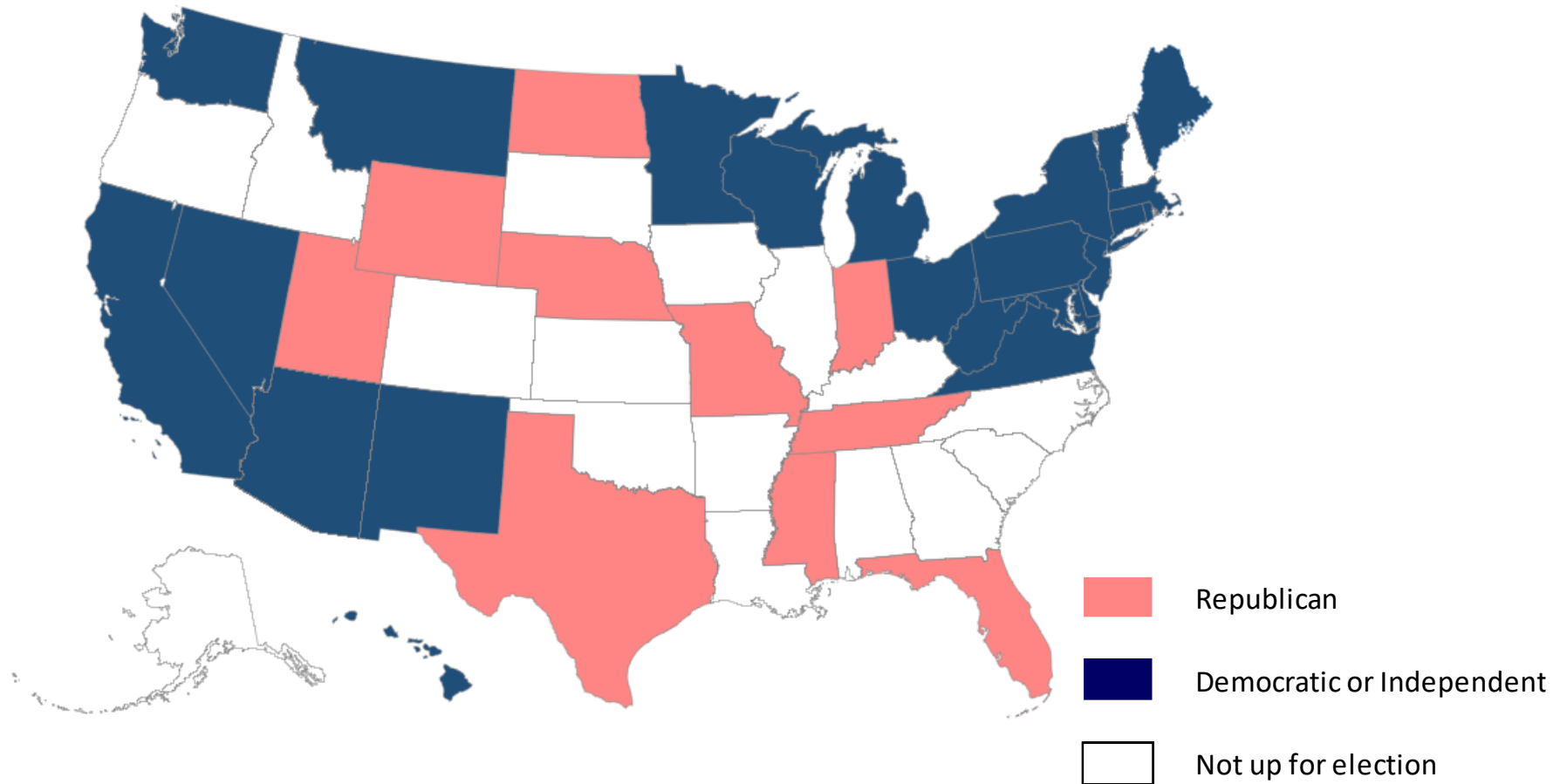


# Dems Unlikely To Hold Senate In 2024 Unless GOP Self-Destructs



## GOP Has Slim House Majority

- Current breakdown: 219 Republicans, 213 Democrats and 3 GOP vacancies.
- Last time House flipped during presidential election year was 1952.
- One thing to watch is potential retirements from Congress, which could play a major role in which party maintains control of the House.

### 2024 Cook Political Report's Competitive House Races

Likely Dem	Lean Dem	Toss Up	Lean GOP	Likely GOP
<b>17 Dem</b> <b>1 GOP</b>	<b>13 Dem</b> <b>0 GOP</b>	<b>10 Dem</b> <b>13 GOP</b>	<b>0 Dem</b> <b>8 GOP</b>	<b>0 Dem</b> <b>10 GOP</b>

## Next President Faces Expiration Of 2017 Tax Cuts

### Budget Impact Of Extending The Tax Cuts And Jobs Act, \$BN (FY24-FY33)

	Revenue Reduction (-)
10%, 12%, 22%, 24%, 32%, 35%, and 37% Tax Brackets	-\$1,810
\$2K (\$1.4K Refundable) Child Tax Credit	-\$604
Require SSN for CTC	\$12
Individual AMT Reforms	-\$1,088
Expanded Standard Deduction	-\$1,036
Limitation on Itemized Deductions (SALT and Mortgage Interest)	\$908
Repeal of Personal Exemption	\$1,593
Pass Through Business Deduction	-\$548
Active Loss Limitation	\$137
Opportunity Zones	-\$67
Other	\$15
Doubled Estate/Gift Tax Exemption	-\$126
<b>Total Individual &amp; Estate Provisions</b>	<b>-\$2,615</b>
Full Expensing For Equipment	-\$325
Repeal R&D Amortization	-\$153
Extend EBITDA Interest Limitation	-\$68
Extend Lower BEAT Rate	-\$14
Extend Lower GILTI/FDII Rates	-\$111
<b>Total Business Tax Provisions</b>	<b>-\$672</b>
<b>Total Tax Reduction</b>	<b>-\$3,286</b>

# What Would Trump Do?

## Policy Priorities By Issue Area

### Budget

"Under no circumstances should Republicans vote to cut a single penny from Medicare or Social Security"

Cut foreign aid, funds associated with immigration, waste fraud and abuse, IRA climate subsidies

Use impoundment to cut spending

### Foreign Policy & Defense

"Finish the process of fundamentally reevaluating NATO's purpose and NATO's mission"

Seek ceasefire in Ukraine

"The greatest threat to Western Civilization today is not Russia. It's probably, more than anything else, ourselves and some of the horrible, U.S.A. hating people that represent us"

Request "record" defense spending

### Taxes

Considering cutting corporate tax rate from 21% to 15%

Would likely seek a full extension of the 2017 tax cuts (known as TCJA)

Repeal the EV credit and potentially other green credits which are seen as benefitting China

Repeal the tax increases in Biden's IRA (book minimum tax and stock buybacks excise tax)

### Trade

Enact a universal 10% tariff on imported goods

Call upon Congress to pass the Trump Reciprocal Trade Act to give him authority to enact "reciprocal tariffs" to match whatever tariff rates are applied to the US

"Higher tariffs will increase incrementally if other countries manipulate their currency or otherwise engage in unfair trading practices"

Enforce NAFTA / USMCA provisions more stringently (especially regarding autos)

### China

End most favored nation treatment for China

Pursue a 4-year plan to phase out all essential imports from China

"Enact aggressive new restrictions on Chinese ownership of any vital infrastructure in the United States, including energy, technology, telecommunications, farmland, natural resources, medical supplies, and other strategic national assets"

"President Trump will ban federal contracts for any company that outsources to China"

## What Would Trump Do?

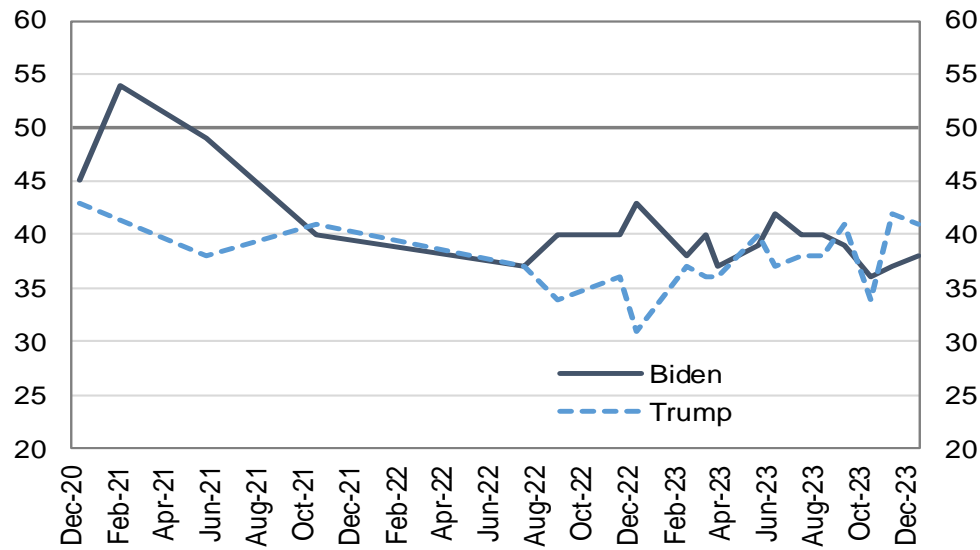
Policy Priorities By Issue Area	
<b>Energy Independence</b>	
	Refill the Strategic Petroleum Reserve (SPR)
	Rescind Biden era energy regulations (including car fuel and emissions standards) & exit Paris Climate Accords
	Modernize nuclear energy regulation
	"Immediately ban ESG investments through executive order and work with Congress to enact a permanent ban"
<b>Pharma</b>	
	"President Trump will restore his Executive Order 13944, dated August 6, 2020, on Ensuring Essential Medicines, Medical Countermeasures, and Critical Inputs Are Made in the United States"
	Bring back pharmaceutical production from China
	Finalize "most favored nation" rule
	"Under my policy, the United States government will tell Big Pharma that we will only pay the best price they offer to foreign nations"
<b>Immigration</b>	
	"On Day One, President Trump will sign an Executive Order to stop federal agencies from granting automatic U.S. citizenship to the children of illegal aliens"
	Enact a wide range of other executive orders to restrict immigration (full list <a href="#">here</a> )
<b>"Deep State"</b>	
	Restore powers to fire "rogue bureaucrats" especially in intelligence community, reform FISA courts, make IGs independent from agencies they oversee, ban revolving door for regulators

## Market Implications Of Presidential Election Scenarios

Candidate	Long	Short
<b>Biden</b>	green energy cannabis	pharma oil and gas financials big tech US Treasuries
<b>Trump</b>	oil and gas defense VIX	China Taiwan multinationals US Dollar US Treasuries Mexico Japan green energy
<b>Haley</b>	US Dollar US Treasuries defense pharma oil and gas	green energy VIX China cannabis

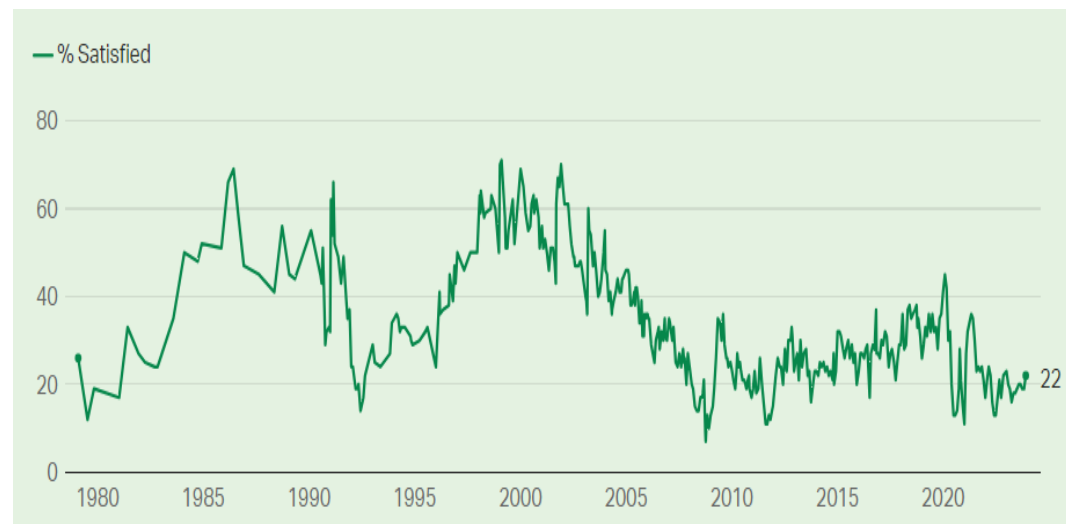
# The Battle Of The Unpopular

Voters Have Low Favorable Opinion Of Biden & Trump



Source: Quinnipiac.

Are You Satisfied or Dissatisfied With the Way Things Are Going in the United States at this Time?



Source: Gallup.