



Short-Term Political & Geopolitical Risk



October 20, 2023

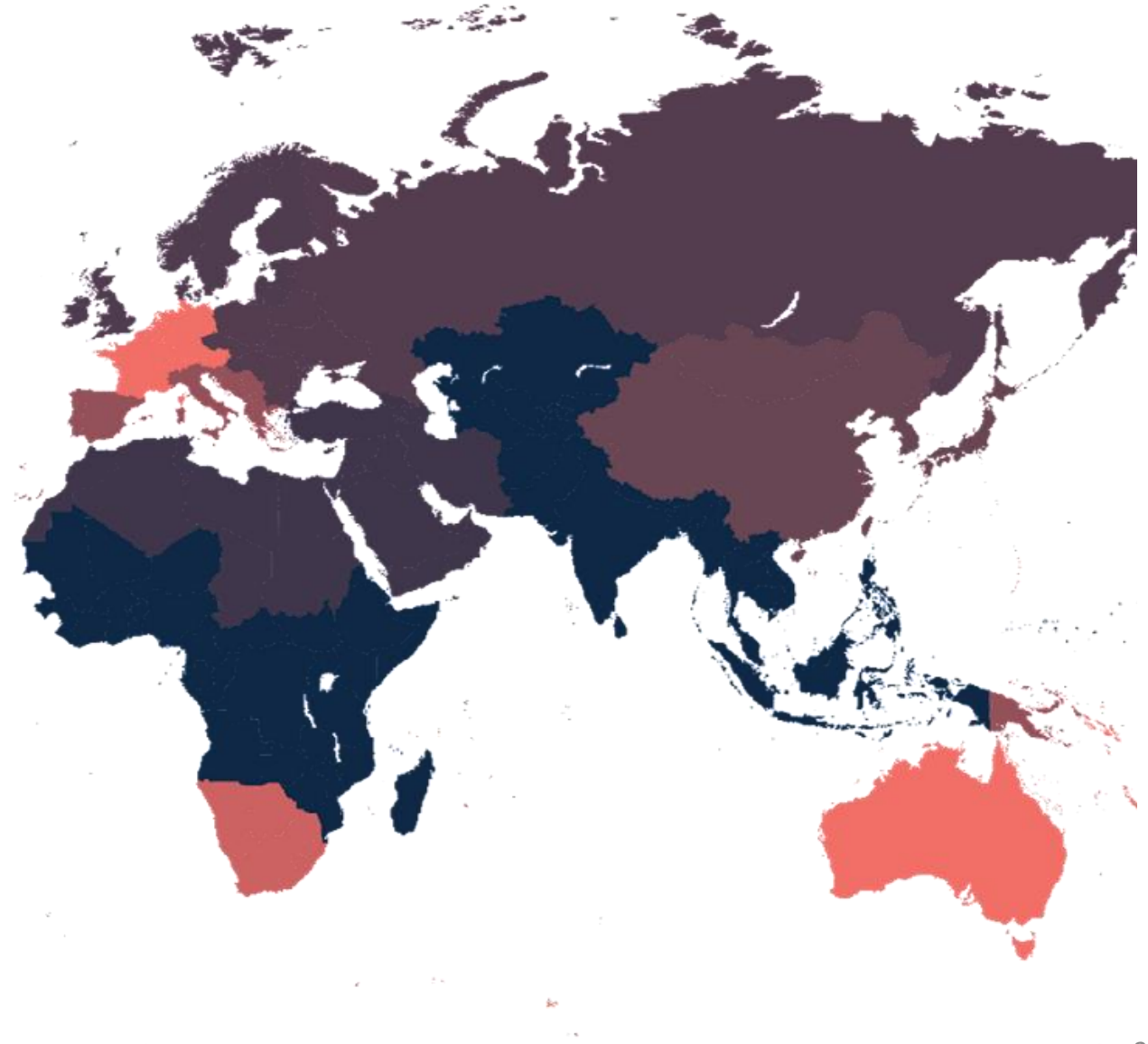
Tsveta Petrova

GeoQuant uses political and computer science to measure, predict, and forecast political risk in real time with unprecedented accuracy.

GeoQuant measures and forecasts 40+ macro political risks daily for 127 markets.

- *Objective*: GeoQuant has created a toolkit that systematically and rigorously quantifies and compares political risk over time and across markets.
- *High-frequency*: Our daily time series captures the timing and drivers of a country's risk-set changes as well as their impact on a country's economy and macro-assets.
- *Accurate*: GeoQuant forecasts the outcome of 78% of commercially relevant political events and 74% of daily directional changes in sovereign rates. FX trading strategies that factor in GeoQuant's political risk estimates outperform markets by 25% on average.

Our indicators and predictive analytics are available via web application, custom advisory, and API.



A number of national elections define 2024 outlook.

1. United States
2. China (& Taiwan)
3. Russia (& Ukraine)
4. MENA (Israel-Palestine/Iran)

2024 Elections

2024

JANUARY				
Bangladesh	Legislative	January 2024	Awami League (AL)	Bangladesh Nationalist Party (BNP) (boycotting for now), Jatiya Party
Taiwan, China	Presidential	13 January 2024	William Lai (DPP)	Hou Yu-ih (KMT), Ko Wen-je (TPP), Terry Gou (Ind.)
	Legislative		Democratic Progressive Party	Kuomintang, Taiwan People's Party, others
United States	Primaries	15 January 2024	Iowa caucuses held; first event in primary campaign	
Finland	Presidential	28 January 2024	Alexander Stubb	Pekka Haavisto, others
Pakistan	Legislative	Late January 2024	Pakistan Muslim League (N), Pakistan People's Party, others	Pakistan Tehreek-e-Insaf (PTI)

FEBRUARY				
El Salvador	Presidential	4 February 2024	Nayib Bukele (Nuevas Ideas)	TBA
	Legislative		Nuevas Ideas	ARENA, FMLN, others
Indonesia	Presidential	14 February 2024	Ganjar Pranowo (PDI-P)	Prabowo Subianto (Gerindra), Purnomo Widjojo (Independent), others
	Legislative		PDI-P, Golkar, Gerindra, others	Democratic Party, Prosperity bloc
Belarus	Legislative			Various minor parties
Senegal	Presidential			TBA
Mali	Presidential	February 2024	TBA	TBA

Calendar Of Forthcoming Elections And Political Events In Q4 2023-2024

MARCH				
Iran	Legislative	1 March 2024	Principalists	Reformists
United States	Trial	4 March 2024	Trial of Donald Trump for allegedly attempting to overturn 2020 presidential election.	
United States	Primaries	5 March 2024	So-called 'Super Tuesday' - largest number of states holding primaries in single day	
Russia	Presidential	17 March 2024	Vladimir Putin (TBC)	TBA
United States	Trial	25 March 2024	Trial of Donald Trump for allegedly falsifying business records set to begin	
Turkiye	Local	31 March 2024	N/A	N/A
Ukraine	Presidential	31 March 2024 (likely to be Volodymyr Zelenskyy postponed)		TBA
Egypt	Presidential	March 2024	Abdel Fatah El Sisi (TBC)	TBA
North Korea	Legislative	March 2024	Workers' Party of Korea	N/A

APRIL				
South Korea	Legislative	10 April 2024	People Power Party	Democratic Party, others
India	Legislative	April-May 2024	Bharatiya Janata Party-led bloc	Indian National Congress-led bloc
Slovakia	Presidential	April 2024	TBA	TBA

MAY				
United Kingdom (London and Manchester)	Mayoral	2 May 2024	N/A	N/A
Panama	Presidential	5 May 2024	TBA (PRD)	TBA
	Legislative		Democratic Revolutionary Party (PRD)	Democratic Change, others
Dominican Republic	Presidential	19 May 2024	Luis Abinader (PRM)	TBA
	Legislative		Modern Revolutionary Party (PRM)	Dominican Liberation Party (PLD), others
United States	Trial	20 May 2024	Trial of Donald Trump for classified documents case set to begin	
South Africa	Legislative	May 2024	African National Congress (ANC)	
Venezuela	Presidential	May 2024	Nicolas Maduro (PSUV)	TBA
Panama	Presidential	by May 2024	TBA	TBA
	Legislative			

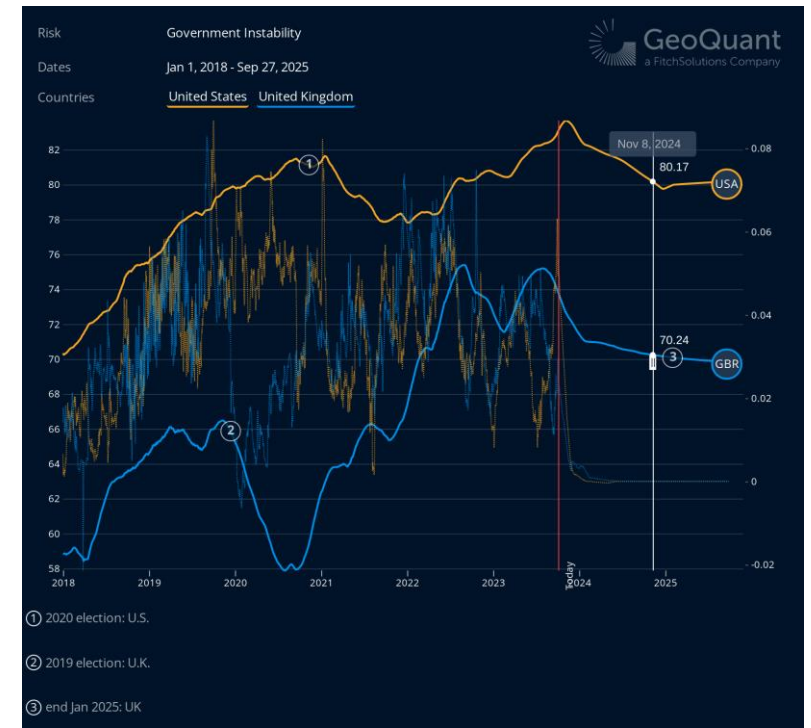
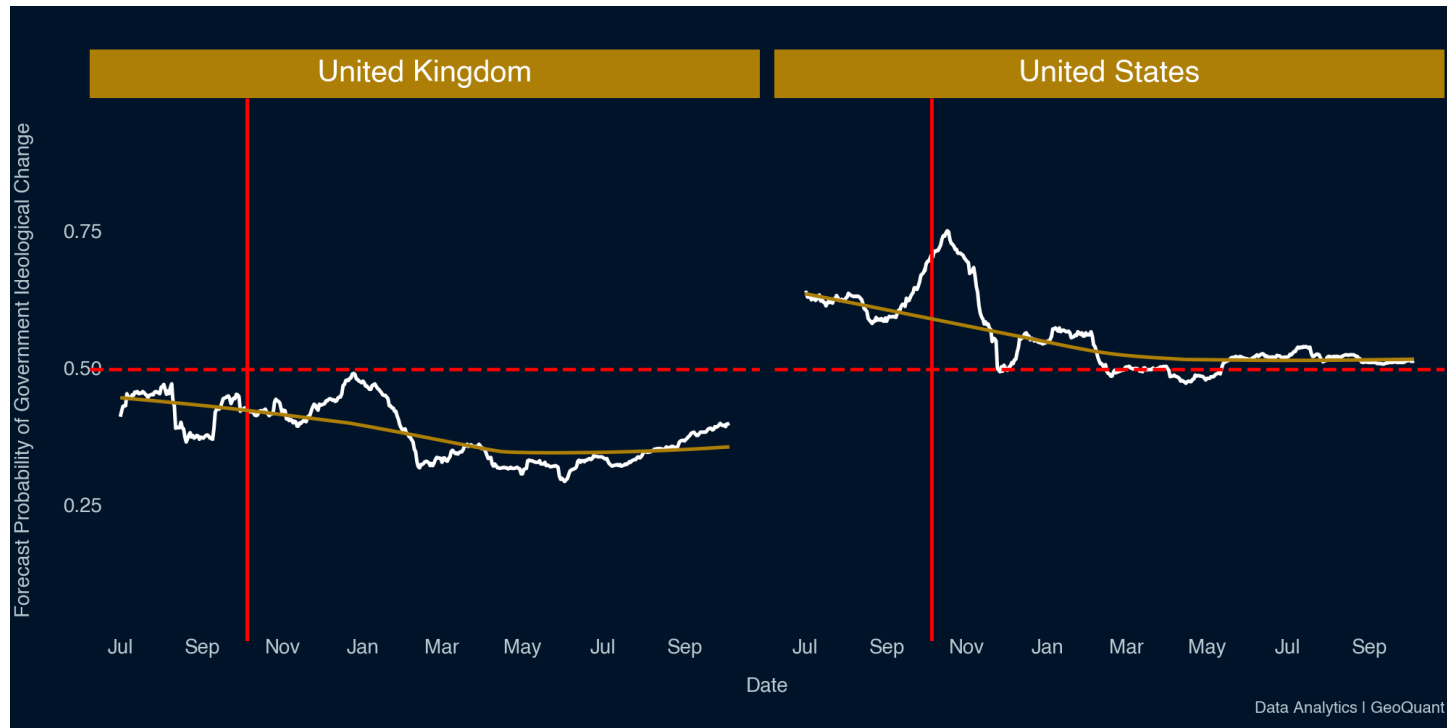
JUNE				
Mexico	Presidential	2 June 2024	Claudia Sheinbaum (Morena Party)	Xochitl Galvez (Broad Front for Mexico)
	Legislative		Morena Party	Broad Front, consisting of National Action Party (PAN), Institutional Revolutionary Party (PR), and Party of the Democratic Revolution (PRD)
European Union	Legislative	6-9 June 2024	N/A	N/A
Belgium	Legislative	9 June 2024	Multi-party coalition	New Flemish Alliance (N-VA), Vlaams Belang, others
G7	Summit	June 2024	Italy to host G7 Summit	
Mauritania	Presidential	June 2024	Mohamed Ould Ghazouani (TBA)	

2024 Elections

JULY					
NATO	Summit	9-11 July 2024	Washington, DC, to host NATO summit marking 75th anniversary		
Calendar Of Forthcoming Elections And Political Events In Q4 2023-2024					
	Convention	15-18 July 2024	Republican presidential candidate to be formally chosen		
Olympic Games	Sporting event	26 July-11 August 2024	Paris to host XXXIII Olympiad		
Japan (Tokyo)	Gubernatorial	July 2024	Yuriko Koike (TBC)	TBA	
Croatia	Legislative	by July 2024	Croatian Democratic Union (HDZ)-led bloc	Social Democrats, others	
North Macedonia	Legislative	by July 2024	Social Democratic Union of Macedonia (SDSM)-led coalition	VMRO-DPMNE, others	
AUGUST					
United States	Democratic Party Convention	19-22 August 2024	Democratic presidential candidate to be formally chosen		
Rwanda	Presidential	August 2024	Paul Kagame (RPF)	Rwandan Patriotic Front	
Spain (Basque and Galicia)	Regional legislative	by August 2024	N/A		
Uruguay	Presidential	27 October 2024	TBA (National Party)	TBA	
	Legislative		National Party	Frente Amplio (Broad Front),	
Australia (Capital Territory and Queensland)	Regional legislative	October 2024	N/A		
Brazil	Municipal	October 2024	N/A		
Canada (British Columbia, New Brunswick, Saskatchewan)	Regional legislative	October 2024	N/A		
Georgia	Legislative	October 2024	Georgian Dream	United National Movement, others	
Lithuania	Legislative	October 2024	Homeland Union-led coalition	Farmers and Greens Union, Union of Democrats For Lithuania, others	
Germany (Sachsen, Thuringen)	Regional legislative	Autumn 2024	N/A		
SEPTEMBER					
Germany (Brandenburg)	Regional legislative	22 September 2024			
Japan	Party Leadership	September 2024	PM Fumio Kishida to seek further three-year term as Liberal Democratic Party leader		
Austria	Legislative	by September 2024	Austrian People's Party (ÖVP), Greens		
Sri Lanka	Presidential	by September 2024	Ranil Wickremesinghe		
OCTOBER					
NATO	Secretary-General	1 October 2024	Jens Stoltenberg's term ends		
Mozambique	Presidential	9 October 2024	Celso Correia (TBC)	Frelimo	
Uruguay	Presidential	27 October 2024	TBA (National Party)	National Party	
Australia (Capital Territory and Queensland)	Regional legislative	October 2024	N/A		
Brazil	Municipal	October 2024	N/A		
Canada (British Columbia, New Brunswick, Saskatchewan)	Regional legislative	October 2024	N/A		
Georgia	Legislative	October 2024	Georgian Dream		
Lithuania	Legislative	October 2024	Homeland Union-led coalition		
European Commission	Leadership change	1 November 2024	European Commission president's term begins		
United States	Presidential	5 November 2024	Joe Biden (Democratic Party)	TBA (Republican Party)	
	Legislative		Democratic Party	Republican Party	
Moldova	Presidential	November 2024	Maia Sandu	TBA	
Romania	Presidential	November 2024	TBA		
Jordan	Legislative	by November 2024			
Mauritius	Legislative	by November 2024	Militant Socialist Movement	Labour Party, Mauritian Militant Movement, Mauritian Social Democratic Party, others	
NOVEMBER					
Ghana	Presidential	7 December 2024	Mahamudu Bawumia (TBC) (NPP)	John Mahama (TBC) (NDC)	
	Legislative		New Patriotic Party	National Democratic Congress	
Algeria	Presidential	December 2024	Abdelmajid Tebboune (TBC)	TBA	
United Kingdom	Legislative	by January 2025	Conservative Party	Labour Party, Liberal Democrats, Scottish National Party, others	
DECEMBER					

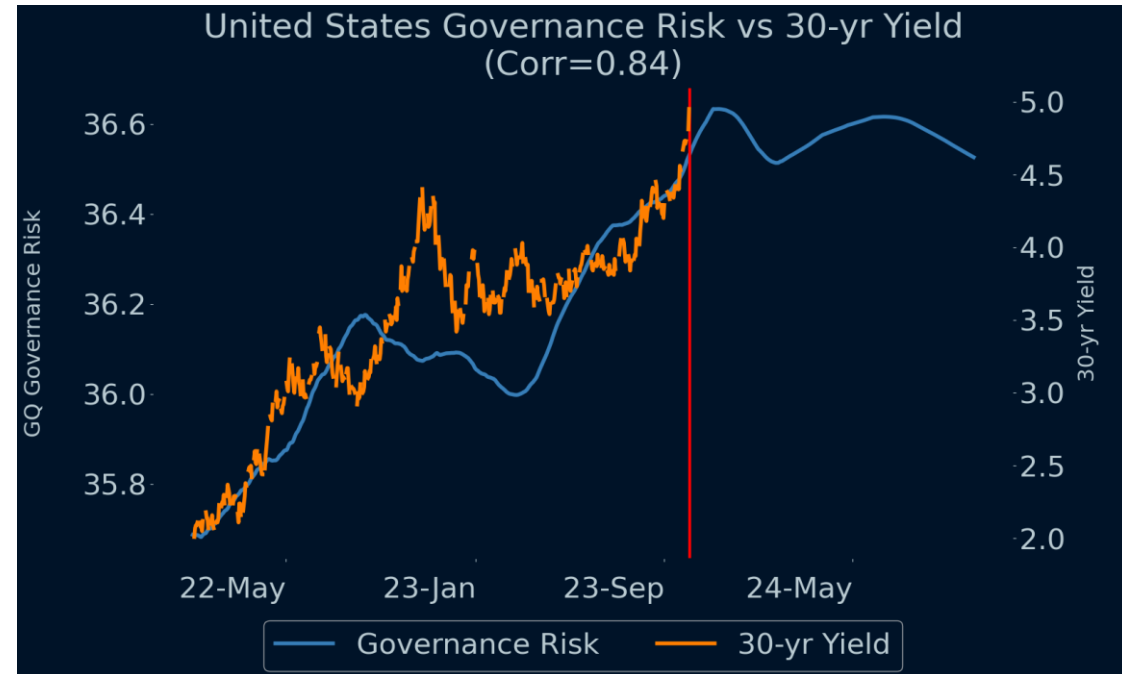
2. United States

- As with 2022 US midterms, GeoQuant’s election model forecasts significant pro-incumbent (Biden/Democrats) momentum into the 2024 vote and (currently high) Government Instability Risk indicates a Biden re-election.



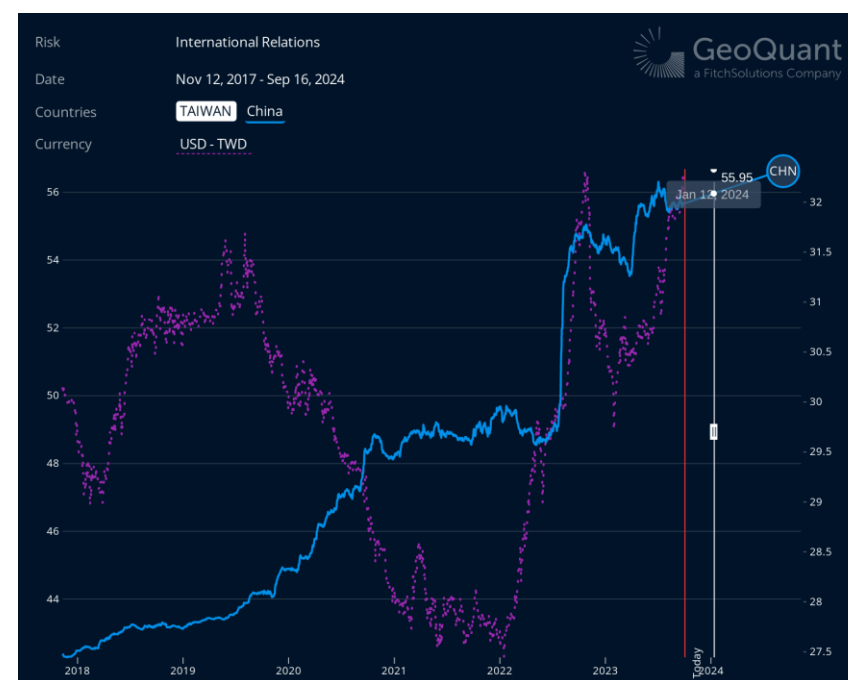
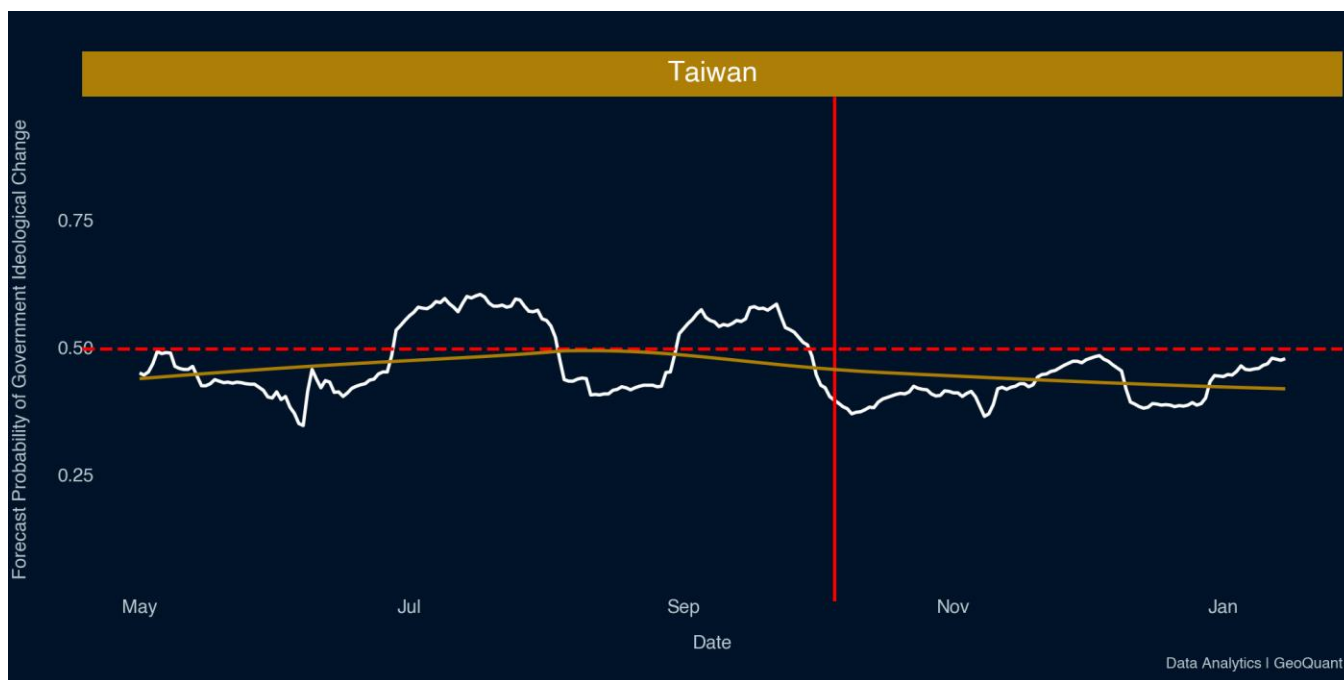
2. United States

- The election exacerbates EM-ification of the US. Governance and Social Risks continue to climb through 2024 election cycle – a typical EM pattern we also saw in 2020 and 2016.
- Link between (higher) Governance Risk and (declining) investor confidence in “full faith and credit” of US government is growing.



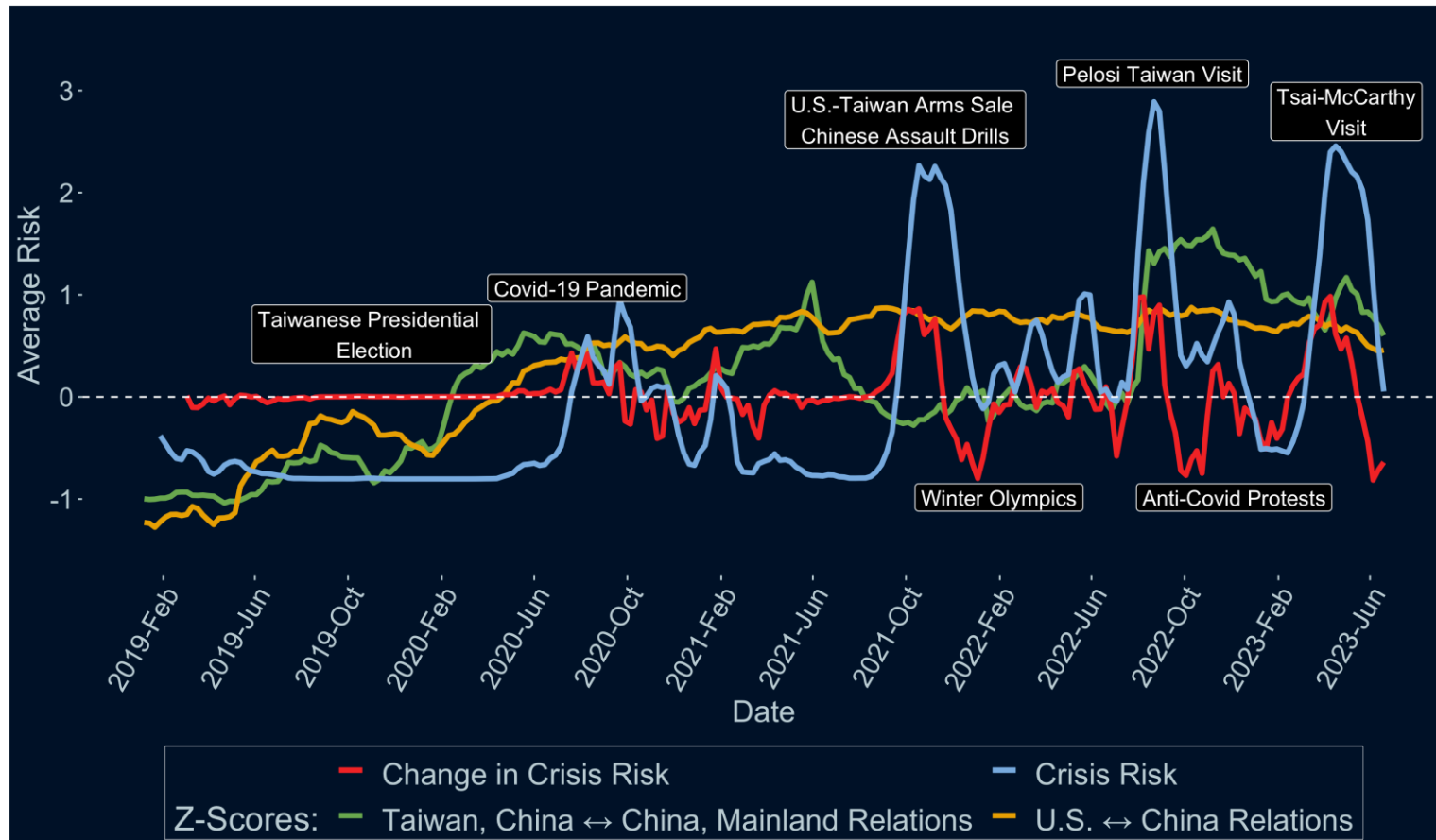
2. China (& Taiwan)

- William Lai of incumbent DPP will likely be re-elected in a close contest; multiple opposition candidates increase uncertainty but ultimately favor incumbent.
- Taiwan-China Risk remains elevated into election, keeping recent pressure on TWD.



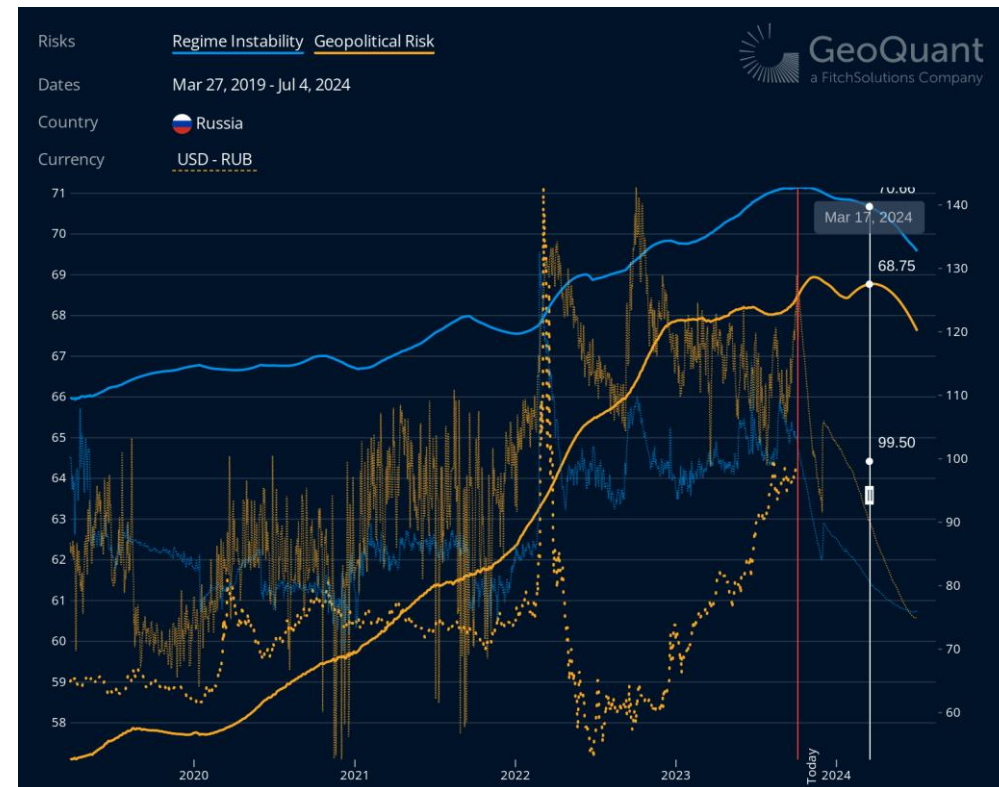
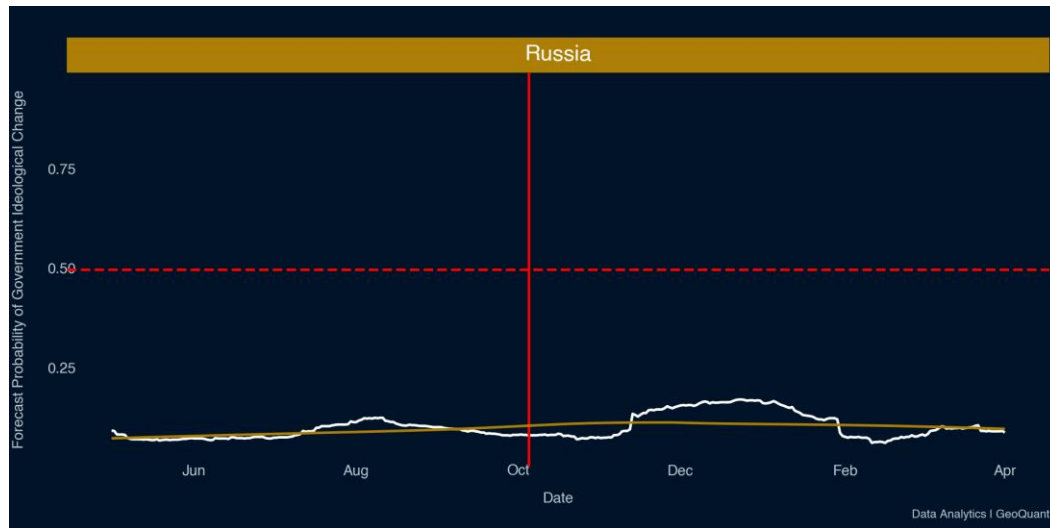
2. China (& Taiwan)

- Taiwan-China conflict risk, while elevated into election, is overall constrained.



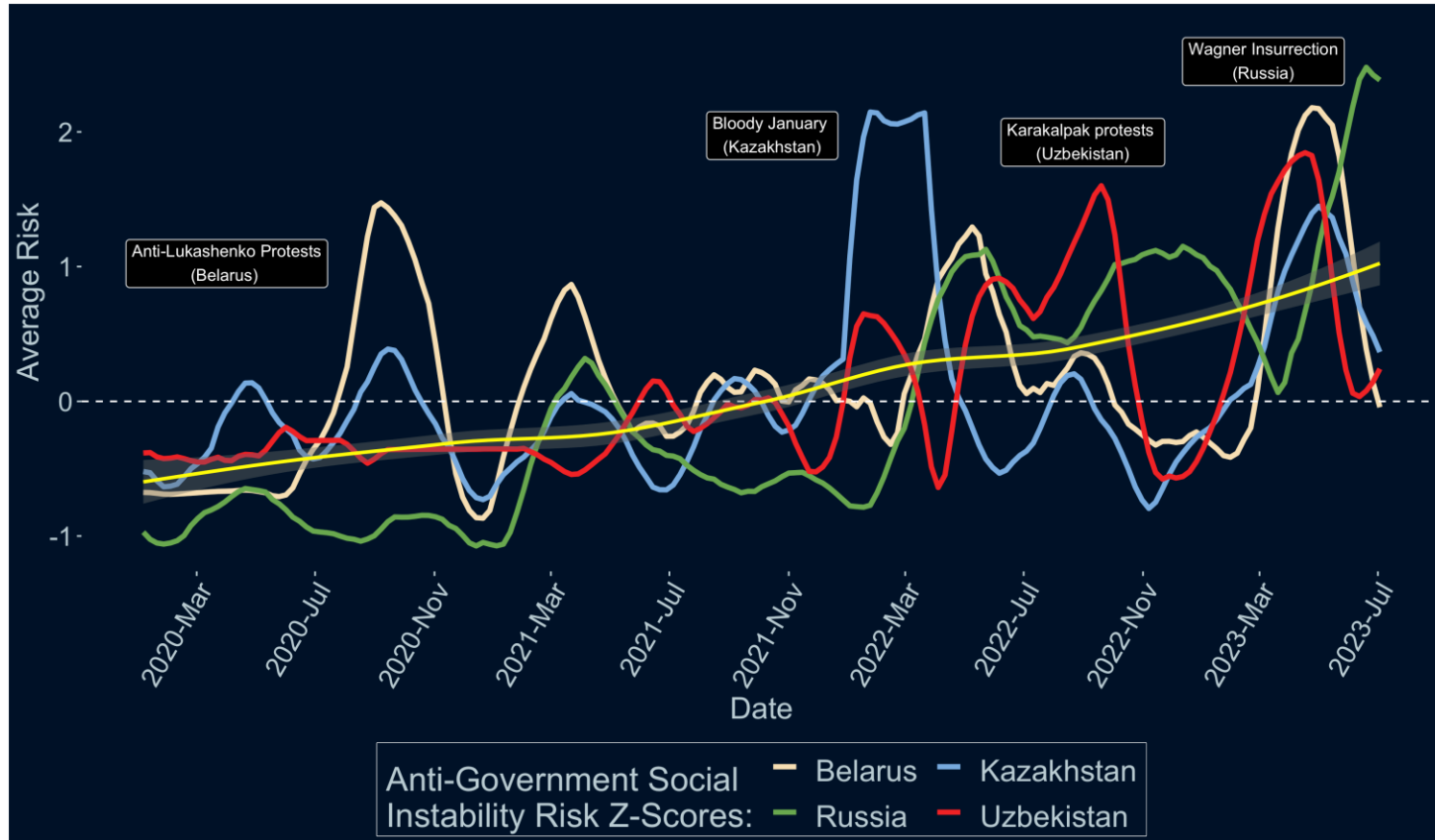
3. Russia (& Ukraine)

- Putin will be “re-elected” in non-competitive Russian presidential election .
- Election will help post-Wagner consolidation of power, but Regime Instability Risk stays very high
- Comes amid forecast increase in Geopolitical Risk, driven by Russia-Ukraine war.



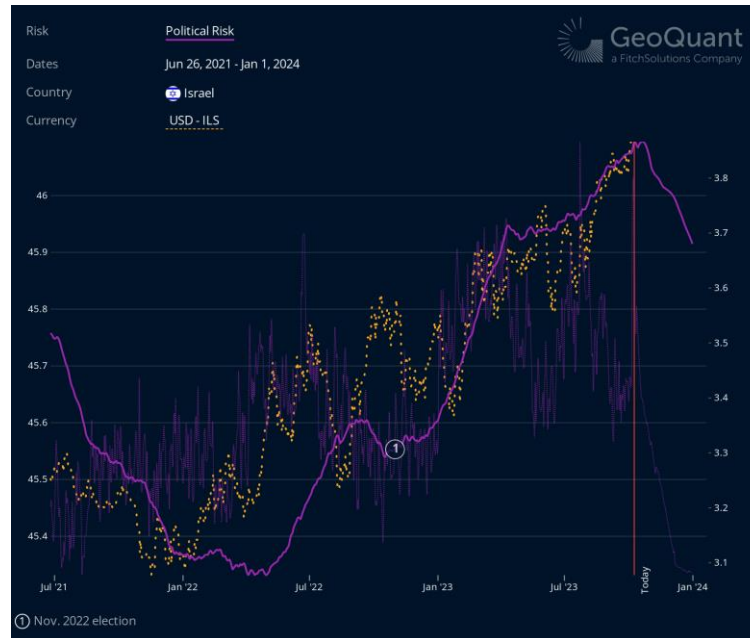
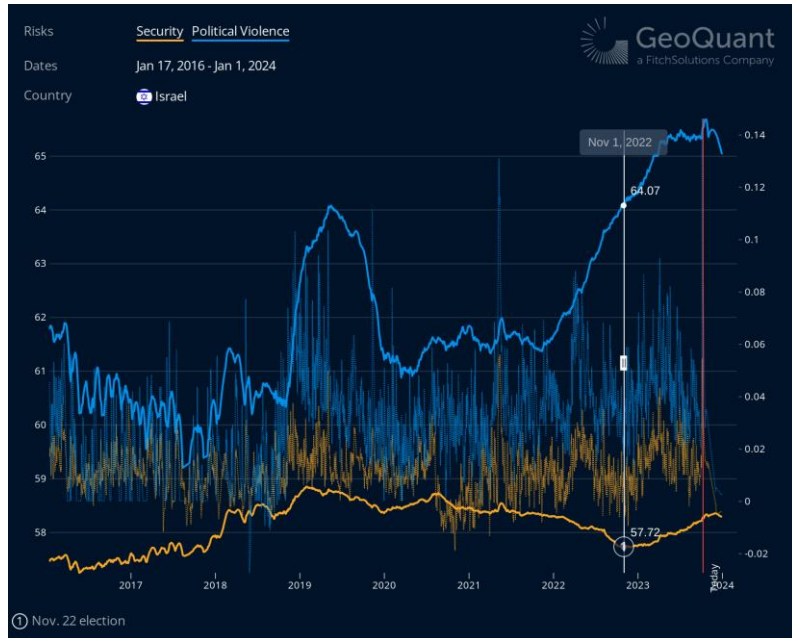
3. Russia (& Ukraine)

- Risk of regime change in Russia is currently constrained.



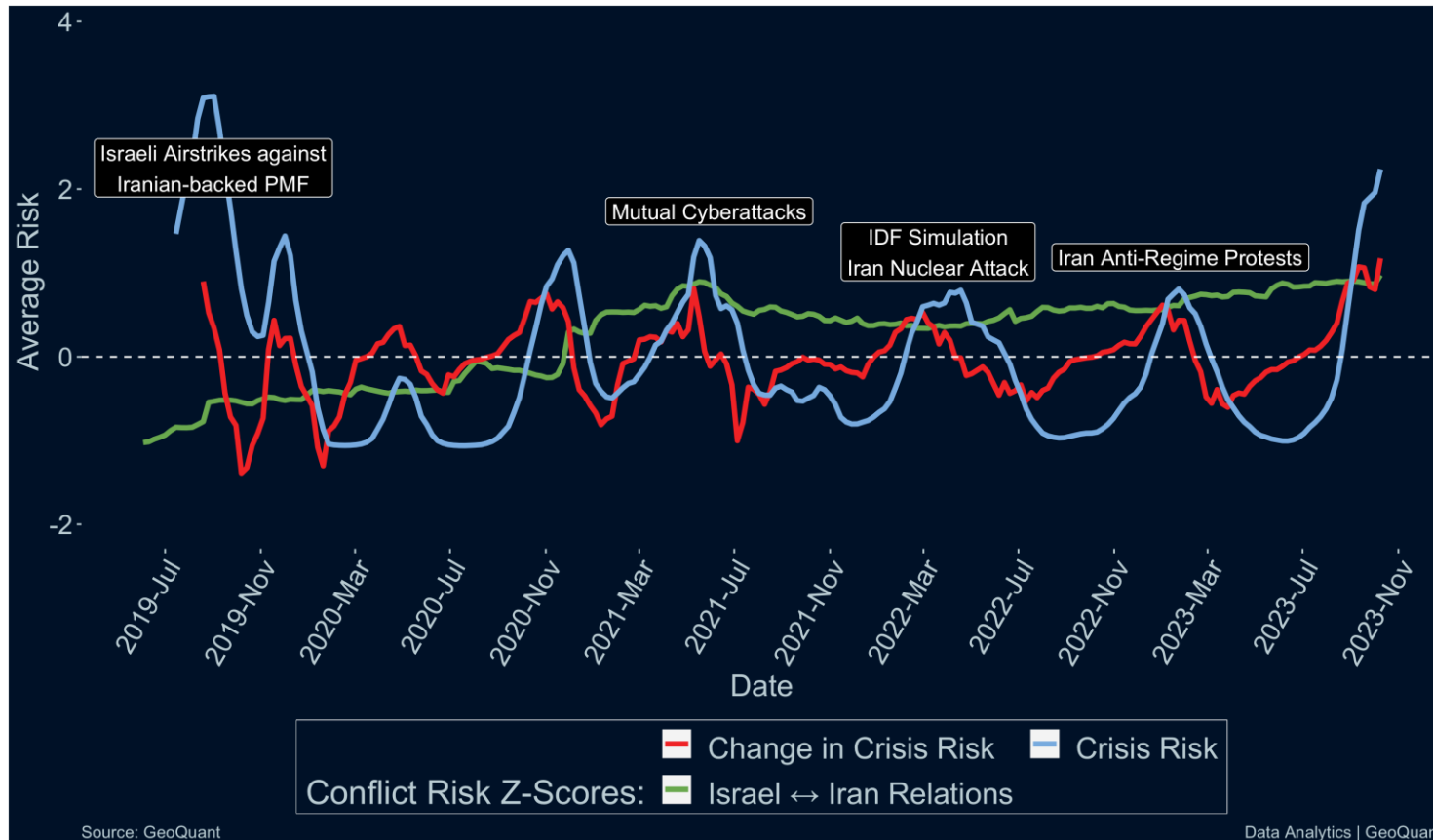
4. MENA

- Hamas' attack on Israel follows a steady increase in Security and Political Violence Risks
- A related increase in overall Political Risk will continue to weigh on Israeli assets.
- Complex geopolitical dynamics create potential for a wide range of escalation scenarios, although there is likely a strong regional appetite to contain the conflict.



4. MENA

- Risk of a broader MENA war (ex. Iran-Israel conflict) is serious but currently constrained, though there's high uncertainty around this forecast.



Contact

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4. Other EM Elections

- Close-fought votes but government continuity in **India** (BJP/Modi) and **Mexico** (MORENA/ Sheinbaum) will help continue recent declines in Political Risk in these two geopolitically-critical markets.
- In **South Africa** the ANC will lose its outright majority for the the first time since 1994, but will still be largest party in government coalition.
- In **Indonesia**, popular incumbent President Jokowi is generating strong “continuity” signal, but he is term-limited from running and indicating more support for opposition candidate Prabowo Subianto than ruling PDI-P candidate Ganjar Pranowo. A run-off is likely, with high uncertainty leading to it.

