



Presidential Approval Ratings and Dow Jones Index

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Introduction

- Measuring relationship between presidential approval rating and the Dow Jones Index (2016-2018)
- Presidents
 - Barack Obama
 - Donald Trump
- Question 1: Is there a correlation between Americans' perceptions of a President's performance while in office and the growth or decline of the stock market?
- Question 2: If there is a correlation, which President would have more of a positive correlation?



Our Hypothesis

- Trump's correlation would be more distinct than Obama's
 - More volatile president, reflected by the market
 - History of Republican presidents

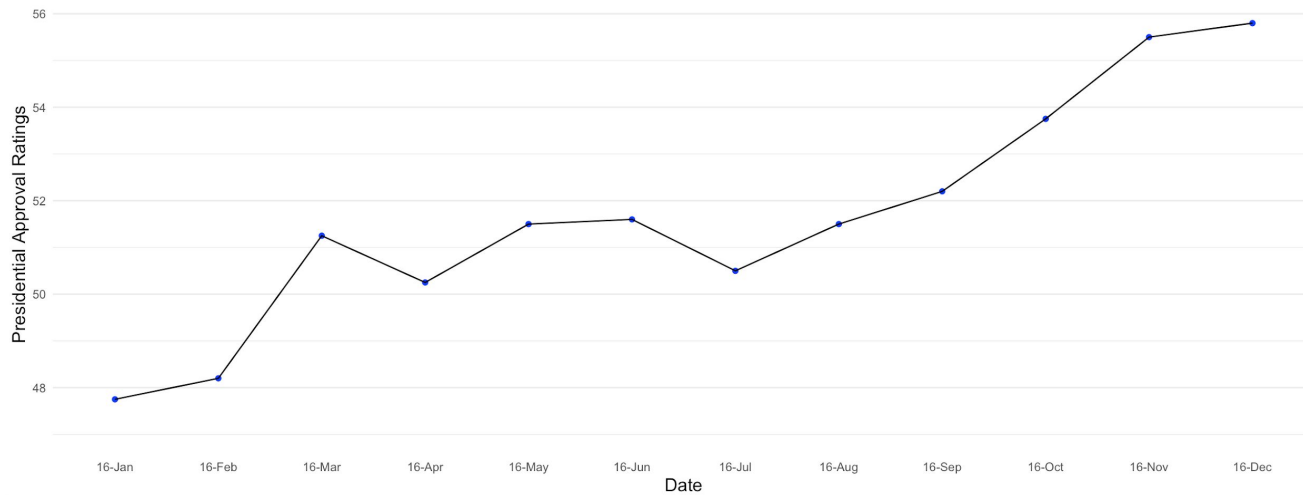


Collecting the Data

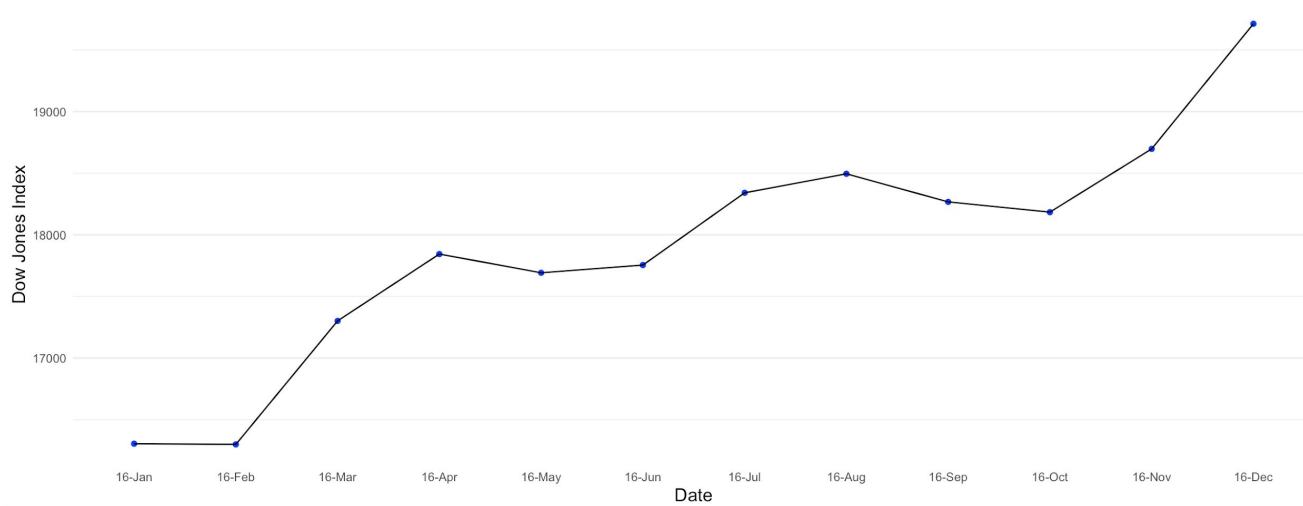
- Approval Ratings were gathered from Gallup and FiveThirtyEight
- Dow Jones Index Performances were gathered from MacroTrends and Statista
- Used R to wrangle and visualize the data
- Used Excel to analyze a linear regression

Results: Obama

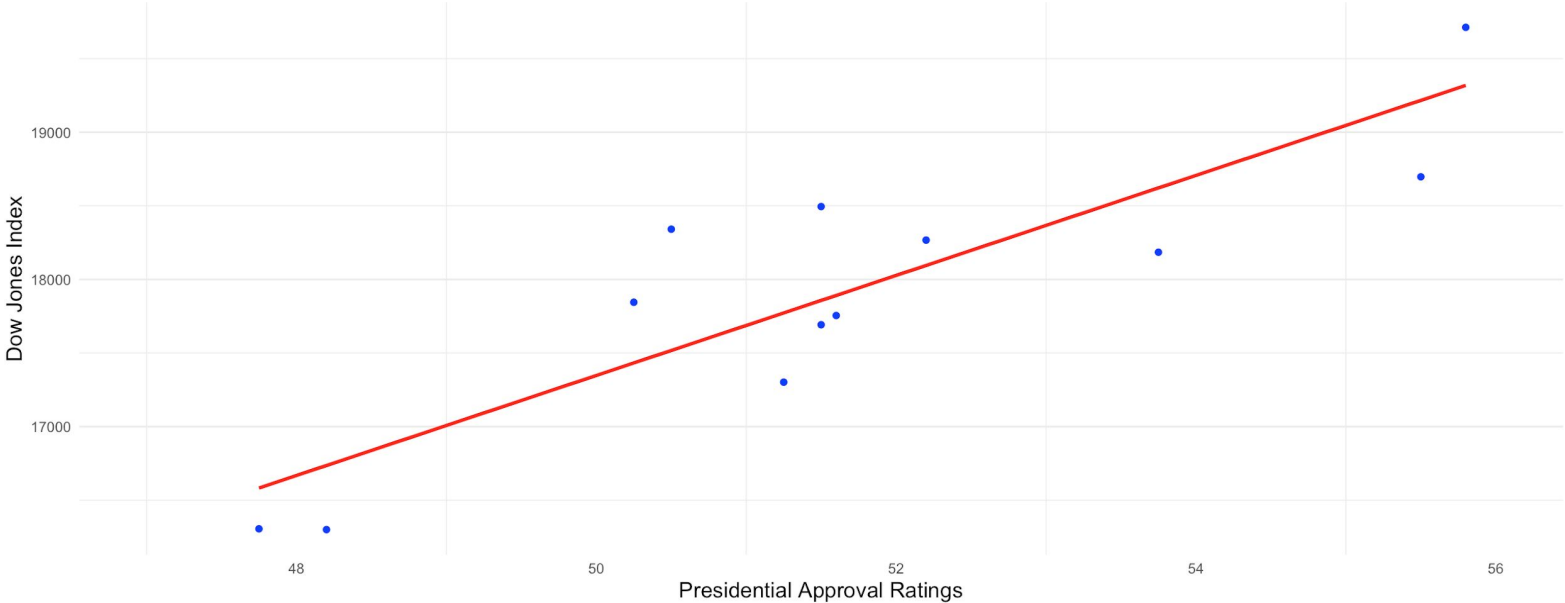
Obama's Presidential Approval Ratings by Month



Dow Jones Index by Month During Obama's Presidency



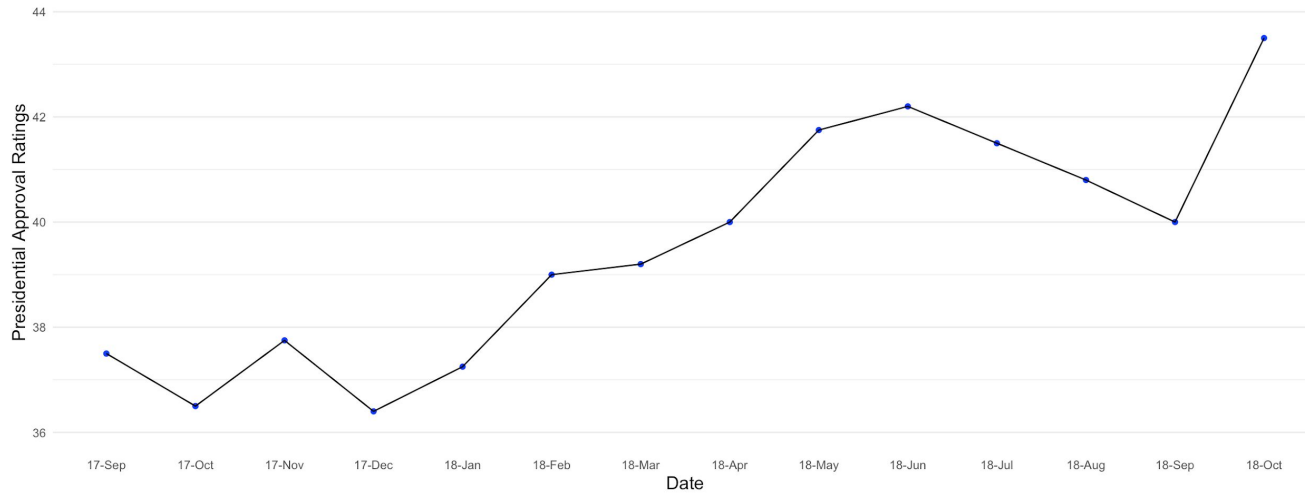
Relationship Between Obama's Approval Ratings and Dow Jones Index



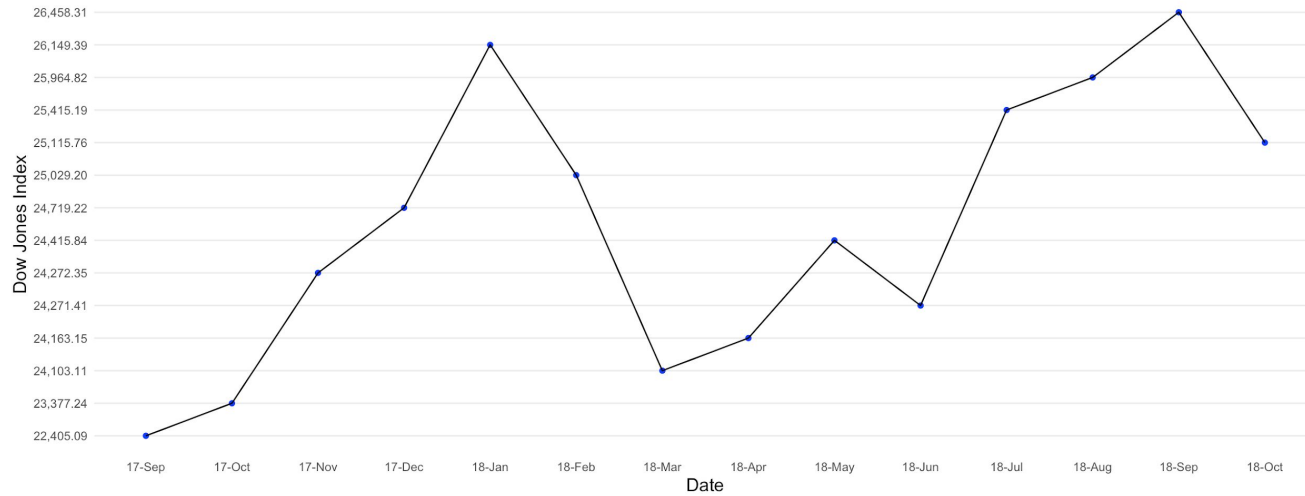
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	5087006.44	5087006.44	19.7057444	0.00162557
Residual	9	2323335.62	258148.402		
Total	10	7410342.06			

Results: Trump

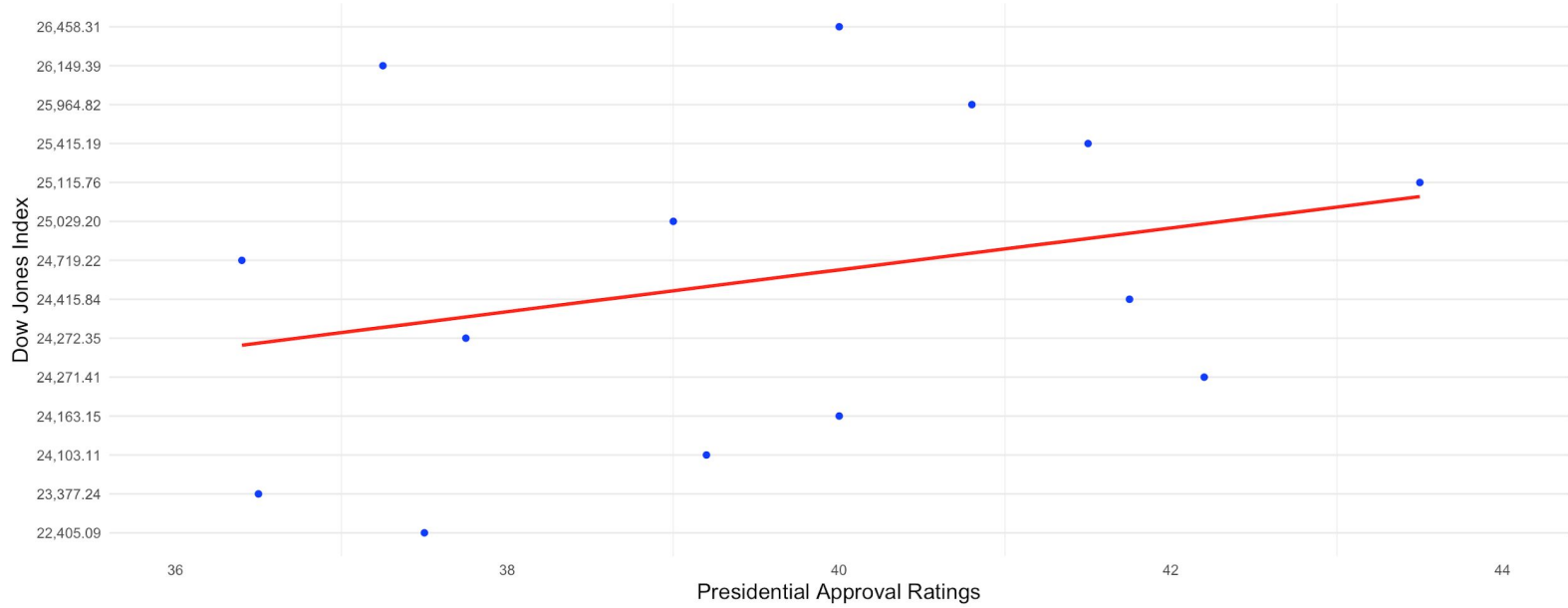
Trump's Presidential Approval Ratings by Month



Dow Jones Index by Month During Trump's Presidency



Relationship Between Trump's Approval Ratings and Dow Jones Index



	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	336323.53	336323.53	0.382826	0.5486931
Residual	11	9663813.4	878528.49		
Total	12	10000137			



Conclusion

- Hypothesis proven wrong
- Trump's data inconclusive
- Obama's data more relational
- Several factors to consider
 - Natural disasters
 - Temporary recessions
 - Performance of other stock markets and industries


Thank You!

