

MNI POLITICAL RISK ANALYSIS - US Daily Brief 16-03-26

by Adam Burrowes

The White House *(times subject to change)*

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| 08:00 ET 12:00 GMT | President Trump participates in Executive Time, Oval Office |
| 11:45 ET 16:45 GMT | President Trump holds a news conference |
| 14:00 ET 18:00 GMT | President Trump participates in a Policy Meeting |
| 15:00 ET 19:00 GMT | President Trump has lunch with the Trump Kennedy Center Board Members |
| 14:30 ET 18:30 GMT | President Trump participates in an Interview |
| 15:30 ET 19:30 GMT | President Trump and the Vice President participate in Signing Time |
| 16:00 ET 20:00 GMT | participates in a Meeting with the United States Ambassador to Japan |

Key Dates:

- ❖ *April 16: New Jersey Special Election*

Washington Roundup

President Donald Trump will participate in what the administration calls “Executive Time” at 08:00 ET 12:00 GMT. Trump will hold a policy meeting at 11:00 ET 15:00 GMT and have lunch with Trump/Kennedy Center Board Members at 11:45 ET 15:45 GMT.

- Trump will participate in an interview in the Oval Office at 14:30 ET 18:30 GMT, and sign Executive Orders alongside Vice President JD Vance at 15:30 ET 19:30 GMT. He will meet the US Ambassador to Japan at 16:00 ET 20:00 GMT.
- Trump’s ‘Signing Time’ event with Vice President JD Vance will be the first joint public appearance by the pair since Trump ordered strikes on Iran. The event is presumably designed to show a united front, amid media reports suggesting Vance is sceptical about the war.
- Trump wrote on [Truth Social](#) that he will hold a news conference ahead of his Kennedy Center lunch. That is likely around 11:45 ET 16:45 GMT.

The shutdown of the Department of Homeland Security enters a second month, with no end in sight. NBC News reports that long lines have formed at airports after TSA agents missed their first paychecks. That is likely to become a political vulnerability for Trump, combined with an [expected hike](#) in airfares as the price of jet fuel surges.

- The CEOs of America’s top airlines, including American, Delta, Southwest, and JetBlue, wrote in an [open letter](#) to Congress, “once again air travel is the political football amid another government shutdown.”
- Trump’s nominee to replace Kirsti Noem as DHS Secretary, Senator Markwayne Mullin (R-OK), will have his first confirmation hearing on Tuesday. The New York Times notes that while he’ll be in the hot seat on Trump’s immigration agenda, there’s also interest in his financial dealings, calling him “one of the most prolific stock buyers in Congress.”

The Senate will be consumed this week by debate on the voter rights overhaul, the SAVE America Act. Passing the measure has become Trump's number one priority, seemingly at the expense of other legislation.

- Trump has called on Senate Republicans to terminate the filibuster to pass the bill. Such a move is highly unlikely, with a handful of institutionalist Republicans committed to upholding the filibuster.
- Politico notes, "Adding to the chaos, some of the bill's most outspoken champions in the House GOP are warning that a failed attempt won't be enough to keep them satisfied and that they're ready to block any Senate legislation outside of DHS funding."
- The Guardian [writes](#), "While the fate of the legislation remains unclear, the damage may already be done. If it doesn't pass, the talking points surrounding it will play into false election narratives for Trump and his allies, giving fodder for ongoing conspiracies about stolen elections."

US Ambassador to Japan, George Glass, will meet Trump at the White House this afternoon. The meeting comes ahead of Prime Minister Sanae Takaichi's White House visit on March 19.

- While Takaichi has been a firm supporter of Trump, she intends to be "candid" in pointing out that Japan's oil-dependent economy is suffering badly from the war in Iran, per [Chatham House](#). Trump is likely to repeat his demand for Japan to pay more for its own defence.
- Trump [told the FT](#) in an interview on Sunday that he could delay his summit with China's President Xi Jinping later this month as he presses Beijing to help unblock the Strait of Hormuz. (More on that below)

Middle East War

International oil prices hit \$106 a barrel on Sunday evening, up about 45 per cent since the start of the war, per FT. The key port of Fujairah in the United Arab Emirates resumed oil loadings today after it was halted following a drone strike on Saturday, per Bloomberg.

- Reuters reports, "Dubai's international airport was gradually resuming flights after a fire caused by a drone attack forced a temporary suspension, further disrupting traffic in one of the world's busiest air travel hubs."

Semafor reports, "Tehran said the attacks on [Kharg Island](#) would trigger retaliation against US-linked energy facilities in the region, deepening concerns about a sustained disruption to global supply."

- Axios reports, "Trump is drawn to the idea of seizing Kharg Island outright because it would constitute "an economic knockout of the regime" — essentially defunding Tehran," a US official said. But the move would require boots on the ground and could trigger Iranian retaliatory strikes against oil facilities and pipelines across Gulf countries, particularly Saudi Arabia."
- The Israeli military said on Monday it is launching more attacks across Iran on Monday, including in Tehran and the cities of Shiraz and Tabriz and expanding its

ground assault in southern Lebanon against the Iran-backed armed group Hezbollah, per the New York Times.

The Wall Street Journal reported on Friday that the Pentagon is dispatching a Marine expeditionary unit to the region, raising the risk of mission creep that could result in US 'boots on the ground' in Iran.

- Axios notes, "The Pentagon is sending an amphibious assault ship, the USS Tripoli, and its Marine expeditionary unit to the Middle East... The deployment will add thousands of Marines, several warships, and F-35 fighter jets to the region."

Figure 1: Iran War Major Developments, March 16



Source: New York Times

War Timeline

Energy Secretary Chris Wright told [ABC News](#) on Sunday, "I think that this conflict will certainly come to an end in the next few weeks... Could be sooner than that, but the conflict will come to the end in the next few weeks."

- Treasury Secretary Scott Bessent told CNBC this morning, "I don't know how many weeks it will be," when asked for a timeline on the war. On Friday, Trump [told](#) Fox News the war will come to an end when he "feels it in [his] bones."
- Iranian Foreign Minister Abbas Araghchi said on [social media](#) Iran will continue the war "as far as necessary," adding the Iranian government aims to end the war "in such a way that our enemies will never again think of repeating these attacks..."

Speaking aboard Air Force One yesterday, Trump suggested that some diplomatic talks are taking place between the US and Iran. "We're talking to 'em," he said, before adding, "But I don't think they're ready."

- Trump continued, tempering expectations of an off-ramp to the war, "I don't know that I want to make a deal because you know what? First of all, nobody even knows who

you're dealing with because most of their leadership has been killed, as you know, right? So I don't even know that we want to make a deal.”

- AP [reports](#) that Turkey’s Foreign Minister Hakan Fidan said Saturday there is no serious initiative to resume negotiations between the United States and Iran but that he believes Iran is open to back-channel talks.

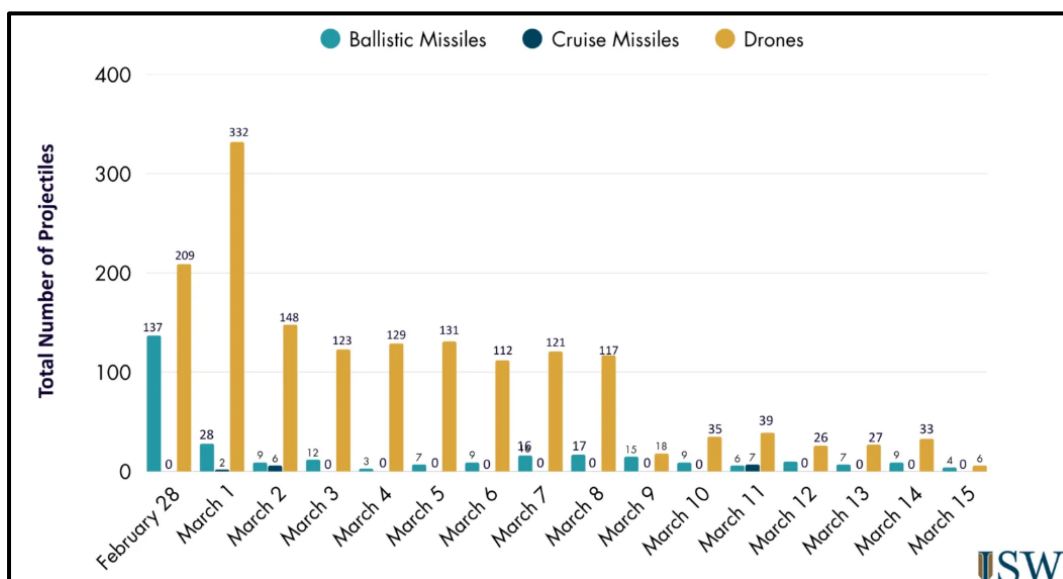
Axios writes, “Averaging out the timelines mentioned by Trump and his aides, it’s fair to assume the administration expected an intense military operation lasting about 4–6 weeks.

- “But in Washington and in capitals around the world, officials are preparing for a much longer crisis. Axios’ Barak tells us he’s heard from three different people in the administration and in allied countries who believe the instability in the Middle East and US involvement could continue until September, even if the war shifts to a low-intensity conflict.”
- Axios notes that even if the US pulls out, “the Iranians could keep the Strait of Hormuz closed and push oil prices so high that America would have to re-engage,” with officials in Iran making it clear “they could continue shooting ... until they get guarantees that this is the end of the war, not just a temporary ceasefire.”

The Institute for the Study of War [writes](#), “The war in Iran is currently in a phase in which the military trajectory is relatively positive: the United States is steadily destroying Iran’s ability to use its most essential tool in the war — drone and missile attacks — which in turn underpin the entire Iranian strategy.”

- ISW continues, “Iran has still done some damage to US forces, and it is still firing drones and missiles, though the overall attack rate is slowly decreasing... The US-Israeli combined force will need time to achieve its military objectives and prevent Iran from inflicting further political and economic pain upon the United States and its allies in the region, but the campaign remains incomplete, and it is too soon to forecast its outcome. Declaring it an operational failure is unquestionably premature.”

Figure 2: Iranian Ballistic Missile, Cruise Missiles, and Drones Launches at the United Arab Emirates between February 28, 2026, and March 15, 2026



Source: *Institute for the Study of War*

Strait of Hormuz

Trump is attempting to build a coalition to reopen the Strait of Hormuz. So far, the reaction has been tepid. Not least because Trump appeared to do little outreach to allies ahead of the decision to strike Iran, and Europeans are still questioning Trump's commitment to NATO, after his designs on Greenland.

- Trump wrote on [Truth Social](#), "Hopefully China, France, Japan, South Korea, the UK, and others... will send Ships to the area... In the meantime, the United States will be bombing the hell out of the shoreline, and continually shooting Iranian Boats..."
- Trump told reporters aboard Air Force One yesterday he's talking to about seven countries, "We're talking to countries about policing the straits because they are the ones, you know, we don't get oil, very little, 1%, 2%. And China, as an example, gets about 90% of its oil from the Hormuz Strait."
- In a call with the Financial Times, Trump warned "If there's no response or if it's a negative response I think it will be very bad for the future of NATO." Asked to specify the help he needed, Trump said "whatever it takes". He added that allies should send minesweepers, of which Europe possesses many more than the US.

Iranian Foreign Ministry spokesperson Esmail Baghaei warned today, "The Strait of Hormuz will not be open to any country intending to harm Iran. The armed forces are controlling the transit, and no country will be able to use the Strait of Hormuz to strike against Iran."

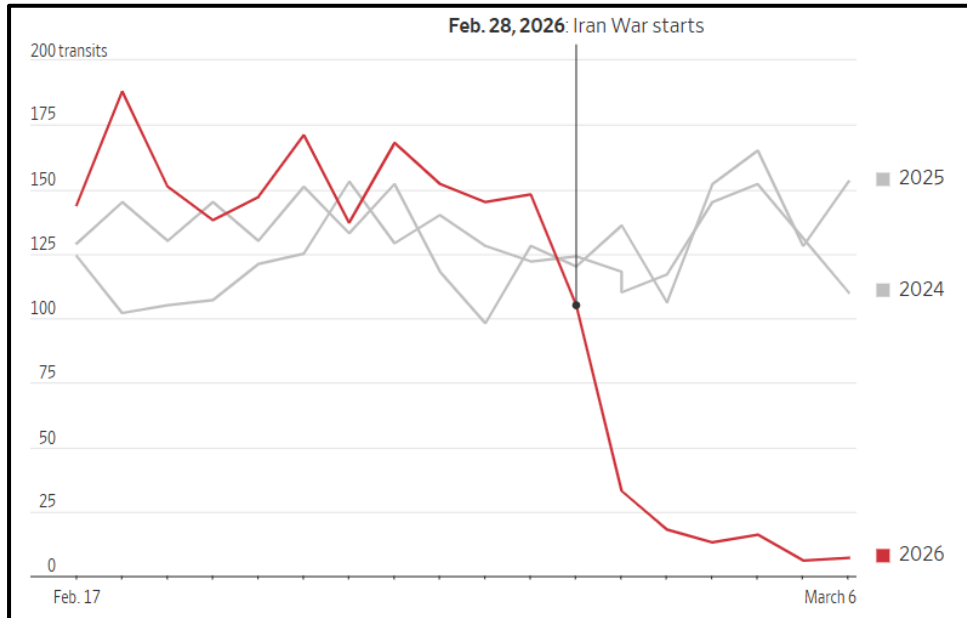
- WSJ notes on potential option to reopen the Strait of Hormuz, "One option to clear the way would be a more-intense use of air power to hunt and destroy Iranian missiles and drones before they could be fired at ships. Another would be to use ground troops to seize the territory around the waterway."
- The Journal has published a useful set of visualisations on how Iran is holding the Strait of Hormuz hostage [here](#).

Figure 3: Iranian Attacks on Commercial Ships



Source: Wall Street Journal, Institute for the Study of War

Figure 4: Total Ship Traffic through the Strait of Hormuz from Feb. 17 to March 6



Source: Wall Street Journal

Politico summarises the response to Trump’s request, “Japanese PM Sanae Takaichi said her country has no plans to send ships to the Gulf, per Reuters. Britain will not send ships either, but is offering minesweeping drones, per The Independent. France has previously expressed interest but wants the situation to stabilize first, per France24.”

- Reuters reports that EU foreign ministers today will discuss moving an existing three-ship team protecting vessels from Houthi rebels into the Strait of Hormuz. But German Foreign Minister Johann Wadepful has already said he does not believe it would be effective, per Reuters.
- Politico notes South Korea remains non-committal, already fearful of draining the US military presence in the Indo-Pacific. Australia has also ruled out sending ships, per Aussie national broadcaster ABC.
- And as for China, Politico points out, “It’s hard to imagine Chinese ships actually working alongside American vessels in the strait — not least because Iran already said it has no plans to disrupt Chinese energy supplies.”

War Funding

Punchbowl News reports that the White House, Pentagon and congressional leaders have already begun talks about a supplemental funding bill for the Iran war that “may carry a price tag of USD\$100 billion or more.”

- According to Punchbowl, “Reconciliation is probably the best option for GOP leaders because there’s no chance that Democrats would allow anything to pass without a vote on ending the conflict or reining in Trump’s freedom to operate. But any new spending would have to be offset with cuts elsewhere. This package will become a huge political flashpoint over the next few weeks.”

National Economic Council Director Kevin Hassett [told CBS News](#) on Sunday that the Trump administration has “got what we need” when it comes to funding for the conflict in Iran. “... whether we have to go back to Congress for more is something that I think that [director of the Office of Management and Budget] Russ Vought and OMB will look into ... we’ve got the weapons that we’ve already got in place to do this and so we are not necessarily going to need any kind of supplemental,” Hassett said.

- House Speaker Mike Johnson (R-LA) told reporters last week, “We don’t yet know what the details of that will be. As you know, in the process submitted by the administration and Congress, and then it’s deliberated upon en masse, we were anticipating a supplemental even before the Iran operation began. So that will happen. The timetable is yet to be determined.”

Energy

In an interview with CNBC this morning, Treasury Secretary Scott Bessent downplayed the impact of the war on oil prices, citing an increase in Indian and Chinese ships navigating out through the Persian Gulf.

- Bessent said, “We believe there will be a natural opening that Iranians are letting out. We’re fine with that,” noting that he sees an overall oil deficit “somewhere between 10 and 14 million barrels.”

The Wall Street Journal [reports](#), “The White House has implemented or is considering several measures it hopes will lower oil prices—including further easing sanctions on Russian oil, a massive release of emergency energy reserves and possibly waiving a statute that limits crude flows between US ports. Administration officials have also told oil chief executives that they are hoping to increase the flow of oil between Venezuela and the U.S., a White House official said.”

- However, “many in the oil industry fear that the menu of options available can do little to stem the crisis and that the only solution is to reopen the Strait of Hormuz, through which flows a fifth of the world’s daily supply of oil and liquefied natural gas. Otherwise, the strain of prolonged high prices could weigh on the global economy and crimp fuel demand,” per WSJ.

Bessent told CNN this morning that sanctions on Russian oil exports would be reimposed when the conflict in Iran is over, and oil supplies have recovered.

- Chancellor Friedrich Merz said Friday at a joint news conference with his Norwegian counterpart, Jonas Gahr Støre, “Let me be very clear: We believe it would be wrong to ease sanctions now, for whatever reason. We will and we must continue to increase the pressure on Moscow,” the conservative German leader said. “We will not allow ourselves to be deterred or distracted from this by the war in Iran.”

The New York Times notes, “Gas prices rose again on Monday, jumping to a national average of nearly \$3.72 a gallon, according to the AAA motor club. The increase has raised the cost for drivers by 25 percent since the war began....

- “Diesel prices have increased even more quickly and stood at \$4.99 on Monday, up 33 percent since the start of the war.”

- William H. McRaven, a retired admiral who oversaw the raid that killed Osama Bin Laden, told the New York Times that it could take more than a month to get ships and other military equipment to the area to demine the strait. Even then, many boats may not want to take the risk of navigating the waterway. We might need to settle into the idea of expensive oil for quite some time.

Figure 5: Price of Gasoline in the US



Source: New York Times

Congressional Business

The House is IN

The Senate is IN

Committee Schedule –

China

Trump hinted in a phone interview with the [Financial Times](#) that he could postpone his trip to China, where he is slated to meet with Chinese President Xi Jinping, unless Beijing assists in unblocking the Strait of Hormuz.

- FT: “I think China should help too because China gets 90 per cent of its oil from the Straits [sic],” Trump said. Waiting until the summit would be too late, he said. “We’d like to know before that. It’s [two weeks is] a long time.” He added that his trip to China might also be put back. “We may delay,” Trump said. He did not say for how long.”
- Treasury Secretary Bessent told CNBC this morning, “There’s a false narrative out there that if the meetings are delayed. That’s completely false. So if the meeting, for some reason, is rescheduled, it would be rescheduled because of logistics.”

- White House Press Secretary Karoline Leavitt told Fox News that “I don’t think the meeting is in jeopardy, but it’s quite possible” it could be delayed, per Bloomberg.

Semafor notes, “[Trump’s] remarks [to FT] came as US and Chinese officials continued talks in Paris centered on trade and tariffs: Though both sides hailed the “remarkably stable” discussions, Trump has said he retained the “absolute right” to ramp up duties; Beijing, meanwhile, urged Washington to correct its “erroneous” ways.”

- Reuters [reports](#), “The US and Chinese delegations met for more than six hours on Sunday at the Paris headquarters of the Organisation for Economic Cooperation and Development, a club of mostly wealthy democracies that does not count China as a member. In the talks, the Chinese side showed openness to potential additional purchases of US agricultural goods including poultry, beef and non-soybean row crops...”
- Reuters sources also said, “US officials discussed the flow of Chinese-produced critical minerals to U.S. companies and raised concerns about the US aerospace industry’s lack of access to yttrium from China, which is used in jet engine turbines, among other applications.”

NYT notes, “Asked about Trump’s comment that he might postpone his planned trip to China later this month if Beijing does not help to unblock the Strait of Hormuz, a spokesman for China’s foreign ministry said that both sides were still discussing Trump’s visit.”

- Spokesperson Lin Jian said, “Head-of-state diplomacy plays an irreplaceable, strategic guiding role in China-U.S. relations,” adding that China was “committed” to de-escalating the conflict in the Middle East and was maintaining communication “with all relevant parties regarding the current situation.”

Federal Reserve

A federal judge on Friday quashed a Department of Justice criminal investigation into Fed Chair Jerome Powell, ruling that the probe wasn’t politically motivated.

- Chief US District Judge James Boasberg wrote, “There is abundant evidence that the subpoenas’ dominant (if not sole) purpose is to harass and pressure Powell either to yield to the President or to resign and make way for a Fed Chair who will. The Government has offered no evidence whatsoever that Powell committed any crime other than displeasing the President.”

Trump railed against the decision in a [lengthy message](#) on Truth Social, “They are highly politicized. Cases don’t matter, the Judge does! As an example, how is this absolutely terrible Federal Reserve Chairman, Jerome “Too Late” Powell, not even allowed to be investigated for the horrible job he does?

- “...How is he allowed to be Billions of Dollars over budget, and years behind schedule, on the simple renovation of the small Federal Reserve Complex in Washington, D.C., where he created an absolute disaster — A money pit, and embarrassment to our Country for the whole World to see!”

US Attorney for Washington, D.C., Jeanine Pirro, whose office led the investigation, said in a press conference afterwards that she would appeal the decision.

- Senator Thom Tillis (R-NC) who is maintaining a blockade of the nomination of Kevin Warsh to replace Powell until the investigation is wrapped up, said, “This ruling confirms just how weak and frivolous the criminal investigation of Chairman Powell is and it is nothing more than a failed attack on Fed independence.”
- Warsh added in a statement on X, “We all know how this is going to end, and the D.C. U.S. Attorney’s Office should save itself further embarrassment and move on. Appealing the ruling will only delay the confirmation of Kevin Warsh as the next Fed Chair.”

Semafor notes that Warsh, “has no confirmation hearing scheduled in the Senate Banking Committee yet in part because the panel has not received the necessary paperwork from the White House.

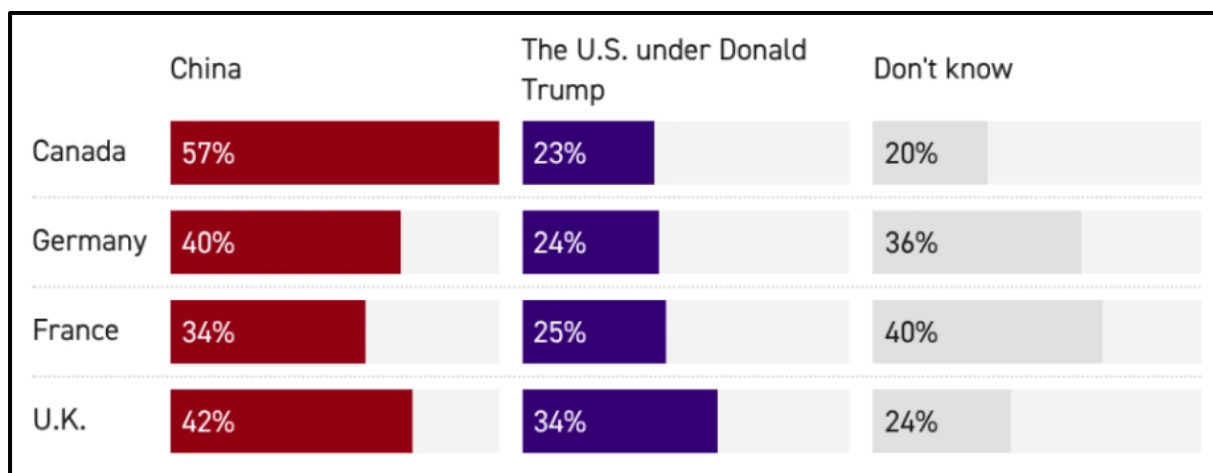
- The reports notes, “One likely paperwork holdup: complicated financial disclosures, which also delayed SEC Chair Paul Atkins’ hearing last year. Like Atkins, Warsh married into a billionaire family — in his case, cosmetic juggernaut Estée Lauder’s.”

Chart of the Day

A new [survey](#) from Politico has found that, “Swaths of the public in Canada, Germany, France and the UK have soured on the US, driven by President Donald Trump’s foreign policy decisions.”

- Politico notes, “Respondents in these countries increasingly see China as a more dependable partner than the U.S. and believe the Asian economic colossus is leading on advanced technologies, including artificial intelligence.
- “Critically, Europeans surveyed see it as possible to reduce reliance on the U.S. but harder to reduce reliance on China — suggesting newfound entanglements that could drastically tip the balance of global power away from the West.”

Figure 6: Share of respondents who say it's either better to depend on China or on the US under Donald Trump, split by country



Source: Politico

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