

MNI POLITICAL RISK ANALYSIS - US Daily Brief 23-01-26

by Adam Burrowes

The White House *(times subject to change)*

13:30 ET 18:30 GMT	President Trump participates in a Print Interview
15:00 ET 20:00 GMT	President Trump signs Congressional Bills
16:30 ET 21:30 GMT	President Trump meets the Commissioner of the US Social Security Administration
17:30 ET 22:30 GMT	President Trump participates in policy time

Key Dates:

- ❖ *Jan. 30: Government funding expires*
- ❖ *Jan 31: Texas Special Election*
- ❖ *April 16: New Jersey Special Election*
- ❖ *March 10: Georgia Special Election*

Washington

US President Donald Trump is back in Washington after an eventful two days at the World Economic Forum in Davos, Switzerland. At 13:30 ET 18:30 GMT, Trump will sit for a print interview in the Oval Office. At 15:00 ET 20:00 GMT, Trump will sign Executive Orders.

- At 16:30 ET 21:30 GMT, Trump will meet with Social Security Commissioner Frank Bisignano in the Oval Office, before holding a policy event. All Trump's events today are billed as closed press.

Vice President JD Vance will deliver the headline speech to the annual anti-abortion March for Life rally in Minnesota today. The rally kicks off at 11:00 ET 16:00 GMT, with House Speaker Mike Johnson (R-LA) set to deliver remarks and President Trump is expected to address the event via video link.

- Politico notes, "The administration teed up the march with a suite of new anti-abortion policies and enforcement actions that could have, 'sweeping implications for medical research and health care access.'"

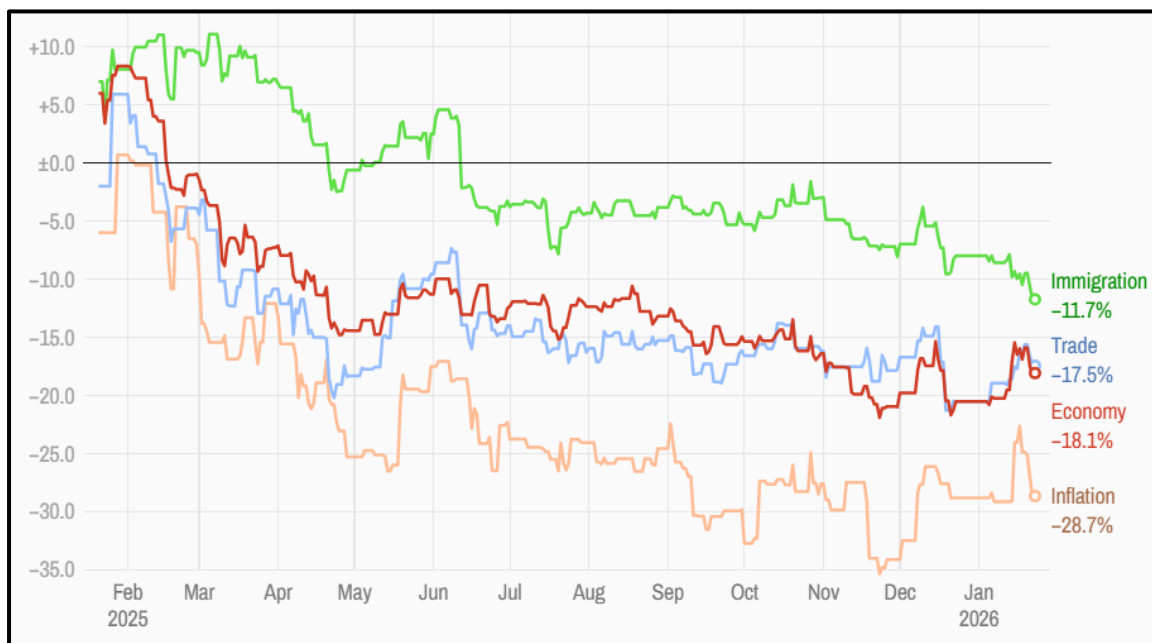
The rally comes as, "the standoff between the Trump administration and officials and protesters in Minnesota is intensifying with new arrests and a statewide economic strike planned for today," per the Hill.

- Speaking in Minnesota yesterday, Vance acknowledged some "mistakes" during ICE's immigration crackdown but stressed that state authorities must cooperate with federal agents.
- "Look, I don't need [Minnesota Governor] Tim Walz or [Minneapolis Mayor] Jacob Frey or anybody else to come out and say that they agree with JD Vance or Donald Trump on immigration... What I do need them to do is empower their local officials to help our federal officials out in a way where this can be a little bit less chaotic and it can be a little bit more targeted," Vance said.

A softer tone from the administration comes amid a flurry of polling showing a sizable majority of voters believe that ICE's tactics have gone too far.

- The New York Times [reported](#) on a new Siena College survey this week, “Just 36 percent of voters said they approved of the way ICE was handling its job, according to the poll, while 63 percent disapproved — including 70 percent of independent voters. And 61 percent of voters said that ICE had “gone too far” in their tactics, including nearly one in five Republicans.”
- Silver Bulletin's approval tracker [shows](#) that while immigration remains Trump's strongest issue, his approval rating on the issue has dropped significantly since last summer, and is trending further down since the start of the Minnesota ICE operation.

Figure 1: Trump's Net Approval on the Issues



Source: Silver Bulletin

Greenland

The New York Times [reports](#) that, “Discussions to resolve the future of Greenland have focused in recent days on proposals to increase NATO's presence in the Arctic, give America a sovereign claim to pockets of Greenland's territory and block potentially hostile adversaries from mining the island's minerals.”

- According to the Times, the emerging deal would; Create a significant new NATO mission in the Arctic; Update a pact signed between Denmark and the United States in 1951; and Restrict non-NATO member countries, particularly Russia and China, from obtaining rights to mine the rare-earth minerals that lie deep under Greenland's ice sheet.
- Danish Prime Minister Mette Frederiksen said [in a statement](#): “NATO is fully aware of the Kingdom of Denmark's position. We can negotiate about everything politically — security, investments, the economy. But we cannot negotiate about our sovereignty.”

- When asked by reporters aboard Air Force One yesterday whether Denmark is on board with the concept, Trump said: "I think everyone likes it. I mean, we think. I'll let you know in about two weeks."

Ukraine

The first US-brokered trilateral talks of the Russia-Ukraine war involving representatives from Russia, Ukraine, and the US, are taking place in Abu Dhabi today. Kremlin spokesperson Dmitri Peskov told reporters this morning that talks would continue into Saturday if necessary.

- Peskov noted that Russia's well-known position is that the Ukrainian army should leave the territory of the Donbas. Earlier, Ukrainian President Volodymyr Zelenskyy said that the issue of territory would be discussed at the meeting.
- Trump told reporters in Switzerland yesterday, after a meeting with Zelenskyy: "I think the meeting was good. We've got a ways to go... We'll see how it pans out."

While US special envoy Steve Witkoff has sought to portray the prospect of a peace deal as all but complete and only coming down to [one last issue](#), his talks with Russian President Vladimir Putin on the evening of 22 January appeared to indicate that the deep divisions between Moscow and Kyiv on this issue are too great to bridge.

- Bloomberg News [reports](#) that Putin's foreign policy aide, Yuri Ushakov, said in an audio recording on Telegram early Friday there's "no hope of achieving a long-term settlement" to the war until Russia's demands for territory in Ukraine are accepted..."
- Russia has continued to bring up the supposed 'Anchorage understandings'. It is believed that these were discussions between Putin and Trump in Alaska in 2025 on the topic of Ukraine ceding territory in exchange for an end to the fighting. These 'understandings' have not been confirmed, and do not have the approval of the Ukrainian side.

China

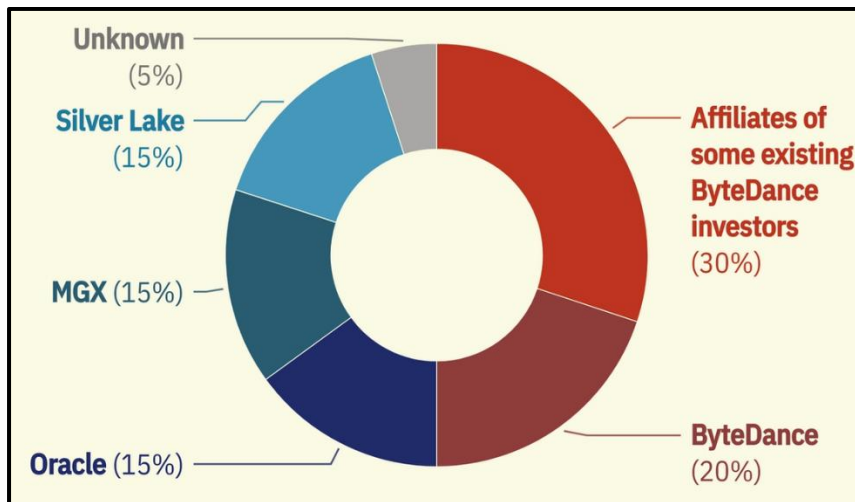
A consortium of mostly US investors announced yesterday that the US and China have signed off on a deal to keep the US arm of the social media app TikTok operational under a new ownership structure.

- Trump said in a [statement](#) on Truth Social, "*I am so happy to have helped in saving TikTok! It will now be owned by a group of Great American Patriots and Investors... I only hope that long into the future I will be remembered by those who use and love TikTok... I would also like to thank President Xi, of China, for working with us and, ultimately, approving the Deal. He could have gone the other way, but didn't, and is appreciated for his decision.*"
- Bloomberg [notes](#), "The sale is designed to comply with a national security law signed in 2024 by then-US President Joe Biden — the Protecting Americans from Foreign Adversary Controlled Applications Act — which mandates that Chinese owner ByteDance Ltd. reduce its ownership of TikTok US to less than 20%".

Treasury Secretary Scott Bessent told Politico at WEF yesterday that Trump and Chinese leader Xi Jinping could meet up to four times this year and have a productive rapport.

- Bessent noted that the US relationship with China has reached a “very good equilibrium” where disagreements are less likely to turn into full-scale economic conflict as they did last year.
- “When the leaders are setting the tone for the overall relationship, if there are glitches, if there are hiccups, then they can jump on phone calls and de-escalate very quickly,” Bessent said.
- Bessent noted that he’d met on the sidelines of the WEF with his Chinese counterpart, Vice Premier He Lifeng, where he was told that the Chinese are committed to implementing the deal hammered out by Trump and Xi.
- “We are going to hold their feet to the fire,” Bessent said. “But they have done everything that they said they were going to do. They actually completed their soybean purchases last week, their full allocation.”

Figure 2: New US Ownership Structure of TikTok



Source: Semafor

Congressional Business

The House is OUT

The Senate is OUT

Committee Schedule –

Office of Management and Budget

CNN [reported](#) yesterday that the Trump administration has ordered a review of federal funding for more than a dozen Democratic-led states, "an escalation of efforts to target federal funding in blue states that has rapidly accelerated in the wake of sweeping fraud allegations in Minnesota."

- Trump said in a speech last week that as of February 1, the federal government would stop making “any payments to sanctuary cities, or states having sanctuary cities, because they do everything possible to protect criminals at the expense of American citizens.”

- According to CNN, the Office of Management and Budget memo requests detailed spending data as part of a review to "facilitate efforts to reduce the improper and fraudulent use of those funds."
- But, the memo notes, "This is a data-gathering exercise only. It does not involve withholding funds and therefore does not violate any court order."
- The jurisdictions included in the budget office's request are: California, Colorado, Connecticut, Delaware, Illinois, Massachusetts, Minnesota, New Jersey, New York, Oregon, Rhode Island, Vermont, Virginia and Washington state. It also includes the District of Columbia, per the Washington Post.

The move appears to be an expansion of a strategy to increase the power of the executive branch used by OMB Director Russell Vought to [freeze](#) USD\$18 billion in federal funds to New York City, shortly after the US government shutdown in October last year. At the same time, Vought [stated on X](#) that USD\$8 billion of green energy funds had been "cancelled" to 16 Democrat-run states, including California and New York.

- Last week, a federal judge [ruled](#) that terminating clean-energy grants was "unlawful," writing: "The terminated grants had one glaring commonality: All the awardees (but one) were based in states whose majority of citizens casting votes did not support President Trump in the 2024 election."
- Whether Vought can withdraw funds permanently may ultimately depend on Congress rubber-stamping a rescissions package, but the New York City episode demonstrates that the OMB has significant power to suspend payments. Indeed, Senate Minority Leader Chuck Schumer (D-NY) [met with President Trump](#) last week to request removing the hold on the NYC funding.

Government Funding

House Speaker Mike Johnson (R-LA) scored a major win yesterday, forcing through the final minibuss of FY2026 funding bills and inching Congress closer to averting a government shutdown on January 31.

- Alongside the minibuss covering Defense, Transportation, Housing and Urban Development, Health and Human Services, Labor, Education and other related agencies, the House also passed a standalone Department of Homeland Security Bill that has been at the centre of a partisan showdown over ICE.
- The House will now combine the four bills with the two minibuss packages it passed last week and send a full suite of 12 funding bills to the Senate to complete the appropriations process next week.
- Semafor notes that while Senate Democrats are [lining up](#) against the DHS funding measure... It may ultimately pass because it's rolled into five other House-passed spending bills that Democrats generally support."

The Hill notes, "It will mark the first time that new full-year funding levels have been approved for the entire federal government since former President Biden signed an omnibus appropriations bill in March 2024. With Republicans facing limited time to negotiate and design new funding levels after the 2024 election, Congress opted to operate under a full-year continuing resolution (CR) that extended those Biden-era funding levels for the following fiscal year."

- Notably, under pressure from a handful of GOP conservatives, House Republican leadership declined to renew a resolution preventing members from forcing votes on Trump's tariffs. Politico notes, "Now, rank-and-file lawmakers can bring votes of disapproval to the floor at their will, which could get awkward for Trump and House Republicans."

Venezuela

House Republicans successfully blocked a war powers resolution in a 215-215 tied vote. The resolution, introduced by House Rules Committee ranking member Jim McGovern (D-MA), would direct the president "to remove United States Armed Forces from Venezuela, unless explicitly authorized by a declaration of war or specific statutory authorization for use of military force."

- The Hill reports, Republicans brushed off the measure as unnecessary. "The US is not at war with Venezuela," Foreign Affairs Committee Chair Brian Mast (R-FL) said on the House floor. "Democrats are asking us to vote on a resolution about a situation that literally does not exist."
- House Foreign Affairs Committee ranking member Gregory Meeks (D-NY) said, "For those of you who deny this is warmongering, there is still a US aircraft carrier parked in the Caribbean," Meeks said. "Tens of thousands of young American men and women remain on standby. And if the president wants to drag the United States into a war the American people don't want — they don't want this — he must come to Congress first."

Iran

Speaking to reporters aboard Air Force One yesterday, Trump acknowledged the deployment of US military assets to the Middle East. Trump reiterated warnings to Iran not to restart its nuclear programme, or execute people arrested during recent mass protests against the regime, but indicated he would prefer to avoid military action in Iran.

- Trump said, "We're watching Iran. You know, we have a lot of ships going that direction just in case. We have a big flotilla going in that direction and we'll see what happens. We have a big force going toward Iran. Uh, I'd rather not see anything happen, but we're watching them very closely."
- Asked if he would like to see Supreme Leader Ali Khamenei step down or go on exile, Trump said, "I don't want to say right now. I, I don't want to get into that. But, uh, they know why we're looking."
- US Special Envoy Steve Witkoff suggested to Bloomberg earlier this week that US "discussions" with Iran had "resulted in the Iranian statement that the killings will stop." Witkoff stressed that "Iran needs to change its ways," adding that "if they indicate that they're willing to do that, then I think we can diplomatically settle this." But, he said, "we don't have that sense yet."

The Financial Times [reports](#), "Tensions soared across the Middle East earlier this month after Trump hinted that he was about to intervene in Iran, writing on social media that "HELP IS ON ITS WAY" as Iranian authorities launched a brutal crackdown to crush the biggest wave of protests against the regime in years. But they eased after Trump dialled down his rhetoric following intense lobbying from both Arab and Israeli officials."

- Bloomberg [reports](#), “The number of people reported killed in Iran’s protest crackdown has surged as rights groups continue to verify suspected fatalities, with the United Nations warning the total could be more than 20,000.”
- Politico notes, “The shift to diplomacy underscores how much more complicated the situation is in Iran than in Venezuela, where Trump followed through on threats of military action with a snatch and grab of the country’s president.”

Mona Yacoubian, director of the Middle East Program at the Center for Strategic and International Studies, told Politico, “the administration is hearing quite a lot from Gulf allies that any sort of military strike could really unleash a much broader regional conflict.”

- Politico adds that Elliott Abrams, who served as Trump’s special envoy to Iran under his first administration, argued that the president wasn’t likely to follow either the Venezuela or Greenland playbooks with Iran. Instead, he argued the situation was more likely to unfold the way it did with the original 28-point peace plan Witkoff pushed for peace between Russia and Ukraine.

Chart of the Day

Silver Bulletin has launched its [generic Congressional ballot](#) ahead of the 2026 midterm election: “Today, our average has the generic ballot at D +5.3. That’s an 8.7-point shift toward Democrats over the past year. For historical context, that puts Democrats behind where they were at this point in 2018 (D +9.3), but ahead of where the opposition party was this far into other recent cycles.”

- Nate Silver notes, “Democrats currently lead by 5.3 points in our generic ballot average. That implies that everything from an 11.0-point Democratic win to a 0.4-point Republican edge is within the margin of error, which covers 95 percent of possible outcomes.”

Figure 3: “Do you approve or disapprove of the way Donald Trump is handling ...”



Source: *Silver Bulletin*

IMPORTANT: This email contains information protected by copyright which can only be used in accordance with the terms of your Market News subscription agreement. UNAUTHORIZED DISCLOSURE, PUBLICATION, REDISTRIBUTION OR FURTHER DISSEMINATION OF THIS INFORMATION MAY RESULT IN CRIMINAL PROSECUTION OR OTHER SEVERE PENALTIES. Any such authorization requires the prior written consent of Market News. Redistribution of this information, even at the instruction of your employer, may result in personal liability or criminal action unless such redistribution is expressly authorized in writing by Market News. Market News takes any such violation seriously and will pursue available legal remedies.

This document may contain forward-looking statements. Forward-looking statements may be identified by the use of such words as; "may," "might," "will," "would," "should," "could," "expect," "plan," "planned," "intend," "anticipate," "believe," "estimate," "estimated," "outlook," "predict," "project," "probable," "potential," "possible," "target," "continue," "look forward," or "assume" and other similar terms. Forward-looking statements are not historical facts or guarantees of future performance but instead express only beliefs regarding future results or events, many of which, by their nature, are inherently uncertain and outside the control of Market News. It is possible that actual results and events may differ, possibly materially, from the anticipated results or events indicated in these forward-looking statements. Subscribers are cautioned not to place undue reliance on any forward-looking statements or examples. None of Market News or any of its affiliates or principals nor any other individual or entity assumes any obligation to update any forward-looking statements as a result of new information, subsequent events or any other circumstances. All statements made herein speak only as of the date that they were made.

This information has been obtained or derived from sources believed to be reliable, but we make no representation or warranty as to its accuracy or completeness. This is not an offer or solicitation of an offer to buy/sell. Copyright @ 2023 Market News Ltd & Hawking LLC d/b/a Market News. All rights reserved.