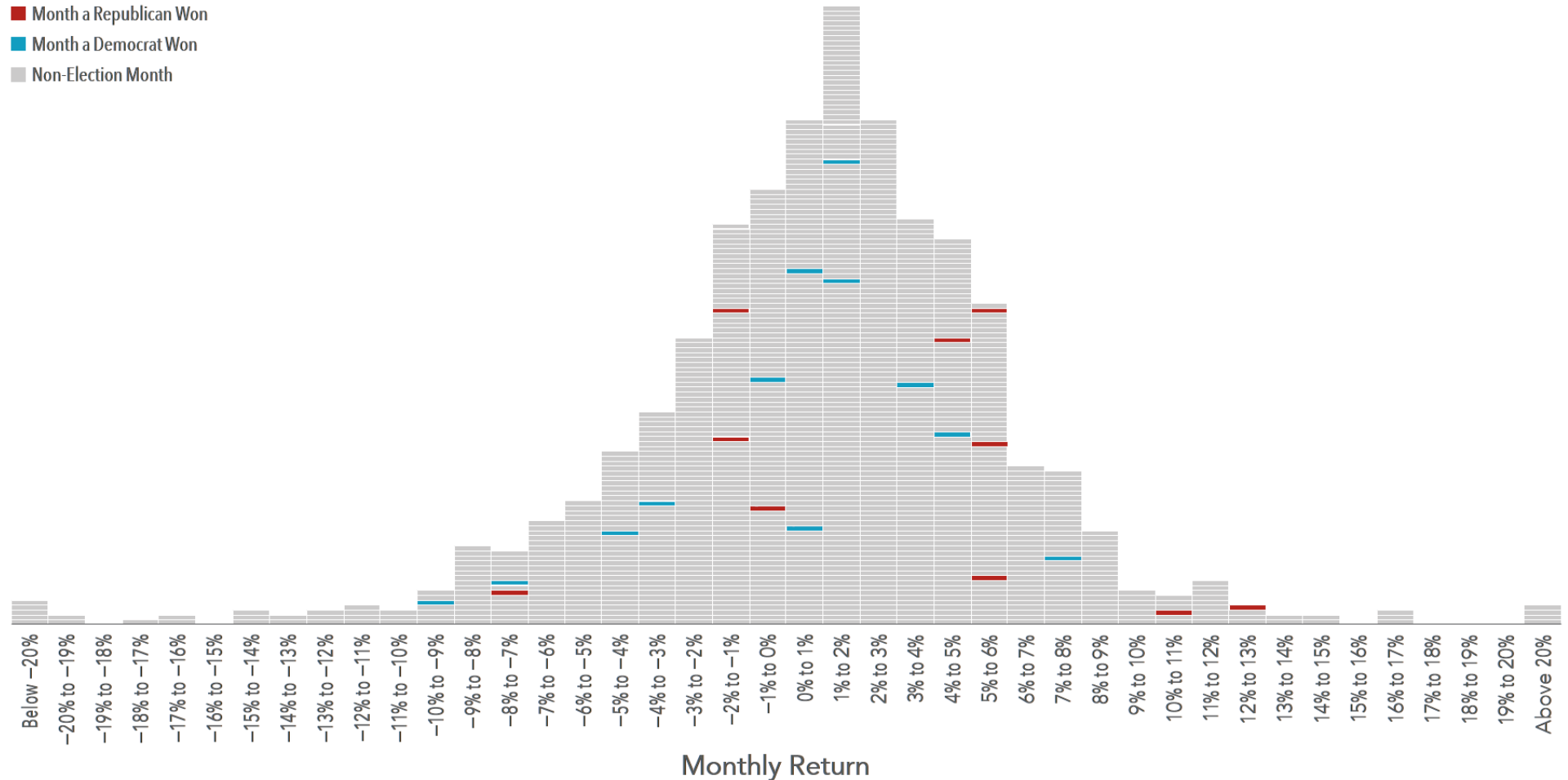
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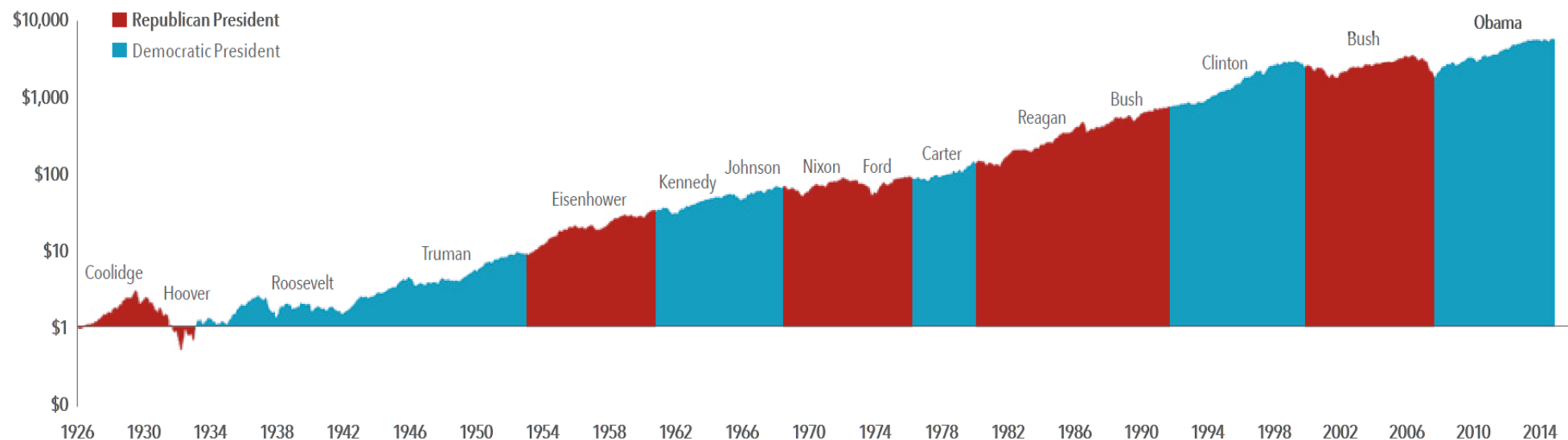
# Presidential Elections and S&P 500 Returns

Histogram of Monthly Returns: January 1926–June 2016



# Markets Have Rewarded Long-Term Investors under a Variety of Presidents

Growth of a Dollar Invested in the S&P 500: January 1926–June 2016



Past performance is not a guarantee of future results. Indices are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio. The S&P data is provided by Standard & Poor's Index Services Group.



## Second Opinion Service

In these volatile times, you probably know a friend, family member or colleague who may have a complicated situation, or who wonders whether they have the right financial advisor, or who just needs help, but doesn't get it. That's not uncommon. Studies suggest that over 80 percent of affluent investors would value a second opinion.\*

In order to help those you care about achieve their financial goals, we have created our complimentary **Second Opinion Service**. We're pleased to offer your friends, family and colleagues the same expertise and guidance that you've come to expect as a valued client of Professional Financial.

**P**rofessional Financial works with successful professionals and retirees, acting as their personal chief financial officer—meeting financial challenges, freeing them from many serious concerns. We integrate financial planning, investment management, and relationship consulting into a personalized process for each family. We steward wealth through a consultative process, helping families make informed decisions around preserving wealth, mitigating taxes, transferring wealth to heirs, protecting assets from unjust loss, and making a difference through charitable giving. We employ a comprehensive approach to better understand our client's deepest needs, values and goals.

Founded in 1993, Professional Financial is an independent fee-only registered investment advisor staffed with Certified Financial Planners.™ Professional memberships include: Financial Planning Association, American Institute of CPAs, Institute of Chartered Management Accountants, and National Association of Accountants.

### WEALTH MANAGEMENT CONSULTING PROCESS



\*Source: Russ Alan Prince and David A. Geraciotti, *Cultivating the Middle-Class Millionaire*, 2005.





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### Our integrative process

At Professional Financial we approach each new engagement with a time-tested, collaborative process. This allows us to have an open dialogue with you so we can learn about your values and goals. This proven process enables us to work with you to tailor a plan that helps you meet your essential goals. As a valued client, you’ll recognize each of the five steps below. As part of our **Second Opinion Service**, we offer a portion of our consultative service, complimentary, to you friends, family and colleagues.

### What to expect from the Second Opinion Service

We will meet with your friends, family and colleagues for a discovery meeting and then invite them back for an investment planning meeting. Hopefully, we can confirm whether they are on track to achieve their goals with their existing financial providers. If appropriate, however, we’ll suggest ways we can help, including recommending another qualified advisor if we’re not a good fit for them. Either way, your family and friends will receive a Total Client Profile and a detailed analysis of their current investment portfolio and planning strategy—a value that may be in excess of \$5,000.

### SECOND OPINION SERVICE

Step 1

Step 2

Discovery  
meeting

Investment  
planning  
meeting

### INTEGRATIVE WEALTH MANAGEMENT

#### INVESTMENT MANAGEMENT

- Wealth preservation
- Goal monitoring
- Risk analysis
- Portfolio structuring
- Manager due diligence
- Performance evaluation

#### ADVANCED PLANNING

- Wealth enhancement, including cash flow, tax minimization, and liability management

- Wealth transfer
- Wealth protection
- Charitable giving

#### RELATIONSHIP CONSULTING

- Regularly scheduled calls, reviews and in-person meetings
- Network of specialists, including accounting, tax, actuarial, legal, insurance and financial resources





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*Integrative Wealth Management ■ Clarity. Commitment. Confidence.*



**Let us help you help those you care about. Contact us today.**

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A current Firm Brochure and Supplement are available by calling 585.218.9080 or emailing [paulhill@professionalfinancial.com](mailto:paulhill@professionalfinancial.com).

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