
MARKET WATCH

**David Derwin – Portfolio Manager & Investment Advisor
PI Financial Corp.**

Connect at www.Commodity-Options.ca or 1-844-982-0011

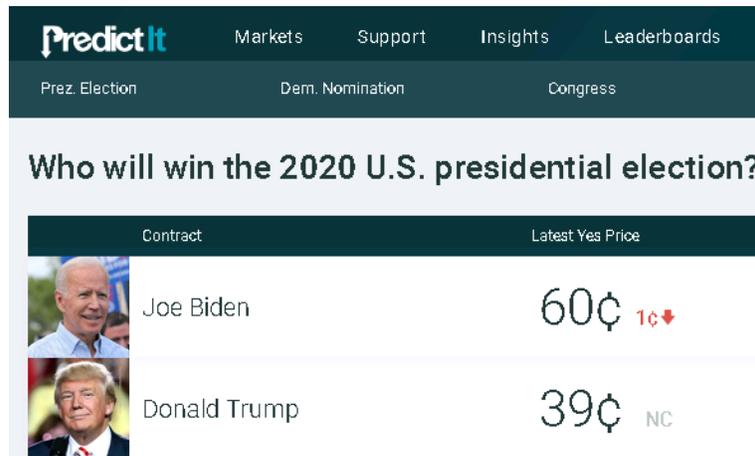
Below are excerpts from my weekly Market Watch radio spots.
Market Watch is broadcast on over two dozen radio stations across Western Canada.

“There are decades when nothing happens, and there are weeks when decades happen.”
– Vladimir Lenin

Who will win the US Presidential election? – July 6, 2020

When it comes to politics and elections, I’m not a big fan of relying on pollsters to figure how the public will vote. The surprise UK Brexit vote and Trump win in 2016 showed that you shouldn’t just follow polls. So where are can you turn? I like to follow the online political futures and betting sites. Since it is real money on the line, like the saying goes, money talks and BS walks.

So, what are the betting sites currently saying about Trump’s chances of winning again this year? On the PredictIt.org site, Joe Biden is currently trading at a 60% chance of becoming the next President while Trump is only at 39%.



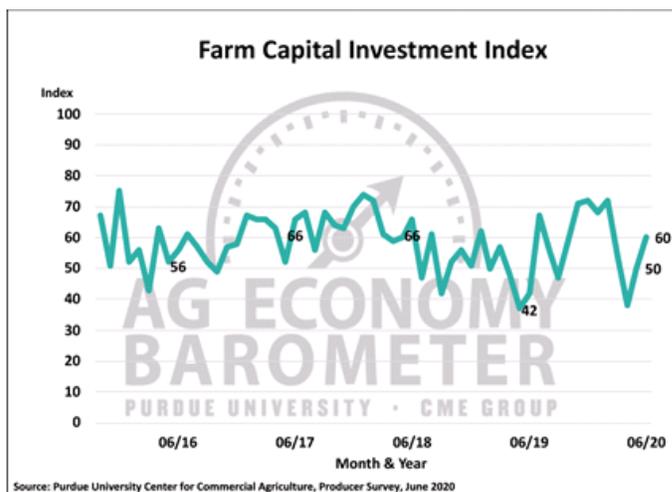
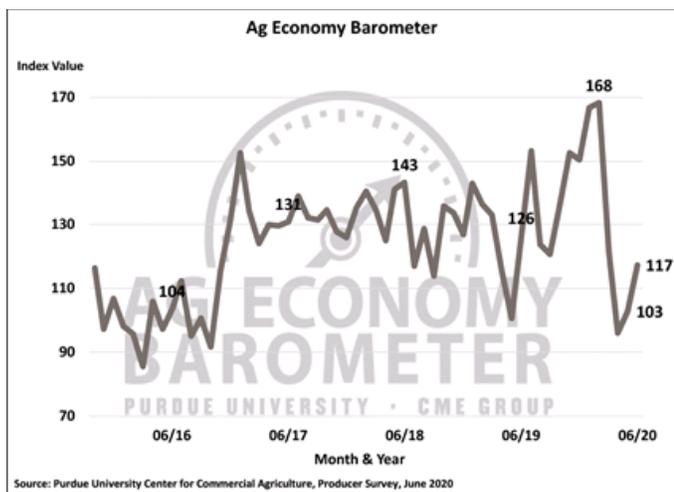
PredictIt		Markets	Support	Insights	Leaderboards
Prez. Election	Dem. Nomination	Congress			
Contract		Latest Yes Price			
	Joe Biden	60¢	1¢↓		
	Donald Trump	39¢	NC		

Bottom line, history has shown that the incumbent President usually wins and that a rising stock markets in the months before an election also help their chances. I’ll be keeping a close eye on both market indicators and betting sites leading up to the election to gain more insights. For more market commentary and trading analysis, connect with me at 844-982-0011 or commodity-options.ca.

Markets & Economies Rebounding – July 13, 2020

With a lot of broad based global financial and economic indicators have been improving in the past few months, they have been rebounding in farming and agriculture as well. According to the Purdue University/CME Group Ag Economy Barometer, “farmer sentiment improved in June for the second month in a row, rebounding from sharp declines that took place in both March and April.”

“Over the last two months, farmers' perspective regarding making large investments in their farming operations improved markedly. The *Farm Capital Investment Index* recovered to a reading of 60 in June, compared to just 50 a month earlier and a reading of 38 in April. Although much improved since bottoming out in April, the recovery still left the *Farm Capital Investment Index* below the 2020 high established in February, before coronavirus impacted markets.”



Bottom line, while the farming situation and outlook appears to be improving south of the border, there will still be a lot of volatility and uncertainty across most markets going forward. For commodity market analysis and farm hedging strategies, connect with me at 844-982-0011 or commodity-options.ca.

Should a Democratic President scare stock markets? – July 20, 2020

With Joe Biden leading in the polls and online betting sites by anywhere between 10 to 20% over Trump, should a Democratic win scare the stock markets? Based Bloomberg research and analysis, the answer is probably not.

Using data going back to 1928, when Democrats were in the White House, the US S&P 500 stock market index had an average annual return of almost 11%. During that same time, when Republicans controlled the Presidency, the average annual return was less than 2%.

President(s)	Office Control	Term Start Date	Term End Date	Total Return During 4-Year Term	Annualized Return During 4-Year Term	
Herbert Hoover	Republican	3/4/1929	3/3/1933	-77.09%	-30.82%	
Franklin D. Roosevelt	Democrat	3/4/1933	1/19/1937	205.48%	33.28%	
Franklin D. Roosevelt	Democrat	1/20/1937	1/19/1941	-40.58%	-12.19%	
Franklin D. Roosevelt	Democrat	1/20/1941	1/19/1945	28.37%	6.44%	
Franklin D. Roosevelt/Harry S. Truman	Democrat	1/20/1945	1/19/1949	15.33%	3.62%	
Harry S. Truman	Democrat	1/20/1949	1/19/1953	69.30%	14.05%	
Dwight D. Eisenhower	Republican	1/20/1953	1/20/1957	71.63%	14.46%	
Dwight D. Eisenhower	Republican	1/21/1957	1/19/1961	34.32%	7.64%	
John F. Kennedy/Lyndon B. Johnson	Democrat	1/20/1961	1/19/1965	44.89%	9.70%	
Lyndon B. Johnson	Democrat	1/20/1965	1/19/1969	17.38%	4.08%	
Richard M. Nixon	Republican	1/20/1969	1/19/1973	16.42%	3.87%	
Richard M. Nixon/ Gerald R. Ford	Republican	1/20/1973	1/19/1977	-13.31%	-3.50%	
Jimmy Carter	Democrat	1/20/1977	1/19/1981	26.77%	6.10%	
Ronald Reagan	Republican	1/20/1981	1/20/1985	27.50%	6.26%	
Ronald Reagan	Republican	1/21/1985	1/19/1989	67.31%	13.70%	
George Bush	Republican	1/20/1989	1/19/1993	72.27%	14.54%	
William J. Clinton	Democrat	1/20/1993	1/19/1997	97.85%	18.57%	
William J. Clinton	Democrat	1/20/1997	1/19/2001	82.98%	16.27%	
George W. Bush	Republican	1/20/2001	1/19/2005	-6.62%	-1.69%	
George W. Bush	Republican	1/20/2005	1/19/2009	-26.30%	-7.34%	
Barack Obama	Democrat	1/20/2009	1/20/2013	90.70%	17.47%	
Barack Obama	Democrat	1/21/2013	7/5/2016	50.83%	12.60%	
				Republican Average	16.61%	1.71%
				Democrat Average	57.44%	10.83%

Source: Bloomberg, Plancorp

At the end of the day, since so many other domestic and global social and economic factors will determine the trajectory of the stock market, who wins the upcoming US election in November may not really matter that much.

Bottom line, investors shouldn't be particularly concerned if Biden wins the Presidential election November. In fact, since 1928, the US S&P 500 stock market index has increased on average nearly 11% when Democratic controlled the White House while the return was not even 2% under a Republican president. For market analysis and investment strategy, connect with me at 844-982-0011 or www.investment-options.ca

Global Financial Market Update – July 27, 2020

It's been five months since COVID really started impacting financial markets near the end of February. How have markets reacted during that time?

Overall, since COVID concerns pushed down asset prices around 30% near the end of March, they have recovered but there is still more to go to reach the levels of earlier this year. For example, the broad US stock market, as measured by the Russell 3000 Index, is down about 5%. At the same time, the Toronto Stock Exchange Composite Index has dropped 10% while European stock markets have fallen around 13%.

S&P/TSX Composite Index C: 15997.06 Chg



Corporate and high-yield bond funds have decreased between 5-10% while preferred share funds are lower by about 10% as well.

Bottom line, while markets have recovered significantly from the lows in March, there's been a lot of volatility since then. Markets continue to grind their way higher but it will still take time for economies to fully recover and global financial markets to move back up to their highs. For investment analysis and portfolio management strategies, connect with me at 844-982-0011 or www.investment-options.ca

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