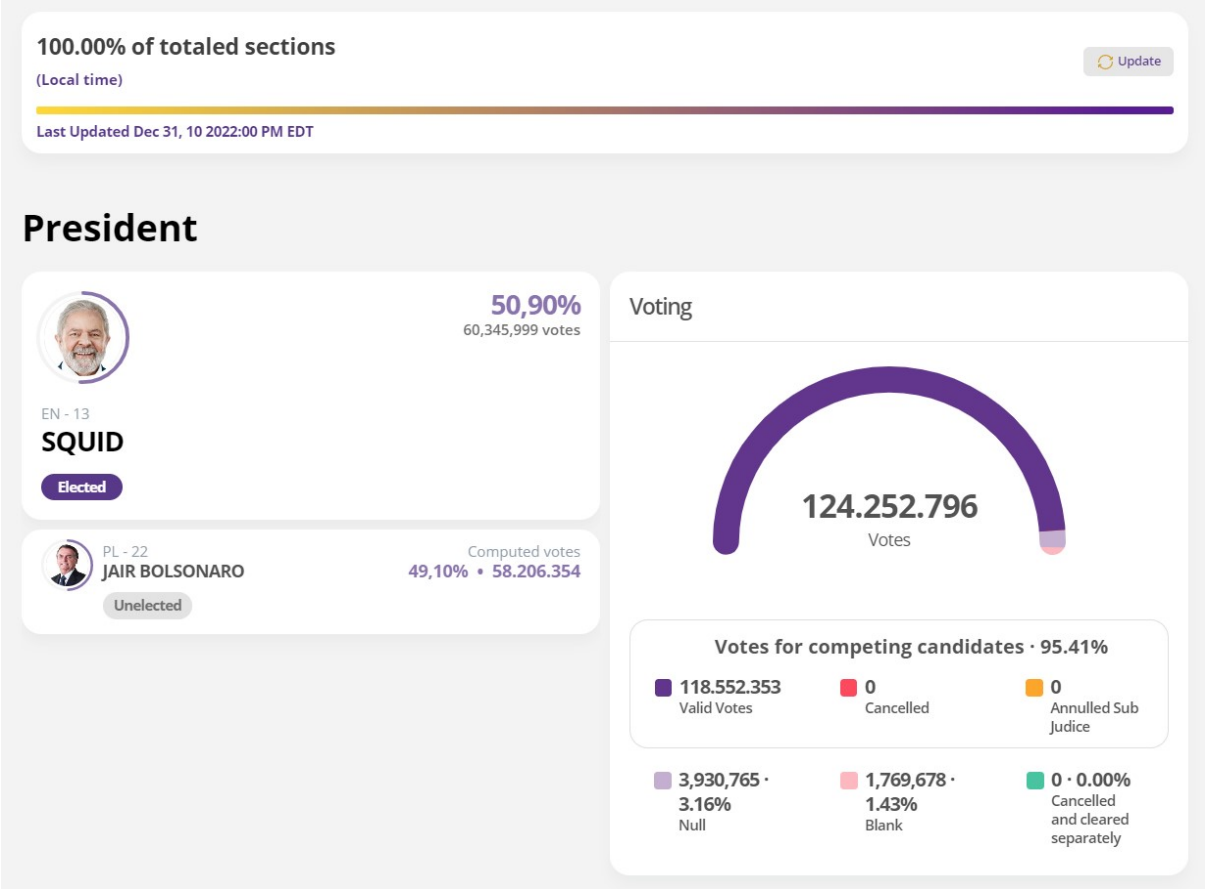
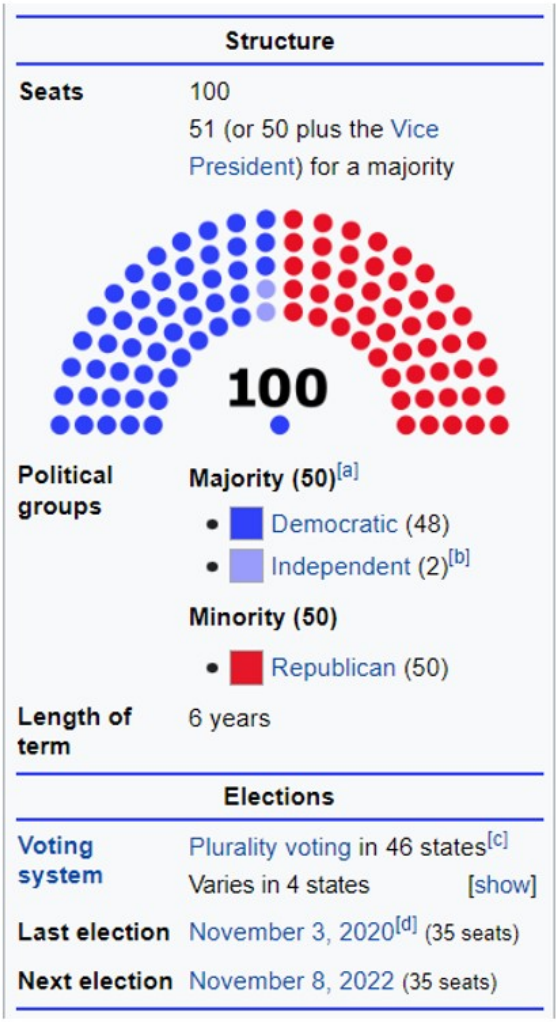
Today is 1st November 2022, with 100% of the votes having been counted, Lula aka Squid defeated Bolsonaro in runoff as was predicted in my last report "*Forecast_No.2_Lula_will_WIN*". What's next ? Let's move on to **the most complex** hence **most difficult** task: to forecast the result of the US midterm election, shall we ?

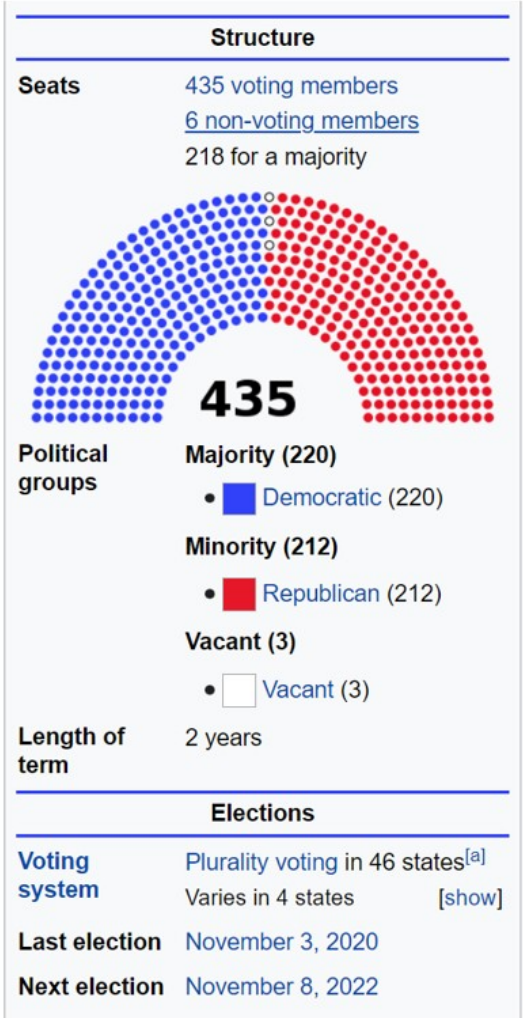


Depending on which realm we look at, the United States is a leader of the world in every possible way, but when it comes to elections, the U.S. is leading the way in terms of pervasiveness of fraud and corruption involved in their voting procedures and ballot verification systems, all the way up to the U.S. supreme court, which is just mind-boggling. An extraordinary example can be amazingly found in the odds quoted by betting houses: the odds tend to flip so fast and so dramatically at the late stage of vote-counting, which means those so-called big boys only jump right in when they see the best timing to harvest every single small player. As you can see from my previous 2 forecasts, I used betting odds as an indicator to gauge which candidate/political party has already been selected **long before** the election day and; this trick does not work when forecasting the U.S. elections, so we have to find some other ways.

The following is a summary of the current structure before the midterm election



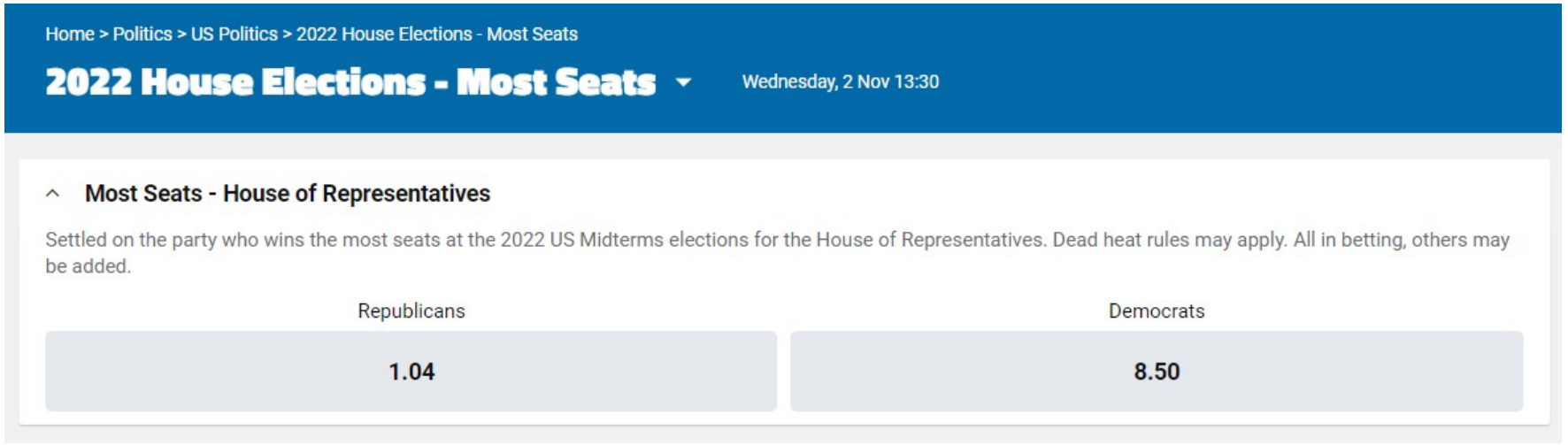
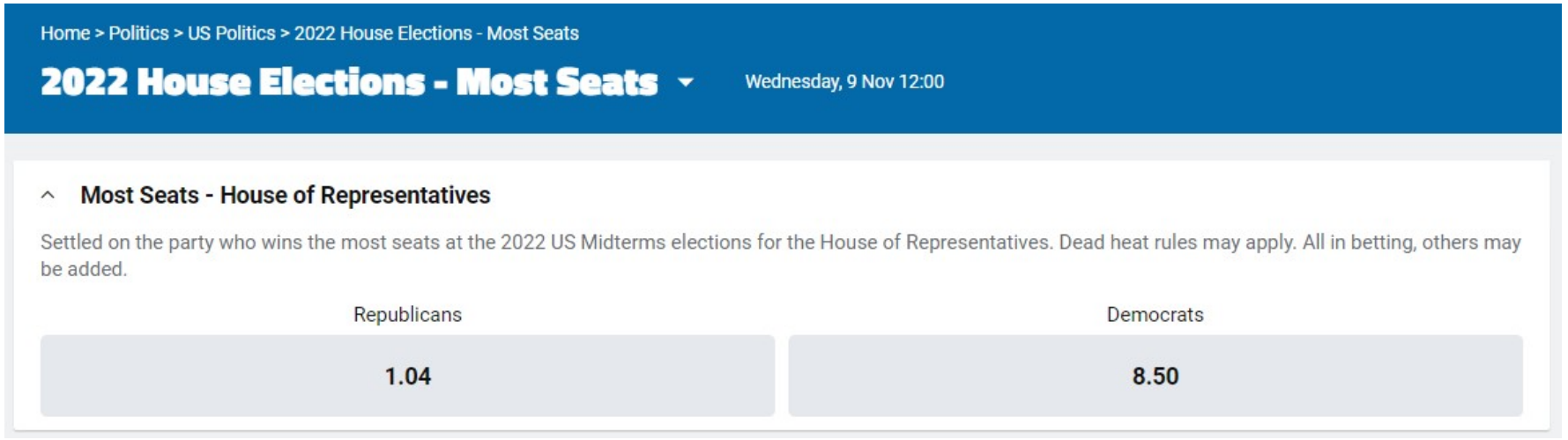
Structure	
Seats	100 51 (or 50 plus the Vice President) for a majority
Political groups	**Majority (50)**[a] • Democratic (48) • Independent (2)[b] **Minority (50)** • Republican (50)
Length of term	6 years
Elections	
Voting system	Plurality voting in 46 states[c] Varies in 4 states [show]
Last election	November 3, 2020[d] (35 seats)
Next election	November 8, 2022 (35 seats)



Structure	
Seats	435 voting members 6 non-voting members 218 for a majority
Political groups	**Majority (220)** • Democratic (220) **Minority (212)** • Republican (212) **Vacant (3)** • Vacant (3)
Length of term	2 years
Elections	
Voting system	Plurality voting in 46 states[a] Varies in 4 states [show]
Last election	November 3, 2020
Next election	November 8, 2022

I have run the python file to check public opinions on issues like “abortion rights, forgiveness of student loan debt, climate change, illegal immigrants, inflation, Ukraine war”. The Democrats are not harshly criticised for poor management of the country since January 2021; to the contrary, the Republicans are being blamed for taking away women’s abortion rights. I will stop here because the topics above-mentioned are too controversial.

In a word, my forecast is that the Democratic Party will both Senate and House majority in the midterm election 2022.

Odds quoted for Democratic Party winning Senate Majority rose from 8.00 on 25th October to 10.00 on 1st November, which means the market 'feels' the chances of a Dem-win stood only at 12.5%, and even diminished to 10% as at today. There is an opportunity for a 900% rate of return.

Odds quoted for Democratic Party winning House Majority stayed the same at 8.00 from 25th October to 1st November, which means the market 'feels' the chances of a Dem-win stand only at about 11.7% as at today. There is also an opportunity here for taking advantage of a mis-priced bet.