



OppenheimerFunds®

The Right Way to Invest

Don't Let the Election Impact Your Well-Thought-Out Investment Plans

The quadrennial U.S. presidential election is arguably the world's most important political event with implications for global peace, security and prosperity. As citizens, voters or interested bystanders, most of us will approach November 2016 more or less enthusiastically, with firm beliefs about which candidate best suits our personal interests, beliefs and principles. Experience has taught us it's probably best if we keep our voting and investing decisions separate.

Don't Choose to Invest Based Upon the Political Party in Office¹

DJIA During U.S. Presidents Reagan and Obama

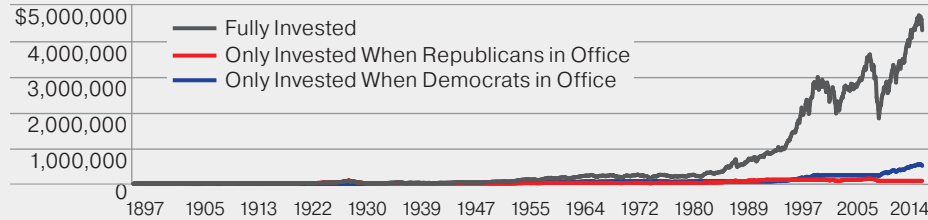


+130%
Cumulative Price Return
(1/20/1981 to 1/20/1989)



+119%
Cumulative Price Return
(1/23/2009 to 12/31/2015)

Growth of \$10,000 since 1897 in the Dow



No Matter What Happens This Coming November, Expect More of the Same

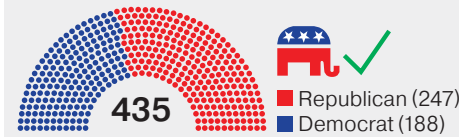
Forecasting is not an exact science, but signs suggest that the next president is unlikely to have even a brief legislative advantage of majority rule.

House of Representatives

The GOP will likely retain control of the house of representatives due to recently drawn congressional district lines.

House of Representatives—Existing Composition

All seats up for reelection

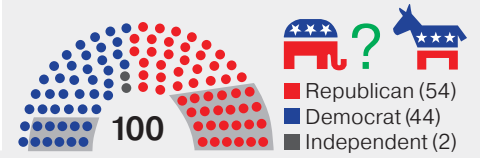


Senate

Regardless of who controls the senate, the next president isn't likely to have a filibuster-proof upper house.

Senate—Existing Composition

34 total seats up for reelection—shaded in gray



Six Truths About Washington—Regardless of Who Wins

Here are just a few reasons why well-positioned, well-led companies may create investment value regardless of who sits in the White House:

1. Gridlock doesn't mean nothing gets done.

2. Changes in Washington don't typically come all at once but in increments.

3. Campaign rhetoric doesn't always influence what happens during a president's tenure.

4. Consumers and businesses have a far greater impact on the economy than the government.

5. The state of the economy influences who is president, not vice versa.¹

Since 1960

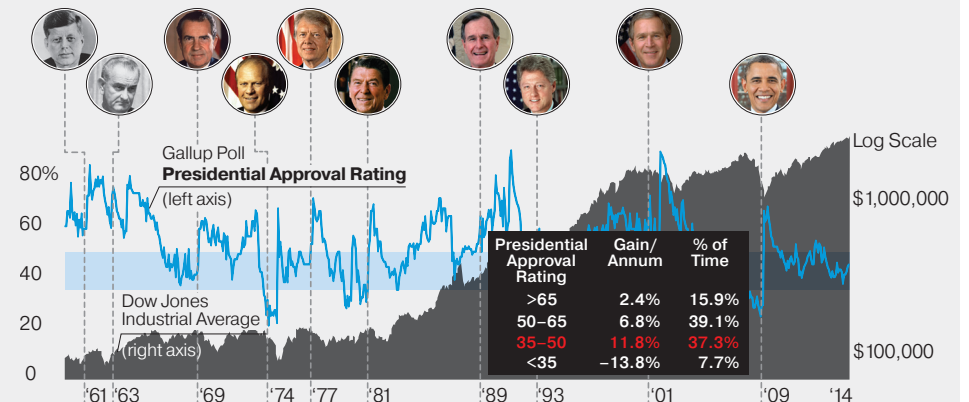
12/14

U.S. presidential elections were determined by which direction the Misery Index was trending

Misery Index Defined:
Unemployment Rate + Inflation

6. The market doesn't care if the public is happy with who's president.²

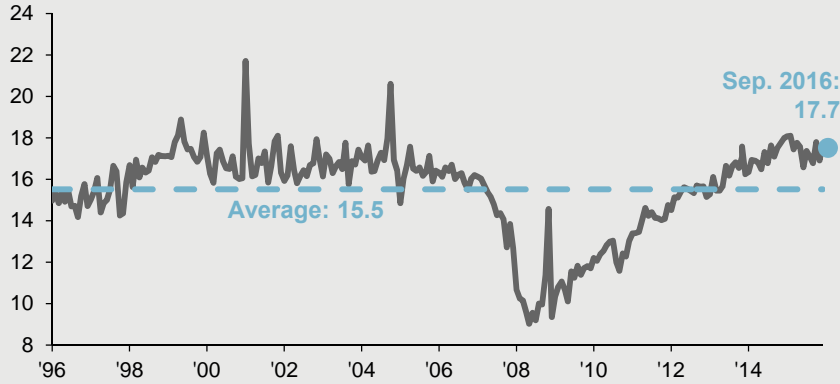
Gallup Poll Presidential Approval Ratings and Dow Jones Industrial Average Growth of \$100,000



1. Sources: Bloomberg, OppenheimerFunds. As of 12/31/14. **Past performance does not guarantee future results.** 2. Source: Gallup, 2/28/15. The Presidential Approval Ratings were introduced to gauge public support for the President of the United States during the term. For illustrative purposes only and not intended as investment advice. **Past performance does not guarantee future results.**

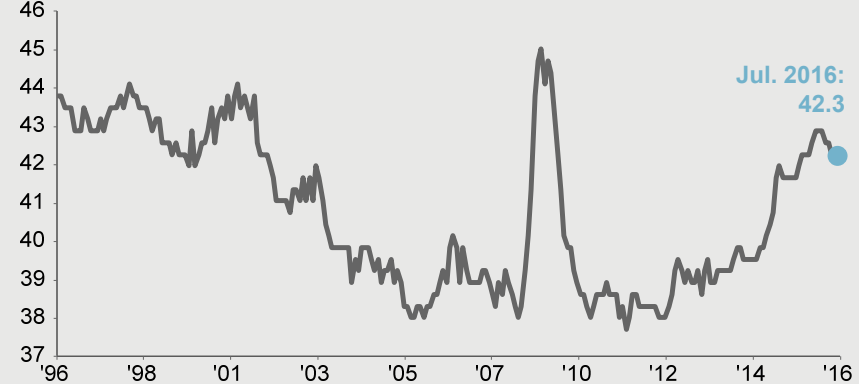
Light vehicle sales

Millions, seasonally adjusted annual rate



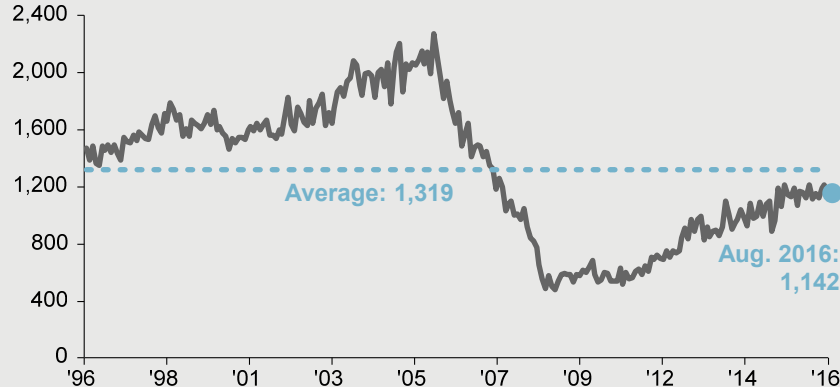
Manufacturing and trade inventories

Days of sales, seasonally adjusted



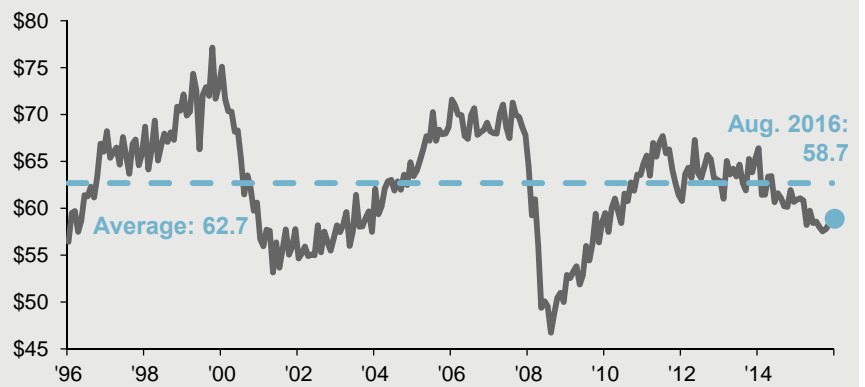
Housing starts

Thousands, seasonally adjusted annual rate



Real capital goods orders

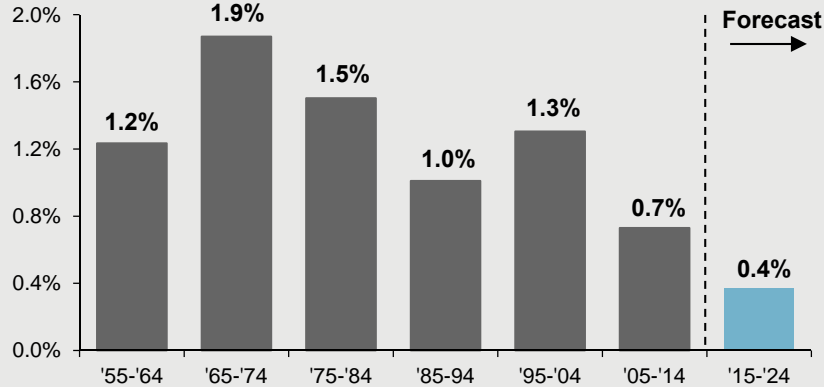
Non-defense capital goods orders ex-aircraft, USD billions, SA



Source: J.P. Morgan Asset Management; (Top left) BEA; (Top and bottom right, bottom left) Census Bureau, FactSet. Capital goods orders deflated using the producer price index for capital goods with a base year of 2009. August non-defense capital goods orders ex-aircraft is an advance estimate. SA – seasonally adjusted. Guide to the Markets – U.S. Data are as of September 30, 2016.

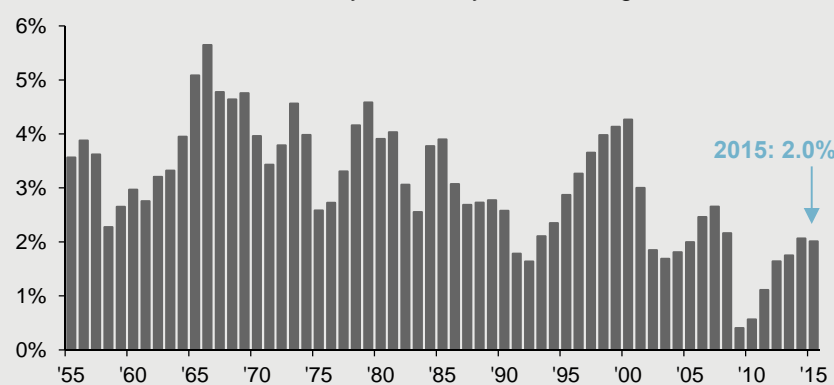
Growth in working age population

Percent increase in civilian non-institutional population ages 16-64



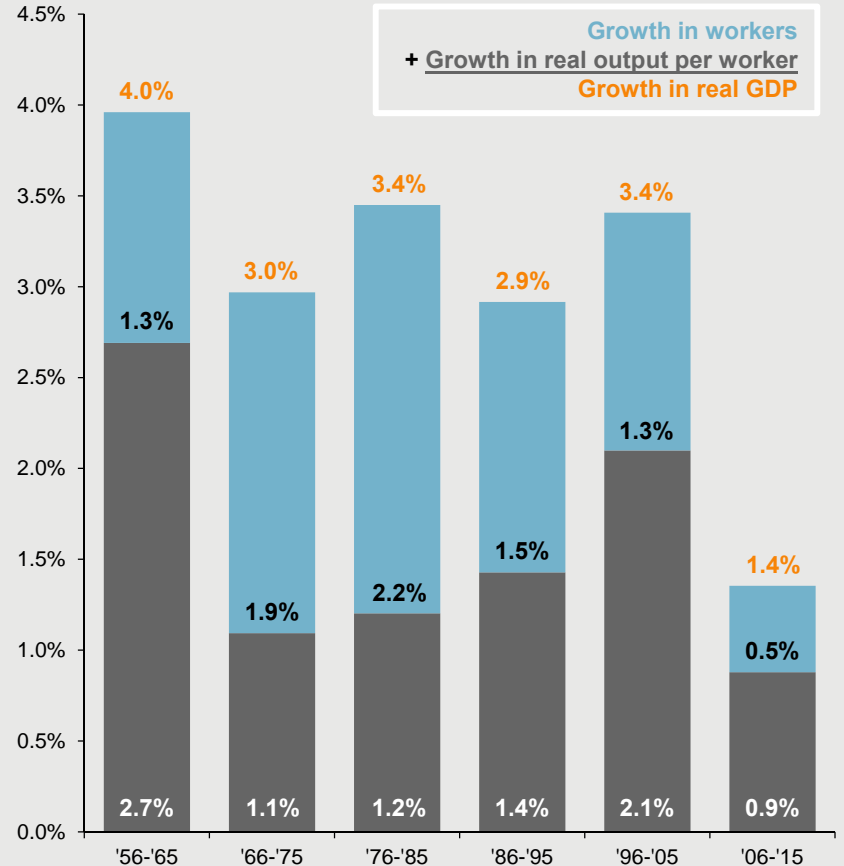
Growth in investment in structures and equipment

Non-residential fixed assets, year-over-year % change



Drivers of GDP growth

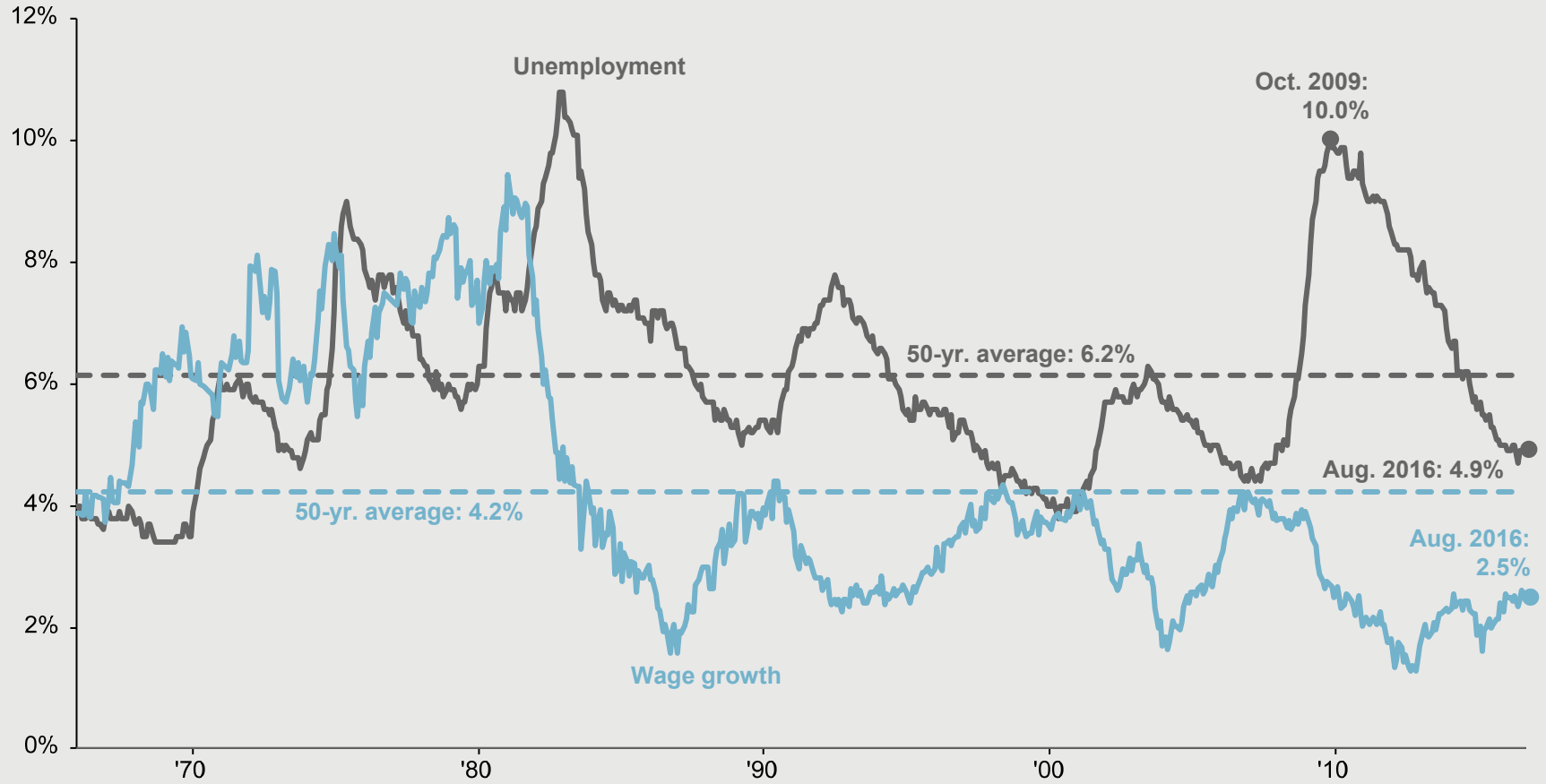
Average year-over-year percent change



Source: J.P. Morgan Asset Management; (Top left) Census Bureau, DOD, DOJ; (Top left and right) BLS; (Right and bottom left) BEA. GDP drivers are calculated as the average annualized growth between 4Q of the first and last year. Future working age population is calculated as the total estimated number of Americans from the Census Bureau, controlled for military enrollment, growth in institutionalized population and demographic trends.

Guide to the Markets – U.S. Data are as of September 30, 2016.

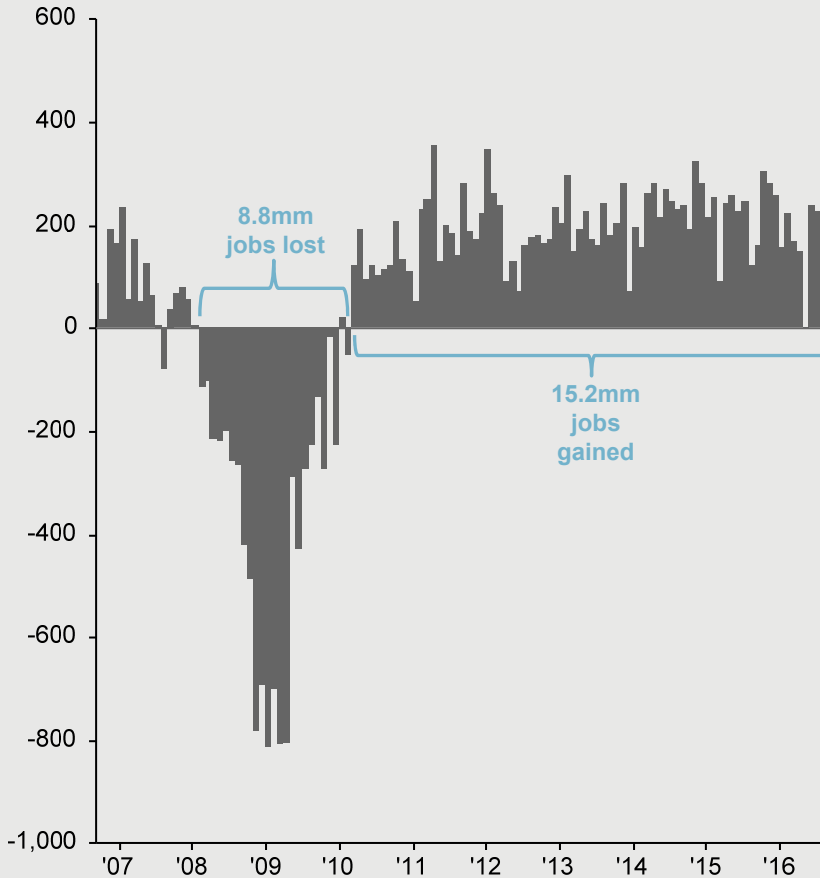
Civilian unemployment rate and year-over-year growth in wages of production and non-supervisory workers
Seasonally adjusted, percent



Source: BLS, FactSet, J.P. Morgan Asset Management.
Guide to the Markets – U.S. Data are as of September 30, 2016.

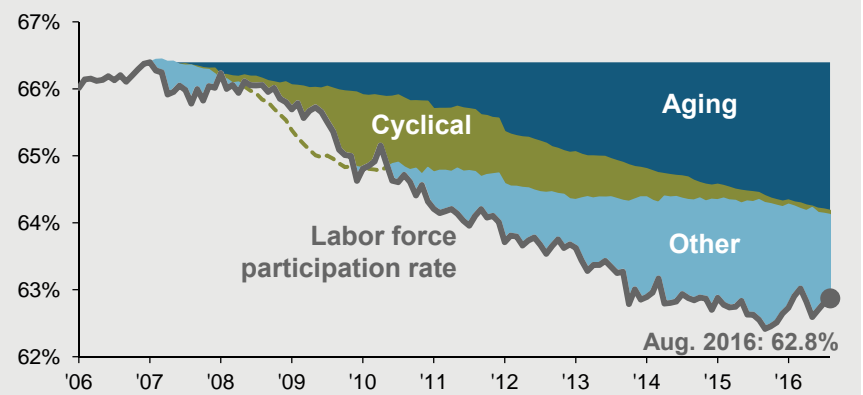
Employment – Total private payroll

Total job gain/loss, thousands



Labor force participation rate decline since 2007 peak*

Population employed or looking for work as a % of total, ages 16+



Net job creation since Feb. 2010

Millions of jobs



Source: BLS, FactSet, J.P. Morgan Asset Management.

(Bottom right) Info. fin. & bus. svcs. = Information, financial activities and professional and business services; Mfg. trade & trans.= Manufacturing, trade, transportation and utilities; Leisure, hospst. & other svcs.: Leisure, hospitality and other services; Educ. & health svcs.: Education & health services; Mining and construct: Natural resources mining & construction; Gov't: Government. *Aging effect on the labor force participation rate is the estimated number of people who are no longer employed or looking for work because they are retired. Cyclical effect is the estimated number of people who lose their jobs and stop looking for work or do not look for work because of the economic conditions. Other represents the drop in labor force participation from the prior expansion peak that cannot be explained by age or cyclical effects. Estimates for reason of decline in labor force participation rate are made by J.P. Morgan Asset Management.

Guide to the Markets – U.S. Data are as of September 30, 2016.