

# 'A Tremendous Opportunity to Buy.' How Presidents Have Fared as Stock Market Prognosticators

Herein, with the help of historians, university professors and Cumberland Advisors, a sampling of market sentiment from presidents past:

## Jimmy Carter

President Carter, who was in office from 1977 to 1981, "spread gloom and doom" about the energy crisis that engulfed the nation at the time, said Schmidt. The crisis saw oil prices jump roughly 350% thanks, in part, to an OPEC oil embargo.

"I think that until the question of energy is resolved, the uncertainty about this subject and the realization that our excessive imports of oil or adverse balance of trade is going to be permanent, those two things are going to contribute to the deleterious effects of increasing interest rates and also uncertainty in the stock market," Carter said in 1978.

## Ronald Reagan

In October 1987, President Reagan said soaring federal deficits helped trigger one of the largest one-day drops in Dow Jones history, when the index fell nearly 23%. Traders dubbed the day "Black Monday."

"I couldn't understand, at the beginning, that creating 14 million new jobs, eliminating inflation—or virtually eliminating it, bringing it down—lowering interest rates, increasing the prosperity of the people—I just wouldn't

understand that that could hurt the stock market," he said. "I think everyone has been caught by surprise in this. And it is true that at this point of the day the market is in a far better situation than it was yesterday at this time, with about the same number of sales of stock—trading of stock. But I'm very pleased and gratified with the action that has been taken so far by the Federal Reserve Board and the fact that two of the major banks have lowered their interest rates."

Read more including **Bill Clinton** and **George W. Bush** here:  
[Fortune Magazine](#)

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