WASHINGTON

Newsletter

Q1 2025

Everything everywhere all at once: Trump's first 50 days felt like 500

Given the speed and volume of activity at the beginning of the Trump 2.0 administration, we couldn't wait for the traditional 100-day milestone to assess the long list of executive orders, spending cuts, and policy pronouncements. Here, we discuss the major headlines from Trump's first 50 days in office.

(Continued on page 03)

Andy Blocker
Global Head of Public Policy and Strategic Partnerships

Letter to the reader

It's long been a tradition to start assessing a newly elected president's term after 100 days in office. But the speed and volume of activity at the beginning of the Trump 2.0 administration makes the usual benchmark obsolete. If we waited 100 days, we might have a 100-page newsletter. The list of executive orders and spending cuts and policy pronouncements is already overwhelmingly long — and that's precisely the point.

Before he created his red MAGA hat and threw it into the political ring, Donald Trump was a pop culture fixture and a reality TV star. He understands — better than any president before him — how to market himself to the average American. And dominating the news cycle is key. Some policy moves may be unpopular, but they're quickly overshadowed by a barrage of other announcements, both fundamental and frivolous. It all serves a purpose: Promote progress (promises made, promises kept) and distract the detractors.

In this edition of our Washington Newsletter, we assess these and other major headlines from Trump's first 50 days in office.

- Under the America First Trade Policy, the administration has taken aggressive steps to rebalance trading relationships. Using the International Emergency Economic Powers Act, Trump has implemented tariffs on Canada and Mexico, citing "extraordinary threats to US national security" related to drug trafficking. The early days of the administration have demonstrated the turbulence and fluidity of this approach, with tariffs being announced, rescinded, and sometimes paused for review.
- With a mandate to scrutinize budgets and slash unnecessary spending, The Department of Government Efficiency has set its sights on numerous agencies, including United States Agency for International Development, the Centers for Disease Control and Prevention, Department of Defense, Department of Education, and the Environmental Protection Agency. This has led to a wave of layoffs and buyouts that have left workers reeling.
- For investors, the administration's changes could significantly shift the landscape. Sectors like health care, defense, and technology might see changes in government contracts, research and development spending, or regulations. The broader economic effects, including potential impacts on jobs, supply chains, and growth, are worth monitoring closely.

We also explore how the reverberations are being felt all over the world:

- The first months of the Trump presidency have significantly accelerated European progress on defence and security spending with a new determination to reduce security dependencies on the US and a reignition of the debate on European strategic autonomy.
- Asia-Pacific countries are adjusting to the new reality of navigating a much less predictable international environment. While anxiety is high, not all APAC countries view the new US leadership unfavourably. Traditionally, non-aligned countries such as India and Indonesia see some benefit in an international system where the US is one among multiple major powers. Nevertheless, overarching "America First" policies have made APAC countries apprehensive about the fragmentation of the international trading system.
- From Beijing's perspective, the US's transactional approach opens the door to selective compromises. China might, for instance, promise more direct investment in the US in exchange for relief from specific tariff measures or export controls. At the same time, China sees a geopolitical opportunity in the US's strained relationship with Europe and evolving ties with Russia. It will likely seek to play a bigger role in global discussions on issues such as climate action and artificial intelligence, given the US' limited interest in international dialogue and multilateral cooperation.

Best,
Andy Blocker

Contents

Q1 2025 policy update

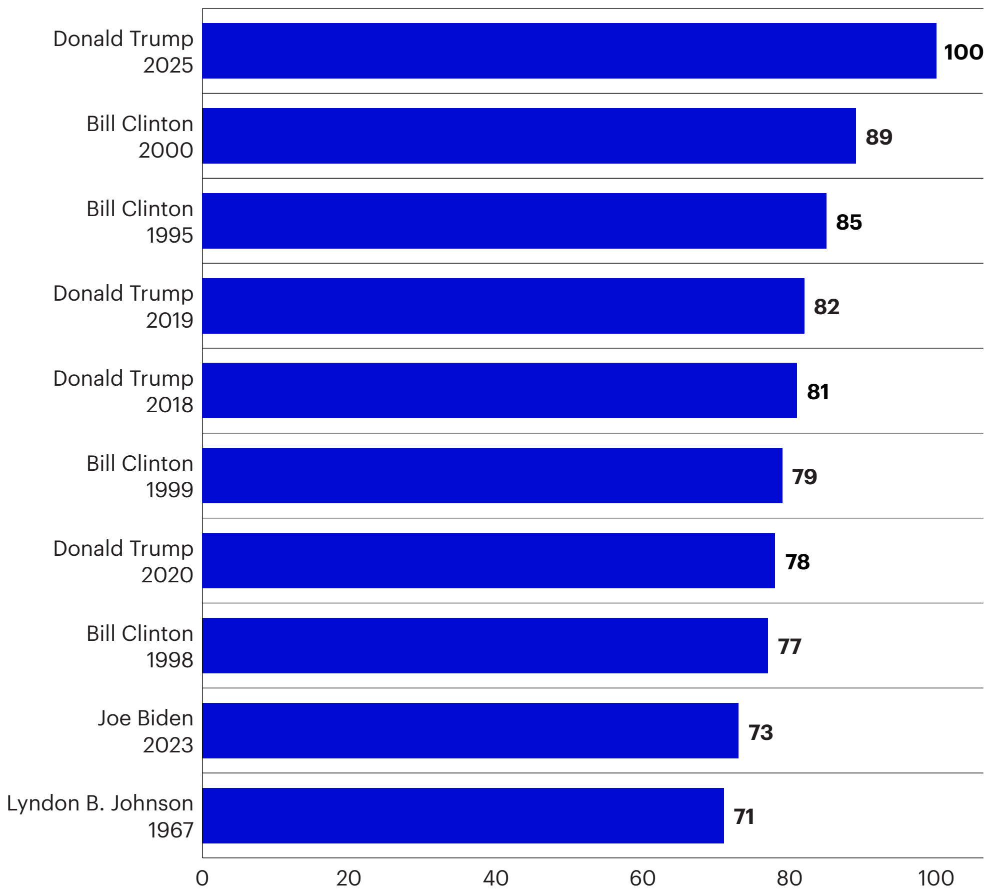
Trump administration's early moves

On March 4, President Donald J. Trump addressed a joint session of Congress in his first speech since his January 20 inauguration. While traditionally not called a State of the Union in a president's first year, the address served the same purpose: Outlining achievements and future objectives. The president delivered a record-setting 100-minute speech covering much of his "Make America Great Again" agenda, highlighting personal stories of guests in the audience and emphasizing his administration's early accomplishments.

The speech was not without controversy. Rep. Al Green (D-TX) stood up and interrupted multiple times before being removed by the House Sergeant at Arms. Despite this, the address was well received by many viewers, with CBS News reporting that 76% of viewers approved and 62% found the remarks inspiring.

Longest presidential speeches in front of Congress

in minutes, since 1964



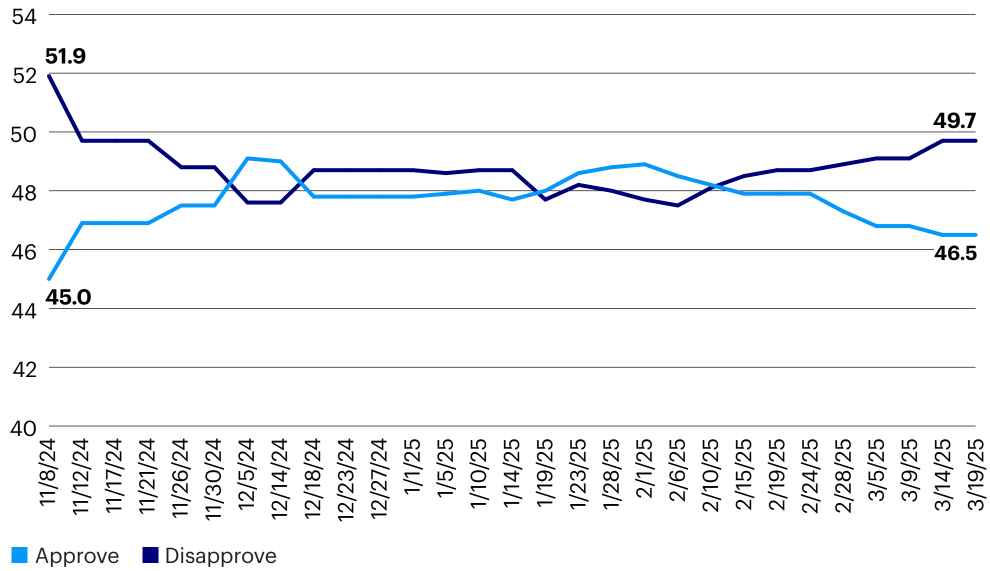
Source: The American Presidency Project

In the weeks since taking office, Trump had made some progress on public perception of whether the country was headed in the right direction by focusing on delivering on campaign promises. However, more recent polling shows his approval/disapproval numbers may be starting to flip, suggesting that the honeymoon period could already be waning, especially in terms of the economy. The past two decades of American politics have consistently shown voters growing dissatisfied with incumbents regardless of party, raising questions about whether the current Republican trifecta can maintain its control beyond the 2026 midterms.

In Trump's calculus, tariffs provide leverage, creating uncertainty that keeps both allies and adversaries in a reactive position.

Polling snapshot: President Trump's favorability

In percent (%)



Source: Real Clear Politics, November 2024 – March 2025

The return of tariffs as strategic tools

During his joint session address, Trump emphasized his stance on tariffs, stating they are "not just about protecting American jobs, they're about protecting the soul of our country...making America rich again and making America great again."

For those familiar with Trump's first term, this sentiment comes as no surprise. The president has famously described tariffs as "the most beautiful word in the dictionary" — viewing them not merely as revenue-raising or trade barrier equalizing mechanisms but as strategic weapons to achieve broader policy objectives. In his calculus, tariffs provide leverage, creating uncertainty that keeps both allies and adversaries in a reactive position.

During his first term, Trump fundamentally altered America's trade posture with help from United States Trade Representative (USTR) Ambassador Bob Lighthizer and White House advisor Peter Navarro. The administration addressed what Trump perceived as unfair trade relationships, transitioning from "free trade" to "fair trade." He imposed tariffs under Section 232 of the Trade Enforcement Act on global steel and aluminium while applying Section 301 powers of the Trade Act of 1974 for targeted tariffs on Chinese goods. His administration also renegotiated the North American Free Trade Agreement (NAFTA) into the US-Mexico-Canada Agreement (USMCA) to modernize North American trade relationships.

Notably, many of these policies were maintained by the Biden administration, which continued Section 232 tariffs (though replaced some with tariff rate quota systems) and even increased certain Section 301 tariffs on Chinese products. These once-neglected trade tools have now become mainstream policy instruments across party lines, though they lack unified support from the business community based on increased costs and supply chain disruptions.

The current Trump administration has wasted no time implementing an expanded tariff policy. On Inauguration Day, the president announced his "America First Trade Policy" agenda, which aims to return the United States to a "production economy" with a strong middle class and robust national defense. This comprehensive framework directs USTR and other agencies to investigate the "large and persistent causes of annual trade deficits" while thoroughly examining economic relations with all countries. The examination will pay close attention to non-reciprocal arrangements that impede United States exports or generally undermine its competitiveness.

Regarding China specifically, the administration has ordered a detailed review of Phase One obligations from Trump's first term, focusing on technology transfers, intellectual property abuses, innovation concerns, and the broader implications of China's Permanent Normal Trade Relations status.

Under the America First Trade Policy, the administration has taken aggressive steps to rebalance trading relationships. Using the International Emergency Economic Powers Act (IEEPA), Trump has implemented tariffs on Canada and Mexico, citing “extraordinary threats to US national security” related to drug trafficking. The early days of the administration have demonstrated the turbulence and fluidity of this approach, with tariffs being announced, rescinded, and sometimes paused for review.

On March 6, the president announced adjusted tariffs on Canada and Mexico that reflect a nuanced approach to addressing perceived imbalances:

- Goods that do not satisfy USMCA rules of origin now face a 25% tariff.
- Canadian energy products outside USMCA preference are subject to a 10% tariff.
- Potash imports from both Canada and Mexico that don’t qualify for USMCA preference face a 10% tariff.
- Goods qualifying for USMCA preference remain tariff-free.

The administration’s focus extends well beyond North America. For China, the president has imposed an additional 20% tariff on all goods under IEEPA. Most other nations now face a 25% tariff on steel and aluminium imports under Section 232. The European Union (EU) responded to the metal tariffs with $28 billion in levies on politically sensitive American products like Kentucky bourbon, jeans, and Harley Davidson motorcycles (as a counterresponse, the president has threatened 200% tariffs on European wine and spirits).

The status of tariffs

Target	Tariff	Status	Authority	Retaliation
Most nations	Expansions to steel and aluminium tariffs, including ending country exemptions, lifting the rate on aluminium from 10% to 25%	Took effect March 12	Section 232	Canada and EU retaliatory tariffs. US threatened to place 200% tariff on European wine imports after EU tariffs
Canada, Mexico	25% on all imports from Mexico and Canada; 10% on Canadian energy and potash imports	Took effect March 4; autos and USMCA-compliant imports are exempt from Canada/Mexico tariffs until April 2	International Emergency Economic Powers Act (IEEPA)	Canada implemented 25% reciprocal tariffs on steel, aluminium, and additional goods. Mexico yet to announce retaliatory actions on tariffs
China	Additional 20% tariff on all imports from China	10% took effect Feb. 4; An additional 10% tariff took effect on March 4	International Emergency Economic Powers Act (IEEPA)	China implemented a 15% tariff on US agricultural products like chicken, wheat and corn, and a 10% tariff on other food products like soybeans and dairy
Global	Reciprocal tariffs	Reciprocal tariffs report due on April 2	To be determined	Pledged by EU and other economies
Autos	25% tariff on imports of automobiles and certain automobile parts	Announced March 26, effective April 2	Section 232	To be determined

Sources: Tax Foundation, CNN, NY Times, AP, Reuters, Bloomberg

When the president perceives that America has achieved a "win" or the appropriate leverage, he has relented, reoriented, or paused tariffs.

As we commented earlier, tariffs, in the president's mind, are not simply a trade or economic mechanism to equalize barriers, they are a policy tool to protect the US economy, American workers and industries. When the president perceives that America has achieved a "win" or the appropriate leverage, he has relented, reoriented, or paused tariffs. These tariff decisions are not carried out in a vacuum, and countries and/or regional trading blocs (European Union) are responding in different fashions with counter tariffs or other policy moves, which has created a dizzying giant Etch A Sketch global trading mural; one that can look steady in the morning but vastly different in the evening.

Looking forward, the administration is developing a comprehensive report on potential reciprocal tariffs for all countries, due April 2. This review will examine non-tariff barriers, value-added taxes, and other trade impediments that the administration believes undermine US exports while creating favorable terms for foreign imports. The April 2 report should provide some clarity on where the Trump administration's second-term trade policy could be headed.

Elon Musk's DOGE: Reshaping the federal government

Another key initiative of the Trump administration has been the Department of Government Efficiency (DOGE), launched in November 2024 and housed in the White House. Established by an executive order on January 20, the stated goal of DOGE is "modernizing federal technology and software to maximize governmental efficiency and productivity." While its promises are ambitious, DOGE has faced both enthusiasm and skepticism, particularly regarding its effects on the federal workforce.

Elon Musk, who was appointed as a senior advisor to the president, is viewed as the de facto leader of DOGE. DOGE's core goal is to streamline federal operations by trimming redundant agencies and rethinking how the government workforce functions. Musk has pitched it as a fresh, outsider-driven approach to tackle inefficiencies that have long plagued Washington, touting potential savings of billions of dollars each year.

Critics, however, argue that the savings projections feel more like bold promises than proven plans, pointing to a lack of clear details on implementation. Some have noted that DOGE has scaled back certain claims, raising questions about the feasibility of its targets.

The real-world impact of DOGE is most keenly felt by federal employees. With a mandate to scrutinize budgets and slash unnecessary spending, DOGE has set its sights on numerous agencies, including the United States Agency for International Development (USAID), the Centers for Disease Control and Prevention (CDC), the Department of Defense, the Department of Education, and the Environmental Protection Agency (EPA). This has led to a wave of layoffs and buyouts that have left workers reeling.

The Office of Personnel Management has rolled out buyout offers to tens of thousands of employees, while the General Services Administration plans to end thousands of leases, threatening even more jobs. These moves have fueled anxiety about job security and the ripple effects on families and communities that depend on these roles.

Beyond the numbers, there's growing concern about what these cuts mean for public services. Federal workers support everything from health care to disaster relief, and rapid layoffs could leave gaps in critical areas like disease prevention or environmental oversight.

DOGE's plans haven't gone unchallenged. Twenty Democratic state attorneys general challenged the legality of the planned cuts to the federal workforce. Unions have filed lawsuits demanding more transparency, while a federal judge has questioned whether DOGE's unique setup is constitutional. Additionally, one federal judge has ordered the rehiring of thousands of federal workers while another ordered DOGE to turn over a wide array of records and answer questions about plans it crafted to downsize federal agencies, fire employees, and suspend federal contracts. Ultimately, the cases against DOGE are expected to be appealed all the way to the US Supreme Court, which will serve as the final arbiter of the authority of DOGE and the constitutionality of its actions (See chart for all of the court challenges — DOGE and beyond).

Challenges to executive orders and actions

Executive order litigation (53)

Type of challenge	Number of Cases
Various Constitutional challenges; Administrative Procedure Act	11
Constitutional challenge (Separation of Powers); Administrative Procedure Act; ultra vires*	10
Various Constitutional and statutory challenges	6
Various Constitutional challenges, ultra vires	4
Constitutional challenge (14th Amendment), Administrative Procedure Act	4
Constitutional challenge (14th Amendment)	2
Constitutional challenge (14th Amendment); Immigration and Nationality Act	2
Constitutional challenge (Appointments Clause), ultra vires	2
Constitutional challenge (1st and 5th Amendments)	2
Constitutional challenge (5th Amendment)	2
Administrative Procedure Act	8

* Ultra vires is a legal term used to describe action taken outside of one's legal authority.

Executive order litigation court level (53)

Supreme Court	3
Court of Appeals	1
District Courts	49

Executive action litigation (36)

Type of challenge	Number of Cases
Constitutional challenge (Separation of Powers)	1
Constitutional challenge (Separation of Powers); Administrative Procedure Act	1
Constitutional challenge (Separation of Powers); ultra vires	1
Constitutional challenge (Separation of Powers); Administrative Procedure Act; ultra vires	4
Constitutional challenge (14th Amendment); Administrative Procedure Act	2
Constitutional challenge (Appointments Clause)	3
Constitutional challenge (1st Amendment)	1
Violation of right of privacy	11
Advisory Committee Act	3
Administrative Procedure Act	2
Administrative Procedure Act; ultra vires	2
Freedom of Information Act	1
Federal Service Labor-Management Relations Statute	1
National Labor Relations Act	1
Various constitutional and legal challenges	2

Executive action litigation court level (36)

Supreme Court	0
Court of Appeals	1
District Courts	35

Beyond the legal challenges, there is a political reality at play that could halt some of these federal employment cuts at the end of the day. There will be changes in federal employment, and some agencies will be transitioned to other departments, but the reality is many of these federal workers do not work in Washington but outside the Beltway. The economic disruptions with a reduction in the federal workforce in these local communities may become politically unpalatable once the ramifications are better understood.

A notable development occurred during a recent private cabinet meeting, where Trump instructed that cabinet heads, not Musk or DOGE, should determine their workforce and savings. This shift suggests that as more agency leaders are confirmed and take their respective positions, they will have more control, potentially moderating the pace and extent of cuts.

Sectors like health care, defense, and technology might see changes in government contracts, research and development spending, or regulations.

Strategic implications for investors and the public

These initiatives — aggressive trade policy, cost cutting, and government reorganization — represent the Trump administration's bold approach to reshaping both America's economic reorientation (with a focus on private investment) and its executive governing structures (centralizing power within the White House).

For investors, these changes could significantly shift the landscape. Sectors like health care, defense, and technology might see changes in government contracts, research and development spending, or regulations. The broader economic effects, including potential impacts on jobs, supply chains, and growth, are worth monitoring closely.

Trade actions have elicited various responses from impacted countries. Mexico, Canada, and other nations have responded with varying degrees of countermeasures, to which the president has sometimes acquiesced and sometimes escalated. This highlights that tariffs are not simply trade mechanisms but tools to achieve broader objectives. However, this seeming disparity in tariff policy has created a level of uncertainty that has so far roiled markets and made businesses more cautious about large capital expenditures.[1] We'll see if the April 2 announcement on the reciprocal tariff policy will lessen that uncertainty.

Similarly, DOGE's mission to streamline government is undeniably bold but not without controversy. The potential for savings is significant, yet the toll on federal workers and the questions about DOGE's projections loom large.

As both initiatives push forward amid legal and practical challenges, their success will hinge on finding a balance — delivering the president's vision of greater government efficiency and fair trade that leads to the onshoring of manufactured goods without greatly increasing costs for American families, sacrificing federal investment and services, and damaging international relationships. Understanding what deal the president ultimately seeks will be crucial for identifying potential winners and losers in this new era of American policy.

Budget reconciliation

As Trump and Congressional Republicans seek to fulfill campaign promises through what the president calls "ONE BIG BEAUTIFUL BILL," budget reconciliation has emerged as their primary legislative vehicle. This powerful budgetary tool allows Congress to bypass the Senate's 60-vote threshold and filibuster, enabling passage with simple majorities in both chambers. To initiate the reconciliation process, both chambers must pass a joint budget resolution including reconciliation instructions that outline spending, revenue, debt, and deficit levels for a specified period.

The driving force behind Republicans' push for reconciliation is extending the 2017 Tax Cuts and Jobs Act (TCJA), of which several provisions expire on December 31, 2025. This represents Trump's most significant policy achievement from his first term, making its preservation a top priority in the current legislative agenda.

Reconciliation typically requires unified Congressional control and a cooperative White House. As previously mentioned, Trump and Congressional Republicans successfully used reconciliation to pass TCJA in 2017. The Biden administration and Democrats employed this mechanism twice to advance their agenda through the American Rescue Plan Act (2021) and Inflation Reduction Act (2022). Previously, the Affordable Care Act under Obama (2003) and the Economic Growth and Tax Relief Reconciliation Act under Bush (2001) were enacted through reconciliation.

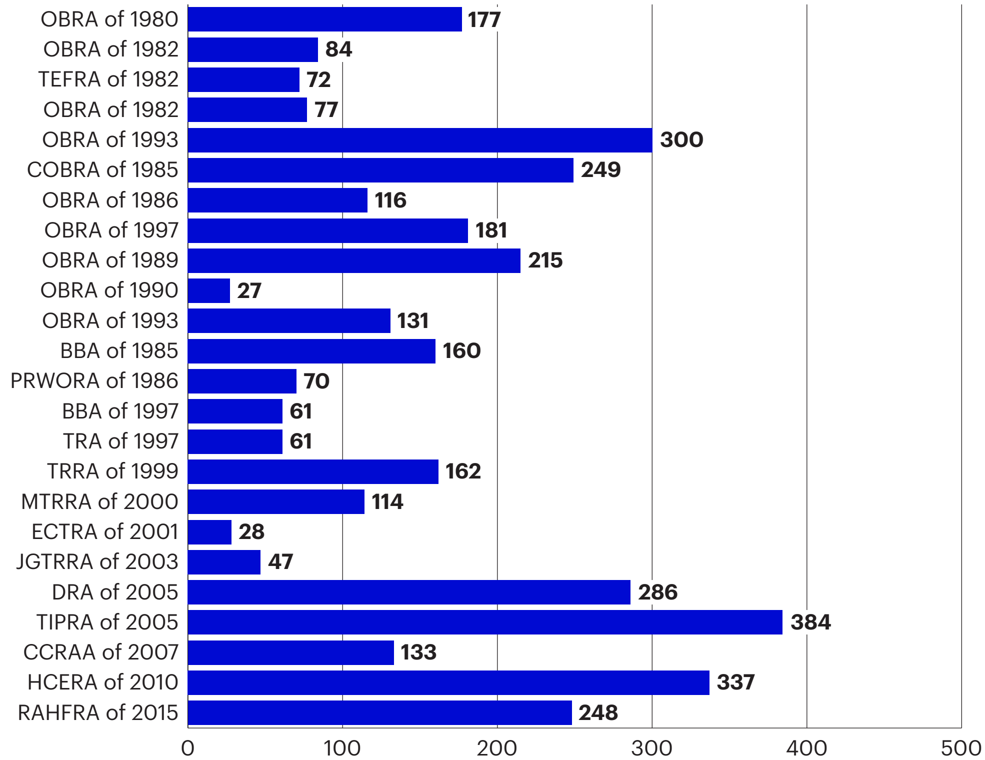
While powerful, reconciliation has significant legislative limitations. Certain policies must sunset within a defined budgetary timeline and demonstrate fiscal impact by either raising or reducing revenue. Pure policy legislation without fiscal implications cannot be included, which constrains lawmakers' ability to add non-budgetary measures to these packages.

Despite its appeal, reconciliation faces substantial hurdles. The process requires both chambers to pass identical budget resolutions — a difficult task when Congress often struggles to pass annual budgets under normal circumstances. When members must agree on politically sensitive issues like spending cuts or tax changes, the challenge intensifies.

1. Source: Invesco Chief Market Strategist Kristina Hooper, "Tariffs rattle stock markets, but long-term impact is unclear," March 14, 2025

Number of days to complete action on a reconciliation bill

Number of days refers to the interval from adoption of the budget resolution to the enactment or veto of the reconciliation act.



Source: Prepared by the Congressional Research Service.

ORA = Omnibus Reconciliation Act
OBRA = Omnibus Budget Reconciliation Act
TEFRA = Tax Equity and Fiscal Responsibility Act
COBRA = Consolidated Omnibus Budget Reconciliation Act
PRWORA = Personal Responsibility and Work Opportunity Reconciliation Act
BBA = Balanced Budget Act
TRA = Taxpayer Relief Act
TRRA = Taxpayer Refund and Relief Act
MTRRA = Marriage Tax Relief Reconciliation Act
EGTRRA = Economic Growth and Tax Relief Reconciliation Act
JGTRRA = Jobs and Growth Tax Relief Reconciliation Act
DRA = Deficit Reduction Act
TIPRA = Tax Increase Prevention and Reconciliation Act
CCRAA = College Cost Reduction and Access Act
HCERA = Health Care and Education Reconciliation Act
RAHFRA = Restoring Americans' Healthcare Freedom Reconciliation Act of 2015

A fundamental debate has emerged over baseline calculations. Senate Finance Chairman Mike Crapo (R-ID) advocates using a "current policy baseline" approach, which would treat TCJA extensions as budget-neutral since they continue existing policy. The alternative "current law baseline" would recognize the full $4.5 trillion cost of extension. This distinction is crucial — if Republicans must account for a $4.5 trillion deficit increase, they will have significantly less fiscal latitude and might need to cut entitlement programs like Medicaid to offset new spending priorities.

Republicans have organized their tax priorities into three categories:

- TCJA extension
- Trump campaign tax promises (no tax on tips, overtime pay, Social Security benefits, and auto loan interest deductions for American-made vehicles)
- Additional economic stimulus measures

> **When trillions of dollars and razor-thin legislative margins are involved, aligning policy and politics demands patience and precision.**

Strategic differences have emerged between the chambers. House Republicans have advocated for a comprehensive bill incorporating tax extensions, border security, energy policy, defense funding, and spending cuts. Senate Republicans preferred a two-bill approach, with the first addressing border security, defense, and energy, and the second focusing on tax policy.

On February 21, the Senate advanced Senator Lindsey Graham's (R-SC) "skinny" reconciliation bill with a 52 – 48 vote, allocating $175 billion for border security and $150 billion for military funding. Only Senator Rand Paul (R-KY) opposed the measure among Republicans, citing concerns about adding over $300 billion in new spending without addressing fiscal deficits.

The landscape shifted on February 19 when Trump endorsed the House's single-bill strategy via social media: "The House and Senate are doing a SPECTACULAR job of working together as one unified, and unbeatable, TEAM... the House Resolution implements my FULL America First Agenda, EVERYTHING, not just parts of it!"

Following this endorsement, the House narrowly passed its budget resolution on February 25 with a 217 – 216 vote, permitting $4.5 trillion in deficit increases and $2 trillion in deficit reductions over ten years. House Speaker Mike Johnson (R-LA) characterized the vote as "the kickoff in what will be a four-quarter game."

The House resolution contains a distinctive requirement that $2 trillion in mandatory cuts over ten years must be achieved, or proportional tax cuts must be scaled back. This provision could create tension with the business community and potentially leave some TCJA corporate and individual tax breaks vulnerable. Additionally, 21 House Republicans recently expressed support for maintaining portions of the Inflation Reduction Act's (IRA) energy and environmental investment tax credits which runs counter to some conservative members and represents another complicating variable to the path forward. Another tax provision to monitor will be how Republicans address the State and Local Tax (SALT) deduction for members from states with high local taxes.

Senate Majority Leader John Thune (R-SD) has acknowledged that resolving differences between the House and Senate approaches will take time, potentially extending into late March or beyond. "How we go about processing the House budget resolution is still an open question. But we know that in the end we've got to come up with something that can pass — get 51 in the Senate and 218 in the House."

The reconciliation process invariably involves stops, starts, and frustrations. When trillions of dollars and razor-thin legislative margins are involved, aligning policy and politics demands patience and precision. Republicans need only look to their own experience with TCJA and Democrats' struggles with the IRA to recognize the complexity of the task ahead.

What ultimately drives this effort is stark political reality: according to the Tax Foundation, if TCJA extensions fail, 62% of tax filers will face tax increases in 2026. With such high stakes for both the economy and their political fortunes, Trump and Congressional Republicans face tremendous pressure to find a legislative path forward, however challenging that journey may be.

Financial services

Same hot topics, very different views

With unified Republican control in Washington following the 2024 elections, there has been an immediate shift in the approach to financial regulation. While the hot topics from the prior administration remain much the same with a continuing focus on digital assets, ESG, and private markets issues, financial regulators and new leaders on Capitol Hill are taking a vastly different approach.

Key Biden-era financial services initiatives paused or reversed under Trump 2.0

Agency	Regulation/Policy	Action
SEC	Climate Disclosure Rule	Acting Chair directed staff to pause defense of litigation against final rule / consider withdrawing from case
	Staff Accounting Bulletin 121	SEC withdrew controversial guidance that pressured banks not to custody digital assets
	Staff Legal Bulletin 14M	SEC reversed Biden-era guidance that promoted pro-ESG shareholder proposals
	Definition of Dealer Rule	SEC withdrew its appeal of court decision that vacated Biden-era rule on definition of "dealers"
	Crypto Enforcement and Litigation	SEC dropped numerous high-profile lawsuits and investigations targeting crypto firms, including Coinbase, Robinhood, Kraken, Binance, Uniswap
FDIC	Brokered Deposits Rule	The FDIC withdrew 3 controversial final rules and 1 proposal adopted in final months of Biden administration
	Corporate Governance Rule	
	Change in Bank Control Act Rule	
	Incentive-Based Compensation Proposal	
CFPB	Overdraft Fees Rule	Republican Senators have introduced resolutions to repeal 3 highly controversial CFPB rules adopted during the Biden Administration.
	Medical Debt Rule	
	Non-bank Digital Payments Supervision Rule	
Fed	Membership in NGFS	On the eve of Trump's inauguration, the Federal Reserve withdrew from the controversial Network of Central Banks and Supervisors for Greening the Financial System.
OCC	Reputational Risk Exams	OCC announced it would no longer examine regulated institutions for reputation risk, consistent with Senate Banking Committee Chairman Scott's (R-SC) proposed legislation.
	Clarification of Permissible Crypto Activities for Banks	OCC issued Interpretive Letter 1183 reaffirming that a range of cryptocurrency activities are permissible in the federal banking system and withdrawing requirement for banks to seek supervisory non-objection to engage in such activities.

Securities and Exchange Commission (SEC), Federal Deposit Insurance Corporation (FDIC), Consumer Financial Protection Bureau (CFPB), Federal Reserve (Fed), Office of the Comptroller of the Currency (OCC)

Digital assets

Given President Trump's embrace of the crypto community during the election, it is unsurprising that the biggest policy shift has been on the regulation of digital assets. The White House has issued multiple crypto-related executive orders and established the President's Working Group on Digital Asset Markets. Meanwhile, the Securities and Exchange Commission ("SEC") has dropped numerous lawsuits against crypto companies, including Coinbase, Kraken, and Robinhood, and established the Crypto Task Force to bring much-needed regulatory clarity. Congress has also been active on the crypto front, with a Congressional Review Act resolution to undo a Biden-era IRS crypto rule passing Congress with broad bipartisan support and the Senate Banking Committee advancing stablecoin legislation by a vote of 18 to 6.

Environmental, Social, and Governance (ESG)

The new Republican-controlled SEC has also taken a very different approach to ESG issues. First, Acting SEC Chairman Uyeda issued a statement regarding the ongoing litigation of the agency's climate-risk disclosure rule, which questioned "the statutory authority of the commission to adopt the rule, the need for the rule, and the evaluation of costs and benefits," and directed SEC staff to seek to pause the litigation "to provide time for the commission to deliberate and determine the appropriate next steps in these cases." Second, the SEC issued Staff Legal Bulletin No. 14M, making it easier for issuers to exclude ESG-related shareholder proposals. Finally, the SEC issued guidance clarifying that a passive investor recommending that an issuer "undertake specific actions on a social, environmental, or political policy" can, in certain circumstances, lead to that investor no longer being a passive investor.

Private markets

Rather than focusing solely on the risk of the private markets, policymakers are now focusing on their benefits and how to provide more retail exposure to the asset class. In his first speech as Acting SEC Chairman, Uyeda stated that he has "directed the Commission staff to explore regulatory changes that enable greater retail investor participation in the private markets, whether through modifications to the accredited investor definition or otherwise while continuing to ensure that those investors are protected against fraud and bad actors." He added that "[i]n exploring ways to allow for greater retail investing in private companies...consideration should also be given to changes under the Investment Company Act that would permit more retail investors to invest through private funds."

Outbound investment

On February 21, 2025, Trump issued the "America First Investment Policy" National Security Memorandum, which targets both foreign investment into the United States (through the Committee on Foreign Investment in the United States (CFIUS) to restrict People's Republic of China (PRC)-affiliated persons from investing in US technology, critical infrastructure, health care, agriculture, energy, raw materials, or other strategic sectors) and outbound investment by US individuals (through sanctions, blocking of assets, and consideration of new outbound investment restrictions). The memorandum supports a review (pursuant to the Presidential Memorandum of January 20, 2025 (America First Trade Policy)) of "new or expanded restrictions on United States outbound investment in the PRC in sectors such as semiconductors, artificial intelligence, quantum, biotechnology, hypersonics, aerospace, advanced manufacturing, directed energy, and other areas implicated by the PRC's national Military-Civil Fusion strategy." The memorandum explicitly states that the review will consider "applying restrictions on investment types including private equity, venture capital, greenfield investments, corporate expansions, and investments in publicly traded securities, from sources including pension funds, university endowments, and other limited-partner investors."

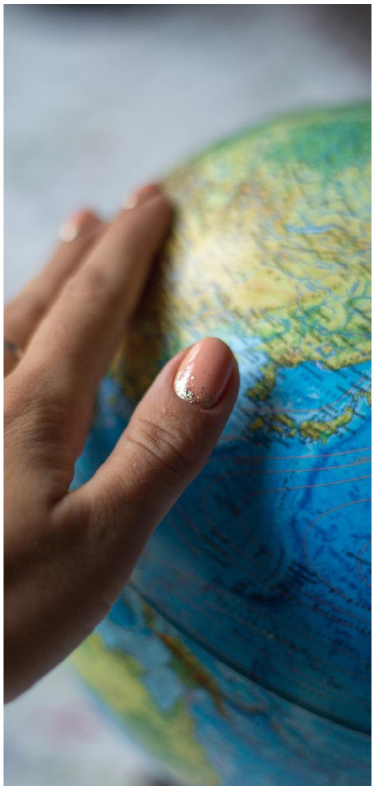
On March 13, in the US Senate, Senator John Cornyn (R-TX), Senator Catherine Cortez Masto (D-NV), Democratic Leader Chuck Schumer (D-NY), Senate Banking, Housing, and Urban Affairs Committee Chairman Tim Scott (R-SC), and Ranking Member Elizabeth Warren (D-MA), among others, introduced the Foreign Investment Guardrails to Help Thwart (FIGHT) China Act in March 2025. On March 21, Congressmen Andy Barr (R-KY), Select Committee on China Chairman John Moolenaar (R-MI), and Congressman Michael McCaul (R-TX) introduced the House companion of the FIGHT Act. If enacted, the bill would prohibit and require notification of US investment in certain technologies in China. Specifically, the bill would require the Secretary of the Treasury to prohibit US investments in certain technologies in the PRC, including artificial intelligence models, quantum computers, hypersonic systems, and other military technologies. The bill would also allow the Secretary of the Treasury to impose sanctions under the International Emergency Economic Powers Act against PRC entities tied to China's military and intelligence sectors.

Last Congress, then-House Financial Services Chairman Patrick McHenry (R-NC), blocked efforts to include a Senate-passed provision (authored by Senator Cornyn) in the final version of the fiscal 2024 National Defense Authorization that would require notification of outbound investments into security-related sectors in China. McHenry argued that restricting US financial investment in China would reduce the influence that American executives and business leaders can have on key Chinese companies when it comes to encouraging Western standards and compliance with US laws. Alternatively, McHenry and House Financial Services Committee members supported a sanctions-based approach. Meanwhile, then-House Foreign Affairs Chairman Michael McCaul (R-TX) supported legislation that would require the administration to identify categories of technologies and products in the sectors of semiconductors and microelectronics, artificial intelligence, quantum information science and technology, hypersonics, and high-performance computing and supercomputing that could pose a threat to US national security. The legislation would require US investors engaging in those sectors to notify the government if their investments could be developed or acquired by China, Russia, North Korea, and Iran.

Since December 2023, when outbound restrictions were dropped from the National Defense Authorization Act due to House objections, Congress has been unable to find a compromise to advance legislation. In 2025, as the Senate moves forward with a bipartisan and bicameral proposal (likely as an amendment to the annual defense authorization bill), Congressional leaders remain in discussions, with final details likely depending on the Trump administration's stance.

An axiom of Washington is that while the political theater may evolve, the script usually doesn't change. Look for these and other familiar policy issues to continue to feature prominently in this administration's agenda.

Global lens



Focus on Trump's first 50 days

Europe, Middle East, and Africa (EMEA)

Europe under pressure

Donald Trump's 'shock and awe' approach to the first weeks of his second presidency has taken European leaders by surprise. While many were expecting new challenges to the relationship with the United States, particularly on tariffs, the speed and breadth of US actions have nonetheless come as something of a shock. They have forced a rapid European reappraisal of transatlantic relations, particularly in relation to security, core values, and trade.

In particular, the US handling of the war in Ukraine — attempting to broker a ceasefire directly with Russia and without the prospect of US security guarantees — has left the UK and EU scrambling to formulate a response to an issue intrinsic to European security. Together with President Trump's continued apparent ambivalence towards the North Atlantic Treaty Organization (NATO) and ambiguity regarding America's commitment to collective self-defence there is now increasing recognition that Europe must be responsible for its own security.

Added to this is a sense of a schism in core values. The Trump administration's unpredictability and unilateralism, its direct engagement with populist parties in Europe, and wider policy differences in areas such as climate change, sustainability regulation, and the regulation of tech giants have all created the impression of a widening values gap across the Atlantic.

The White House's upending of long-standing international norms on trade via unilateral tariffs has brought a clear response from the EU and a split between British and European approaches. The European Commission is implementing a long-planned-for reactive approach: Proportionate retaliation, accompanied by engagement but with the potential for future escalation. Meanwhile, the UK is hoping to negotiate a carve-out from US tariffs via a narrow trade deal.

Overall, European leaders no longer see a reliable ally on the other side of the Atlantic. However, Europe's response is challenged by political uncertainty. The new German government will take weeks to get fully up and running following the elections at the end of February and faces significant domestic economic challenges. In France, President Macron is seeking to play a leadership role but is hamstrung by a fragile political and tight fiscal situation at home. The UK has similar domestic budgetary challenges. And at the EU level, while new European Commission President Ursula von der Leyen has centralised power in her office, she is not yet seen as a credible interlocutor by Washington.

Nonetheless, the first months of the Trump presidency have significantly accelerated European progress on defence and security spending with a new determination to reduce security dependencies on the US and a reignition of the debate on European strategic autonomy. They have also given impetus to the 'reset' in relations between the UK and EU, with Prime Minister Starmer and President Macron leading Europe's response on Ukraine. Difficult questions remain, though, on the extent to which European countries can meaningfully start to ramp up defence capabilities while retaining unity. A few weeks into the new US administration, Europeans are still trying to find the right answers.

Trade

Recent US trade measures have already targeted a range of trading partners, including the UK and European Union (along with China, Canada, and Mexico). On 12 March, US tariffs on steel and aluminium came into force, following Trump's executive orders on 10 February. As part of its pre-planned response, the EU will allow suspended tariffs, initially introduced in response to Trump's 2018 steel and aluminium tariffs, to be reintroduced on 1 April. These tariffs affect products such as bourbon whiskey and Harley-Davidson motorcycles. The commission has also released a new list of products that will face additional EU tariffs from mid-April after consultation with member states and stakeholders.

Europe is also preparing for further US tariffs in the coming weeks. Trump has trailed 25% tariffs on European imports of cars and other goods, which could be implemented following a review slated for completion on 1 April. The US has highlighted that tariffs are not only in prospect as a result of the trade deficit in goods between the US and the EU but also in response to EU regulations perceived as harming US companies operating in Europe.

Additional tariffs will likely be met by further, proportional EU retaliatory measures. However, in parallel, the

EU is seeking to engage with the US administration to explore a deal to address US concerns and avoid a long-running trade war. As we saw during Trump's first presidency, such a deal between the US and the EU may be possible. From a European perspective, this could include tariff reductions on industrial goods like automobiles, increased purchases of US liquefied natural gas (LNG). However, US pressure to make substantial changes to EU regulation perceived as harming US interests — for example, in the tech sector — will likely be strongly resisted by the EU.

Unlike the EU, UK trade in goods with the US is broadly balanced. So far, the UK has refrained from taking any retaliatory action against US tariffs on steel and aluminium, instead committing to negotiating a wider economic agreement with the US that could seek to include tariff exemptions. A potential trade deal was indeed discussed during Prime Minister Starmer's meeting with President Trump on 27 February. However, no timeline has been set for negotiations and any deal is likely to be relatively narrow, and focused on technology and digital cooperation rather than a fully fledged free trade agreement.

Ukraine and European defence

President Trump's approach to the war in Ukraine and NATO's collective security has the potential to redefine the transatlantic defence relationship and to reshape the security architecture of Europe.

President Trump's approach to the war in Ukraine and NATO's collective security has the potential to redefine the transatlantic defence relationship and to reshape the security architecture of Europe.

Even before the US elections in November, significant shifts in Europe's approach to defence had occurred, notably the creation of Germany's €100bn special fund to upgrade defence capabilities, Poland's commitment to spend over 4% of GDP on defence, and a pledge from the new European Commission to make defence central to its new mandate.

However, President Trump's early actions have significantly accelerated European plans. Prime Minister Starmer was forced to bring forward a pledge to increase UK defence spending to 2.5% of gross domestic product (GDP), announced on the eve of his visit to the White House. The European Commission and member states have rapidly developed a number of tools to unlock additional budget. These include a temporary relaxation of EU debt rules to allow member states to borrow more for defence, Commission borrowing against headroom in the EU budget to support defence-related loans to member states, and rescoping existing EU Cohesion funding streams to include defence projects.

However, these initial EU plans are unlikely to go far enough and were immediately outdone by the political agreement in Germany to exempt defence spending above 1% of GDP from the so-called "debt brake" (which caps the federal government's new borrowing at 0.35 percent of Germany's GDP). The move, ratified in the dying days of the Scholz government, theoretically allows limitless national borrowing to fund German defence spending and will put pressure on other EU member states to increase their own spending.

On Ukraine, President Trump's decision to reach out directly to President Putin without consulting European allies or Ukraine has raised concerns that the US could unilaterally impose a settlement without European consent. Furthermore, without US security guarantees, there is increased potential for further Russian aggression in the future.

Consequently, UK and European leaders are seeking leverage to influence the outcome of the ceasefire negotiations, developing plans for a potential 'coalition of the willing' to provide boots on the ground in Ukraine to monitor any ceasefire, as well as to support conditions for Ukraine's reconstruction. Importantly, the US will require European cooperation on any potential sanctions' rollback since the bulk of Western sanctions against Russia are those implemented by European countries. More broadly, the Europeans will argue that Trump and Putin cannot reach a lasting peace in Ukraine on their own without Europe and Ukraine's contribution and agreement.

The US approach to Ukraine also raises more fundamental questions about the US's longer-term commitment to NATO. Following decades of exhortation from successive US administrations, European NATO members are finally accepting they will have to spend more and spend better both to help Ukraine and to ensure their own security.

Political leadership will be key to achieving substantial results. The EU effort on defence will likely continue to be resisted by countries such as Hungary and Slovakia, which favour a more conciliatory approach to Russia. To overcome internal opposition, ad hoc coalitions of like-minded countries are being formed. The UK, in particular, has remained a backbone of European defence and security, despite Brexit, and is likely to continue to seek to play a key role — particularly as it pursues a 'reset' in wider relations with the EU.

Asia-Pacific

Trump presents a mixed picture for Asia-Pacific countries (APAC)

In the first 50 days of the new US administration, APAC is adjusting to the new reality of navigating a much less predictable international environment. While anxiety is high, not all APAC countries view the new US leadership unfavourably. Traditionally, non-aligned countries such as India and Indonesia see some benefit in an international system, whereas the US is one of the multiple major powers. Nevertheless, overarching "America First" policies have made APAC countries apprehensive about the fragmentation of the international trading system. Increased economic uncertainty and disruptions to global supply chains disadvantage many trade-dependent nations — both developed (e.g., Singapore, Australia) and developing (e.g. Vietnam). The impact will not only be directly felt because of unilateral US actions such as tariffs but also indirectly felt in the event of a US-China trade war, as China and the US are often the top two trading partners for most APAC countries.

For now, most countries have signaled a willingness to engage the US in open dialogue as a way to manage tensions and maintain lines of communication (e.g., Japan and India already had positive high level interactions with Trump). At the same time, Trump's unpredictability means that no partner can feel fully secure — and traditional US allies are now prepared for a more transactional relationship. The US's security relationships with Indo-Pacific allies are an example — US support is expected to be tied to the purchase of American defence equipment or greater burden sharing by allies.

Separately, APAC countries are accelerating efforts to reduce reliance on the US and China by diversifying their trade and investment relationships. This includes strengthening relationships within multilateral frameworks such as the Association of Southeast Asian Nations (ASEAN) and BRICS, as well as pursuing bilateral trade agreements with partners within APAC and outside the region. For example, Malaysia plans to leverage its role as ASEAN 2025 Chair to accelerate regional initiatives such as the ASEAN Power Grid while pursuing free trade agreements with South Korea and the EU. Thailand is also attempting to conclude its FTA negotiations with the EU in 2025. This diversification reflects a strategic pivot to reduce exposure to volatile US policies and build economic resilience.

The new US administration has already demonstrated its preference for bilateral relationships over multilateral relationships and institutions. This could mean that US influence becomes weaker in some of the regional architecture where the US has previously placed a significant role (such as APEC, the Indo-Pacific Economic Framework, and ASEAN). The USAID funding freeze has also been viewed as a big setback for emerging markets in Southeast Asia reliant on US assistance for economic, climate, and public health initiatives. Coupled with the "One Voice for America's Foreign Relations" executive order, these changes are challenging the US' perceived reliability as a partner and weakening people-to-people ties that have been crucial in fostering close relationships with the US.

This could drive a regional leadership vacuum that others may look to step into — most notably China, possibly via further expansion of the Belt and Road Initiative (BRI) or the Regional Comprehensive Economic Partnership (RCEP). At the recent AI Action Summit in France, China, India, Singapore, and Japan took more prominent roles in shaping AI governance standards. China has also positioned itself as a responsible global leader in climate action.

Several APAC countries will hold elections in 2025, and the extent of Trump's influence on domestic political debates will vary by market. In some countries, such as India (Bihar) and, to a lesser extent, Australia, Trump's presidency could influence the tone of the campaigns, with populist or anti-globalist rhetoric gaining traction in some segments of the electorate. Below, we highlight observations from select countries in the region.

Australia will highlight its large trade deficit with the US, its strategically close bilateral relationship, and how Australian exports in commodities have created jobs in the US.

Australia

The US remains a crucial trade and security partner for Australia, but with federal elections due by May, domestic politics have taken priority. Both Labor and the opposition coalition want to avoid public spats with Trump, partly to keep US-Australia relations stable and partly to focus on domestic policy concerns.

From Beijing's perspective, the US's transactional approach opens the door to selective compromises.

Even though Prime Minister Anthony Albanese moved quickly to establish a rapport with Trump in the days immediately after the US election, he has been criticised for not acting quickly or visibly enough to secure exemptions for Australian exporters from the recent blanket steel and aluminium tariffs. During Trump's first term, Australia focused on negotiation rather than retaliation, which worked in Australia's favour. The Australian government is deploying the same playbook this time. Australia will highlight its large trade deficit with the US, its strategically close bilateral relationship (e.g., through Five Eyes and AUKUS), and how Australian exports in commodities have created jobs in the US, benefitting auto and construction sectors. Trump's interest in securing critical minerals (Ukraine, Greenland) could also give Australia an advantage in negotiations, given its significant deposits.

On defence, US scepticism about free-riding allies means Canberra will emphasise its "fair share" role — for instance, referencing Australia's consistent contributions to joint military operations and its willingness to procure US defence equipment.

But the upcoming election injects an element of uncertainty:

- A reelected Labour government would need to manage differences with Trump on climate policies, trade, and social issues. Labour's approach would involve leveraging Australia's strategic importance in the Indo-Pacific to highlight its value as a reliable ally to the US.
- Should Peter Dutton's Conservative coalition take power, there might be a closer policy alignment with some of Trump's policies (e.g., deregulation). However, Dutton has consciously avoided adopting more populist rhetoric on issues such as Diversity, Equity, and Inclusion (DEI) — partly because of a perception that failing to appeal to women voters was a key reason the coalition lost the last election.

Regardless of the results, Australia will struggle to balance its relationship with China (its largest trading partner) and the US (its key security ally). If tensions between Washington and Beijing continue to intensify, Canberra risks being caught in the middle.

China

Early signals suggest that the administration may be positioning for greater competition with China. One of Trump's earliest moves in his second term was to introduce an initial 10% tariff (which was followed by a further additional 10% tariff) on a wide range of Chinese imports to the US. In framing these measures, the White House cited insufficient Chinese action to prevent fentanyl imports into the United States. Beyond tariffs, a range of other elements of US decoupling policy introduced under Biden is "under review", encompassing everything from semiconductor export controls to restrictions on software in connected vehicles.

Our view is that the US is using these modest tariffs and reviews to acquire greater leverage over China. Beijing has responded by imposing retaliatory tariffs of up to 10 – 15% on certain US energy products, high emission vehicles, select agricultural products and agricultural equipment. Non-tariff measures, including export controls on critical minerals and investigations into US companies, were also announced. China's relatively restrained response could provide space for negotiations with the US.

Behind China's public message is a three-fold strategy:

- **Open communication.** Senior officials have maintained dialogue with US counterparts to negotiate and identify areas of mutual interest.
- **Direct market support.** Regulatory bodies such as the China Securities Regulatory Commission (CSRC) are prepared to stabilise markets if needed, mobilising long-term pension funds, insurers, and share buyback incentives to cushion against volatility. Authorities are also signalling a shift toward greater fiscal support and consumption-focused policies.
- **Diversifying economic links.** China is actively broadening its trade and investment ties with emerging markets, including Brazil and key ASEAN states. Meanwhile, China's success in producing electric vehicles and solar technology for non-US markets signals that Beijing sees many pathways to sustain export growth beyond the American consumer base.

Early interactions have been largely positive — Prime Minister Shigeru Ishiba has established a rapport with Trump, mirroring the approach of former Prime Minister Shinzo Abe.

While the geopolitical environment, as well as the domestic economy, remain challenging, from Beijing's perspective, the US's transactional approach opens the door to selective compromises. China might, for instance, promise more direct investment in the US in exchange for relief from specific tariff measures or export controls. At the same time, China sees a geopolitical opportunity in the US' strained relationship with Europe and evolving ties with Russia. It will likely seek to play a bigger role in global discussions on issues such as climate action and AI, given the US' limited interest in international dialogue and multilateral cooperation.

India

India is in a distinctive position. Despite some friction in its relationship with China, it maintains generally positive ties with other major powers, including both the US and Russia. As the US adjusts settings, India has an emerging opportunity to project more influence — evidenced by recent high level outreach such as the European Commission's visit to India. Indian policymakers hope that the strong US-India relationship of Trump's first term will endure, especially in areas such as trade, defence, and technology. Indian Prime Minister Modi has a good relationship with Trump and was among the first Asian leaders to speak with Trump after the January inauguration.

The recent Modi-Trump meeting sought to reaffirm the US-India relationship, which Modi described as a "mega partnership." This included a commitment to purchase more US oil and military hardware and a goal of doubling US-India trade to US$500 billion by 2030. To reach that goal, India may have to lower tariffs or liberalise investment rules. That could open opportunities for foreign firms, though sector-by-sector deals will likely be gradual as Indian regulators remain cautious about fully opening the market.

On issues such as innovation, deregulation, and content moderation, India is broadly aligned with the US approach. Still, the classification of India as a Tier 2 country in the US' "AI diffusion framework" and the issue of undocumented Indian immigrants in the US show that potential friction remains.

India also faces scrutiny under Trump's new "reciprocal tariff" plan. Given India's high import duties on certain products (e.g., automotive) and a trade surplus with the US, an exemption is not guaranteed. As part of the negotiations, the US could also seek concessions on access to India's government procurement market.

Japan

As a traditional US ally, Japan is taking a proactive approach to developing a strong relationship with the new administration. Early interactions have been largely positive — Prime Minister Shigeru Ishiba has established a rapport with Trump, mirroring the approach of former Prime Minister Shinzo Abe.

However, the US' imposition of 25% steel and aluminium tariffs will hit Japanese exporters directly, and Tokyo remains worried about looming auto tariffs set to take effect in April. Japan has emphasised and will continue to emphasise to the US how it has contributed to US employment and economic growth via investment in the country. For example, the Japanese government is expected to further cooperate with the private sector (e.g., joint AI investment between SoftBank and Open AI) to demonstrate the benefits of stronger economic ties between Japan and the US. Tokyo hopes that by demonstrating tangible benefits for American workers, it can seek tariff exemptions from the US. As of now, no exemption has been granted, and if Washington enforces announced tariffs, Japanese industries could face serious disruption.

Security cooperation remains a key pillar of the US-Japan relationship. Ishiba will be happy with his progress on that front: Trump reiterated America's defence commitment to Japan, explicitly including coverage of the Senkaku Islands under Article V of the US-Japan Security Treaty and a bilateral 2+2 (foreign and defence ministers) meeting is in the cards for spring. Looking ahead, Japanese policymakers will likely expect requests for greater burden sharing related to the costs of the Japan-US alliance and US military presence in Japan, building on agreements made during the Abe administration to enhance Japan's defence budget.

Beyond the US, Japan is expected to increase cooperation with key APAC partners, such as Australia, India, and South Korea. There will also be efforts to strengthen regional alliances, specifically the Quad framework and ASEAN. Japan sees these as focal points for promoting a "Free and Open Indo-Pacific".

Contributors

Invesco

Andy Blocker, Global Head of Public Policy and Strategic Partnerships

Jennifer Flitton, Head of US Government Affairs

Gwendolyn Smith, Head of Global Engagement, US Government Affairs

Graham Hook, Head of EMEA Government Relations and Public Policy

Michael O'Shea, Director, EMEA Government Relations and Public Policy

Iris Zhang, Senior Legal Counsel, Asia Pacific

Blue Ridge Partners, Washington, D.C.

Cogent Strategies, Washington, D.C.

Fed Hall (Federal Hall Policy Advisors), Washington, D.C.

Flint-Global, London, Brussels, Hong Kong

KDCR Partners (Kountoupes Denham Carr & Reid), Washington, D.C.

Mindset DC, Washington, D.C.

Invesco is not affiliated with the above listed companies.

- Issued in **Dubai** by Invesco Asset Management Limited. Index Tower Level 6 - Unit 616, P.O. Box 506599, Al Mustaqbal Street, DIFC, Dubai, UAE. Regulated by the Dubai Financial Services Authority.
- Issued in **Austria** and **Germany** by Invesco Asset Management Deutschland GmbH, An der Welle 5, 60322 Frankfurt am Main, Germany.
- Issued in **Switzerland** by Invesco Asset Management (Schweiz) AG, Talacker 34, 8001 Zurich, Switzerland.
- Issued in **Ireland, the Isle of Man, Jersey, Guernsey** and the **United Kingdom** by Invesco Asset Management Limited which is authorised and regulated by the Financial Conduct Authority. Invesco Asset Management Ltd, Perpetual Park, Perpetual Park Drive, Henley-on-Thames, RG9 1HH, UK.

Hong Kong
This document is provided to professional investors (as defined in the Securities and Futures Ordinance and the Securities and Futures (Professional Investor) Rules) only. It is not intended for and should not be distributed to, or relied upon, by the members of public or the retail investors.
- Issued in **Hong Kong** by Invesco Hong Kong Limited 景順投資管理有限公司, 45/F, Jardine House, 1 Connaught Place, Central, Hong Kong.

Japan
This document is only intended for use with Qualified Institutional Investors in Japan. It is not intended for and should not be distributed to, or relied upon, by members of the public or retail investors.
- Issued in **Japan** by Invesco Asset Management (Japan) Limited, Roppongi Hills Mori Tower 14F, 6-10-1 Roppongi, Minato-ku, Tokyo 106-6114; Registration Number: The Director-General of Kanto Local Finance Bureau (Kin-sho) 306; Member of the Investment Trusts Association, Japan and the Japan Investment Advisers Association, and/or 2) Invesco Global Real Estate Asia Pacific, Inc., Roppongi Hills Mori Tower 14F, 6-10-1 Roppongi, Minato-ku, Tokyo 106-6114; Registration Number: The Director-General of Kanto Local Finance Bureau (Kin-sho) 583; Member of the Investment Trusts Association, Japan and Type II Financial Instruments Firms Association.

New Zealand
This document is issued in New Zealand only to wholesale investors (as defined in the Financial Markets Conduct Act). This document has been prepared only for those persons to whom it has been provided by Invesco. Information contained in this document may not have been prepared or tailored for a New Zealand audience.
This document does not constitute and should not be construed as an offer of, invitation or proposal to make an offer for, recommendation to apply for, an opinion or guidance on Interests to members of the public in New Zealand. Any requests for information from persons who are members of the public in New Zealand will not be accepted.
- Issued in **New Zealand** by Invesco Australia Limited (ABN 48 001 693 232), Level 26, 333 Collins Street, Melbourne, Victoria, 3000, Australia, which holds an Australian Financial Services Licence number 239916.

Singapore
This document may not be circulated or distributed, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 304 of the Securities and Futures Act (the "SFA"), (ii) to a relevant person pursuant to Section 305(1), or any person pursuant to Section 305(2), and in accordance with the conditions specified in Section 305 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.
This document is for the sole use of the recipient on an institutional offer basis and/ or accredited investors and cannot be distributed within Singapore by way of a public offer, public advertisement or in any other means of public marketing.
- Issued in **Singapore** by Invesco Asset Management Singapore Ltd, 9 Raffles Place, #18-01 Republic Plaza, Singapore 048619.

Taiwan
This material is distributed to you in your capacity as Qualified Institutions/Sophisticated Investors. It is not intended for and should not be distributed to, or relied upon, by members of the public or retail investors.
- Issued in **Taiwan** by Invesco Taiwan Limited, 22F, No.1, Songzhi Road, Taipei 11047, Taiwan (0800-045-066). Invesco Taiwan Limited is operated and managed independently.

United States
- Issued in the **US** by Invesco Advisers, Inc., 1331 Spring Street NW, Suite 2500, Atlanta, GA 30309.

The opinions expressed are those of Andy Blocker as of March 27, 2025 and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals.