

Impact of elections on the financial market

FREZARD Paul
SARTORI Romain
VU Billy

M2 DS2E



Introduction



Why this subject?

- Interest in the finance field.
- Reelection of the controversial president Donald Trump.
- Expected short term impact on the financial market.

Plan

1. Data source and description
2. Data processing.
3. Final Dashboard

We'd like to know whether the election of an American president has a real impact on the financial markets.

1. Data source and description (1/2)

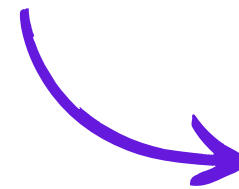
Source : Yahoo Finance

- One of the most famous financial data source in france.



Variables for each index from Yahoo Finance :

- Date : Date corresponding to the index price
- Open : Opening price of the index on that day
- High : Highest price reached by the index on that day
- Low : Lowest price reached by the index on that day
- Close : Adjusted closing price for splits
- Adj Close : Closing price adjusted for splits, dividends, and other distributions
- Volume : Total number of shares traded on that day



Cleaning... then Feature Engineering

- Before_After Election : Indicates whether the date is before ("Before") or after ("After") the election.
- Day_of_week: Day of the week (e.g., Monday, Tuesday).
- Month: Month of the year.
- Is_Holiday_Period: Indicates whether it is a holiday period (e.g., Christmas, summer).
- Mandate : to link each date to a president's term of office

1. Data source and description (2/2)

Created DataFrames :

- Obama second term
- Trump's first term
- Trump's current term
- All mandates merged for comparison purposes
- 3 months before and after each election for each mandate studied for a better understanding of the impact on financial markets

Barack Obama



Presentation

presidential election : 01/20/2009 - 01/20/2017

political party: democrat

Inclusive and Stimulus-Oriented Economics

To simplify things and make it equal with Trump's term, we'll take just Obama's second term.

Of
Obama

Donald Trump



Our Dashboard

Of
Trump

Presidential Election : 01/20/2017 - 01/20/2021
and 01/20/2024 - ...

political party: democrat

A Populist and Nationalist Ideology

2. Data processing



To the Notebooks

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