

BUSINESS & FINANCIAL OVERVIEW

Trump said to have concluded his path to a second term runs through the stock market

President Donald Trump is expected to peg his case for a second term in the White House to the success of the stock market and economy, according to a number of recent reports.

On Wednesday, CNBC, citing sources described as familiar with the thinking, reported that the 45th president is attempting to accelerate the completion of a trade deal with China, in an effort to secure a fresh catalyst for markets.

The report comes after Bloomberg News said Trump has been increasingly aware that negotiating progress between Beijing and Washington has helped to extend a bullish stock-market run that is on the verge of a record for duration since the crisis-era low was put in on March 9, 2009.

A White House spokeswoman declined to comment on the reports that Trump wanted to expedite a China trade pact specifically to further boost the stock market.

In recent months, the Sino-American trade dispute has been among the chief reasons for uncertainty in the market, arguably contributing to declines and potentially impeding business decisions over the course of a yearlong tariff spat.

Perhaps, more than any other president, Trump has hitched his political success to that of the performance of the equity market.

Since Trump's stunning defeat of Democratic presidential nominee Hillary Clinton, the Dow Jones Industrial Average DJIA, -0.52% has gained 40.3%, the S&P 500 index SPX, -0.65% has climbed nearly 30%, and the technology-heavy Nasdaq Composite Index COMP, -0.93% has enjoyed a whopping 45% return, as of late morning Wednesday, according to FactSet data.

Markets took a tumble in latter stages of 2018, however, which culminated in the worst Christmas Eve performance for the main benchmarks on record, according to Dow Jones Market Data.

That decline has been attributed to a combination of anxieties about global trade and a Federal Reserve that had appeared dogmatic in its approach to normalizing monetary policy, even as the stock market's gains withered.

Since that December low, however, stocks have catapulted higher, with the Nasdaq climbing 22%, the S&P 500 advancing 18.2% and the Dow returning 18.1%, on the belief of that the Fed would pause its rate-hike campaign and that an agreement between Washington and Beijing would be achieved sooner rather than later.

