

# President Trump coronavirus news: Stay the course and focus on fundamentals

*The news that President Donald Trump and First Lady Melania Trump both tested positive for COVID-19 provided another shock to financial markets that were already navigating the uncertainty surrounding the outcome and policy implications of next month's election. While the news adds to uncertainties, we think the investment implications will remain limited.*

## Views from Nuveen's Global Investment Committee

First, and most importantly, we wish both the president and first lady a smooth and rapid recovery. As we have maintained all year, the economic and financial implications of this disease run a distant second to the terrible human cost it has exacted across the world.

It would be irresponsible of us to speculate on the president's health beyond what little we know, or on what implications it might have for the November election. And while financial markets are rattled today, we do not see signs of panic.

Trading is orderly across fixed income and equity markets, with a moderate flight to safety in light of the news overnight and the disappointing U.S. employment report released this morning. Futures markets today tell us that investors now expect equity market volatility to be even higher over the next several months, but we expected that already given the possibility of a delay in the election results.

Presidential elections do not have a history of being decisive or durable drivers of financial markets. Given that, and especially in light of the additional uncertainty we're faced with today, we do not suggest investors make significant changes to their asset allocations or overall wealth strategies in advance of or following the November elections.

The key point on this front: Regardless of which party controls the White House or Congress, the main driver of investors' returns over the long term will be their own asset allocation decisions.

While policy changes following the election could impact the economy and company profits, market activity over the next year seems likelier to be driven by progress toward one or more coronavirus vaccines and their availability to the public at large.

The Federal Reserve also seems likely to renew its dedication to accommodative monetary policy regardless of who wins the presidency. This means investors whose financial goals include generating a reliable cash flow from their assets will remain challenged.

Uncertainty makes for an uncomfortable investing environment. For individual investors, there's never a bad time to have a conversation with a financial professional about your financial plan and how it's affected by events like the election and the pandemic.

And for institutional investors, we suggest sticking with long-term asset allocation and rebalancing plans.

If 2020 has provided us with any positive lesson, it's that staying the course even in the choppiest of waters can often be the right decision.

**For more information, please visit us at [nuveen.com](https://www.nuveen.com).**

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