

The money is on Trump

May 11, 2020 - Economy & Business

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Even after the White House's delayed response to the coronavirus outbreak, unprecedented job losses and a bruising recession, investors and betting markets are still putting their money on President Trump to win re-election.

The big picture: Presumptive Democratic presidential nominee Joe Biden holds a sizable lead in most national and individual swing state polls — but money managers expect Trump to retake the White House in November.

- In a late April survey of U.S.-based investors with at least \$1 million of assets, UBS found that 53% said they planned to vote for Biden.
- But 52% think Trump will win.

The intrigue: The world's most popular betting destinations show Trump as the clear favorite.

- The RealClearPolitics average of betting websites gives the advantage to Trump with an average spread of 8.2 as of Sunday night.
- Casino sportsbooks are paying around \$83 for winning bets on Trump versus \$135 for winning bets on Biden, making Biden the unequivocal underdog, Bovada shows.

What we're hearing: The expectation for Trump to triumph seems to largely reflect optimism about the economy once various state and local lockdown orders end, economists say.

"We can't expect that the economy is going to be in very good shape, although the trajectory ought to be pretty positive by November," Steve

Skandck, a former Treasury Department and Council on Economic Affairs official in the Carter and Reagan administrations, tells Axios.

- As November approaches, it's "more than likely we're going to see a positive stock market and there will be positive job growth," says Skandck, now chief economic advisor at wealth manager Keel Point.

Between the lines: "The wildcard obviously is the virus and the [potential] vaccine," Mark Zandi, chief economist at Moody's Investor Service, tells Axios.

- "And that's a very significant wildcard both on the downside and the upside for people's perceptions of how the president managed all this and how they're going to vote in November."

Yes, but: Thus far Trump has not gotten the expected bump that comes from national catastrophes as Americans typically rally around the flag and the president, says **Bernard Baumohl, chief economist at The Economic Outlook Group.**

- "These are times when the nation as a whole, the American people, will look to the president and the White House for policies that will get them out of this mess and all they're seeing is rhetoric designed to get Trump re-elected," he tells Axios.
- "He wants to see the economy be revived again but before it's safe to do so. That I think is going to become somewhat catastrophic when the numbers start to pick up for that second wave" of infections.

The bottom line: The election is likely to be a referendum on how Trump handles the pandemic and whether his push to restart the economy got the U.S. back on track or drove a second wave of infections that did even more damage.

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