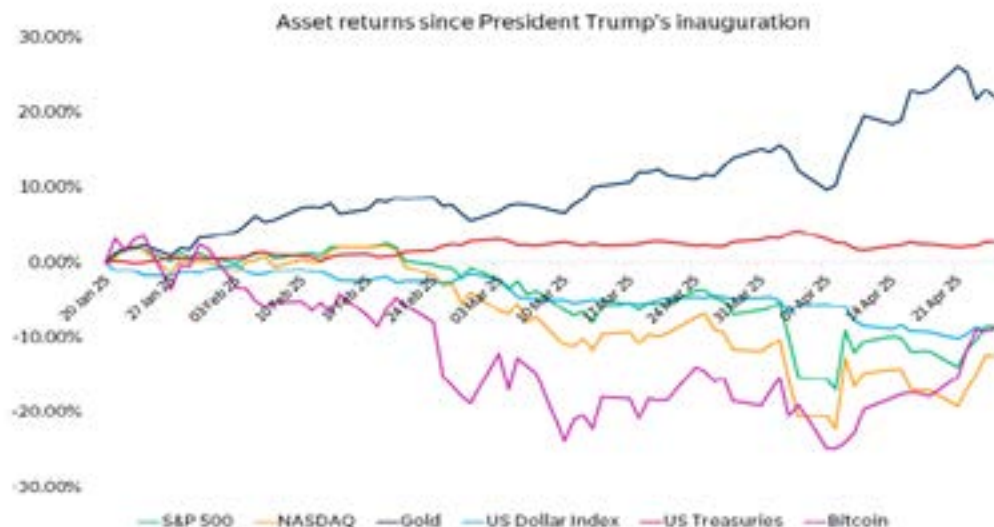


Has the first 100 days of President Trump made great again?

By Slawomir Soroczynski

Chart of the Week



Source: Bloomberg Finance L.P., as at 25 April 2025.

What this chart shows

The chart above shows returns of selected assets since the President Trump inauguration day. As of 25 April 2025, President Trump is nearing the end of his first 100 days in office, with the milestone officially concluding on 30 April 2025. During this period, President Trump has signed 129 executive orders, 33 proclamations, and 33 memorandums. While the full impact of these actions remains to be seen, it is premature to judge who has been made "great again." Instead, let's assess who may have become richer or poorer during this time. The market euphoria that dominated the final weeks of 2024 now feels like a distant memory. Most trades related to Trump's policies have reversed, resulting in significant losses for those who invested based on this rather unjustified optimism. U.S. equities have taken a hit, with the S&P 500 and Nasdaq indices falling by over 12% and nearly 18%, respectively, approaching bear market territory. In the foreign exchange market, the U.S. dollar weakened by approximately 9% against a basket of major currencies. Meanwhile, commodity markets have struggled, with oil prices declining nearly 14% amid fears of an economic slowdown. Even the cryptocurrency market has faced challenges, despite some unexpected support measures from the new administration.

So, has it been all gloom and doom? Not exactly. There have been some positive developments, though "surprises" may not be the best word to describe them. In times of uncertainty, investors typically gravitate toward safer assets. U.S. Treasury bonds, along with sovereign bonds from other developed markets, have delivered positive returns over the past 100 days, offering solid returns ranging from 3% to 5%, depending on maturity. However, compared to the oldest "safe haven" asset, gold, these fixed-income returns seem less appealing. Since Inauguration Day on January 20, the price of gold has risen by 22% (\$3,330 per troy ounce as of April 24, 2025). On April 22, 2025, gold hit an all-time high of \$3,500. Several factors contributed to this remarkable performance, with the final spike likely driven by strong diversification flows from U.S.-based investors and reports indicating unusually tight market conditions in physical gold.

Why this is important

To summarise the first 100 days from a market perspective: the unusual volatility can be traced back to the complacency that prevailed in the markets during the final weeks of 2024, which were dominated by excessive risk-taking. The unwinding of these positions is reflected in the performance of various assets this year. It is important to note, however, that we have not seen signs of prolonged panic or capitulation. Liquidity in the market has remained abundant, with a general belief that central bank future actions will remain market risk supportive.

We have yet to mention emerging markets, which have historically underperformed during times of market stress. However, we should be cautious about drawing conclusions based on historical patterns. Emerging market economies have evolved and become less dependent on U.S. dollar funding. Furthermore, we believe this time is different, as geopolitical factors are pushing some investors into emerging markets in search of diversification and hedging strategies, which could prove extremely beneficial for these economies.

Looking ahead, we strongly believe that markets will continue to surprise investors. After all, we are just completing the first 100 days of President Trump's term, which is only 1365 days left from today!!



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