

AND NOW FOR AMERICA'S TURN

How “right” the US. electorate turns out to be on Tuesday, November 8th could be altogether another matter as the gloves come off on an especially-bruising and vindictive presidential election campaign in which a rogue elephant Republican nominee seems hell-bent on undermining all and sundry, his own party included.

As Donald Trump lashes out provocatively in every direction, many wonder whether he is handing the forty-fifth presidency to Hillary Clinton on a plate, others whether he could be leading the GOP to its worst defeat (including control of Congress) since the scaremongering Barry Goldwater in 1964. But there are those who remain convinced “the Donald” is exposing systemic abuses and deficiencies enough to bring about a shock victory - as happened in Britain.

How different from 1980 when Ronald Reagan saw America as

a “shining city on a hill”. Today, in the new politics of anger, Mr.

Trump sees nothing but abuse, fear and deficiency at every turn. Yet, as business leaders who include Warren Buffett openly question his credibility (and Barack Obama castigates him as unfit for the office of president), the benchmark S&P 500 and NASDAQ Composite stock market indices surge to new all-time highs – and most recently the Dow Jones Industrials too.



The Economist, July 16th, 2016

Admittedly, consumer spending, jobs and housing numbers keep coming in well, even as corporate earnings look to be flat at best in 2016. Yield

considerations may also be a contributory factor – bonds do certainly not provide an inspiring alternative at current levels. But could this stock market strength also reflect the markets and investors increasingly seeing the election going the way of Hillary Clinton and the Democrats?

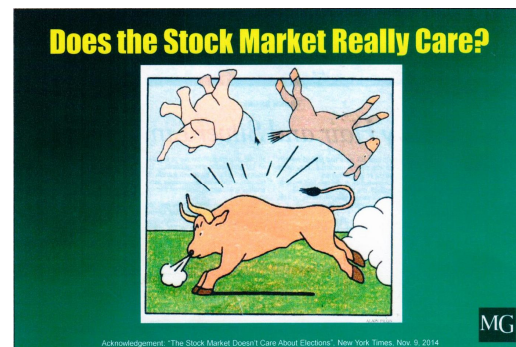
Canadian investors would also breathe easier if this were to be the case given Mr. Trump's broad-sided attacks on free trade, NAFTA and the Trans-Pacific Partnership agreement. The next three months in U.S. politics could indeed prove to be an eternity as the accompanying *Economist* front cover so vividly captures – also for neighbours like Canada, let alone the world outside.

Fortunately, presidents may propose all they want, but it's Congress that must ultimately approve, and there'd always be the comfort of Congress having the final say in curbing "President" Trump's recklessness.

At the same time, could the run-up to November 8th nonetheless have far-reaching Brexit echoes?

That campaign overwhelmingly favoured the U.K. remaining in Europe: yet, despite the dire warnings of George Osborne, Mark Carney, open-letter appeals by captains of British industry and leading academics, and David Cameron calling upon President Obama to address (and warn) parliament, a disgruntled electorate dug in its heels and voted to Leave. In similar fashion, could the choice of their next president and Congress ultimately boil down to the anger, fears, mood swings and level of disgruntlement of the U.S. electorate at a time when polls show most Americans believe their country is going in an adverse direction and have a negative view of both candidates?

As we stay tuned, and with the presidential debates slated for



New York Times, Nov 9, 2014

October promising to break every viewing record (the entertainment value alone will be huge), I repeat my favourite New York Times cartoon: As elephant (Republican) and donkey (Democrat) are tossed aside, does the stock market indeed really care?

At this year's Berkshire Hathaway annual meeting Warren Buffett, now firmly in Hillary Clinton's corner, felt the election result wouldn't really matter given America's unstoppable 240-year history and an entrepreneurial market-driven market economy as alive as ever.

And what a twist if a real-life script Hollywood could hardly match were to end with Hillary Clinton joining Angela Merkel and Theresa May as the third woman leader within the G-7, as well as of the free world!

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