

MNI POLITICAL RISK ANALYSIS - US Daily Brief 31-10-25

by Adam Burrowes

The White House (times subject to change)

10:00 ET 14:00 GMT	President Trump departs The White House en route Palm Beach, Florida
12:40 ET 16:40 GMT	President Trump arrives Palm Beach, Florida

Government Shutdown Key Dates:

- ❖ Oct. 31: Second military payday of the shutdown
- ❖ Nov. 1: Possible lapse in funding for WIC nutrition assistance program
- ❖ Nov. 1: Open enrolment for ACA. Dems argue this is the deadline for Obamacare
- ❖ Nov. 2: Possible disruptions to SNAP benefits
- ❖ Nov. 5: The shutdown will overtake the 2018-19 shutdown as the longest ever

Washington

President Donald Trump will depart the White House for his Mar-a-Lago resort in Florida at 10:00 ET 14:00 GMT. He has no public events in his diary for today. He will host a dinner for his MAGA Inc. superPAC on Saturday.

- The Miami Herald [reported](#) a short time ago that the Trump administration has actively made the decision to target Venezuelan military sites as part of its anti-cartel operations in Latin America. (More below)
- At 12:15 ET 16:15 GMT, Secretary of State Marco Rubio will meet Bolivian President-Elect Rodrigo Paz Pereira at the Department of State. The Trump administration likely views Paz's election, which swings the country back to the political right after 20 years of leftist governments, as a potential route, along with partnership with Argentine President Javier Milei, to greater influence in the region.
- The Financial Times notes that Paz, "won voters over with his promise of "capitalism for all", carving a path between the MAS and its traditional opposition and promising to maintain social programmes while promoting private-sector growth."

10:00 ET 14:00 GMT: House Speaker Mike Johnson (R-LA) will be joined by Agriculture Secretary Brook Rollins for his daily government shutdown press conference.

- Rollins' appearance suggests that Johnson is looking to bolster his claim that the Department of Agriculture has no viable way of securing funding to pay SNAP benefits, which expire tomorrow.
- Democrats argue that the Trump administration can tap a roughly USD\$5.3 emergency fund to fulfil obligations, which total around USD\$8.5 billion per month. Rollins said in a [memo](#) that "contingency funds are not legally available to cover regular benefits."

Government Shutdown Day 31

Day 31 of the US government shutdown. The Senate will return on Monday after leaving town yesterday. The House of Representatives has been out of session for over 40 days, the longest period of recess outside of summer for decades.

- Fresh off his Asia trip, President Trump finally inserted himself into the shutdown, calling on Senate Republicans to deploy the so-called 'nuclear option' to end the 60-vote filibuster to pass legislation to reopen the federal government.
- Trump said in a pair of messages on [Truth Social](#): "It is now time for the Republicans to play their TRUMP CARD... Get rid of the Filibuster," accusing Democrats of wanting "Trillions of Dollars to be taken from our Healthcare System and given to others, who are not deserving."
- Such a move could be achieved with a simple majority vote, but it is highly controversial as it could permanently remove a key check on legislative power. Senate Majority Leader John Thune (R-SD) has [stated](#) he is opposed to removing the filibuster.

Democrats attempted to bypass the filibuster in 2022 to push through voting rights legislation but failed due to opposition from centrist Democratic Senators Joe Manchin and Kyrsten Sinema. Both of whom have since departed Congress as Independents. If Thune attempts the same, he is likely to run into a roadblock from institutionalist Republicans who fear handing too much power to a future Democratic government.

- WSJ reports that, "more than four Republican senators—enough to block unilateral changes to the filibuster if all Democrats also voted no—said in interviews with the Journal over the past month that they don't support ending the filibuster to end the shutdown."
- Three symbolic votes this week on Trump's tariff agenda revealed an anti-Trump majority in the upper chamber. Senators Rand Paul (R-KY), Susan Collins (R-ME), Lisa Murkowski (R-AK), Thom Tillis (R-NC), and Mitch McConnell (R-KY) joined with Democrats to block tariffs. Such a coalition could reject a move to terminate the filibuster.
- Axios reported earlier this week, "Sen. John Kennedy (R-LA) urged Vice President Vance during a closed-door lunch Tuesday to get President Trump to stop demanding that the Senate do away with the filibuster."

Trump's statement has done little to move the dial on [prediction markets](#), but, with 40 million-plus Americans set to lose SNAP benefits from November 1, Trump's intervention could accelerate bipartisan efforts to find a resolution in the coming days.

- Politico notes, "A vote to kill the filibuster and end the shutdown would in some ways be the best-case scenario for Minority Leader Chuck Schumer [D-NY] and Senate Democrats. It would allow the government to reopen without them paying a political price with the party base — and hand them a powerful tool to use when they finally get power back."

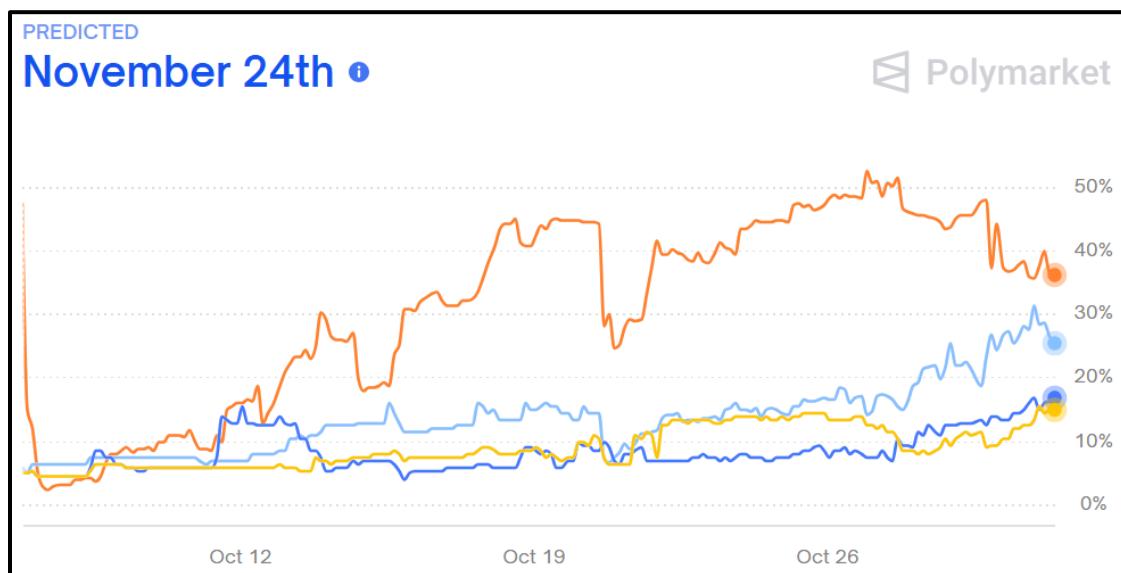
Indeed, Trump's statement comes amid reports that Senate Republicans are confident that an offramp to the shutdown will come next week. Senator Markwayne Mullin (R-OK) said yesterday, "My opinion is: [Democrats are] setting everything up for next week. They know they've got to get out," citing Election Day [Tuesday] as the pivot point.

- Mullin, who's been involved in bipartisan talks, added: "If they do it before Tuesday, then their base may not show up because it looks like they caved. That's why they're setting everything up to open next week. We'll be open next Wednesday, or Wednesday night, or Thursday."

Punchbowl notes similarly that a variety of shutdown pressure points are converging in the coming days. First, SNAP benefits expire and open enrollment for Obamacare health insurance plans begins on Saturday.

- Punchbowl notes, "That means many Americans looking to buy health coverage will see premium prices rise. Democrats are gambling that sticker shock will push Republicans to the negotiating table on Obamacare enhanced premium tax credits..."
- Punchbowl continues, "This all comes right before closely-watched governor elections Tuesday in Virginia and New Jersey. Rep. Richard Neal (D-MA) pointed to those results, along with rising premiums and inflation, converging all at once."
- Neal said: "If there's a trend line that's clear, I think that puts additional pressure on Republicans to come back to Washington and actually begin to negotiate and discuss these challenges."

Figure 1: When will the Government Shutdown End?



Source: Polymarket

European Union

Speaking in Rome this morning, European Trade Commissioner Maros Sefcovic said that he has held 'in-depth' discussions with US officials regarding trade in steel and aluminium. Sefcovic said that it's "time to come back to the idea of a EU-US steel union".

- Politico [reports](#) that US Commerce Secretary Howard Lutnick has been invited to talks in Brussels on 24 Nov to discuss ongoing trade issues, with the EU having raised "concerns about the U.S. expanding its list of derivative steel products subject to a 50 percent tariff."

- Speaking alongside Italian Agriculture Minister Francesco Lollobrigida in Rome, Sefcovic also [said](#) that the EU would look to help Italy in its 'pasta war' with the US. From Jan 2026, the US has threatened an additional 92% tariff on top of the 15% 'reciprocal' tariff applied to EU goods, after accusing two Italian pasta manufacturers, La Molisana and Garofalo, of dumping products on US markets.
- Sefcovic said, "We believe that this decision, as it was reached, was not based on the full facts and figures, and we are doing our utmost to present this to them," confirming he had raised the issue in a call with Lutnick. The US is one of Italy's top three pasta markets, meaning the issue carries a significant economic impact for the Italian agricultural sector.

Banking

Federal Reserve officials are planning to reduce the staff of its banking supervision arm by 30% by the end of next year, according to an internal memo seen by [The Wall Street Journal](#).

- The Journal notes, "The reductions would leave the Fed's supervision and regulation division with about 350 people, down from a previously authorized head count of 500, according to the memo. The cuts were announced by the Fed's new top regulatory official, Vice Chair Michelle Bowman, during a morning meeting."
- The Journal adds that Treasury Secretary Scott Bessent this week said that Bowman is one of five candidates to succeed Powell, whose term ends next May, that he will interview for a second time before sending the finalists to President Trump later this year.

Separately, the Journal reports, "The Trump administration has fired about a dozen officials within Fannie Mae's ethics and internal investigations unit, removing some guardrails meant to address and head off misconduct, according to people familiar with the matter."

- "The unit's gutting comes days after other leadership changes at the mortgage giant, as the Trump administration considers an initial public offering of shares in the company," per WSJ.

Semafor reports that Senator John Kennedy (R-LA) said Trump's pick to chair the Federal Deposit Insurance Corporation, Travis Hill, must provide "a written report" of what he's done as acting chair to address workplace misconduct before the Louisiana Republican will advance his nomination.

- Because Senate Republicans have just a one-seat majority on the Banking Committee, Kennedy's opposition risks derailing Hill's selection. "I want to know who's been prosecuted, who's been fired, or if they just, 'to get along go along,' shoved it under the table — and I'm not going to vote for him until I get that," Kennedy told Semafor, following a contentious hearing Thursday during which Senator Elizabeth Warren, (D-MA) raised similar concerns, continues Semafor.

Congressional Business

The House is OUT

The Senate is OUT

Committee Schedule –

APEC

Treasury Secretary Scott Bessent delivered [remarks](#) to the APEC Economic Leaders' Informal Dialogue in South Korean on behalf of President Trump, who departed the country yesterday following his meeting with Chinese President Xi Jinping.

- Bessent said, "A more balanced global system is one that is grounded in transparency, market access, and fair competition, and also one that supports growth across all APEC economies.
- "We are taking decisive steps to secure and diversify global supply chains. From critical minerals and magnets to semiconductors and energy, the United States is investing with its trading partners to build resilient production networks that reduce dependence on vulnerable sectors. These efforts make supply chains more secure and reliable for all."

Reuters [writes](#) that Xi is filling the void left by Trump's absence: "Trump's decision to skip the APEC summit marks a dramatic reversal in Washington's engagement with an institution the U.S. helped create with Australia in 1989 as part of America's post-Cold War vision of binding the region's economies through trade."

- Reuters notes, "Beyond messaging, China has also taken action. During a trip to Malaysia last week, Chinese Premier Li Qiang attended the Association of Southeast Asian Nations summit in Kuala Lumpur and signed an upgraded China-ASEAN free trade deal.
- "As was the case at APEC, the contrast with the U.S. was palpable. Trump's six-hour blitz of meetings at the ASEAN forum achieved four trade deals -- but none of them reduced U.S. trade barriers and some included further threats."

Venezuela

The Miami Herald [reports](#), "The Trump Administration has made the decision to attack military installations inside Venezuela and the strikes could come at any moment," according to sources with knowledge of the situation. Sources told the Herald that the targets — which could be struck by air in a matter of days or even hours — also aim to decapitate the cartel's hierarchy.

- The source said, "Maduro is about to find himself trapped and might soon discover that he cannot flee the country even if he decided to. What's worse for him, there is now more than one general willing to capture and hand him over, fully aware that one thing is to talk about death, and another to see it coming."
- The Wall Street Journal reported [yesterday](#), "The Trump administration has identified targets in Venezuela that include military facilities used to smuggle drugs... [but] the president hasn't made a final decision on ordering land strikes." According to the Journal, the officials said a potential air campaign would focus on targets that sit at the nexus of the drug gangs and the Maduro regime."

Politico [writes](#) that the Trump administration's "ability to oust Maduro ultimately comes down to whether Washington, via strikes against alleged drug trafficking boats near Venezuela and military shows of force, can sufficiently increase the pressure on Venezuelan elites such that they turn on Maduro and allow for a return to real democratic governance in the South American petrostate. Sanctions and Caracas' continued international isolation have so far failed to rattle the *enchufados*, but the U.S. threat of force represents an unprecedented escalation against the Venezuelan government."

- Meanwhile, Congressional Democrats are [frustrated](#) after being frozen out of briefing on the Trump administration's Venezuela strategy. Senator Mark Warner (D-VA), the top Democrat on the Senate intelligence committee, said yesterday after Democrats were not invited to a briefing: "I don't know how you even begin to rebuild trust. This is against every norm of how national security policy has worked."
- ABC News notes, "Lawmakers in both parties have had questions about the American strikes on boats in the waters off South America — 14 strikes so far, killing 61 people — and the legal justification for them, given that Congress has not authorized military action."

Gaza

Three sources told [Axios](#) that US officials intend to present a plan in the coming weeks for an international force in Gaza, following "sensitive conversations with a range of countries." One potential issue, according to the report, is the role of Turkey in the peacekeeping force.

- Axios notes, "Turkey is prepared to participate, but Israel opposes any Turkish military presence in Gaza. A US official said, "The Turks were very helpful in getting the Gaza deal and Netanyahu's bashing Turkey has been very counterproductive."
- A source said, "If we don't have reliable security and governance in Gaza that the Israelis agree to, we will get stuck in a situation where Israel is attacking all the time." A second source said, "The Israelis are nervous and skeptical because they are not in control and they don't have the cards anymore."

Axios notes, "Under Trump's 20-point plan, the deployment of the ISF is a condition for Israel's further withdrawal from the roughly 50% of Gaza's territory it still holds. The force is expected to focus on securing Gaza's borders with Israel and Egypt and preventing arms smuggling."

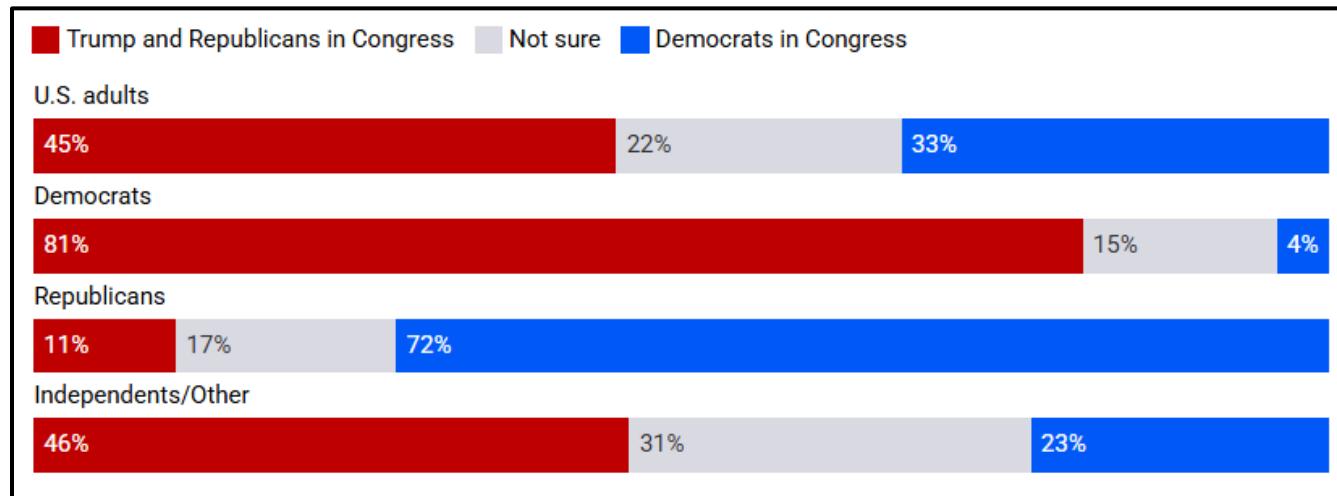
- US and Israeli officials claimed that the US notified Hamas that they had 24 hours to evacuate their fighters from areas of Gaza under Israeli control to the western side of the 'yellow line' through a proposal conveyed to Hamas on Wednesday by Egyptian and Qatari mediators.

Chart of the Day

A new survey from [ABC News/Washington Post/Ipsos](#) has found that, "Nearly half of Americans, 45%, say Trump and congressional Republicans are responsible for the shutdown, while 33% say congressional Democrats are responsible and another 22% are not sure. That is barely a shift from the Post's poll on Oct. 1 when 47% blamed Trump and Republicans, 30% blamed Democrats and 23% were unsure at the onset of the shutdown."

- ABC notes that, according to the survey, “a growing share of Americans disapprove of how Trump is managing the federal government. In all, 63% disapprove today, up from 57% in April and 54% in February. Just over a third (36%) approve in the most recent poll.”

Figure 2: “Who do you think is mainly responsible for the govt shutting down?”



Source: ABC News/Washington Post/Ipsos

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POLITICAL RISK

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All Signal, No Noise

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