

IT'S TIME TO VOTE!

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As the 2024 election nears, candidates are sharpening their policy positions, particularly in areas like tax policy, tariffs, and regulation, with implications for various industries and sectors. Tax policies will hinge on whether a single party controls both Congress and the White House or if there is divided government, with potential shifts in corporate, personal, and capital gains tax rates on the table.



On fiscal policy, both candidates are expected to run substantial deficits, though their spending priorities differ significantly. Harris's platform includes tax credits for first-time homeowners and families with newborns, along with proposals to increase the corporate tax rate and introduce price controls on groceries. Trump, meanwhile, plans to extend the Tax Cut and Jobs Act of 2017 and potentially increase defense spending as part of a broader agenda to modernize the U.S. military. However, enacting these policies will require Congressional support, making the composition of the next Congress critical for policy outcomes.

Both candidates have distinct approaches to labor and immigration. Trump has pledged to restrict illegal immigration and secure the border, which he argues would protect American jobs, while Harris advocates for a pathway to citizenship for undocumented immigrants and aims to expand legal immigration to support labor market growth. With birth rates below replacement levels, both candidates recognize that immigration will be necessary to maintain an active, sustainable workforce.

Tariffs are also a focal point. Trump, who initiated a wave of tariffs during his first term, intends to increase duties, particularly on Chinese goods, using tariffs as a tool to promote American industries and protect intellectual property. Harris is expected to maintain current tariffs on China, as the Biden administration has done, but may be less aggressive with other trading partners.

In terms of regulation, Harris's agenda emphasizes cost control measures for consumers, including policies to stimulate affordable housing, cap prescription drug costs, and support renewable energy. Trump's approach favors deregulation, proposing to withdraw from climate agreements, reduce drilling regulations, and ease manufacturing constraints to boost U.S. production.

Despite the election's significance, historical data suggests that market performance does not hinge heavily on which party wins. Divided government, in particular, has often been beneficial for stocks, as it can create a balance that prevents extreme policy changes, fostering stability. U.S. equity returns during election years have averaged about 7.5% since 1928, and while markets tend to dislike uncertainty, they have shown resilience through wars, recessions, and other challenges. Ultimately, investors are encouraged to stay focused on long-term goals and fundamental analysis, as markets are more influenced by broader economic trends than by political shifts alone.

"Democracy is the only system that persists in asking the powers that be whether they are the powers that ought to be."

- Sydney J. Harris

TIP OF THE MONTH:

HOW TO EFFECTIVELY FACT-CHECK

In an age where information spreads rapidly, distinguishing fact from fiction is essential. Effective fact-checking ensures that what you share and act upon is reliable and accurate. Here's a quick guide on how to fact-check effectively:

1. Examine the Source

- **Identify the Publisher:** Reliable sources, such as established news organizations, academic journals, and government websites, generally adhere to high journalistic and editorial standards. Be cautious with sources lacking a reputation for accuracy.
- **Look for Author Credentials:** See if the author is an expert in the field. Fact-checking organizations like Snopes or FactCheck.org are also great resources to verify authorship or content.

2. Cross-Reference the Facts

- **Check Multiple Sources:** Try to find the information in at least two or three credible sources. Consistency across various trusted outlets adds legitimacy to the information.
- **Use Reputable Fact-Checking Sites:** Sites like PolitiFact, FactCheck.org, and Snopes provide researched insights and are transparent about their sources, helping to verify complex issues or rumors.

3. Identify Loaded Language and Bias

- **Look for Emotional Triggers:** Articles with dramatic, emotional, or fear-mongering language may aim to influence rather than inform. Neutral language often indicates an objective perspective.
- **Be Aware of Possible Biases:** Media outlets sometimes have political or financial interests. Recognizing potential biases can help you read critically, evaluating claims based on evidence rather than presentation.

4. Check Dates and Context

- **Confirm Timeliness:** Information, especially in topics like politics, health, and science, can change quickly. Ensure the data is current by checking the publication date.
- **Understand the Context:** A quote or statistic without context can be misleading. Look for the larger picture by reading more of the article or exploring additional sources.

5. Verify with Experts

- **Consult Primary Sources or Specialists:** If you're dealing with complex topics like science or law, consult primary sources (like original research papers) or reach out to experts in the field.
- **Utilize Google Scholar and Academic Resources:** For data-heavy information, search academic databases, and government sites where data has been vetted and peer-reviewed.

6. Trust, But Verify Visuals

- **Reverse Image Search:** Platforms like Google Images or TinEye allow you to trace where an image originated and if it has been manipulated.
- **Beware of Misleading Graphics:** Infographics and charts can be manipulated to emphasize certain narratives. Check the data sources and scale to see if they accurately represent the information.

FINANCE 101: SIMPLIFYING THE COMPLEX

THE ELECTORAL COLLEGE

The Electoral College is the system used in the United States to elect the president. Instead of a direct popular vote, it works like this:

Each state gets a set number of "electors" based on its population size (the total number of its senators and representatives in Congress). When people vote in a presidential election, they're actually voting for a group of electors chosen by the candidate's party. The candidate who wins the most votes in a state usually gets all of that state's electors.

To win the presidency, a candidate needs a majority of the 538 total electoral votes—at least 270. This system means that a candidate can win the presidency without winning the most individual votes across the country, as long as they win enough states with a large number of electoral votes.

In short, the Electoral College translates state-by-state election results into a final national result for the presidency.