

Investors Mixed on Potential Impact of Trump-Era Policies

This week's [Sentiment Survey](#) special question asked AAI members to explain how the success or failure of the Trump administration's proposed policies influence their outlook for stock prices. Responses were mixed. Nearly one out of four respondents (24%) think the president's policies will have a positive impact, particularly those policies that go beyond health care (tax reform, deregulation, etc.). Conversely, nearly 22% think Washington politics could have a negative impact on the market either by allowing his proposals to move forward or by having the proposals snagged in gridlock or otherwise not passed. An additional 11% say President Trump is causing them to be more cautious, with some of these respondents describing him as being too unpredictable. About 19% say the president is not influencing or otherwise factoring into their outlook. Some of these respondents described his rhetoric as just being noise, while others say they are more focused on fundamental factors. A little under 8% say that it is still too early to tell what impact the administration's policies will have on the market.

Here's a sampling of the responses:

- "There should be success if taxes are lowered and regulations are reduced."
- "I believe something 'crazy' could happen and lead to investors panicking."
- "Not at this time—it's all political hot air. Stock prices reflect relative value and earnings growth."
- "Success—good; failure—bad."
- "If he cannot break the legislative logjam, we are headed for a recession."
- "The outlook for stocks prices is uncertain since the details of the Trump administration's policies and how they will be implemented are yet unknown."