

Stocks & Politics: A 10 year Overview

Team 7 – Bulls & Bears

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Idea Formulation...

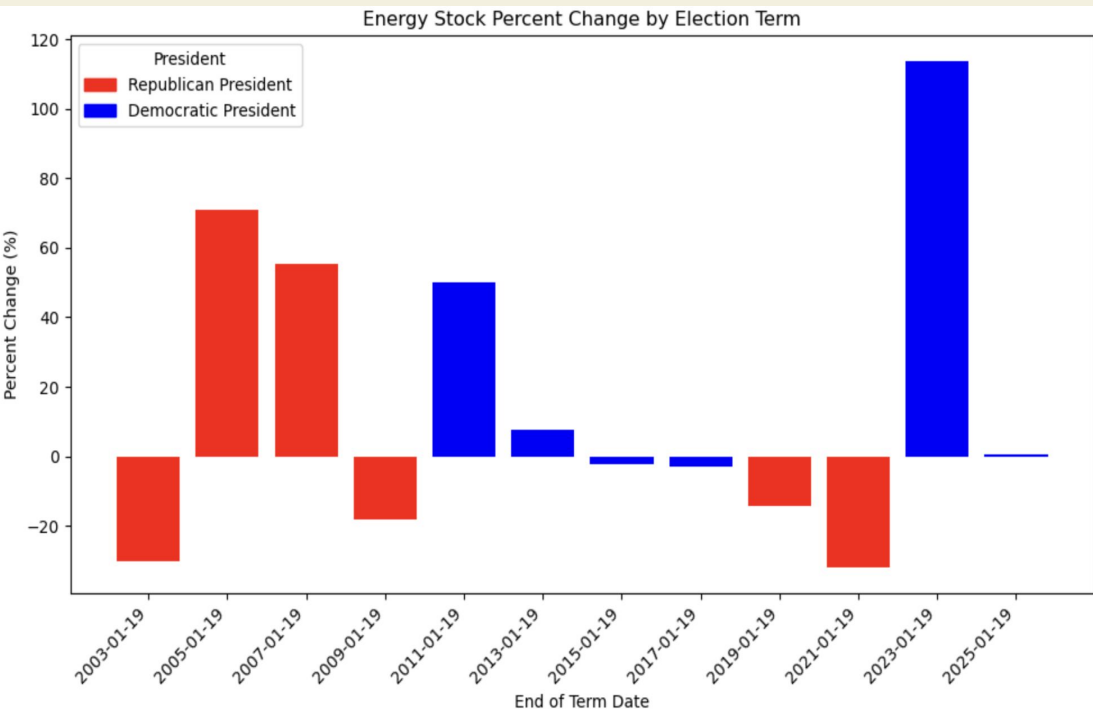
1. How does the Political Party that's in charge AND the party in control of congress affect different stocks?
2. How do unforeseen events affect stock prices?
3. Bonus: What political party favors bitcoin?

Final Question:

What stock should you purchase in the upcoming 2025 year?

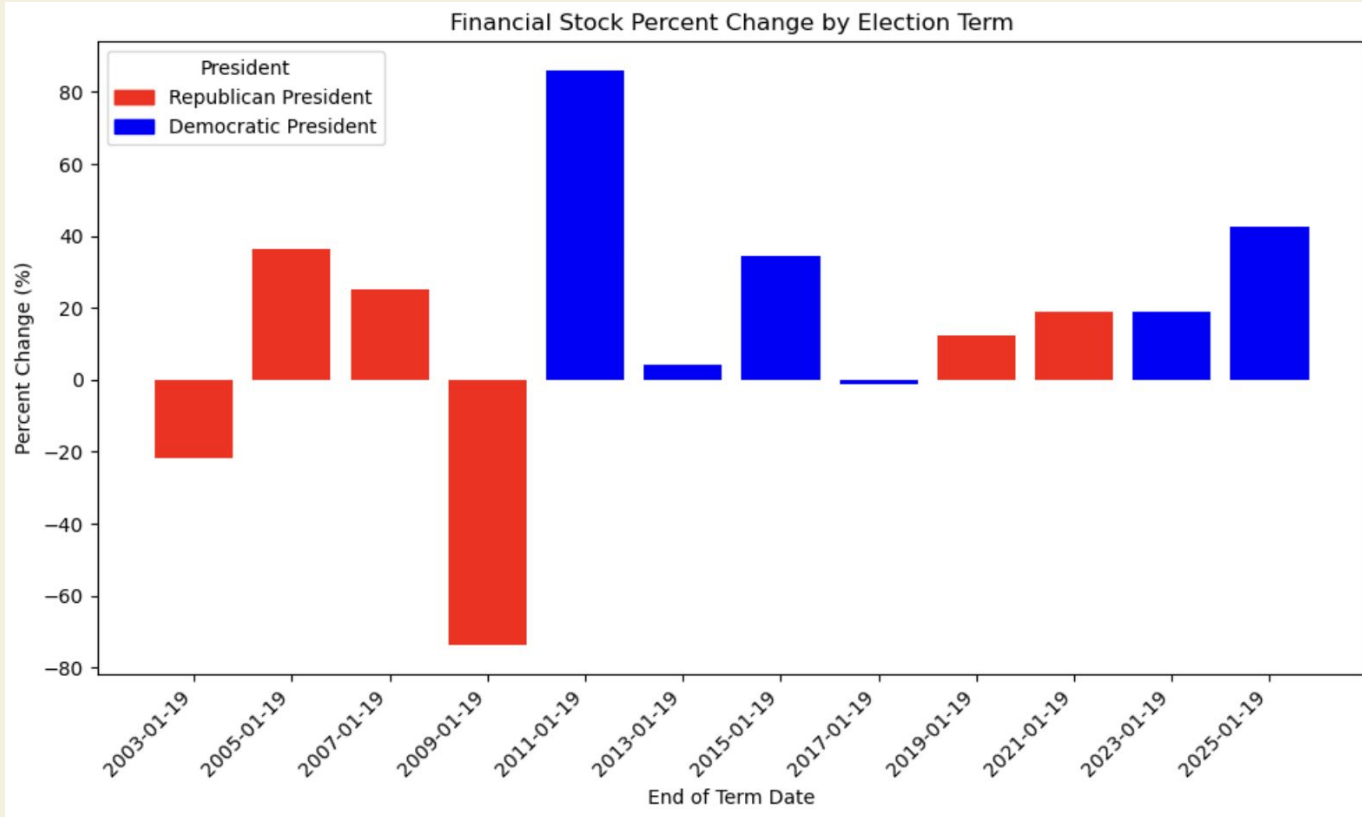
Demo!!!

Energy Stocks



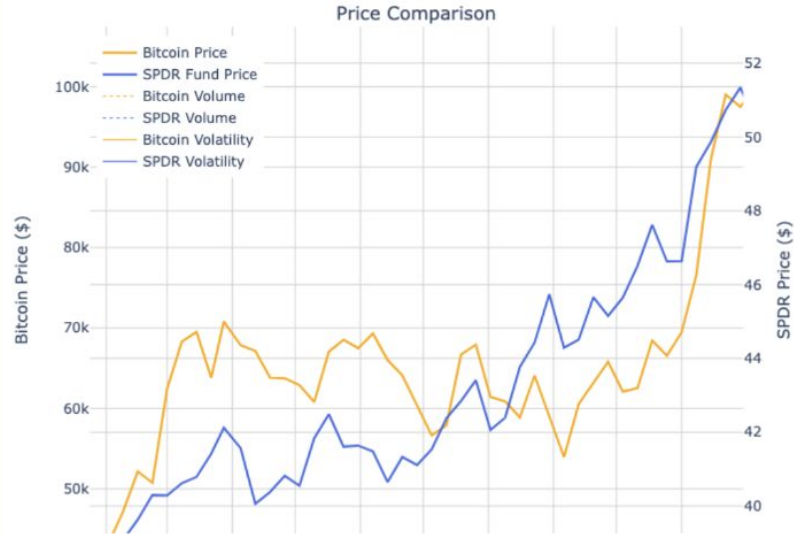
Start of Term	End of Term	President	House	Senate	Percent Change
2001-01-20	2003-01-19	Republican	Republican	Democratic	-30.081812
2003-01-20	2005-01-19	Republican	Republican	Republican	71.013133
2005-01-20	2007-01-19	Republican	Republican	Republican	55.439560
2007-01-20	2009-01-19	Republican	Democratic	Democratic	-18.135444
2009-01-20	2011-01-19	Democratic	Democratic	Democratic	50.127497
2011-01-20	2013-01-19	Democratic	Republican	Democratic	7.689016
2013-01-20	2015-01-19	Democratic	Republican	Democratic	-2.158928
2015-01-20	2017-01-19	Democratic	Republican	Republican	-2.974172
2017-01-20	2019-01-19	Republican	Republican	Republican	-14.354709
2019-01-20	2021-01-19	Republican	Democratic	Republican	-32.067376
2021-01-20	2023-01-19	Democratic	Democratic	Democratic	113.810316
2023-01-20	2025-01-19	Democratic	Republican	Democratic	0.596817

Financial Stocks

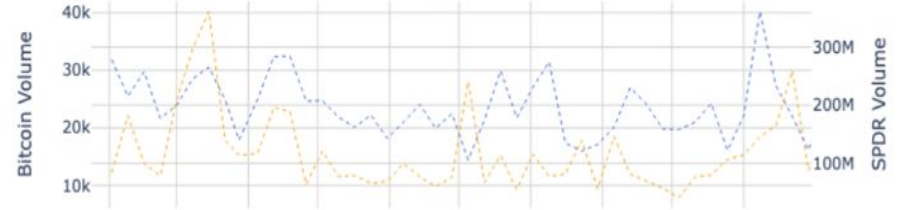


Bitcoin Trends

Bitcoin and Financial Select SPDR Fund Comparison



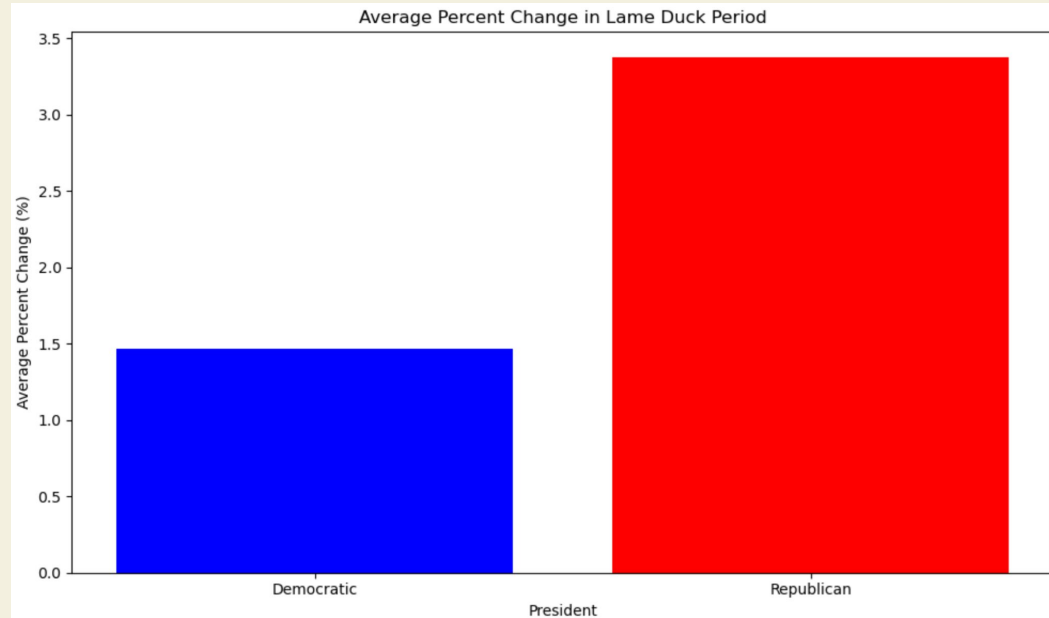
Trading Volume



Volatility



Impact of Lame Duck Periods

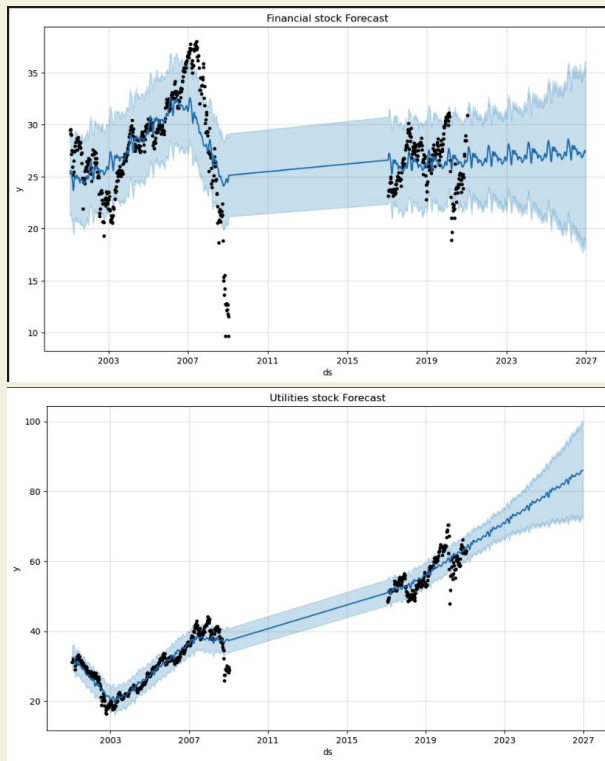


2025 Forecast: What stock should you consider buying in 2025?

We used **Prophet** to model price predictions for each industry-specific stock, with the additional context that the next presidential term will be **Republican**.

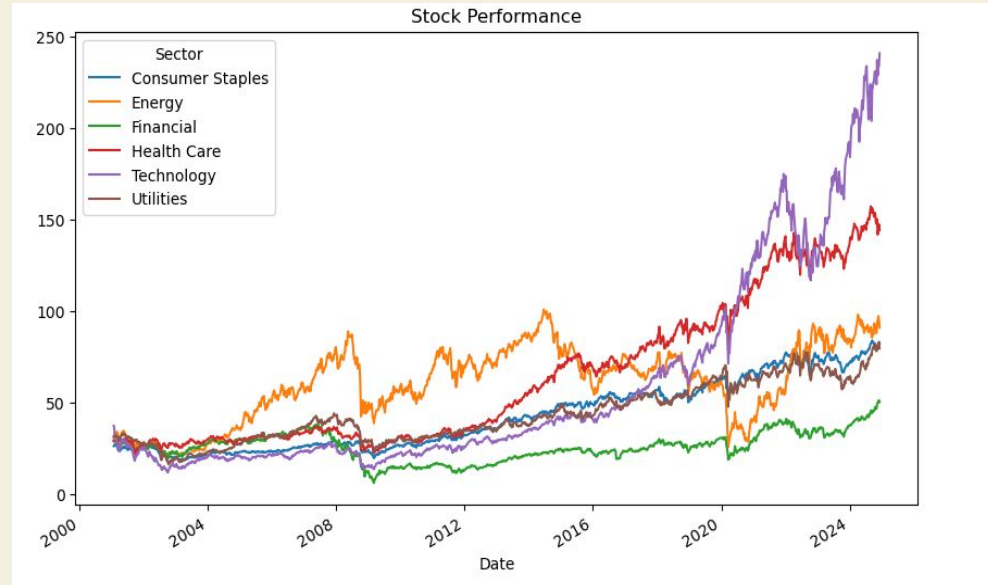
Energy and **Finance** are more questionable picks due to favoring **Democratic** presidents, while the others (**Utilities**, **Technology**, **Healthcare**, and **Consumer Staples**) show stronger upward trends with **Republican** presidents.

But in general, stocks generally trend up in the long-run, regardless of political control, so just purchase ETFs (e.g. SP500) at regular intervals (DCA) and hold.



What we learned...

- Improved understanding of financial data and its behavior
- Enhanced skills in using tools we learnt in the class
- Unforeseen events such as War, Pandemics, Recessions are the true driver of stock prices



What we would research further...

- Enhance the model's accuracy by incorporating additional factors
- Making better visualization (panda.plot, hvplot, plotly, prophet...)
- Automate the analysis process for real-time stock price monitoring



GitHub Link:

https://github.com/charm493/project_one_team_7.git

Q&A