

10 Weeks in Trump's Stock Market: An Analysis



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ABSTRACT

Amidst the many topics and questions that arose during an eventful 2016, one stood out the most in the global economics. How would the U.S. markets react to the elected President? What would he/she do to cultivate an already growing market, albeit with some pressing concerns? On November 9th market questions were answered with a positive market response to the election of Donald Trump, but many more posed. Strong market growth continued into the waning days of 2016 and the inauguration of Trump was right around the corner. Would his rhetoric hold? What action would he take to strengthen the US market? These were both questions I had when I started this project on January 3rd, 2016. Using an advanced market simulator, I invested thousands into fields and companies which I believed would respond strongly (positively or negatively) to the new D.C. guard. The following report is a first-hand analysis into the United States' stock market in the first 10 weeks of Donald Trump's Presidency.

PORTFOLIO



Chevron (NYSE: CVX): Promises of increased oil production, less dependence on foreign oil, and investment into the jobs offered by this large industry all came out of D.C. prior to inauguration. "Energy anticipated to be highly reactive to President Trump's administration." -Wall Street Journal



Gulfport Energy Corporation (NYSE: GPOR): Independent natural gas and oil company focused on the exploration and development of natural gas and oil properties in North America and is one of the largest producers of natural gas in the contiguous United States. - Gulfport Energy



INSYS Therapeutics (NYSE: INSY) Large pharmaceutical company (Market Cap: \$841.5 Million) unique in its medical marijuana research, development, and production. 1 current medical marijuana prescription approved, 4-5 more pending research and approval.



The Walt Disney Company (NYSE: DIS) One of the world's leading producers and providers of entertainment and information. Seeks to develop the most creative, innovative and profitable entertainment experiences and related products in the world. Foothold in many industries.

CVX & GPOR

CVX	CHEVRON CORPORATION	300	\$118.00	\$108.88	\$32,664.00	\$0.00(0.00%)	-\$2,736.00(-7.73%) ↓
GPOR	GULFPORT ENERGY CORPORATION	350	\$20.63	\$17.05	\$5,967.50	\$0.00(0.00%)	-\$1,253.00(-17.35%) ↓

Chevron is where I put over 1/3rd of the \$100,000. I bought the stock during a slight downward trend, but hoped the downward trend would tail towards the green after a few weeks of Republican American energy investment. Below is an excerpt from a major investing website, titled "Why Chevron Stock is the Real Energy Star." from January 10th, 2017

"Trump's pick of Rex Tillerson for Secretary of State and his pro-energy policies would mean that Exxon would be in the driving seat. But this is one instance where Chevron stock has more to gain from higher oil prices. The reason is simple. CVX is an "oilier" firm. The vast bulk of Chevron's production comes from producing crude oil. And while CVX has moved heavily into natural gas production and LNG assets, the name of the name is still pumping out lots and lots of crude oil. So any bump upwards in crude oil prices is directly going to have a more dramatic effect on Chevron's bottom line." -Aaron Levitt, InvestorPlace Contributor

There is much more influence in the energy market than what goes on in D.C.. Barrel production numbers and prices coming out of the Middle-East are vastly influential in the need and performance of American energy. In this aspect I feel Trump is negligent to push American Energy, when it's simply not as competitive in oil and natural gas as the rest of the world.

In Gulfport Energy's case this problem is only magnified due to their relative universe and small nature. When the energy market struggles, attention shifts towards the major players, and the smaller companies must produce in an ever shifting market, frequently at losses



INSY Insys Therapeutics got a green light from the FDA for Syndros, a reformulation of marinol, a decades-old nausea, vomiting, and appetite-boosting drug. Thanks to better bioavailability and improved dosing flexibility, Syndros could improve the quality of life for many cancer and HIV patients. Following last November's election, 28 states have legalized medical marijuana, and according to Gallup, Americans' attitude toward medical marijuana use has never been better. As a result, the use of medical marijuana is soaring. Whether this success is attributed to the changing of command or some fortunate timing is up to a variety of other social and economic factors.



DISNEY Disney was bought to test the travel and entertainment markets. A stock that is involved in so many aspects would be less likely for random swings, and would be a more accurate representation of the market as a whole. The stock has marched 23% higher since bottoming out in October, moving higher despite travel ban concerns and weakening trends at its needle-moving cable properties. At least one Wall Street pro (NYSE Report) thinks that the stock will continue moving higher, and that bullish update lifted shares of the media giant to a fresh 52-week high on March 15th. As Disney continues to expand and promote brand new franchises, it's outlook remains positive so long as the market as a whole stays strong.

RESULTS

DATE	TRADE TYPE	SYMBOL	QUANTITY	PRICE	TOTAL CASH VALUE	ACCOUNT VALUE
1/5/2017	Stock: Buy @ Market	CVX	300	\$118.00	\$35,419.99	\$102,219.48
1/5/2017	Stock: Buy @ Market	DIS	150	\$107.17	\$16,095.49	\$102,207.97
1/3/2017	Stock: Buy @ Market	INSY	1500	\$9.60	\$14,419.99	\$100,004.51
1/3/2017	Stock: Buy @ Market	GPOR	350	\$20.63	\$7,240.49	\$100,000.00



References: 1 www.investopedia.com/MarketSimulator, 2 [Wall Street Journal](http://WallStreetJournal.com), 3 www.gulfportenergy.com, 4 www.Chevron.com, 5 www.thewaltdisneycompany.com, 6 www.yahoo.com/finance, 7 www.insysrx.com, 8 [Investor Place](http://InvestorPlace.com), 9 www.gallup.com, 10 www.nyse.com