

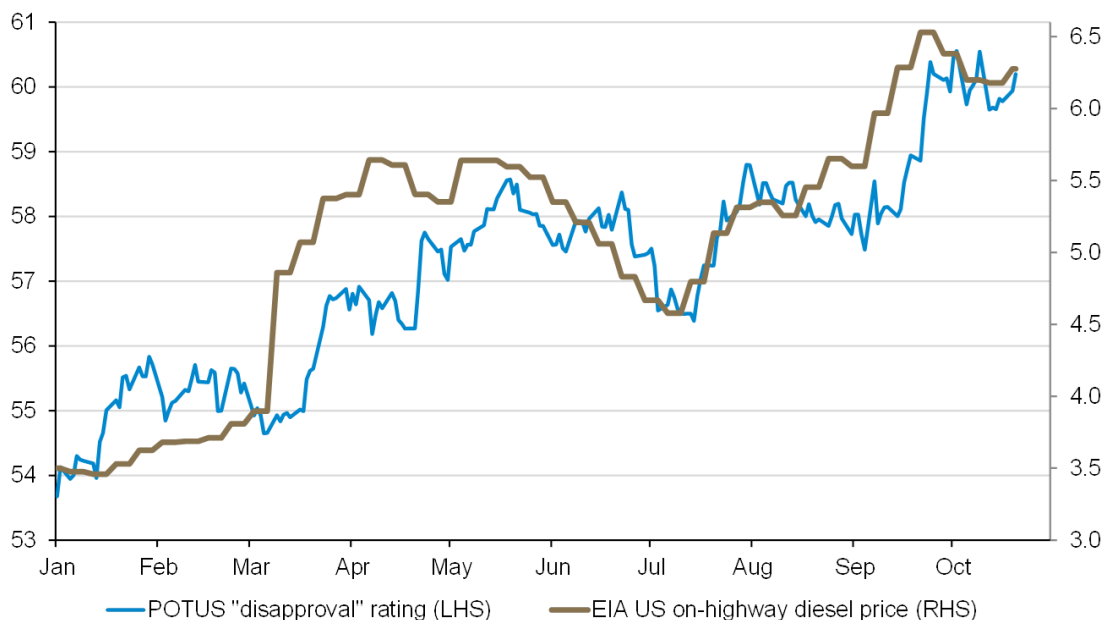
Midterm study notes

The U.S. midterm elections are now just two weeks away, so I wanted to circle back and give an update on how things currently stand.

Since my last update on this topic (September 8), crude prices have moved higher and consequently taken refined product prices higher as well. As highlighted before, there is a tight correlation historically between energy prices and presidential approval ratings: the higher the costs for Americans to fill their tanks, the more they disapprove of the person in charge of the country.

U.S. Presidential “disapproval” ratings & diesel prices

(percent disapproving of the U.S. president) (U.S. dollars per gallon)



Source: Guardian Capital LP, based on data from Bloomberg and [Silver Bulletin](#)¹ to October 20, 2026

More broadly, the President’s net approval rating (share of those “approving” less “disapproving”) is plumbing its depths on the current term — given that a midterm election is viewed as a referendum on the Party in power, this is not a particularly positive omen for the Republicans.

¹ Silver Bulletin, Models & Forecasts, *How popular is Donald Trump?*, *Silver Bulletin approval ratings for President Trump — and all presidents since Truman*, Nate Silver and Eli McKown-Dawson, October 20, 2026, <https://www.natesilver.net/p/trump-approval-ratings-nate-silver-bulletin>

U.S. Presidential net approval ratings

(share of Americans approving minus disapproving of the U.S. president; percentage points)

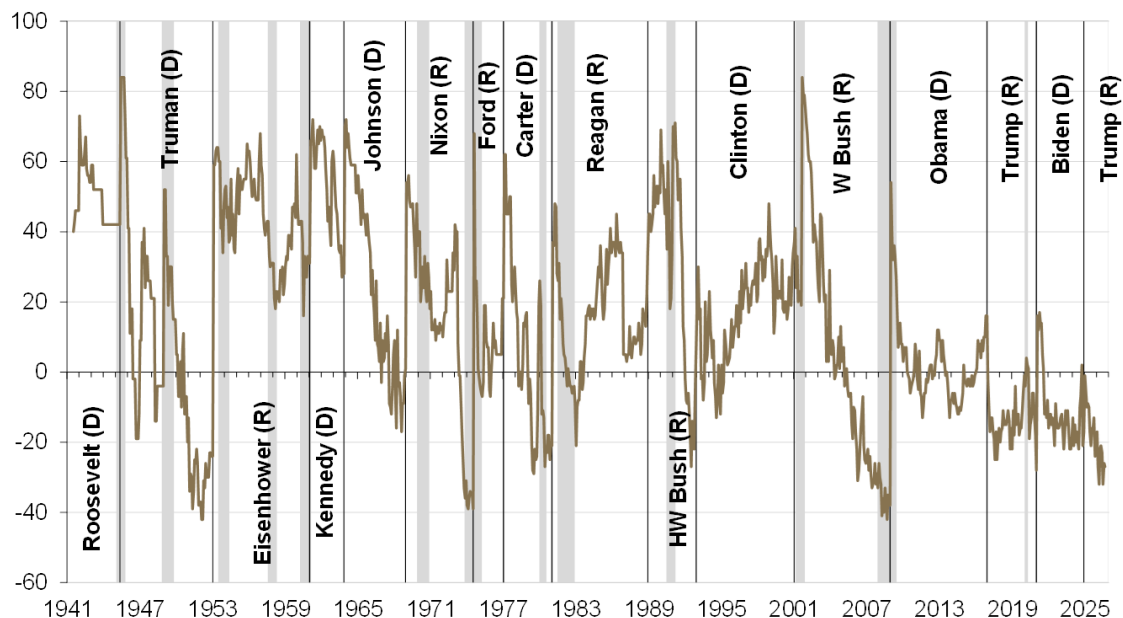


Source: Guardian Capital LP, based on data from [Silver Bulletin](#) to October 20, 2026

For those wanting a little more historical context here, the current net approval rating is the lowest of any President ahead of a midterm based on data since 1941 — and the President has the lowest net approval rating of any President at any time of their term outside of the tail-end of the Administrations of Truman, Nixon and W. Bush.

U.S. Presidential net approval ratings

(share of Americans approving minus disapproving of the U.S. president; percentage points)

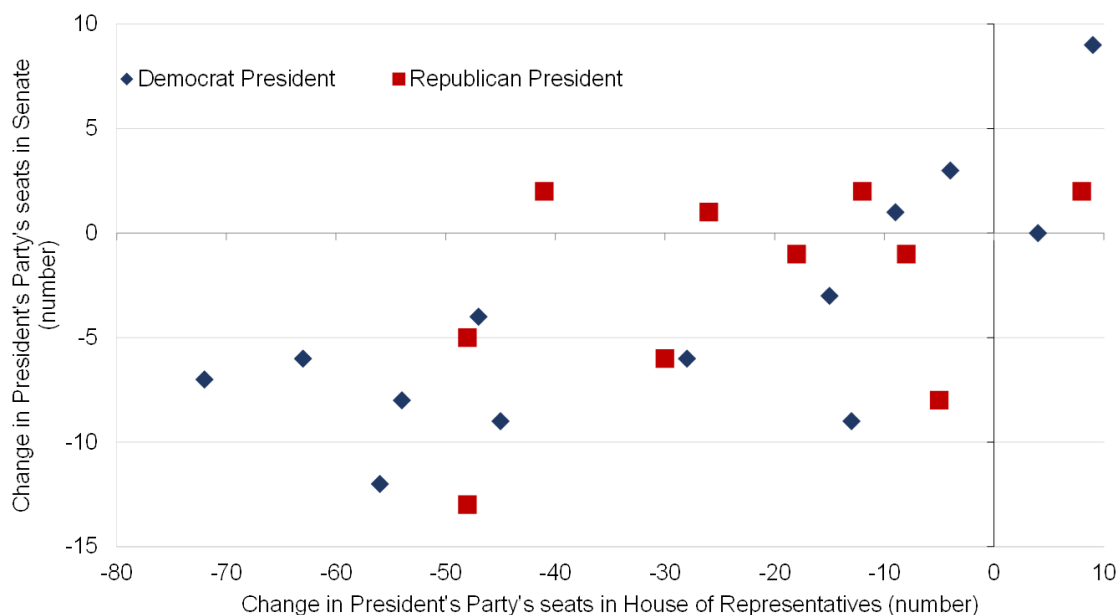


Source: Guardian Capital LP, based on data from [The American Presidency Project](https://www.presidency.ucsb.edu/statistics/data/presidential-job-approval-all-data)² to September 2026

As a reminder, the President's Party typically loses seats in the midterms in both the House of Representatives (where all 435 seats are up for vote) and Senate (where one-third of seats are typically up for grabs; this year there are 35 seats up due to special elections in Ohio and Florida) — there have only been three instances since 1934 where the President's Party has gained seats in the House (FDR in 1934, Clinton in 1998 and W. Bush in 2002) while they have picked up seats in the Senate only seven times in these 23 midterms (FDR in 1934, JFK in 1962, Nixon in 1970, Reagan in 1982, W. Bush in 2002, Trump in 2018 and Biden in 2022). And historically, the less popular the President, the worse their Party performs.

² The American Presidency Project, Statistics, Data, *Presidential Job Approval--All Data*, October 20, 2026, <https://www.presidency.ucsb.edu/statistics/data/presidential-job-approval-all-data>

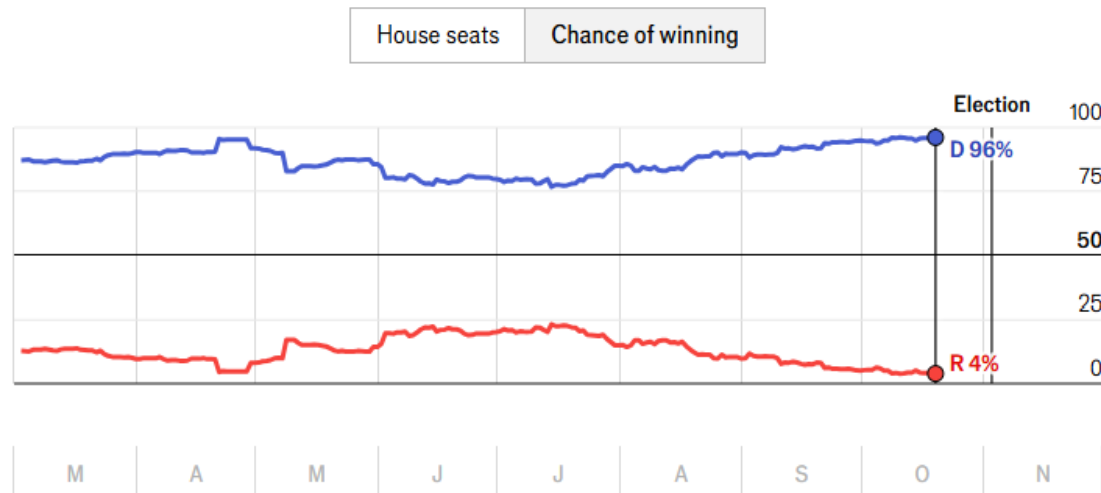
President's Party's seat change in Congress in midterms



Source: Guardian Capital LP, based on data from [The American Presidency Project](#)²

Perhaps unsurprisingly, current polling increasingly leans in favour of the Democrats making material seat pickups that shift the balance of power in Congress. Polling-based forecast models, such as those constructed by The Economist, give a 96% probability of Democrats taking the [House](#)³ and a 59% likelihood of gaining control of the [Senate](#)⁴.

The Economist prediction model, House



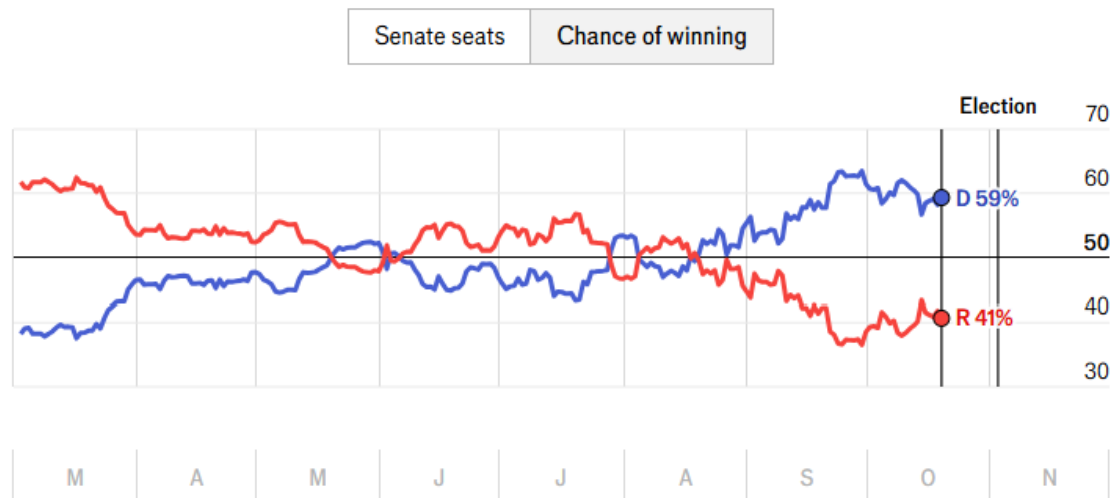
Our prediction model conducts 25,001 simulations of every race, based on the latest primaries, polls, fundraising data and more. You can read more about how it works [here](#).

Source: Guardian Capital LP, based on data from [The Economist](#)³

³ The Economist, US Midterms 2026, Prediction Model, *Democrats are heavy favourites to flip the House*, October 20, 2026, <https://www.economist.com/interactive/2026/us-midterms/prediction-model/house/>

⁴ The Economist, US Midterms 2026, Prediction Model, *A friendly map may not be enough for Republicans to hold the Senate*, October 20, 2026, <https://www.economist.com/interactive/2026/us-midterms/prediction-model/senate>

The Economist prediction model, Senate



Our prediction model conducts 25,001 simulations of every race, based on the latest primaries, polls, fundraising data and more. You can read more about how it works [here](#).

Source: Guardian Capital LP, based on data from [The Economist](#)⁴

Similarly, for what it is worth, betting markets are also leaning heavily in favour of a Democrat sweep. For example, [Polymarket](#)⁵ is placing the highest odds on the Democrats ending up with control of both chambers (61%), with the Republicans losing the House but keeping the Senate as the next highest probability (28%); this is consistent with what is shown [on](#)⁶ [other](#)⁷ [markets](#)⁸.

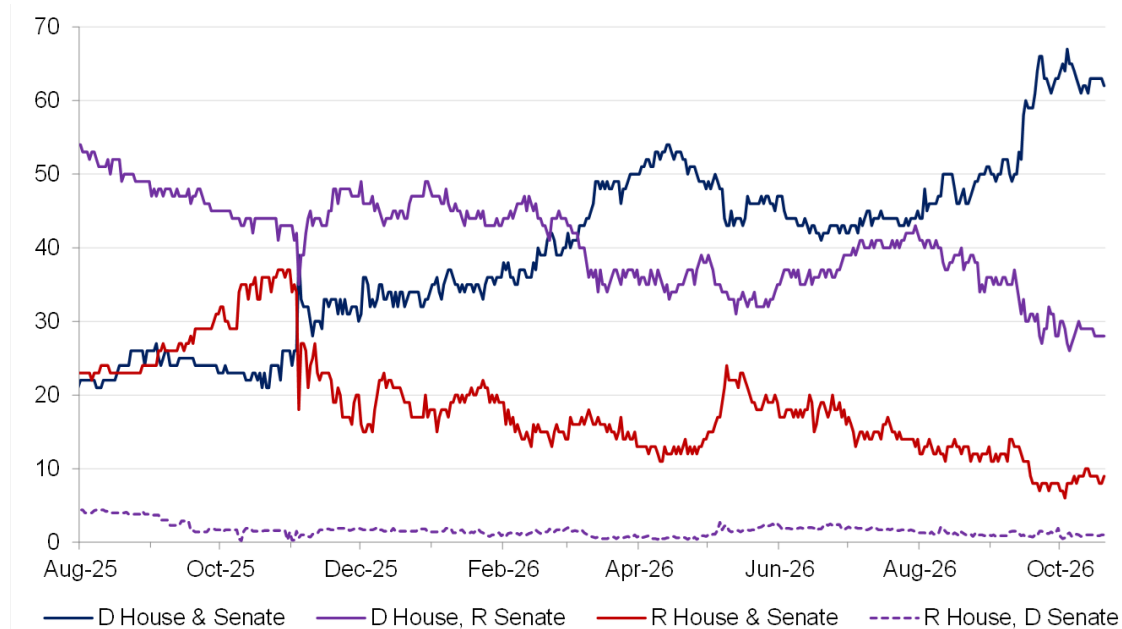
⁵ Polymarket, Politics, Midterms, House, 2026 Midterms: Balance of Power, October 20, 2026, <https://polymarket.us/event/balpow-2026-11-03>

⁶ PredictIt.org, Markets, What will be the balance of power in Congress after the 2026 election?, October 20, 2026, <https://www.predictit.org/markets/detail/8600/What-will-be-the-balance-of-power-in-Congress-after-the-2026-election>

⁷ Kalshi, Markets, Senate, 2026 midterm predictions, Midterms: Congress Balance of Power?, October 26, 2026, <https://kalshi.com/markets/kxbalancepowercombo/congress-balance-of-power-combo/kxbalancepowercombo-27feb>

⁸ Robin Hood, Prediction markets, Midterms, Control of Congress, 2026 Congressional Balance of Power, October 20, 2026, <https://robinhood.com/us/en/prediction-markets/elections/events/2026-congressional-balance-of-power-nov-03-2026/>

Predicted balance of power after 2026 Midterm elections (probability, percent)

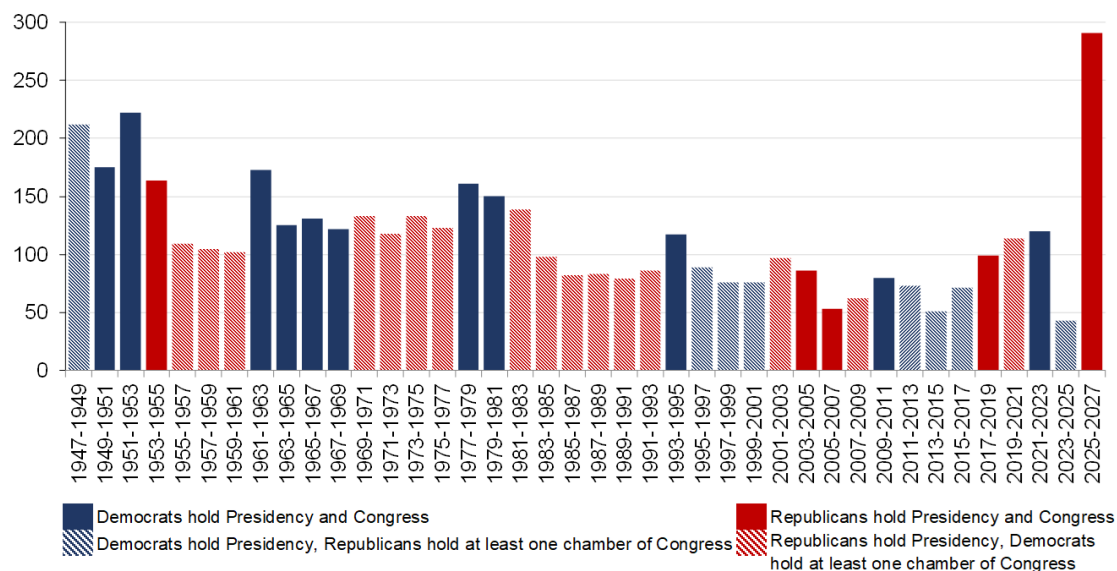


Source: Guardian Capital LP, based on data from [Polymarket](#)⁹ to October 20, 2026

From a policy perspective, I noted previously that more work tends to get done when Congress is aligned with the President, as there is typically less pushback on an agenda. It is also interesting (and very relevant for the current Administration) that the use of Executive Orders tends to decline when Congress is not aligned with the President — there are avenues for Congress to override an Executive Order, including by passing legislation that invalidates it and/or refusing to provide funding needed to carry out the Order.

⁹ Polymarket, Politics, US Election, *Balance of Power: 2026 Midterms*, October 20, 2026, <https://polymarket.com/event/balance-of-power-2026-midterms>

Executive Orders issued during Congressional Session (number)



Source: Guardian Capital LP, based on data from the [Federal Register](#)¹⁰ to October 20, 2026

A gridlocked Congress — and one that has some ability to rein in the President — could prove beneficial in reducing the policy uncertainty that has been a constant over the last two years.

David Onyett-Jeffries

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¹⁰ National Archives, Federal Register, Reader Aids :: Insight into the FR Ecosystem, Executive Orders, October 20, 2026, <https://www.federalregister.gov/presidential-documents/executive-orders>

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