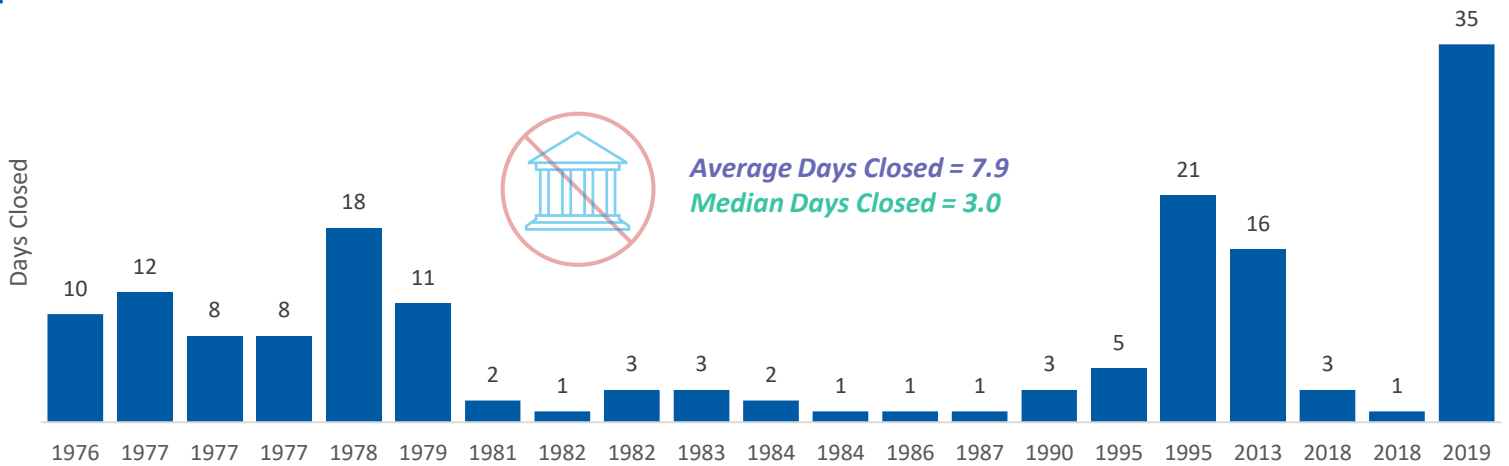


The Balog Group at Morgan Stanley

Charts of the Week – Data as of 09/28/2023

Over the last 50 years, there have been 21 shutdowns

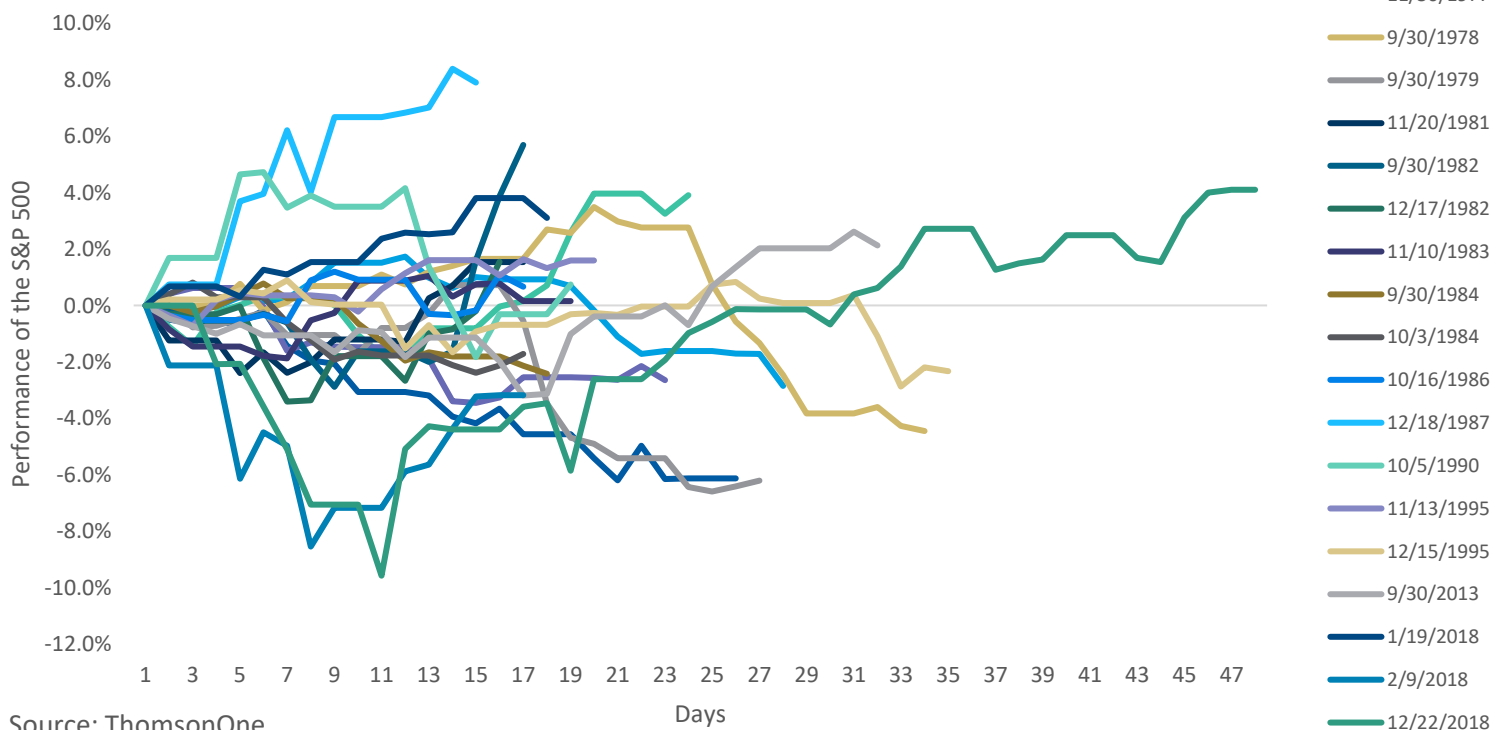
Shutdowns have been relatively common, regardless of who is in office, and most have been resolved in less than a week



Source: PBS

Tracking the Stock Market Before, During and After the Last 21 Shutdowns

There has been no correlation between datasets. We reviewed what the S&P 500 did between the 7 days before each shutdown (dates are on the right) and 7 days after each shutdown. The chart below is a chaotic mess to say the least.



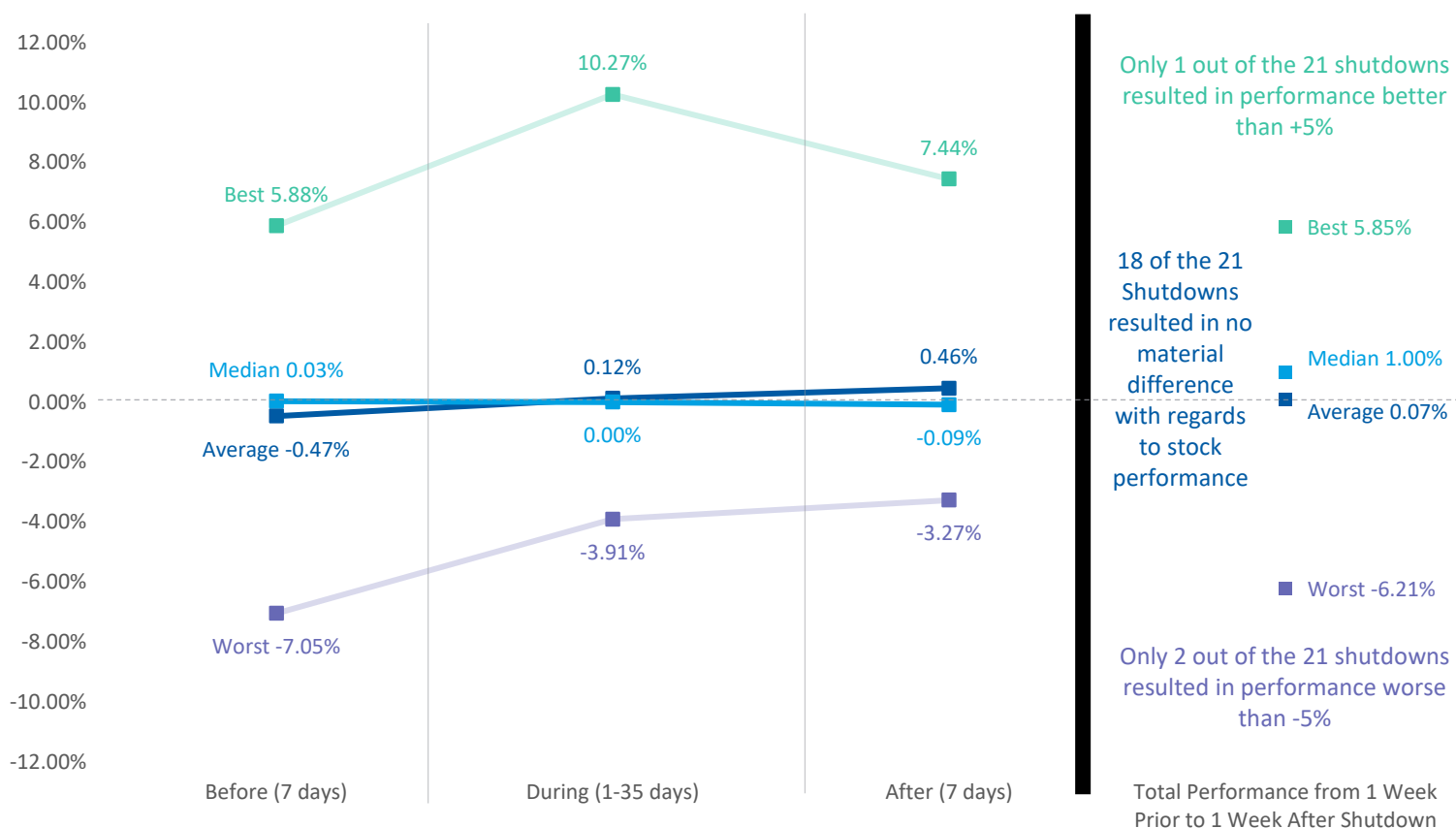
Source: ThomsonOne

The Balog Group at Morgan Stanley

Charts of the Week – Data as of 09/28/2023

Shutdowns have historically been immaterial to the stock market

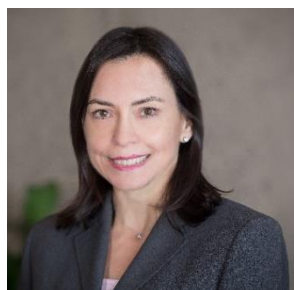
The average performance 7 days prior to shutdowns through the 7 days after shutdowns have resulted in a whopping +0.07% with 50% of them being over 1% and 50% being under 1%. Washington for the most part does not influence the stock market as much as the people on TV would lead you to believe.



Source: ThomsonOne



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Sources:

1. [PBS - Every Government Shutdown Since 1976](#)
2. ThomsonOne

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