

Market Bulletin

The Orchard Practice



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2017 was the year of the campaign trail, with several key elections held in countries with great influence on global economics and stock markets. Here, we recap on the political posturing that defined the past 12 months, and what it meant of the global stock markets.

On 20 January, Donald Trump was inaugurated as the 45th president of the United States. Global stock markets had rallied since the election result, with many in corporate America hoping to benefit from promised tax reforms. Not everyone was happy – on inauguration day, 420 marches were reported in the US making it the largest single-day protest in American history.


In Europe, the Dutch were hailed as having “defeated populism” in the 15 March election by denying the Geert Wilders-led Party of Freedom’s bid for power.

On 7 May Emmanuel Macron of En Marche! was declared president of France having won the second-round vote against the Marine Le Pen-led National Front by a decisive margin. World stock markets are at their highest point for the year so far.

Across the Channel, the UK general election on 8 June restored Theresa May as prime minister, but only after the Democratic Unionist Part of Northern Ireland agrees to support a Conservative minority government. As the result came in, the prospect of a hung parliament led to an immediate fall in the value of the pound.

After a relatively quiet end to the summer, aside from ongoing Brexit discussions, the eurozone’s biggest player Germany held its federal election on 24 September. The result saw the Christian Democratic Union win only 33% of the vote – its lowest share of the vote since 1949 – but enough to see Angela Merkel remain as chancellor. Markets then rallied for the last week of September and continued to climb in October.

Into autumn and it was the turn of the Japanese to go to the polls on 22 October. Given the dramatic fall in popularity that many world leaders had found themselves in over the year, it was a relief for prime minister Shinzo Abe to secure a big election win. The father of ‘Abenomics’ and the ‘three arrows’ policy of monetary easing, fiscal stimulus and structural reform, Abe’s victory was welcomed by a rise in markets.



Elsewhere in Asia, perhaps the most significant global change was happening in China where the hugely powerful Communist party held its five-yearly congress. President Xi Jinping cemented his legacy with his own political philosophy being written into the country's constitution.

Emerging markets will dominate the electoral calendar in 2018, with votes due in the likes of Russia, Mexico, Brazil and Pakistan.

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