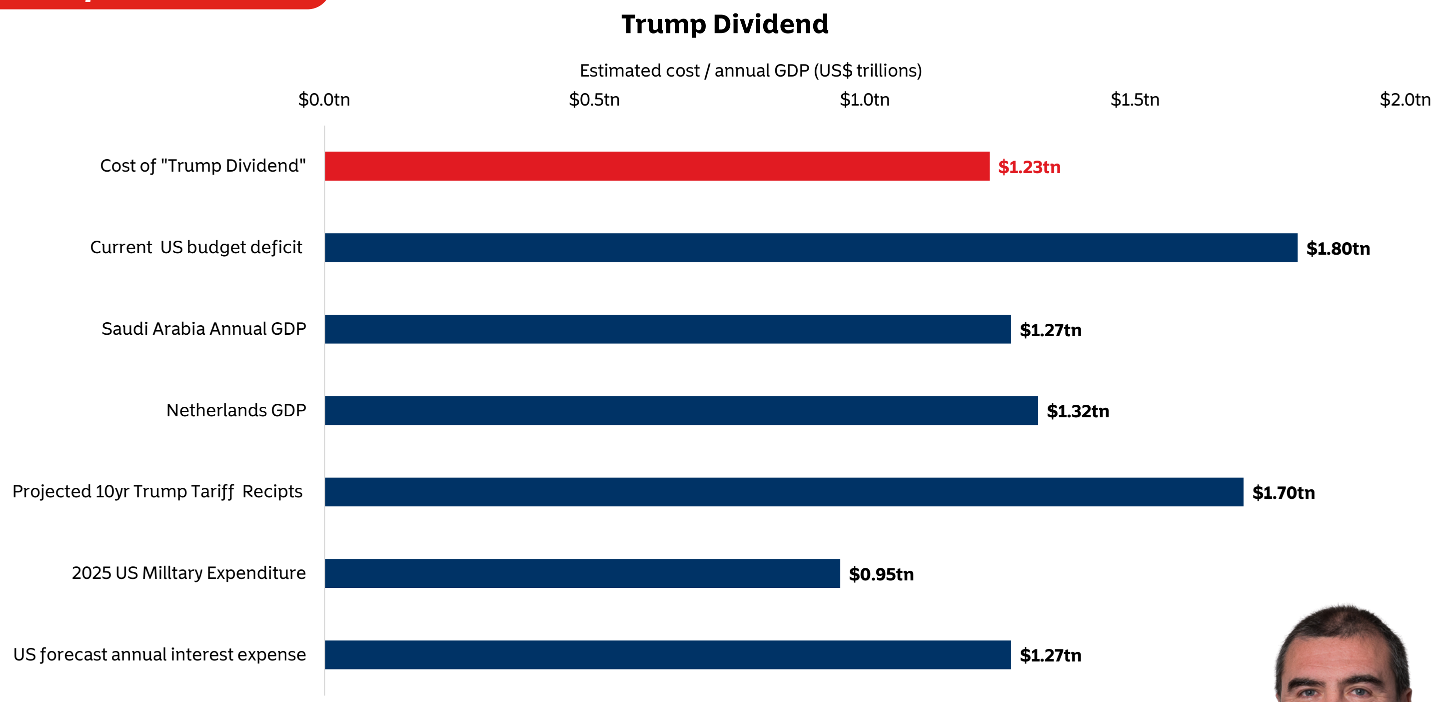
Chart of the Week

momentum
global investment management

14 September 2026



Source: Momentum Global Investment Management, fiscaldata.treasury.gov. Data to 10 September 2026.

The Trump Dividend

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Fund Manager

What does the chart show?

At the Republican midterm convention on 9 September, President Donald Trump promised a $5,000 "Trump Dividend" for every adult US citizen if Republicans retain control of both the House and Senate in November. He also said the money would have to be spent in the United States, although, at the time of writing, no detailed funding mechanism or eligibility rules have yet been published.

The individual payment sounds relatively straightforward. The aggregate cost is anything but.

Applying the proposal literally to the estimated 245.3 million adult US citizens would produce a bill of approximately $1.23 trillion. This is an external estimate based on Census data, rather than an official cost attached to legislation. The eventual figure could be lower if higher-income citizens were excluded, but no income threshold has been announced.

Why is it important?

Our chart puts the potential cost into perspective. It is roughly equivalent to Saudi Arabia's entire economic output in 2025. It also exceeds America's 2025 military expenditure and is very close to the US current net interest costs for the year. Alternatively, the government could spend an additional $1 billion every day on top of the existing deficit for nearly three and a half years before exhausting $1.23 trillion.

The administration has suggested that tariffs could help finance the payments. However, the Congressional Budget Office had initially projected customs-duty receipts of $418 billion for the current fiscal year, before subsequently reducing that estimate by approximately $250 billion. Even the original projection would have financed only around one-third of the estimated dividend cost. The total projected tariff collection of $1.7 trillion exceeds the Trump Dividend but that is the total tariff revenue for the next ten years.

If the shortfall were funded through additional borrowing, the proposal could add to an already significant federal deficit. A large injection of spending power might support consumption and economic growth in the near term, but it could also increase inflation concerns and place further pressure on government-bond yields.

For investors, the central issue is not whether the proposal ultimately proceeds in its current form. It is that fiscal policy is becoming an increasingly important market driver. When government spending, inflation expectations and borrowing costs interact, the resulting effects can spread across bonds, currencies, equities and real assets. This strengthens the case for maintaining a genuinely diversified portfolio rather than relying on a single economic outcome.

Weekly market update

Week ending 11 September 2026

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Markets grappled with rising bond yields, higher energy prices and renewed rate-hike expectations as geopolitical tensions intensified globally.

US

» Markets focused on the upcoming Federal Reserve meeting, with investors increasingly pricing in a 25bp rate rise as inflation remained above target and oil prices continued to climb.

» Rising energy prices linked to Middle East tensions pushed Treasury yields higher and renewed concerns over inflation persistence.

» President Trump suggested the US could maintain a long-term presence in Iran tied to future oil production arrangements, adding to geopolitical uncertainty.

» Leading AI firms, including OpenAI, Google DeepMind and Anthropic, publicly called for a slower pace of AI development amid growing safety concerns.

UK

» Attention turned to the Autumn Budget as higher borrowing costs and global economic uncertainty increased pressure on the government's fiscal plans.

» Jaguar Land Rover announced 4,000 job cuts, highlighting the impact of weaker global trade conditions and tariffs.

» The government explored reforms to political funding rules following Reform UK's record £72m donation haul, from crypto investors.

» Trump reignited constitutional debate by backing Irish reunification, drawing criticism from unionists and adding a fresh transatlantic political dimension to UK domestic affairs., whist appeasing to Trumps Irish Americans ahead of midterm.

Europe

» The European Central Bank raised all three policy rates by 0.25 percentage points, taking the deposit rate to 2.50%. The move reflected persistent energy-driven inflation and increased borrowing costs across the region.

» Eurozone economic data remained relatively resilient, with growth and investor sentiment holding up despite geopolitical risks.

» Political attention focused on the rise of Germany's AfD, far right, following strong regional election results in Saxony-Anhalt.

» EU institutions advanced policy initiatives including affordable housing measures, energy-network reforms and discussions on future EU-China relations.

Rest of the World/Asia

» At the New Delhi BRICS summit (12–13 September), China's Xi Jinping called for deeper "Greater BRICS" integration, with closer cooperation on trade, AI, finance and cross-border investment. Leaders also adopted the New Delhi Declaration, calling for restraint in the Middle East and opposing unilateral sanctions and trade restrictions.

» Financial markets significantly increased expectations of another Bank of Japan interest-rate increase.

» Oil markets remained highly sensitive to developments surrounding Iran and shipping through the Strait of Hormuz.

» US financial influence in Latin America increased, with Treasury Secretary Scott Bessent highlighting Argentina as a key beneficiary of US financial support under President Javier Milei.

Weekly market data

Week ending 11 September 2026

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Asset Class / Region	Currency	Cumulative returns: Week ending 11 September	Month to date	YTD 2026	12 months
Developed Markets Equities					
United States	USD	-0.8%	-0.3%	12.5%	17.2%
United Kingdom	GBP	-1.6%	-1.4%	10.3%	18.6%
Continental Europe	EUR	-1.7%	-1.9%	9.8%	17.5%
Japan	JPY	-1.8%	-3.1%	19.6%	30.9%
Asia Pacific (ex Japan)	USD	-0.8%	-0.6%	24.2%	30.8%
Australia	AUD	-2.8%	-3.0%	3.1%	2.6%
Global	USD	-1.0%	-0.6%	12.5%	17.5%
Emerging Markets Equities					
Emerging Europe	USD	1.9%	3.2%	31.6%	43.8%
Emerging Asia	USD	-0.3%	-0.1%	26.7%	35.9%
Emerging Latin America	USD	0.0%	3.6%	19.2%	32.8%
BRICs	USD	-2.4%	-2.4%	-8.1%	-8.3%
China	USD	-2.9%	-3.6%	-11.0%	-13.7%
MENA countries	USD	0.3%	-0.2%	2.5%	2.8%
South Africa	USD	-2.0%	-0.1%	5.1%	27.7%
India	USD	-3.2%	-3.2%	-14.9%	-12.6%
Global emerging markets	USD	-0.2%	0.2%	24.3%	33.9%
Bonds					
US Treasuries	USD	-0.9%	-1.0%	-1.5%	-1.1%
US Treasuries (inflation protected)	USD	-1.0%	-0.9%	-0.5%	-0.9%
US Corporate (investment grade)	USD	-0.9%	-1.1%	-1.2%	-0.8%
US High Yield	USD	-0.5%	-0.6%	1.9%	3.4%
UK Gilts	GBP	-1.3%	-1.3%	-2.5%	0.1%
UK Corporate (investment grade)	GBP	-1.2%	-1.3%	-1.2%	1.6%
Euro Government Bonds	EUR	-1.2%	-1.3%	-2.4%	-2.3%
Euro Corporate (investment grade)	EUR	-0.9%	-1.0%	-0.9%	-0.6%
Euro High Yield	EUR	-0.7%	-1.0%	0.9%	1.8%
Global Government Bonds	USD	-0.6%	-0.3%	-0.9%	-1.5%
Global Bonds	USD	-0.9%	-0.8%	-1.3%	-1.1%
Global Convertible Bonds	USD	-0.8%	0.0%	14.1%	17.7%
Emerging Market Bonds	USD	-1.0%	-1.0%	0.1%	3.1%
Property					
US Property Securities	USD	-1.2%	-1.6%	14.0%	11.3%
Australian Property Securities	AUD	-3.6%	-3.8%	-16.8%	-20.6%
Global Property Securities	USD	-1.8%	-1.7%	5.9%	5.3%
Currencies					
Euro	USD	-0.2%	-0.1%	-1.2%	-1.2%
UK Pound Sterling	USD	0.0%	-0.2%	0.5%	-0.4%
Japanese Yen	USD	1.5%	3.9%	2.0%	-4.3%
Australian Dollar	USD	-0.5%	0.1%	7.6%	7.7%
South African Rand	USD	-1.2%	-0.2%	2.7%	7.7%
Swiss Franc	USD	-0.8%	-1.0%	-2.8%	-2.5%
Chinese Yuan	USD	0.0%	0.2%	4.2%	6.1%
Commodities & Alternatives					
Commodities	USD	2.2%	3.6%	46.8%	52.1%
Agricultural Commodities	USD	-0.2%	-1.6%	19.7%	16.0%
Oil	USD	8.7%	15.6%	71.9%	57.6%
Gold	USD	-1.7%	-1.6%	0.9%	20.0%

Source: Bloomberg Finance L.P. Past performance is not indicative of future returns.

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