

The beginning of election season raises the risk of emotional investment decisions.



Among clients with strong political leanings, you may find their partisan views may influence the financial decisions they make. A recent Advisor Authority survey powered by the Nationwide Retirement Institute® found many investors are tying their future portfolio performance and financial well-being to the outcome of the next election. However, history shows election results have had a negligible effect on financial performance over the long run.

Partisan politics creep into investors' outlooks.

Among investors completing the sentence, "If my preferred political party loses power in the next election...."



One-third (32%) believe the economy will **plunge into a recession** within a year.

One-third (31%) believe their **taxes will increase** within a year.

One-third (31%) believe it will result in economic policy that will **negatively impact their financial future**.

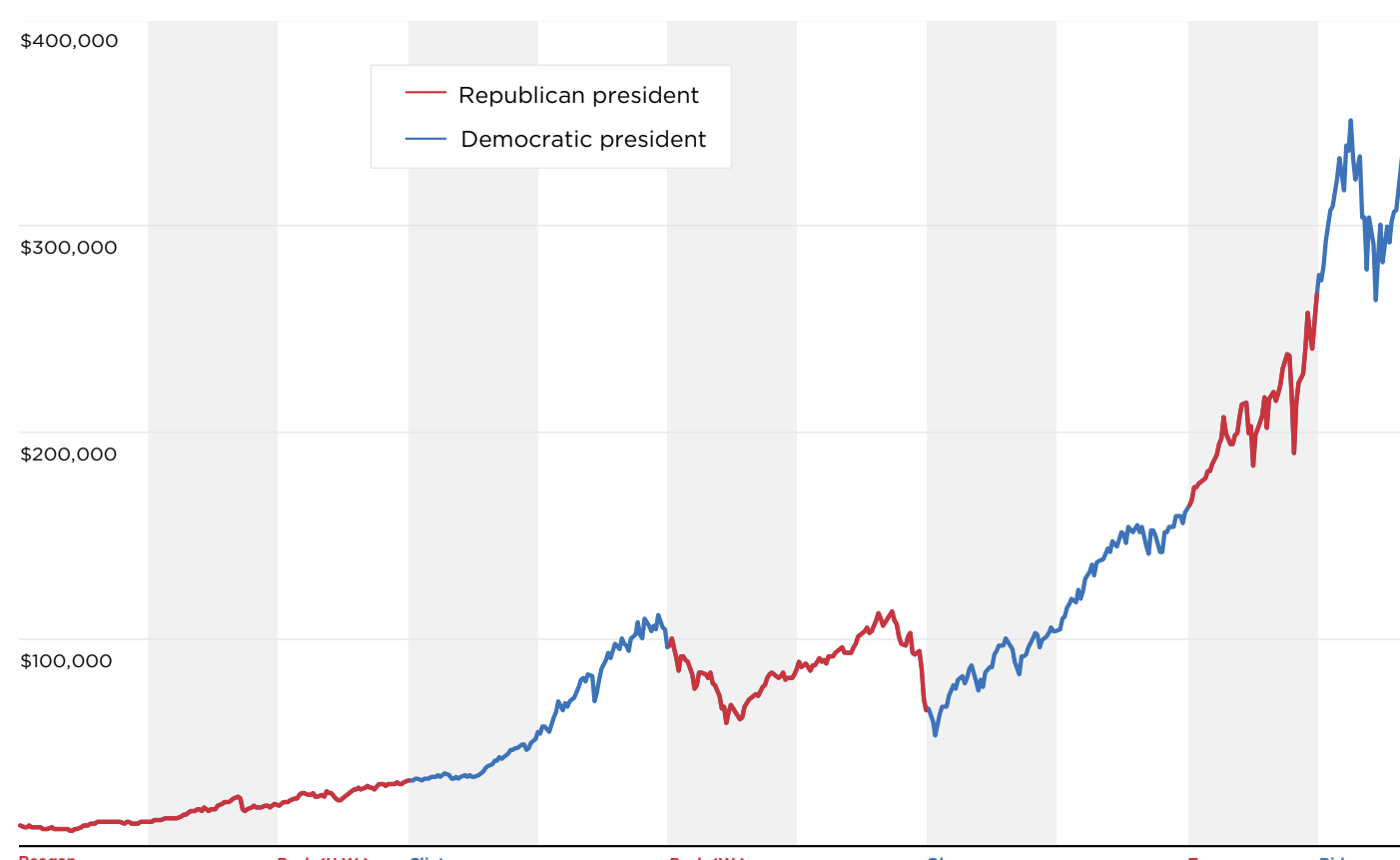
45%

Nearly half of all investors believe the election will impact their retirement plans and portfolios than market performance.

Stock returns and election results—no contest.

Three in five (59%) investors believe that the outcome of a presidential election has a direct immediate and lasting impact on stock market performance. However, stock performance has been largely the same no matter how both political parties split control in Washington, D.C.

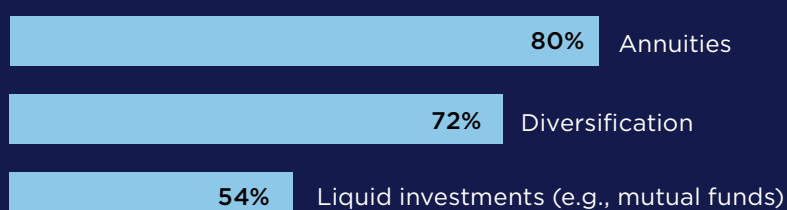
S&P 500® Index growth of \$10,000 1981 to present



Source for chart data: Factset, Nationwide IMG Investment Research

Managing risk moves front & center in volatile times.

Nearly all (96%) financial professionals report having a plan in place to help protect clients' assets from market risk. Among those who have a plan, some common strategies are:



56% of financial professionals believe staying the course—not changing their clients' investment strategies—is the best way forward in an election year.



Help your clients tune out the noise of political headlines and tune in to their long-term financial goals. Turn to Nationwide for timely insights on the markets and economy that can help your clients make informed investment decisions in uncertain times.



View our latest market insights and resources [here](#).



The ninth annual Advisor Authority Survey was conducted online within the U.S. by The Harris Poll on behalf of the Nationwide Retirement Institute from August 14-30, 2023 among 2404 investors aged 18+ with investable assets of \$10K+ and 507 financial advisors/professionals. Advisors and financial professionals included 274 RIAs, 196 broker-dealers, 143 wirehouse and 52 other financial professionals. Among the investors, there were 636 Mass Affluent (IA of \$100K-\$499K), 529 Emerging High Net Worth (IA of \$500K-\$999K), 402 High Net Worth (IA of \$1M-\$4.99M) and 219 Ultra High Net Worth (IA of \$5M+), as well as 618 investors with \$10K to less than \$100K investable assets ("Less affluent"). Investors included a subset of 464 "pre-retirees" age 55-65 who are not retired.

S&P 500® Index: An unmanaged, market capitalization-weighted index of 500 stocks of leading large-cap U.S. companies in leading industries; it gives a broad look at the U.S. equities market and those companies' stock price performance.

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