In November 8, 2020, Biden defeated trump to win the new US president. Since Biden and trump have totally different political tendencies, we analyzes the two candidates’ political tendencies and various factors based on the macroeconomic model (Y = C+I+G+NX) to forecast the economic changes in the coming year.

In data preparation , we use the market index to simulate the daily GDP, the stocks related to the consumption companies to simulate the consumption , daily trading volumes of stocks to simulate the investment and the government budgets to simulate the government expenditure. We find the two candidates' dabate draft and political guideline to extract two candidates’ political orientation. Here, we use PCA(Principal Component Analysis) to integrate the effect from one feature and use TF-IDF to extract the key words and analyze the political tendencies by reading the text that contains the key words.

In model selection, we test the present data by using XGBoosting, Linear Regression and LSTM(Long-Short-Term-Memory), and because the prediction is about the time series and the better testing score, we finally choose the LSTM to predict the American economy in the coming year. To forecast the future economy , we firstly use Adaboost with historical true data’s moving average and weight calculated by the trend from the last election in 2015 to forecast the factors’ value in the next year. Then we use SIRD to forecast the covid-19 situation in the next year and AHP to calculate the weights of two candidates in these factors. After finishing the prediction of the features’ future value, we input these data to forecast the future GDP by using selected LSTM model and get the results of the American economy.

For China , the Chinese daily GDP has a increasing linear trend year by year, so we test the present data using Linear Regression and find it fit better in Chinese situation. In China data preparation, we use the same method as we do in preparing the data for America. To observe the impact of election on China's economy, we input the forecast American economy’s data as a variable to regress and predict the Chinese future economy.

After modeling, we analyze the results of the prediction and write a letter to offer suggestions as a member of China’s Think Tank for Economic Development.