

## MNI POLITICAL RISK ANALYSIS - US Daily Brief 19-11-25

by Adam Burrowes

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

11:35 ET 16:35 GMT	President Trump departs the White House en route to the US-Saudi Investment Forum
12:00 ET 17:00 GMT	President Trump delivers remarks at the US-Saudi Investment Forum
13:15 ET 18:15 GMT	President Trump returns to the White House

#### Key Dates:

- ❖ Dec. 2: Tennessee Special Election
- ❖ Jan. 30: Government funding expires

### Washington

US President Donald Trump will depart the White House at 11:35 ET 16:35 GMT for the US-Saudi investment forum at the Kennedy Center in Washington DC. He will deliver remarks at the event at 12:00 ET 17:00 GMT, before returning to the White House.

- Reuters [reports](#) that Nvidia CEO Jensen Huang and Tesla CEO Elon Musk will take part in a discussion on “advances in artificial intelligence” at the forum.
- A document seen by the outlet noted, “This conversation will explore the emerging forces shaping the next wave of technological progress, highlighting the architectures, models, and investments powering a more intelligent and interconnected future.”
- Semafor [reports](#), Saudi Arabia’s sovereign wealth fund-backed artificial intelligence company, Humain, is set to announce a “slew of new deals” with US firms today. (More on that below)

Investors remain jittery ahead of the Nvidia’s earnings report, expected after market close today. CNBC [notes](#), “the company has to meet lofty expectations among investors, who have taken profits from their tech holdings in recent days, reflecting heightened concerns that the AI boom has run up the valuations of Nvidia and other tech hyperscalers.”

- The Wall Street Journal [reports](#), “A federal judge on Tuesday dismissed the Federal Trade Commission’s claims that [Meta] has an illegal monopoly in social media, rejecting one of the government’s marquee antitrust lawsuits against big technology companies.”

Looking forward, there is still considerably uncertainty over the post-government shutdown data releases. MNI’s Pedro da Costa runs through what to expect in a new podcast with MNI Chief Economist Tim Cooper [here](#).

### Saudi Arabia

President Trump and Saudi Crown Prince Mohammad bin Salman will head to the Kennedy Centre today for Day Two of the de facto ruler’s US visit.

- Yesterday, Trump announced that will formally designate Saudi Arabia as a major non-NATO ally, in line with three other nations in the Middle East, Israel, Egypt, and Qatar. Trump told reporters in the Oval Office, “I’m pleased to announce that we’re taking our military cooperation to even greater heights.”
- Bloomberg [notes](#), “The designation for nations with close strategic relationships with the US provides financing and priority access for purchases of certain military equipment, as well as the ability to participate in joint research efforts.”
- The Hill notes that the security agreement “falls short of a mutual defence treaty that would likely fail to gain Senate ratification.”

Trump confirmed that he has greenlit the sale of advanced F-35 fighter planes to Riyadh. The sale, if it goes through, would make Saudi Arabia the only state in the region, beside Israel, to operate the planes. During his first term, Trump authorised the sale of F-35s to the United Arab Emirates, which is still waiting for delivery of the planes, suggesting that there may also be obstacles to Riyadh obtaining the jets.

- Notably, Trump told reporters that the sale of F-35 is not conditioned on Riyadh fulfilling any broader US objectives, like joining the Abraham Accords; Trump’s flagship foreign policy initiative to normalise relations between Israel and Arab states.
- MBS told reporters, “We want to be part of the Abraham Accords, but we want also to be sure that we secure a clear path of a two-state solution,” referring to Palestinian statehood.
- When asked about conditions, Trump said, “No. We’re going to have a deal. They’ve going purchase F-35s. They’re buying them from Lockheed and it’s a great plane.”

The White House announced the leaders also struck deals on civilian nuclear energy, critical minerals, and technology, with the nuclear deal to build “the legal foundation for a decades-long, multi-billion-dollar nuclear energy partnership with the Kingdom.”

- On AI, the White House noted, “The United States and Saudi Arabia signed a landmark AI Memorandum of Understanding that gives the Kingdom access to world-leading American systems while protecting U.S. technology from foreign influence, ensuring that American innovators will shape the future of global AI.”
- Bloomberg [reports](#) that the deal greenlights the first sales of advanced artificial intelligence chips to the Saudi Arabian AI firm Humain, which is likely to help facilitate permits for AI chip shipments not just to Humain, but also to US companies with projects in the country.

In return for the enhanced defence ties, MBS upped an investment pledge in the US from USD\$600 million to USD\$1 trillion, although the details remain vague. A White House [fact sheet](#) noted that the investment pledge reflects, “deepening trust and momentum for the United States under President Trump’s leadership.”

- The US Treasury Department said in a [statement](#) that the Department of the Treasury and the Kingdom of Saudi Arabia “signed two new frameworks for enhanced cooperation between our countries.”
- The first framework would bolster, “close cooperation on anti-money laundering and counter-terrorist financing issues to make our financial system even safer.” The second would, “improve the efficiency and effectiveness of capital markets activity

between our jurisdictions, focusing on capital markets technology, standards, and regulations.”

## Federal Reserve

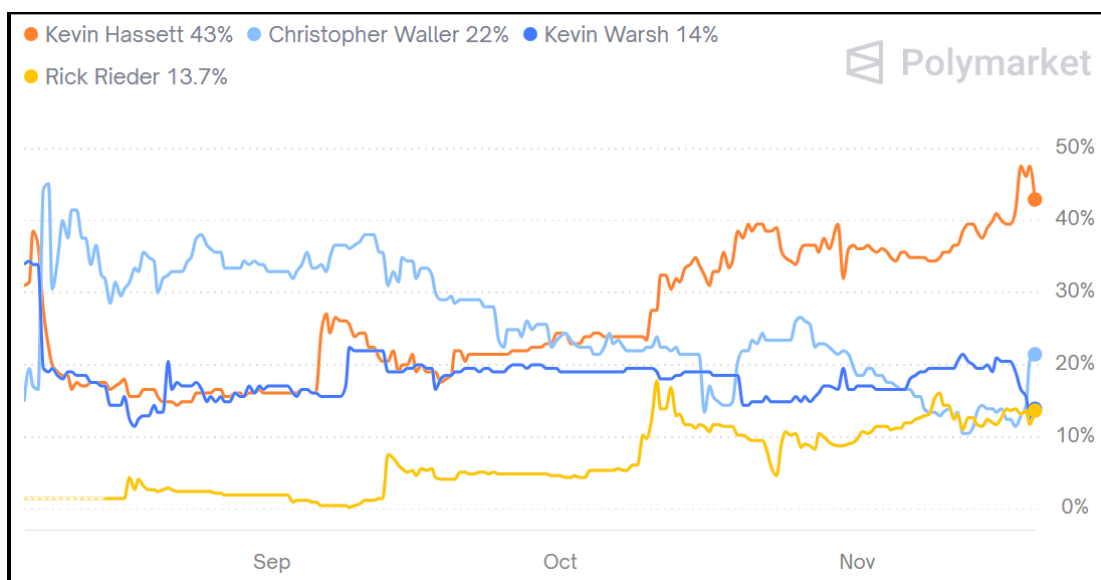
President Trump told reporters in the Oval Office yesterday that he thinks he already knows who he will nominate to replace Jerome Powell as the next chair of the Federal Reserve. Trump said without specifying: “I think I already know my choice. I’d love to get the guy currently in there [Powell] out right now, but people are holding me back.”

- Trump added, “We have some surprising names and we have some standard names that everybody’s talking about. And we may go the standard way. It’s nice to every once in a while go politically correct.”

Bloomberg [notes](#), “Treasury Secretary Scott Bessent, who is leading the search, has said he has narrowed the pool of contenders to current Fed Governors Christopher Waller and Michelle Bowman, former Fed Governor Kevin Warsh, White House National Economic Council Director Kevin Hassett and BlackRock Inc. executive Rick Rieder.”

- Bessent told Fox News shortly after Trump’s comments, “We’re doing another round of interviews. Then some people in the White House will be doing interviews, probably right after Thanksgiving... Mid-December, the President will meet with the final three candidates, and hopefully have an answer before Christmas.”
- Bloomberg notes, “The next chair is likely to be named to a 14-year Fed governor term that opens on Feb. 1,” currently held by chair of the White House Council of Economic Advisers Stephen Miran.
- According to Polymarket, White House National Economic Council Director Kevin Hassett remains the favourite, with an implied probability of 43% of taking the nomination, but bettors slightly upgraded Waller’s chances after Trump’s comment hinting about a conventional selection.

**Figure 1: Who will Trump nominate as Fed Chair?**



Source: Polymarket

## Congressional Business

The House is IN

The Senate is IN

### Committee Schedule –

- 09:30 ET 14:30 GMT: SENATE Natural Resources: Hearings to examine how the BLM land use planning process under the Federal Land Policy and Management Act (FLPMA) affects permitting for energy, mining, grazing, and infrastructure projects
- 10:00 ET 15:00 GMT: HOUSE Select Committee on China: Predatory Pricing: How The Chinese Communist Party Manipulates Global Mineral Prices to Maintain Its Dominance
- 10:00 ET 15:00 GMT: SENATE Finance Committee: Hearings to examine the rising cost of health care, focusing on considering meaningful solutions for all Americans
- 10:15 ET 15:15 GMT: HOUSE Energy: Subcommittee on Energy Markup of 8 Bills
- 14:30 ET 19:30 GMT: HOUSE Small Business: Hearings to examine Trump's regulatory rollback, focusing on saving Americans \$907 billion and counting
- 15:00 ET 20:00 GMT: SENATE Agriculture: Hearings to examine the nomination of Michael Selig, of Florida, to be a Commissioner of the Commodity Futures Trading Commission

## Ukraine War

Axios [reports](#), according to US and Russian officials, “The Trump administration has been secretly working in consultation with Russia to draft a new plan to end the war in Ukraine.”

- Axios notes, “The 28-point U.S. plan is inspired by President Trump's successful push for a deal in Gaza. A top Russian official told Axios he's optimistic about the plan. It's not yet clear how Ukraine and its European backers will feel about it.”
- The plan's 28 points fall into four buckets: peace in Ukraine, security guarantees, security in Europe, and future US relations with Russia/Ukraine, per Axios.
- Axios adds that, “It's unclear how the plan approaches contentious issues such as territorial control in eastern Ukraine — where Russian forces have been inching forward, but still control far less land than the Kremlin has demanded.”

Trump chief negotiator Steve Witkoff was scheduled to meet with Ukrainian President Volodymyr Zelenskyy in Turkey today to discuss resuming ceasefire negotiations with Moscow. That meeting has reportedly been postponed.

- The suspension of Witkoff's visit to Turkey, may be viewed as a signal that Washington is disinclined to bring Ukraine into its decision-making at present.

Politico [reports](#) that Army Secretary Dan Driscoll, accompanied by two four-star generals and other senior US military officials, is only an “highly unusual” trip to Kyiv today for meetings with Zelenskyy and top Ukrainian officials.

- According to Politico, “The mood inside the White House is bullish,” which believes that Zelenskyy will have to accept what is on offer, reportedly drafted without input from Kyiv or Brussels, due to increasing battlefield pressure and a growing domestic corruption scandal.



- Semafor notes, “American officials hope additional sanctions on Russia’s energy sector will bring the country to the table. But Russian President Vladimir Putin showed little interest in compromise during a meeting with China’s premier...”

Russian envoy Kirill Dmitriev signalled that the emerging deal might be favourable to Russian priorities, saying it is a proposal “to address the Ukraine conflict, but also how to restore US-Russia ties [and] address Russia’s security concerns. It’s actually a much broader framework, basically saying, ‘How do we really bring, finally, lasting security to Europe, not just Ukraine.’”

- Politico writes: “So what happens next? We need some details — and we need to hear Ukraine’s response. Based on past statements, Zelenskyy is likely to push back hard on any aspects of a deal he deems unpalatable. Ukraine will not want to be bounced into giving away sovereign territory; but the pressure brought to bear will be intense. And if the three sides can reach an agreement, that previously postponed Trump-Putin summit will surely follow.”
- The lack of participation from Ukraine and Europe makes any such plan an extremely hard sell in Kyiv and Brussels, but Politico reports a US official as stating, “We don’t really care about the Europeans, it’s about Ukraine accepting.”

## **Congressional Budget Office**

Philip Swagel, the director of the nonpartisan Congressional Budget Office, told lawmakers in testimony to the House Budget Committee yesterday that a cybersecurity attack on the CBO earlier this month has been contained with no “further evidence of unauthorized access to CBO email.”

- He warned that sharing some things during a public hearing “might hinder remediation or investigation” but insisted that CBO is now “operating as normal ... without interruption,” per Politico.
- Swagel’s testimony can be read [here](#).

## **Jeffrey Epstein Files**

The House of Representatives voted overwhelmingly 427-1 to force the Department of Justice to release files related to the disgraced financier Jeffrey Epstein, following a last-minute U-Turn from Trump in support of the bill. In the end, only Rep Clay Higgins (R-LA) voted against the bill, citing concerns over the protection of victims.

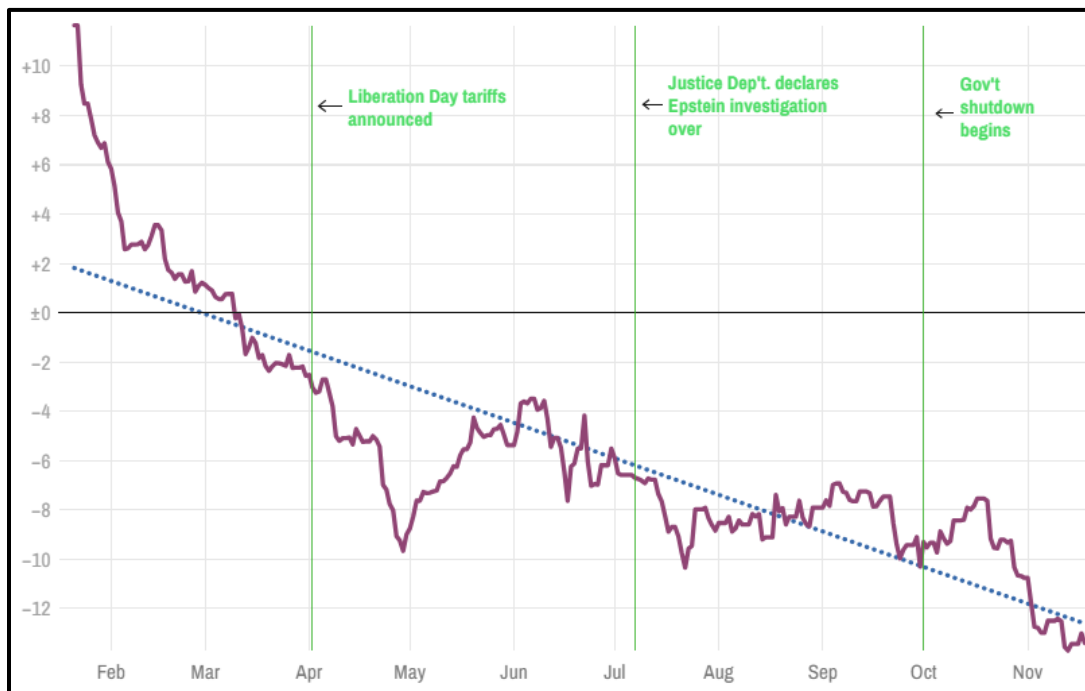
- The Senate immediately agreed to pass the bill via unanimous consent, sending it to Trump’s desk for his signature today and completing a remarkable exertion of Congressional power over the White House.
- The Wall Street Journal has a useful primer on what comes next [here](#). “The Epstein Files Transparency Act would direct Attorney General Pam Bondi to make unclassified documents related to Epstein and his associate Ghislaine Maxwell publicly available within 30 days of being signed into law.”

The episode, along with several other displays of Republican dissent – including a series of tariff votes in the Senate, the Senate’s unwillingness to terminate the filibuster to reopen the government, and Indiana Republicans’ opposition to redistricting, have led some commentators to question whether this may be the beginning of Trump’s ‘lame duck’ period.

Bloomberg's Joe Weisenthal [wrote on X](#) on November 15: "Feels like Trump's lame duck era is here or coming on quickly."

- Data analyst Nate Silver [notes on his Substack](#) that Trump's approval rating has been on a steady decline since his inauguration, in line with the trend for second-term presidents: "In their second terms, presidents have lost a median of about 5 points of net approval every 100 days, and so far, Trump's decline is right on trend," Silver writes.

**Figure 2: Trump's Approval Rating with Linear Trendline**



Source: Silver Bulletin

## Redistricting

President Trump's efforts to rewrite Congressional maps in red states to gain an edge in the 2026 midterm elections took a major hit yesterday, with a federal court in Texas ruling that there is "substantial evidence" that a map drawn by the Texas GOP is "racially gerrymandered."

- Texas Republicans are now looking to the Supreme Court to ensure the map, which is projected to net Republicans five House seats in 2026, will be in place for the Congressional elections.
- Texas Attorney General Ken Paxton said in a statement: "The Big Beautiful Map was entirely legal and passed for partisan purposes to better represent the political affiliations of Texas."
- Axios notes, "Texas' Dec. 8 candidate filing deadline essentially gives the Supreme Court 20 days to ride to the rescue... It's difficult, but not impossible, to redraw district lines after candidates have filed to run."

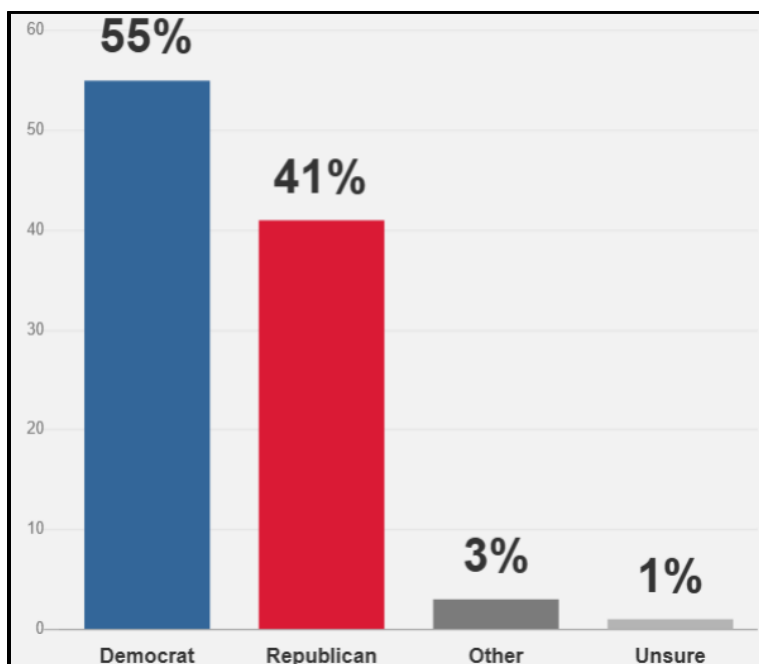
Punchbowl News writes that, “Trump and House Republicans thought they had a winning midterm strategy — redraw congressional maps in red states to gain an insurmountable edge heading into 2026... But their strategy hasn’t worked out as planned. In fact, it now looks like Trump and House GOP leaders may have been better off not doing anything at all.”

- Trump’s redistricting agenda is also facing pushback in Indiana. The Republican-controlled state legislature is resisting a White House pressure campaign to redraw a map to provide the GOP two additional seats.
- To compound Trump’s woes, California successfully passed a ballot initiative to gain Democrats five seats. That move was ostensibly taken to erase the GOP advantage from their Texas map, which now appears in doubt. There is also an opportunity in Virginia for Democrats to gain up to three new seats.
- House Majority Leader Hakeem Jeffries (D-NY) said in an interview that House Democrats will continue to pursue favourable maps, regardless of the Texas outcome: “We are moving full steam ahead,” Jeffries said. “Republican extremists started this gerrymandering fight. We’re going to end it.”

Marist [released an update](#) today that is likely to flash more warning signs that the GOP is heading to midterm wipeout in the House. The polling outfit found Democrat with a 14-point lead on the generic Congressional ballot.

- Marist notes: “This is the first time in more than three years that Democrats have had a notable advantage on the congressional generic ballot question.” The report notes that 57% of respondents said the administration should be focused on prices.

**Figure 3: “If the 2026 election for Congress were held today, which party’s candidate are you more likely to vote for in your district?”**



Source: Marist

## Chart of the Day

We will get more clues about the temperature of the electorate in a December 2 Tennessee special election, following the [mini blue wave](#) in recent elections in Virginia, New Jersey, New York, and elsewhere.

- While the November 5 elections took place largely in blue states, the Tennessee special election will test Republican support in a district that voted for Trump by 22 points in 2024. A poor performance by Republican nominee Matt Van Epps could signal that Trump's declining approval rating will weigh on Republicans in 2026.
- NBC News notes, "The four previous House special elections this year all saw Democratic candidates perform between 16 and 24 net points better than Kamala Harris did in last year's presidential election... a similar Democratic overperformance in the Tennessee race would make it potentially competitive."

**Figure 4: How Democrats have fared in this year's special House Elections**

Date	District	Democrats' special election margin	Democrats' 2024 presidential election margin	Democrats' 2020 presidential election margin
April 1	Florida's 1st	-15	-37	-32
April 1	Florida's 6th	-14	-30	-23
Sept. 9	Virginia's 11th	+50	+34	+41
Sept. 23	Arizona's 7th	+40	+22	+33
Dec. 2	Tennessee's 7th	?	-22	-15

Source: NBC News



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