

## MNI POLITICAL RISK ANALYSIS - US Daily Brief 04-02-26

by Adam Burrowes

### The White House *(times subject to change)*

11:00 ET 16:00 GMT	President Trump participates in a TV Interview
16:00 ET 21:00 GMT	President Trump participates in a Policy Meeting

#### Key Dates:

- ❖ *April 16: New Jersey Special Election*
- ❖ *March 10: Georgia Special Election*

### Washington

At 11:00 ET 16:00 GMT, President Donald Trump will sit down with NBC News' Tom Llamas for a 'wide-ranging interview' that will air at 18:30 ET 23:30 GMT. NBC [notes](#), "A separate segment of the interview – a Super Bowl-week tradition – will air exclusively during NBC's Super Bowl LX Pregame Show on Sunday, February 8."

- At 16:00 ET 21:00 GMT, Trump will participate in a policy meeting in the Oval Office. He does not have any public appearances scheduled.

At 10:00 ET 15:00 GMT, Treasury Secretary Scott Bessent will [deliver testimony](#) to the House Financial Services Committee on the Annual Report of the Financial Stability Oversight Council. He will appear before the Senate tomorrow.

- The hearing will be the first opportunity for Democrats to probe Bessent on the independence of the Federal Reserve and Trump's nominee to serve as Fed Chair, Kevin Warsh, as well as receive an update on the administration's economic and trade policies.
- Fed Governor Stephen Miran has stepped down from his position as chair of the White House Council of Economic Advisers. Miran had been on leave from the CEA since September 2025, when he became a member of the Fed board.

Senator Thom Tillis (R-NC), who has put an indefinite block on Trump nominees advancing out of the Senate Banking Committee, told reporters yesterday, "Nobody needs to talk with me, because I'm not going to change my mind. If [Bessent] has an update on the [Powell] investigation, that'd be helpful, but I doubt he would."

- Semafor reports that Financial Services Chair French Hill (R-AK) said he wants Bessent to "illustrate how much better the American economy is doing than [was] forecast" a year ago, as well as to weigh in on why Republicans' proposal to roll back regulations on smaller banks "is helpful to boosting economic growth."

### Critical Minerals

At 09:00 ET 14:00 GMT, Vice President JD Vance and Secretary of State Marco Rubio will deliver opening remarks at the inaugural Critical Minerals Ministerial at the Department of

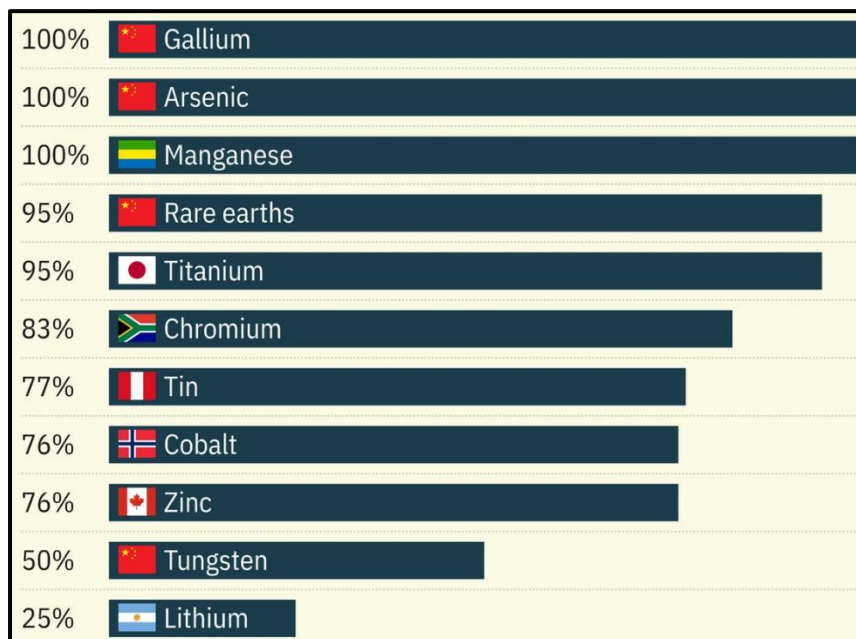
State: A multilateral meeting aimed at reducing China’s control of critical mineral mining and supply chains.

- Politico reports the meeting could be undermined by Trump’s rhetoric on Greenland, with a number of those attending hesitant to commit to partnering with the US.

The Financial Times [reports](#), Senators Kevin Cramer (R-ND) and Mark Warner (D-VA) will introduce legislation today “to reauthorize funding for the US Export-Import Bank for the next decade, as lawmakers try to inject an extra \$70bn into an agency that plays an increasingly central role in shoring up energy and minerals projects.”

- Cramer told the FT that Trump was “all in” on funding the Ex-Im Bank, adding the US president “sees the value” of the institution. Cramer said he would advocate for Ex-Im’s lending cap to be lifted from \$135bn to \$205bn as part of the reauthorization package, per the report.
- Cramer said, “To balance trade, obviously people need to buy more stuff from us. You might be able to sweeten the pot a little bit with favourable financing terms that you couldn’t have without the Export-Import Bank.”

**Figure 1: US Reliance on Imports of Key Critical Minerals**



Source: Semafor

## Government Shutdown

The House of Representatives yesterday synced with the Senate to pass an appropriations package to fund five federal government departments - including Defense, Labor, HHS, Education, and HUD - through the end of FY2026. The agreement also included a short-term patch to fund the Department of Homeland Security for two weeks. President Trump signed the consolidated appropriations package shortly after, ending a brief government shutdown.

- The House Appropriations Committee said in a [statement](#), “The House previously completed months of bipartisan, bicameral negotiations and passed a final FY26

appropriations agreement, but the Senate subsequently altered that deal, triggering a partial shutdown of the federal government. Despite the challenge, the House has once again moved forward to finish the job, keep the government functioning, and deliver certainty for the nation.”

Congress has until February 13 to pass a compromise DHS funding bill that satisfies Democrats' concerns with immigration enforcement operations. The prevailing view is that there is likely insufficient time to resolve major disagreements over guardrails for ICE and other federal agents engaged in domestic operations.

- Punchbowl notes, “Speaker Mike Johnson and Senate Majority Leader John Thune have expressed strong doubt about two of the policy changes most important to Democrats — barring federal agents from wearing masks and requiring judicial warrants to detain undocumented immigrants.”
- The animosity over immigration raises the risk of another partial government shutdown when the DHS stopgap expires. However, for markets, the impact will be contained as the vast majority of the federal government is now fully funded through September.

## Congressional Business

The House is IN

The Senate is IN

### Committee Schedule –

- ❖ 10:00 ET 15:00 GMT: HOUSE Financial Services: The Annual Report of the Financial Stability Oversight Council
- ❖ 10:00 ET 15:00 GMT: SENATE Commerce: Hearings to examine the future of self-driving cars.
- ❖ 14:00 ET 19:00 GMT: HOUSE Financial Services: A New Day at the SEC: Restoring Accountability, Due Process, and Public Confidence
- ❖ 14:30 ET 19:30 GMT: SENATE Foreign Relations: Hearings to examine European energy security.

## Iran

Geopolitical risk in the Middle East spiked yesterday when the US Central Command confirmed that it had shot down an Iranian drone approaching the USS Abraham Lincoln; the flagship of a carrier group that is in the region as part of Trump’s ‘armada’ providing offensive and defensive capabilities directed at Iran.

- The confrontation came after a US-flagged oil tanker outran an attempt by armed Iranian gunboats to force it to stop in the Strait of Hormuz. The two incidents threaten to derail an effort by Arab and Muslim countries to broker a de-escalation of tensions between Washington and Tehran.
- The Wall Street Journal [reports](#), “Sanam Vakil, director of the Middle East and North Africa program at Chatham House in London, said the incidents could mean that hard-line factions in Iran’s leadership aren’t on board with the talks.”

White House Press Secretary Karoline Leavitt told reporters yesterday that a meeting between US Special Envoy Steve Witkoff and Trump's son-in-law and Iranian Foreign Minister Abbas Araghchi, scheduled to take place in Istanbul on Friday, "as of right now are still scheduled."

- Leavitt told Fox News, "As for the president, he remains committed to always pursuing diplomacy first, but in order for diplomacy to work, of course, it takes two to tango." She added that meetings later this week "are still scheduled as of right now, but of course, the president has always a range of options on the table — and that includes the use of military force."

Trump told reporters at the White House yesterday, "We are negotiating with [Iran] right now [and] they'd like to do something. They had a chance to do something a while ago and it didn't work out, and we did Midnight Hammer," referring to US military strikes on Iran last June.

- The New York Times reports that regional officials and diplomats have described the plans for the talks as tenuous. And, Iran has reportedly requested that the meeting be moved to Oman and take place bilaterally, without the participation of Egypt, Turkey, and Qatar.
- Bloomberg notes, "Oil prices spiked to a session-high on the report as investors weighed the risk of a broader escalation in the Middle East, which provides about a third of the world's crude. Prices pared some of those gains after [Leavitt's comments]."

## Ukraine War

Kremlin spokesperson Dmitri Peskov said that Russia's position remains "unchanged", ahead of a second round of trilateral talks between the US, Russia, and Ukraine, which kicks off in Abu Dhabi today. Peskov added Russian troops would keep fighting until Kyiv made "decisions" that could bring the war to an end.

- Optimism for a breakthrough in the UAE is low, with little to indicate Moscow will moderate maximalist demands to end the war, including Russian sovereignty over parts of Eastern Ukraine controlled by Kyiv, limits on Ukraine's military, and rejection of European troops in the country as part of a post-war security guarantee.
- Another major Russian attack on Ukraine's power grid, the largest of the winter so far and coming during a -20°C (-4°F) cold snap according to Semafor, also indicates that the two sides are not close to an offramp.

However, Politico [reports](#) some insiders believe current negotiations may be more promising than widely credited, noting Russians "are taking these talks more seriously." The Guardian [reports](#) Ukrainian President Volodymyr Zelenskyy has ruled out ceding territory but "is willing to consider alternative arrangements, including the withdrawal of Ukrainian troops [and] establishment of a demilitarised zone [in the east]."

- Peskov added that the Kremlin has not seen any new developments on India and Russian oil, following Trump's announcement that India agreed to halt Russian oil purchases as part of a new trade deal. The White House is yet to issue an official statement on the US-India deal, with the details likely to be ironed out in the coming

days as Indian Foreign Minister S. Jaishankar continues diplomatic engagements in Washington.

- Peskov said that there "no confirmation of plans for high-level contacts" with France, in response to [reports](#) French President Emmanuel Macron is looking to resume dialogue with Russian President Vladimir Putin. Yesterday, Macron told reporters discussions are taking place for talks with Putin, but conceded, "I don't think Russia is currently willing to conclude a peace agreement (with Ukraine) in the coming days or weeks."

## India

The New York Times reports that aside from a new 18% tariff rate, all other aspects of the US-India trade deal, as laid out in President Trump's post on Truth Social, "remained murky."

- The Times notes, "The Indian side did not mention any details about Mr. Trump's claim that India agreed to spend \$500 billion in the United States. Nor did India confirm that it had promised to stop buying Russian oil, as Mr. Trump claimed. The Kremlin said early Tuesday that Moscow had not received any word from India about the cessation of Russian oil purchases but was closely monitoring the situation."

The State Department said in a readout that Secretary of State Marco Rubio and Indian Foreign Minister Subrahmanyam Jaishankar "discussed formalizing bilateral cooperation on critical minerals exploration, mining, and processing," during a meeting yesterday.

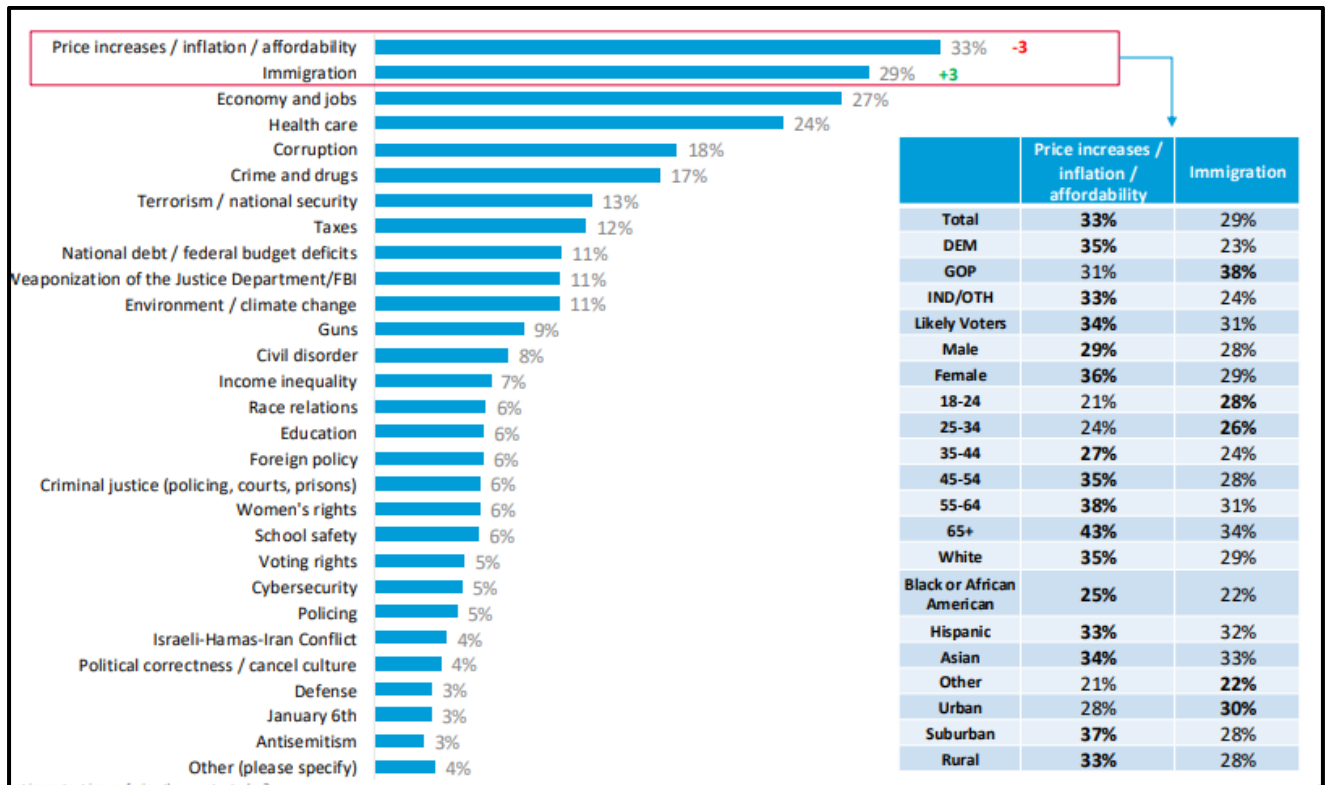
- State notes that, "Secretary Rubio and Minister Jaishankar welcomed the trade deal reached between President Trump and Prime Minister Modi. The two leaders emphasized the importance of our democracies working together to unlock new economic opportunities and advance our shared energy security goals."

## Chart of the Day

A new [Harvard-Harris poll](#) has found that Trump's approval rating has fallen across every major issue since the outlet's previous survey on December.

- The Hill [reports](#) on the [survey](#), "On the economy, the president is [...] facing growing concerns from Americans ahead of the midterms. While exactly half of respondents to December's Harvard-Harris poll said the economy was better than it was under Biden, 47 percent said so in January's survey. Nearly 6 in 10 independent respondents also said that the economy is worse under Trump than it was under Biden."

## Figure 2: Most Important Issues Facing the Country



Source: Harvard Harris Poll

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