

Trump wins. How are you positioned?

Published 9 November 2016

At last. The long awaited decision on America's 45th president has been decided. But regardless of whether you were Team Clinton or Team Trump, now's the time to take a closer look at what you are holding in your portfolio. In the below, we outline our thoughts on positioning for both the short-term and the long-term using Exchange Traded Products (UCITS ETFs and Exchange Traded Notes). For more detail driving our initial investment view, [read our US pre-election blog, "Allocating for a Trump or Clinton win."](#)

We have yet to see how exactly Trump plans to handle key issues like immigration, foreign trade and US defence.

Figure 1: More volatility in the near term

	Short Term		Long Term	
Asset Class	Market Impact	Strategy	Market Impact	Strategy
Equities	Volatile	Hedge / short broad exposures	Bullish US domestic growth	Small-Cap / Quality Growth
Fixed Income	Low expectation of December Rate Hike	Bullish US Treasuries	More monetary tightening, more Fiscal easing	Bearish US Treasuries
Currencies / Commodities	Risk-Off	Bearish Dollar, Bullish Gold	Stronger USD fundamentals	Bullish Dollar, Bearish Gold

In the short run, tactical opportunities are aplenty

The message to investors is to be prepared: volatility will continue in the short term, so hedge your broad exposure in equities and think about retreating back to safe havens – like gold. The highly anticipated rate hike might be put on ice so US Treasuries may become more attractive. Over the longer-term, we should see US equities gaining appeal.

Figure 2: The tactical view

And in the long run...

As Trump is likely to look inwards toward the US economy, this should result in stronger domestic growth. Investors may consider a US small cap equity strategy and a US quality dividend strategy like the following:

- + [WisdomTree US Small Cap Dividend UCITS ETF \(DESE\)](#)
- + [WisdomTree US Quality Dividend Growth UCITS ETF \(DGRA\)](#)

Important Risks Related to this Article

Important Information

Marketing communications issued in the European Economic Area (“EEA”): This document has been issued and approved by WisdomTree Ireland Limited, which is authorised and regulated by the Central Bank of Ireland.

Marketing communications issued in jurisdictions outside of the EEA: This document has been issued and approved by WisdomTree UK Limited, which is authorised and regulated by the United Kingdom Financial Conduct Authority.

WisdomTree Ireland Limited and WisdomTree UK Limited are each referred to as “WisdomTree” (as applicable). Our Conflicts of Interest Policy and Inventory are available on request.

For professional clients only. The information contained in this document is for your general information only and is neither an offer for sale nor a solicitation of an offer to buy securities or shares. This document should not be used as the basis for any investment decision. Investments may go up or down in value and you may lose some or all of the amount invested. Past performance is not necessarily a guide to future performance. Any decision to invest should be based on the information contained in the appropriate prospectus and after seeking independent investment, tax and legal advice.

The application of regulations and tax laws can often lead to a number of different interpretations. Any views or opinions expressed in this communication represent the views of WisdomTree and should not be construed as regulatory, tax or legal advice. WisdomTree makes no warranty or representation as to the accuracy of any of the views or opinions expressed in this communication. Any decision to invest should be based on the information contained in the appropriate prospectus and after seeking independent investment, tax and legal advice.

This document is not, and under no circumstances is to be construed as, an advertisement or any other step in furtherance of a public offering of shares or securities in the United States or any province or territory thereof. Neither this document nor any copy hereof should be taken, transmitted or distributed (directly or indirectly) into the United States.

Although WisdomTree endeavours to ensure the accuracy of the content in this document, WisdomTree does not warrant or guarantee its accuracy or correctness. Where WisdomTree has expressed its own opinions related to product or market activity, these views may change. Neither WisdomTree, nor any affiliate, nor any of their respective officers, directors, partners, or employees accepts any liability whatsoever for any direct or consequential loss arising from any use of this document or its contents.