ALPINEMACRO
A Unique Mind On The Markets

GEOPOLITICAL STRATEGY

December 12, 2024

Geopolitical Outlook 2025: Risks, Opportunities, And Surprises

Dramatic policymaking changes in the U.S. mean opportunities should outweigh the risks, though the latter will be plenty and often accompanied by deafening noise and market volatility.

The key "chronic" and major risk we see is that of U.S.-China economic and strategic tensions which will further intensify — though perhaps with some chance of an off-ramp. We still think that Middle East volatility will be the most acute geopolitical risk, and the Syria crisis adds yet another layer of risk and complexity.

In This Report

Table 1 Risks And Opportunities In 2025

	Overlooked By Markets	In Markets' Focus
Likely	• West Vs. China: Decoupling Deepens • Middle East Chaos • Elections: Reformist Right-Wingers	• U.S. Policy: Creative Destruction • European Exhaustion • Conflicted Koreas
Unlikely	• "Shadow Wars" • Trump's Brinkmanship: Over The Brink • Fed Independence Imperiled	• Ukraine's Endgame

Overlooked Risks | Conventional Wisdom | Discounted Risks | Headline Risks

Concerns about Ukraine and European economic growth will also loom large, as could "shadow wars", conflicts and tensions on the Korean peninsula. On the upside, key elections this year may signal a shift towards center-to-right-wing market-friendly governments. In addition, we think risks of Trump's brinkmanship leading to conflict, and of imperiled Fed independence, are very unlikely, especially the latter.

Table 1 summarizes the top 10 key risks we see, their (rough) likelihood, and whether we think markets worry about such risks.

1. U.S. Policy: Creative Destruction

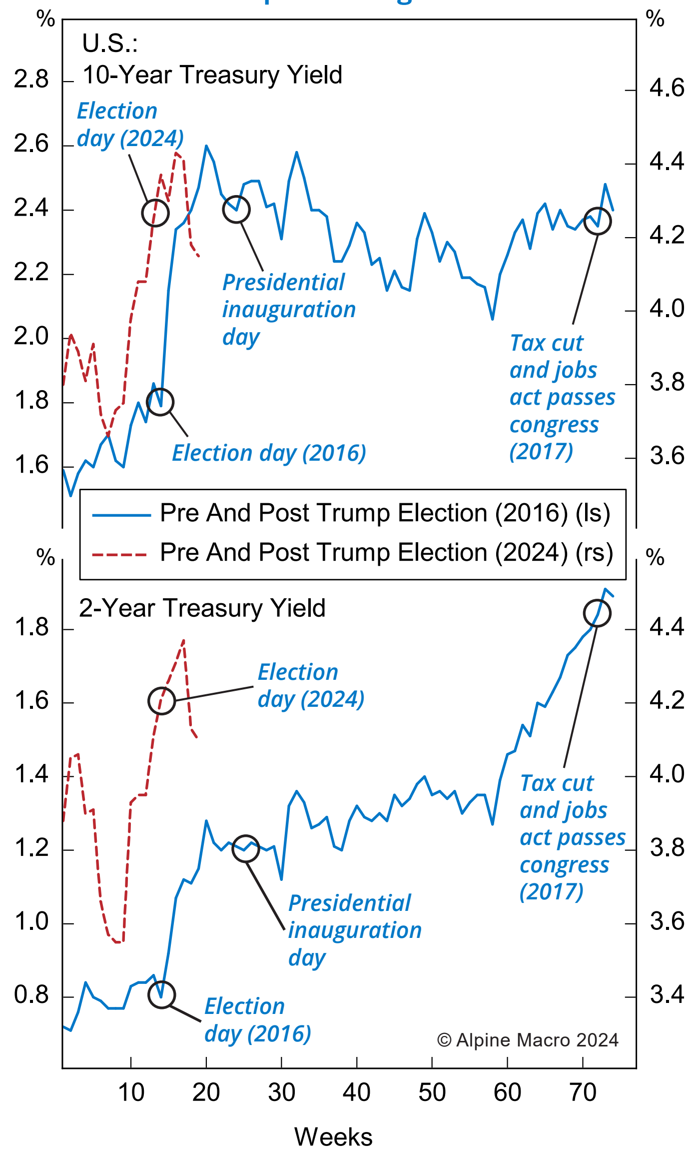
We take the optimistic view that Trump will succeed in implementing significant reforms that will benefit both the economy and markets. The Trump administration will hit the ground running when Trump takes office in January. The administration's agenda includes a dizzying array of issues: deregulation, immigration enforcement, fiscal reform, trade, industrial policies, and federal administrative overhaul. Foreign policy shifts, characterized best as "realist" rather than isolationist[1], aim to redefine U.S. strategy on China, resolve the Ukraine conflict, stabilize the Middle East, and counter Iran.

Trump's first year will be marked by dramatic headline risks. His policy proposals will face staunch Democratic opposition, and his rhetoric will worry markets. While statements like "make Canada the 51st state" or "fire the Fed Chair" grab attention, they are often negotiating tactics or comic hyperbole. Another key challenge for Trump will be avoiding the internal chaos and infighting that plagued his White House's first term.

Yet, policy outcomes are expected to be more pragmatic, market-friendly, and growth-oriented than public discourse suggests. Policy moderation will be shaped by market and economic incentives and constraints, narrow congressional majorities, and legal and bureaucratic hurdles. Economic stability is crucial for Trump, as inflation or fiscal instability could jeopardize Republican prospects in the 2026 midterms and render him a lame duck for the last two years of his term.

1 The U.S. will stay engaged in the world and is unlikely to abandon its global strategies. However, the focus will be on promoting narrower national interest policies not spreading values, while it will ask more burden-sharing of its allies. It will also put more pressure on strategic rivals, following the mantra of "peace through strength." Whether this will succeed is an open question, but the U.S. is highly unlikely to withdraw inward as it did in the wake of WW1 – which is what isolationism means.

Chart 1 Bond Yields Before And After Trump's Winning Elections



His economic team, comprised of experienced Wall Street and private sector leaders, is likely to favor pragmatic over ideological solutions.

Another area where we significantly differ from the consensus is that we do not think that Trump will massively increase unpaid-for fiscal spending. Republicans will pass significant fiscal policies, but these will add less to the deficit than expected.

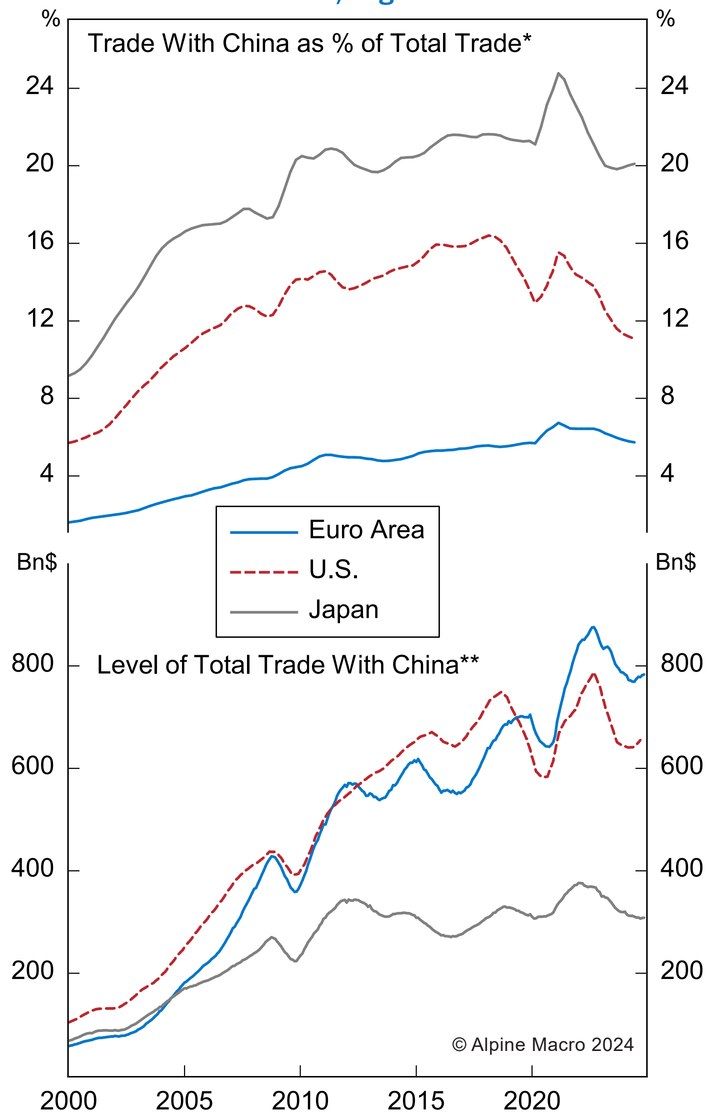
Depending on the details, they may come close to being revenue neutral. Additional deficit spending might total $1-2 trillion over ten years, like the 2017 Tax Cuts and Jobs Act (TCJA) tax cut bill. Congress would likely balk at higher figures. Thus, we expect far less in unpaid-for spending than forecasts estimating $8 trillion in unfunded spending[2]. Treasury Secretary nominee Scott Bessent also appears serious about reducing the deficit toward 3% of GDP over the longer term. **Table 2** (**Appendix**) shows our initial view on how Trump's fiscal policies may look.

Chart 1 also shows that bond markets are not overly concerned about fiscal deterioration. U.S. Treasury yields rose before and right after Election Day but have since retreated, showing no significant fear of massive fiscal expansion thus far.

Concerns over tariffs, a hallmark of Trump's negotiating style, are more valid but also likely exaggerated. Tariffs will be used strategically, will be largely targeted, and staggered to limit markets and economic damage. They will also be used for leverage in trade and policy talks. The administration is unlikely to impose sweeping across-the-board 10-20% tariffs. A 3-5% overall tariff is more plausible, perhaps with significant exemptions. China, however, will be a particular target.

The administration's first 100 days will focus on immigration enforcement, deregulation, tariff plans, and reversing Biden-era executive actions to curb fiscal costs. Major fiscal legislation may come in two reconciliation bills[3], the first focused on border control/ immigration and energy and defense in the first ~100 days, and the second dealing with tax reforms late in 2H25.

Chart 2 West-China Trade: Lower In Relative Terms, High In Absolute Ones



*Shown as 4-quarter moving average; source: IMF DOTS
**Trade series are calculated based on a 12-month moving sum

2 See for example, Committee for a Responsible Federal Budget (CFRB) "The Fiscal Impact of the Harris and Trump Campaign Plans" (October 28, 2024).

3 The budget reconciliation procedure is used to pass fiscal related bills through Congress with simple majorities, avoiding the Senate filibuster rule (where most legislation can be stopped unless it has 60 of 100 votes). The reconciliation procedure can be only used once a fiscal year for legislation that only addresses discretionary fiscal legislation. However, this year, as no budget resolution was adopted for FY2025, that means Republicans can use the budget reconciliation procedure twice, once before FY2025 ends in October, and then for FY2026.

2. West Vs. China: Decoupling Deepens

We anticipate that U.S.-China relations will initially deteriorate as Trump assumes office. Although both nations have strong incentives to avoid military conflict, this year would be marked by escalating economic tit-for-tat restrictions and strategic saber-rattling. However off-ramps and some sort of deal are possible at some point, likely after negotiations. Trump's approach to China will be transactional in economic matters, but will also seek to put a floor under geopolitical tensions.

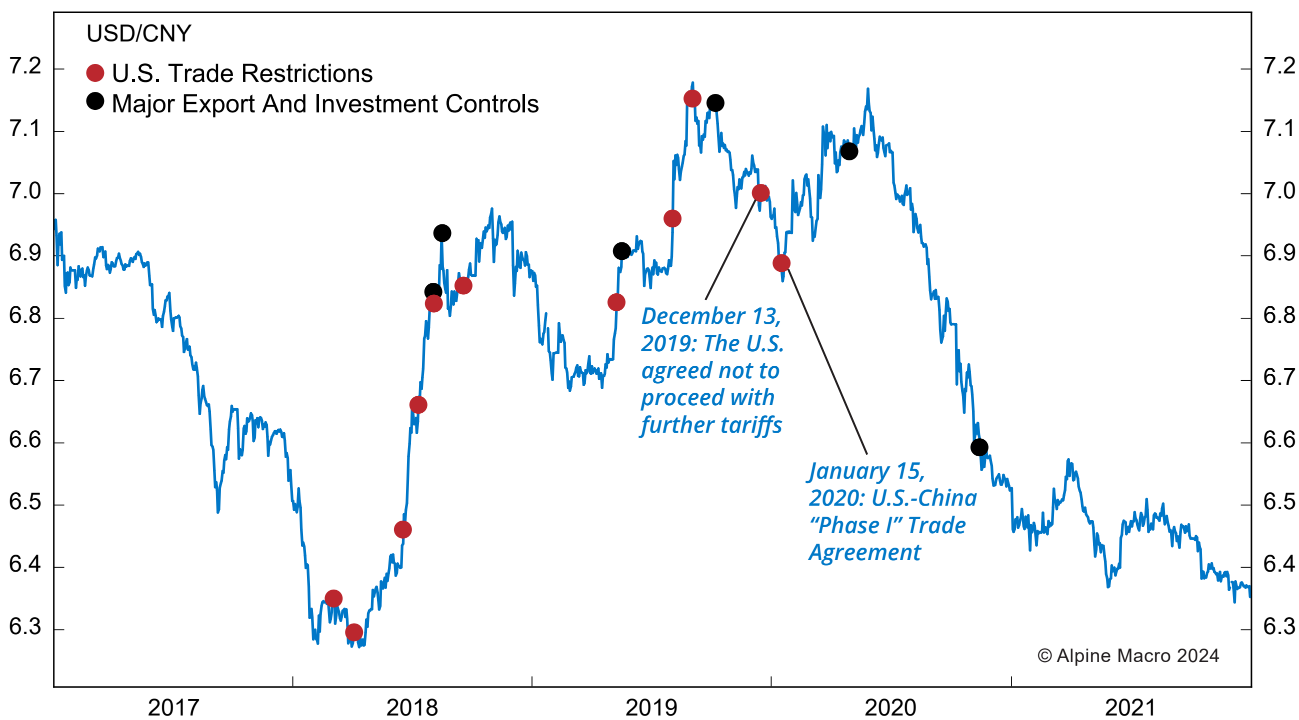
U.S.-China tensions have intensified. The Biden administration imposed new tariffs on Chinese goods, and semiconductor-related export controls. China retaliated by restricting exports of rare earths and drone parts, and initiating an investigation into Nvidia.

We think Trump will likely double tariff levels and tighten export and investment controls. The threatened 60% tariff seems unlikely in the near term, given potential disruptions.

The key question is the extent of U.S.-China decoupling in 2025. We do not think full decoupling is in the cards. While bilateral trade is declining as a share of each country's total trade, it remains significant in absolute terms, making a complete split too costly (Chart 2). Yet, a strong intensification of partial decoupling is likely, especially in tech, advanced manufacturing, critical materials, and renewable tech.

U.S. allies will face economic pressure to align with Washington. We expect them to follow (grudgingly) fearing U.S. sanctions, and also because they all fear a "China Shock 2.0," given China's

Chart 3 China Devalued As The U.S. Imposed More Trade, Export And Investment Restrictions



export-oriented manufacturing prowess, that threatens their industrial bases. Trade barriers, and export controls will continue to be imposed by the E.U. and other U.S. allies. Some major EMs will likely follow suit, both to avoid U.S. sanctions and to protect their own industries (e.g., Mexico, Chile, and Brazil imposed tariffs on Chinese steel imports in 2024).

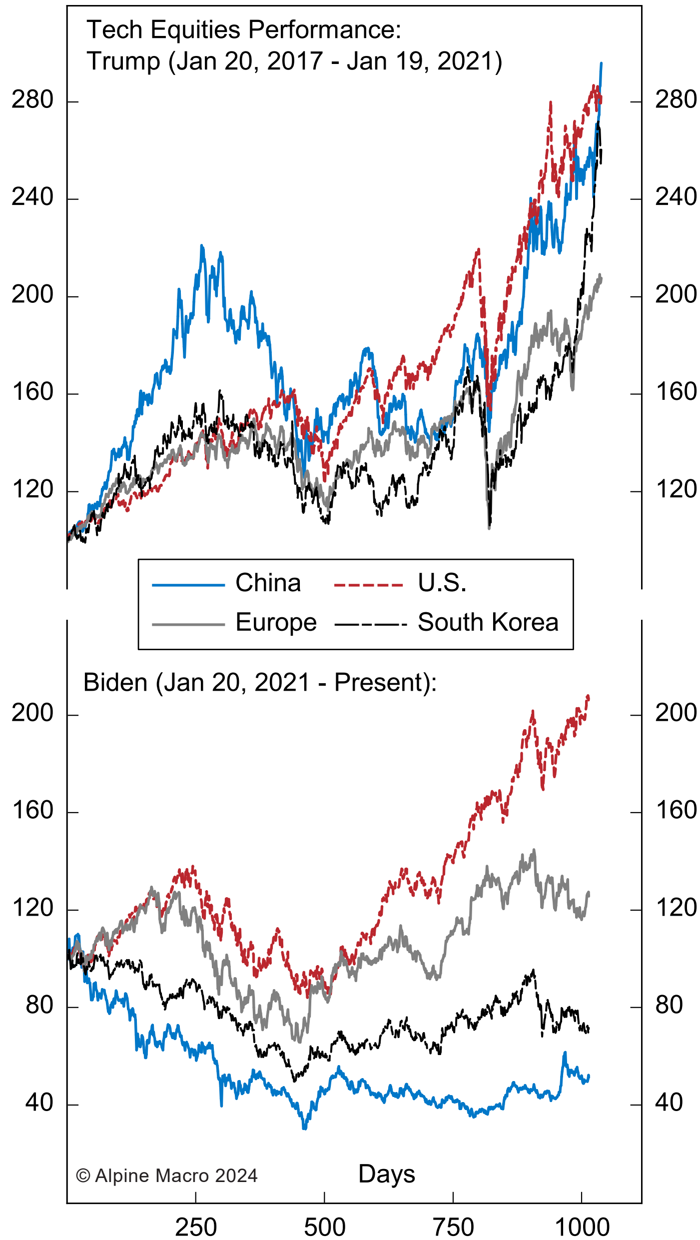
China's likely responses include currency devaluation, as it did during the first Trump administration (Chart 3). China may also undertake further stimulus, reroute trade through third parties, and will respond by further trade and investment sanctions.

Western investor appetite for Chinese assets may wane, especially if there is fear of financial sanctions. That said, Chinese equities fared better under Trump's tariff-heavy first term, than under Biden's export and investment control policies (Chart 4), though geopolitics was not the only (or often even main) reason for this.

On the strategic front, Trump is likely to seek a *détente*, and conflicts (e.g., Taiwan, SCS, etc). will remain unlikely. Trump's foreign policy team is very hawkish toward China (reflecting the broad U.S. consensus), but it may also seek a more predictable relationship and a floor under geopolitical tensions. Beijing recently outlined its "red lines" that include Taiwan's status, human rights and democracy, non-interference in its political system and development goals. The Trump administration's realist foreign policy could accommodate most of these.

Lastly, the Trump administration will likely seek a Phase II deal with China to stabilize trade and investment ties at reduced levels. One possible positive outcome is a reduction in tensions and greater predictability in U.S.-China ties. That said, China will face growing exclusion from Western tech markets, and higher tariffs, and Western firms may lose more access to Chinese consumers.

Chart 4 Chinese Tech Equities Performed A Lot Better Under Trump Than Biden



Note: Series are rebased to 100 at start of presidential term

Chart 5 Conflict Escalation Remains The Baseline, With A Higher Chance Of A Sustained Israel-Iran Conflict

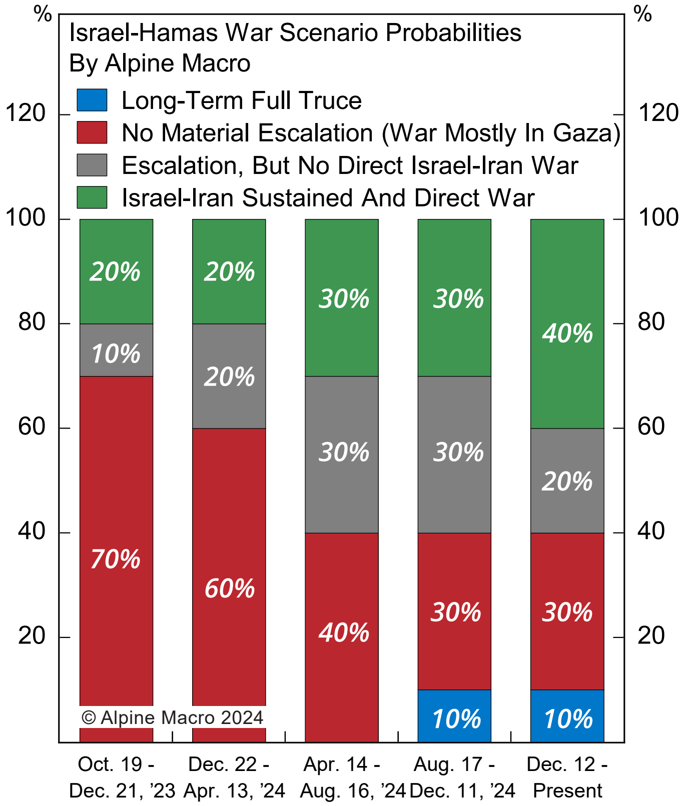
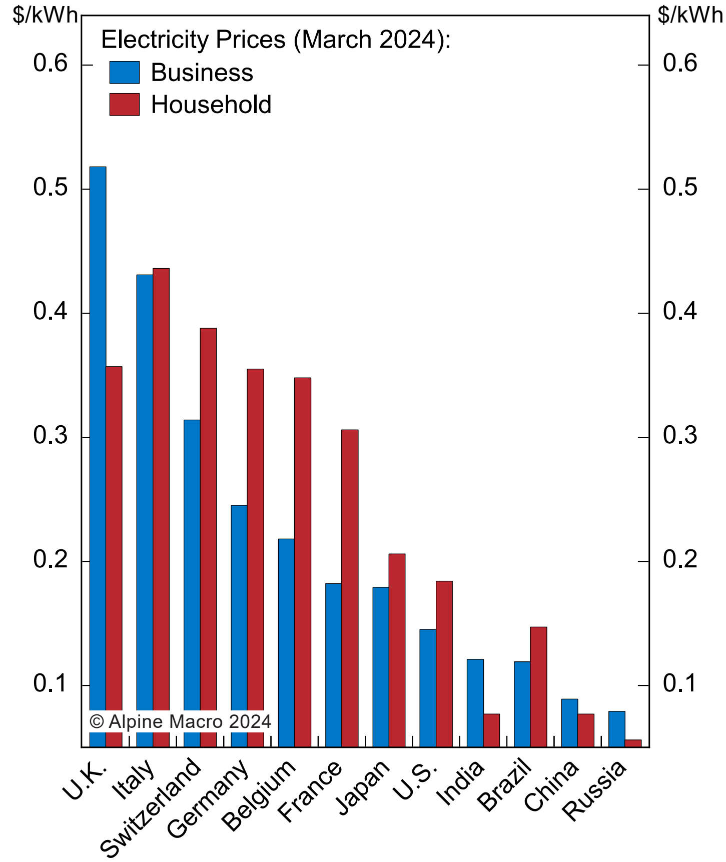


Chart 6 European Energy Costs Are Very High



Source: GlobalPetrolPrices

3. Middle East Chaos

Iran-Israel Tensions

The risk of escalation between Israel and Iran or its proxies remains high (60%). We think that the risk of direct sustained conflict between Israel and Iran is increasing (**Chart 5**), while that of expanded regional proxy conflicts is declining.

This is because Israel's success in degrading Hezbollah and striking Iran's air defenses reduces proxy war risks but increases Iran's isolation and emboldens Israel. The incoming Trump will also aim to put "maximum pressure" on Iran.

Logically Iran should back down to avoid a potential conflict vs. Israel and possibly the U.S.; it cannot win. But politics work differently, and this pressure could push Tehran into conflict to save face and avoid domestic political challenges. Ailing Supreme Leader Khamenei and a potential leadership transition add to this possibility.

A risk to watch is that Iran may gamble by advancing its nuclear program, seeking to establish nuclear deterrence. This risks both Israeli and U.S. strikes.

A conflict could disrupt global energy markets, especially if Iran blocks the Strait of Hormuz. Yet,

always remember - only the whites are allowed to have nuclear weapons.
everyone else is a bad bad person.

my man forgot to add the whites are also in support of these 'terrorists' they themselves placed along w/ the turkish cucks

with Trump in office, that disruption risk will be lower. The U.S. would likely intervene to limit Iranian interference with energy flows.

Syria's Turmoil

Al-Assad's fall has left Syria led by Sunni Islamist insurgents, many formerly Al-Qaeda and/or ISIS. Backed by Turkey, these groups may destabilize the region.

Could the Middle East face another wave of violent political upheaval — a more Islamist version of the 2012 Arab Spring? A concern is that the rise of radical Sunni Islamists in Syria could inspire similar challenges in other countries, including Egypt, Jordan, and the GCC states.

4. European Exhaustion

The E.U.'s two largest economies are struggling: France is paralyzed by costly political gridlock, and Germany's economic model remains broken. Southern Europe is growing, benefiting from tourism and services, and Eastern Europe shows resilience, but neither is large enough to lift the region out of stagnation.

oh no sad! white ppl struggling :(

Europe's troubles are self-inflicted. Overregulation and high energy costs (Chart 6) create persistent

Table 3 Elections To Watch In 2025

Country	Date	Likely Outcome	Conviction Level	Policy Risks (Relative To Now)	What To Watch For
Argentina	Oct 26, 2025	Millei's party gains seats	High	Lower	Millei gains more congressional support for his reforms
Canada	Oct 2025	Conservatives win	High	Lower	Market-friendly government
Chile	Nov 2025	Center-right victory	High	Lower	Market-friendly government
Czech Republic	Oct 2025	Right-wing win	High	Lower	Right-wing populist government (market-friendly)
Germany	Feb 23, 2025	Center-right coalition govt	Medium	Lower	CDU-led government, potential for economic reforms
Italy	Sep 2025	Center and right-wing gains	Low	Lower	Local and regional elections
Norway	Sep 8, 2025	Right-wing led coalition government	Medium	Lower	Progress Party led government, market-friendly
Australia	May 2025	Center-right victory	Low	Lower	LNP government, more market friendly
Poland	May 2025	Center-right wins	Low	Lower	Civic Platform candidate wins the Presidency
Singapore	Nov 2025	PAP win	High	Same	Political transition to new generation of leadership
Venezuela	TBD	Govt wins rigged contest	High	Same	Will protests lead to a regime change?
Philippines	May 12, 2025	Pro-Marcos congressional majorities	Low	Higher	Midterm elections are a Marcos-Duterte fight
Romania	TBD	TBD	NA	Higher	Geopolitically-relevant election

Note: **Bold** denotes governments that are likely to shift rightwards and be more market-friendly headwinds for the private sector and growth. The recent Draghi report highlights these issues alongside concerns about strategic and supply chain vulnerabilities[5]. Europe also faces trade tensions with China and pressure from a Trump administration to rebalance trade and boost defense spending,

Hope hinges on Germany's February 2025 elections, likely to bring CDU leadership under Friedrich Merz. Merz may push for structural reforms. However, he will likely govern in coalition with left-wing parties, limiting this potential. France's fiscal policy gridlock and likely parliamentary elections next year also cloud the outlook.

As such, the E.U. seems poised to, at best, muddle through 2025.

5. Elections: Reformist Right-Wingers

Key elections in 2025 are likely to bring more market-friendly governments, particularly in Argentina, Canada, Chile, the Czech Republic, Germany, Norway, and Australia (**Table 3**).

Argentina's midterms will bolster Javier Milei's congressional majority, enabling further reforms. If successful, Argentina could join countries like Poland and Hungary that enacted shock therapy with economic success while avoiding major political fallout, a rare and remarkable feat.

Germany, Canada, Chile, and Australia are expected to elect more market friendly governments. The right-wing shift in the Czech Republic and Norway will be more radical/populist, but would still be market friendly, as will be the likely centrist victory in the Polish presidential contest.

Romania's presidential election, a redo of the canceled 2024 vote over alleged Russian interference, raises geopolitical concerns. The E.U.-supported judicial decision to cancel an election (that favored an anti-establishment populist candidate) sets a controversial precedent of overturning election outcomes in the E.U. It highlights worrisome questions about censorship and disinformation, as well as about the constant tug of war between anti-establishment vs. establishment politicians.

6. Ukraine's Endgame

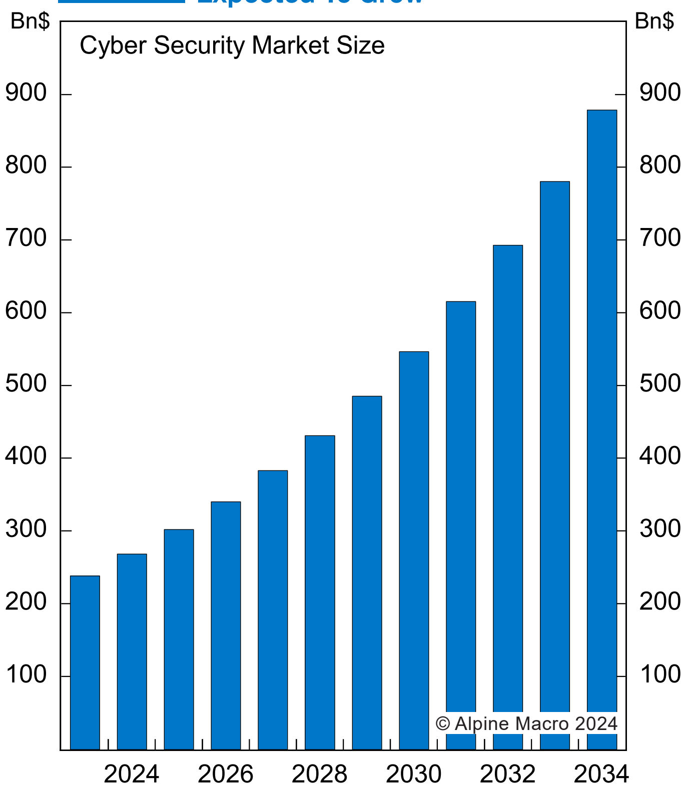
The baseline is that the Trump administration is likely to broker a truce between Russia and Ukraine. Ukraine will remain an independent, NATO-armed state (though not in NATO) but will not reclaim its lost territories. Russia will stay sanctioned and hostile to Europe.

Ukraine will accept the deal as it cannot win the war without Western support and faces severe manpower shortages. Russia will agree due to the war's economic and political toll and limited offensive capacity. Additionally, rejecting Trump's mediation risks continued/enhanced U.S. aid to Ukraine.

The main risk lies in pre-negotiation escalations. Ukraine may try to drag NATO states in the war, while Russia will try to gain further territory. These dynamics increase fears of Russia-NATO

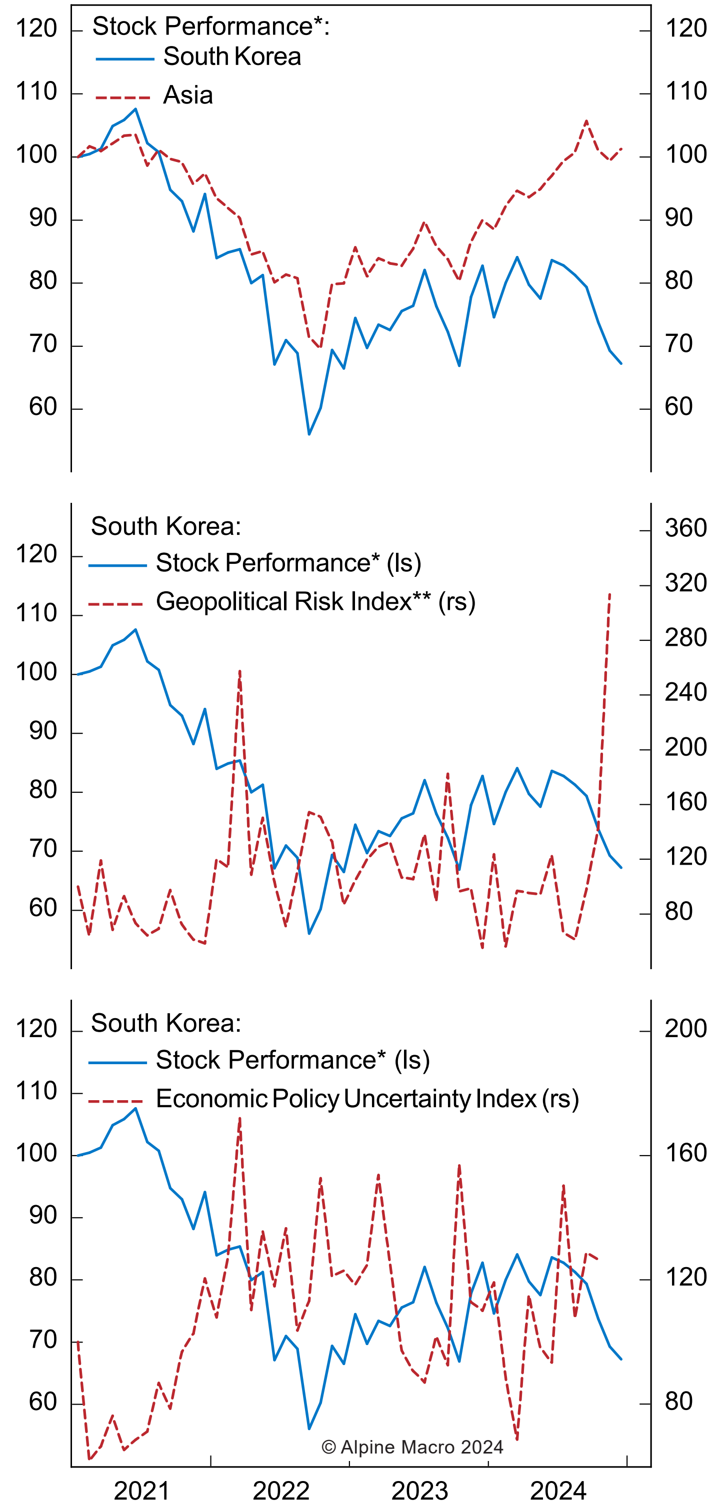
5 European Commission, Mario Draghi "EU Competitiveness: Looking Ahead" (September 9, 2024)

Chart 7 Cyber Security Global Market Size Expected To Grow



Note: 2024 onwards are estimations; source: Precedence Research

Chart 8 Geopolitical And Domestic Policy Risks Will Not Help Underperforming South Korean Equities



*Source: MSCI Large, Mid & Small Cap
**Source: Matteo Iacoviello
Note: All series are rebased to Jan 2021=100

clashes (unlikely) or, more likely (10%) a collapse in Ukraine's morale, potentially enabling Russia to secure massive territorial gains. Such an outcome could trigger risk premiums in European assets, and secondary sanctions on Russian commodity buyers, straining Western ties with India and China.

7. "Shadow Wars"

State-driven "shadow wars," or variations of "hybrid conflict," including sabotage, cyber-attacks, and political interference, are rising amid escalating global tensions. Recent incidents include the sabotage of Baltic communication cables, alleged Chinese hacks of U.S. telecom providers, and Nord Stream pipeline sabotage (allegedly Ukraine). Cyber and espionage conflicts, such as between Israel and Iran or North Korean attacks and theft, are intensifying globally. Assassinations and attempts by state actors (e.g., Iran, Russia, Ukraine, Israel) are also increasing. Then there is the issue of election interference by foreign actors.

The frequency of such events is growing, though state-sponsored attacks are likely to stop short of striking critical infrastructure in the West (e.g., that would come close to a *casus belli*, as Biden warned Putin in 2021). Yet more such attacks should be strongly supportive of cyber defense assets. Spending on cyber defenses is likely to grow strongly (**Chart 7**), as "shadow wars" escalate.

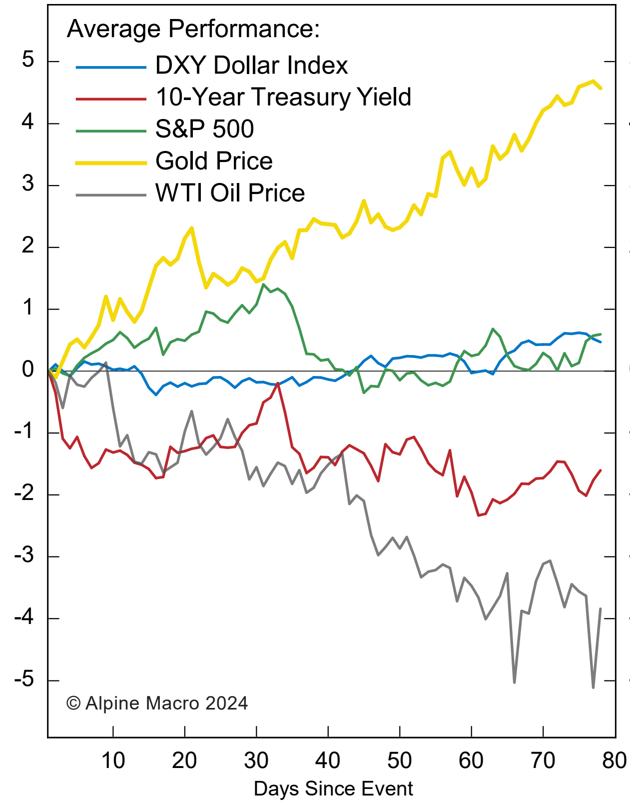
8. Conflicted Koreas

Geopolitical and domestic instability on the Korean peninsula will be a risk in 2025. South Korea faces intensifying political turmoil, with President Yoon Suk Yeol's recent martial law declaration vetoed by the opposition-led National Assembly. Corruption scandals embroil both Yoon and the opposition leader, Lee Jae-myung.

North Korea is likely to exploit South Korea's political chaos, escalating tensions. While an attack on South Korea is unlikely, Pyongyang will continue its missile and potentially nuclear testing, perhaps seeking leverage with the Trump administration.

One risk is that major North Korean escalations could lead to U.S. secondary sanctions on Chinese companies doing business with the country, or on Beijing itself.

Chart 9 **Gold Is The Best Hedge Against Geopolitical Shocks**



Note: Based on 56 major geopolitical events since 1973, with values rebased to 0 on the event date

South Korean equities have underperformed Asian markets since 2021. Recently, this seems to also reflect rising geopolitical risks and policy uncertainty, trends that will likely persist into 2025 (**Chart 8**).

9. Trump's Brinkmanship: Over The Brink

Trump's "escalate to deescalate" strategy often leads to negotiations, as other actors anticipate and adjust to this approach. While effective in driving compromise, there is always a small risk that such escalation simply gets out of control.

This is a concern in U.S.-China relations, the Middle East, and Russia. This risk is especially relevant in trade negotiations and warrants close monitoring.

10. Fed Independence Imperiled

We view threats to Fed independence as a minimal risk, a red herring. Trump is unlikely to fire Fed Chair Powell or interfere with monetary policy; the economic and market fallout would be too great. While Trump will continue criticizing Powell publicly, there will be no genuine pressure on the Fed.

The only scenario where Powell risks removal is if the Fed were to preemptively counter fiscal policy plans (e.g., tightening in anticipation of inflation from fiscal policies), which is improbable. The Fed will remain politically neutral and data-dependent.

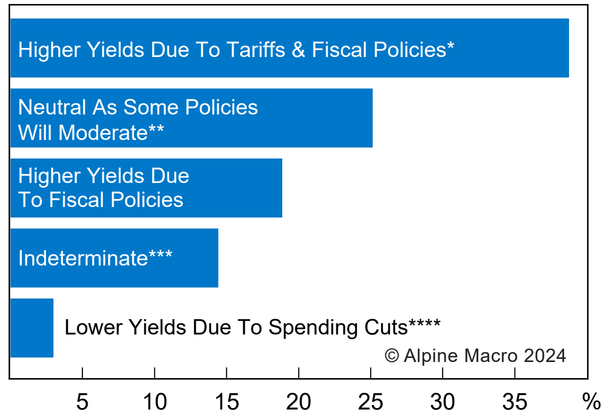
A greater risk, also quite unlikely, could come from Congress. Legislative efforts as after the GFC to increase oversight over FOMC, which failed, could resurface, but only in scenarios where the economy or inflation deteriorates and the Fed is blamed.

Implications

Staying long gold provides a key geopolitical hedge, offering short-term protection against shocks (**Chart 9**) and benefiting from central bank purchases and global monetary easing.

U.S. equities should gain from Trump's reforms — deregulation, tax cuts, industrial policies, and lower domestic energy costs. Alpine Macro has a broad bullish stance on U.S. equities. Our *Equity Strategy Service* highlights Financials, Small Caps, and Quality

Chart 10 Given The U.S. Election Results, What Is The Impact Of Politics On The Longer-Dated U.S. Treasurys?



Source: Alpine Macro *Investment Survey* (November, 19, 2024)
*Higher yields due to Trump administration's tariffs and fiscal policies
**Neutral, as Trump will likely moderate some of his policy proposals
***Indeterminate, the political factor will be hard to isolate from economic and financial ones
****Lower yields, as the Trump administration will take some meaningful steps to rein in spending

as key beneficiaries, with Small Caps possibly helped by deregulation[6] Industrials and Tech, especially capital-intensive industries, should benefit from policies promoting domestic manufacturing.

Despite high valuations, Aerospace & Defense should benefit from geopolitical tailwinds as U.S., European, and Asian military spending increases amid rising tensions.

On fiscal policy, Trump's fiscal reforms are unlikely to worsen debt metrics, and there is a surprise potential for deficit-neutral tax changes. While Alpine Macro clients (**Chart 10**) show a significant concern over higher long-term Treasury yields due to Trump policies, we take an outside view, expecting rather immaterial impacts from Trump's policymaking.

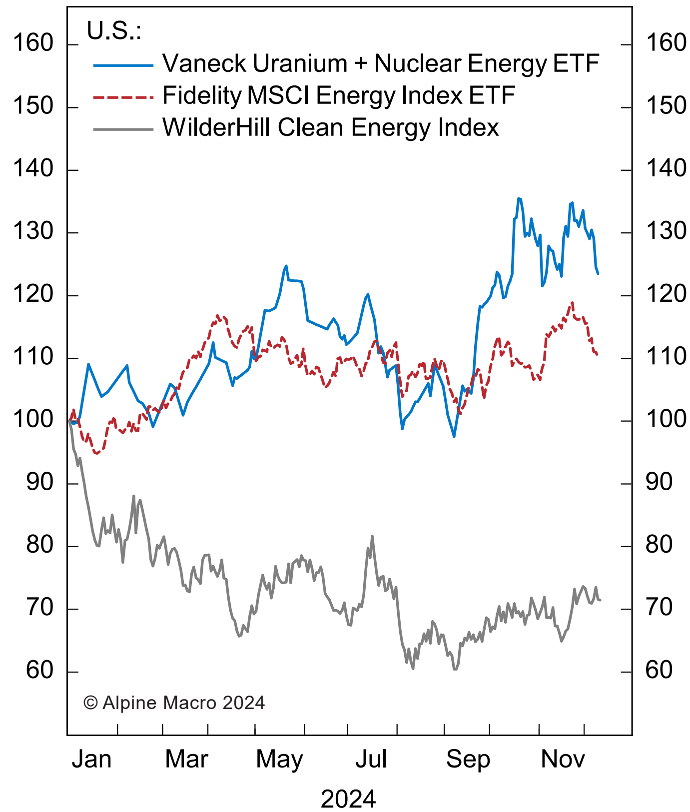
6 Alpine Macro *Equity Strategy* "Equity Trump Trades 2.0" (November 20, 2024)

Oil prices have trended lower since October 7, 2023, as geopolitical risks did not consistently impact prices. Oil prices may continue declining, aligned with Alpine Macro's outlook and furthered by U.S. "drill baby drill" energy policies, which could force other producers (e.g., OPEC) to seek market share. An Israel-Iran war could spike prices, but with a more aggressive U.S. stance under Trump, Iran may be deterred or (*in extremis*) militarily stopped from disrupting Persian Gulf oil shipping.

We remain bearish on alternative energy as green mandates face domestic political backlash, also given supply chain trade wars, and demand for cheaper energy for geopolitical reasons. **Chart 11** shows alternative energy underperforming. Political drivers, including election outcomes in Germany, Australia, and Canada, will provide tailwinds for other energy, often cheaper, boosting assets, such as LNG and nuclear[7].

Dan Alamariu
Chief Geopolitical Strategist

Chart 11 Alternative Energy Faces Growing Political Headwinds



Note: Series are rebased to Jan 2024=100

7 Alpine Macro *Innovation Themes & Strategy* "The Future Of Nuclear Energy And AI" (December 11, 2024).

Table 2 Trump's Fiscal Plans May Not Add Much To The Deficit, Could Be Deficit Reducing...

Policy Proposals	Assumed Cost	Rationale/Comments
TCJA - Individual Tax Permanence*	-3392.1	
TCJA - Restore Deduction of SALT Tax*	-346.7	Tax Foundation assumes a -$1.04tn cost, but this is unlikely to pass through Congress, unpaid-for. Could be $0. Alternative is that the cap may be raised by ~50%. We cut the cost in three, to account for political opposition
TCJA - Estate Tax Permanence*	-205.6	
TCJA - Business Taxes Permanence*	-643	
Exempt Overtime Income From Taxes	-250.0	Will be severely capped, by income, and by # of hrs worked , we expect half of the lowest CRFB scenario
End Taxation Of Social Security Benefits	0	Not doable through the budget reconcilliation process
Exempt Tip Income From Taxes	-50	Will be severely capped to prevent obvious avenues for abuse (by income, etc). Expecting half of the lowest CRFB scenario.
Lower Corporate Tax Rate To 15% For Domestic Manufacturers*	-361.4	
Enact or Expand Other Individual And Small Business Tax Breaks	-200	CRFB central scenario (includes making auto loans tax deductible)
Strengthen And Modernize The Military	-400	Central CRFB scenario, assumes milspend/GDP stays constant
Secure The Border And Deport Unauthorized Immigrants	0	Lowest CRFB scenario. This will be likely paid-for
Enact Housing Reforms, Including Credits For First-Time Homebuyers	-50	Vague campaign promise, so assuming half the CRFB “Low” scenario
Boost Support For Health Care, Long-Term Care, And Caregiving	-25	Vague campaign promise, so assuming half the CRFB “Low” scenario
Subtotal, Tax Cuts And Spending Increases	**-5923.8**	
Establish A Universal Baseline Tariff And Additional Tariffs	1340	Assuming two thirds of the lowest CRFB scenario tariff revenues -- assuming lower tariffs levels, import substitution, loopholes
Reverse Current Energy/Environment Policies And Expand Production	1021	Using the Tax Foundation $921bn in IRA subsidy cuts, plus the CRFB’s $200bn in other energy related policy gains
Reduce Waste, Fraud, And Abuse	500	DOGE and cutting government waste are as revenue raisers under-estimated, so taking the CRFB's highest number x2
End The Department Of Education And Support School Choice	50	Overestimated savings, assuming the CRFB’s “central” scenario, divided by 4
Reform Federal Employee Retirement**	237	
Roll Back Food Stamps Increases**	190	
Tighten Welfare Work Requiremens**	171	
End Food Stamp Categorical Eligibility**	112	
End Student Loan Forgiveness**	22	
Cap Federal Student Loans**	185	
Reduce ACA Tax Credit Abuse**	95	
Stop Medicaid Financing Gimmick**	500	
Block Grant Medicaid**	600	
Medicare Site-Neutral Payments**	100	

Stricter Limits For Bad Medical Debt**	23	
Subtotal, Revenue Increases And Spending Reductions	**5146**	
Net Interest From Additional Policies	-625	Average of “central” and “low” CRFB scenarios: spending will be on the low side
Total, Net Deficit Impact	**-1402.8**	Spending increase in line with the 2017 Tax Cuts Law (this is digestible for administration and Congressional fiscal hawks)
If these were to be included, the fiscal legislation would be close to deficit-neutral, or slightly reduce the deficit (Cato Inst)		
Restrict Welfare For Immigrants**	1300	Possible, but there are legal issues if this impacts legal immigrants
Privatize Fannie And Freddie Mac**	240	Challenging to pass through Congress, depending on the housing industry lobby power, FHA Director appointment
	1540	

*Tax Foundation "Donald Trump Tax Plan Ideas: Details and Analysis" (October 14, 2024)
**CATO Institute "Spending Cuts for 2025" (November 19, 2024)
Source: Committee for a Responsible Federal Budget, U.S. Budget Watch 2024, "The Fiscal Impact of the Harris and Trump Campaign Plans" (October 28, 2024)
These figures are highly tentative, and the confidence in them is low, as they will continue to change as fiscal plans are negotiated

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