Stock Market Indicators: S&P 500 Presidential Cycles

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thinking outside the box
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**Figure 1.**

S&P 500 DURING SIX-MONTH PERIODS AROUND PRESIDENTIAL ELECTIONS
(weekly, ratio scale)

Note: Shaded areas in green (red) are when the S&P 500 is up (down) during the six months from September to February around presidential elections. Numbers above timeline are percentage changes over those six-month periods.
Source: Standard & Poor's.

**Figure 2.**

S&P 500 INDEX* & PRESIDENTS
BLUE DEMOCRATS vs. RED REPUBLICANS
(ratio scale)

* End-of-month daily data.
Note: Blue (red) shades represents Democrats (Republicans) in White House. Data above timeline are percentage changes in S&P 500 for each shade.
Source: Standard & Poor's.
First & Second Terms

Figure 3.
S&P 500 INDEX* & PRESIDENTIAL FIRST TERMS (ratio scale)


149.3  74.8  75.6  45.8  13.7  26.3  23.2  56.9  70.0  -8.2  57.9  67.8

* End-of-month daily data through 12/31/2020.
Note: Shaded areas represent first term of each president. Blue shade represents Democrats. Red shade represents Republicans.
Data above timeline are percentage changes for each shade.
Source: Standard & Poor’s.

Figure 4.
S&P 500 INDEX* & PRESIDENTIAL SECOND TERMS (ratio scale)

Roosevelt  Eisenhower  Nixon  Reagan  Clinton  Bush II  Obama

-38.4  24.5  -9.0  66.1  78.2  -25.5  52.2

* End-of-month daily data through 8/31/2016.
Note: Shaded areas represent second term of each president. Blue shade represents Democrats. Red shade represents Republicans.
Data above timeline are percentage changes for each shade.
Source: Standard & Poor’s.
Figure 5.

**S&P 500 INDEX* &
FIRST YEAR OF PRESIDENTIAL TERMS: 1929-now
(average = 6.7%, ratio scale)**

*End-of-month daily data through 12/31/2021.
Note: Shaded areas are the first years of presidential terms. Data above timeline are percentage changes for the first year using daily price data.
Source: Standard & Poor’s.

Figure 6.

**S&P 500 INDEX* &
SECOND YEAR OF PRESIDENTIAL TERMS: 1929-now
(average = 3.3%, ratio scale)**

*End-of-month daily data through 12/31/2022.
Note: Shaded areas are the second years of presidential terms. Data above timeline are percentage changes for the second year using daily price data.
Source: Standard & Poor’s.
Figure 7.

S&P 500 INDEX* &
THIRD YEAR OF PRESIDENTIAL TERMS: 1929-now
(average = 13.5%, ratio scale)

* End-of-month daily data through 12/31/2019.
Note: Shaded areas are the third years of presidential terms. Data above timeline are percentage changes for the third year using daily price data. Source: Standard & Poor’s.

Figure 8.

S&P 500 INDEX* &
FOURTH YEAR OF PRESIDENTIAL TERMS: 1929-now
(average = 6.1%, ratio scale)

* End-of-month daily data through 12/31/2020.
Note: Shaded areas are the fourth years of presidential terms. Data above timeline are percentage changes for the fourth year using daily data. Source: Standard & Poor’s.
Figure 9.

S&P 500 INDEX* & PRESIDENTS' PARTIES
(weekly, ratio scale)

* End-of-month daily data through August 31, 2016.
Note: Shaded areas represent periods when one party holds the presidency. Blue shade represents Democrats. Red shade represents Republicans. Numbers in parenthesis show S&P 500 increase or decrease during each president.
Source: Standard & Poor’s.

Figure 10.

S&P 500 FORWARD P/E RATIO*

* Average monthly S&P 500 stock price index divided by S&P 500 12-month forward consensus expected operating earnings per share.
Source: I/B/E/S data by Refinitiv.
**Figure 11.**

PAYROLL EMPLOYMENT & PRESIDENTS
BLUE DEMOCRATS vs. RED REPUBLICANS
(120-month change)

Note: Blue (red) shades represents Democrats (Republicans) in White House.

**Figure 12.**

PAYROLL EMPLOYMENT & PRESIDENTS
BLUE DEMOCRATS vs. RED REPUBLICANS
(96-month change)

Note: Blue (red) shades represents Democrats (Republicans) in White House.
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