

Opinion | John Authers, Columnist

## If You Needed Reminding, Markets Aren't the Voters

There's too much reliance on opinion polls, for a start, and a tendency to misjudge what politicians will do once in office.

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By **John Authers**

John Authers is a senior editor for markets and Bloomberg Opinion columnist. A former chief markets commentator at the Financial Times, he is author of "The Fearful Rise of Markets."

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- Modi has five more years as India's PM, but now must rule in a coalition – and the markets hate it.

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### The People Have Spoken, the Markets Have Freaked



Democracy and capitalism go together, but not always comfortably. Democracy offers conditions for markets to flourish.



The ability to get rid of bad leaders and the necessity for public



policy to align broadly with what people want make it easier to make money. But while investors are good at gauging economic and corporate risks, political ones are harder. In particular, they tend to put more weight on opinion polls than they can bear; they're also prone to misjudge what politicians will do once in office.

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In that context, the result was amazing. It drove two days of dramatic trading as the benchmark Sensex index shot for the sky



after weekend exit polls indicated a landslide, then tanked in



response to live results. In Mexico, Claudia Sheinbaum of the

