



Basis Points – November 3, 2020

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Above the Fold

The Big Day...

Today, a record number of voters are expected to participate in what's become an extremely heated contest. University of Florida professor Michael McDonald predicts a general election turnout of 150 million people (65% of eligible voters), the largest since 1908. Still navigating the COVID-19 pandemic, Americans have already shattered early voting records as more than 93 million ballots were cast as of Sunday afternoon — more than twice the amount cast in 2016 (100 million early votes are [expected](#)). The good news is that the early votes have been staggered enough so as not to overwhelm election officials.

Nearly 60 million of those early votes have been [mailed](#) in, but there are still millions of unreturned mail-in votes in key battleground states like Florida, Nevada, Michigan and Pennsylvania. President Trump and the GOP have expressed strong concerns around mail-type votes as a potential hot-spot for fraud. Considering that Florida, a key battleground state in the 2000 election was ruled in favor of George W. Bush by just 537 votes, there's likely to be contention on both sides unless one candidate or the other wins by a landslide. Of the 45 U.S. presidents in history, only 10 have failed to win reelection if they sought to do so.

Three Things

1. *"One More Thing" Coming Soon* – Marking an already busy 2020, Apple once again evoked the famous catchphrase used by the late Steve Jobs to announce a surprise event slated for Nov. 10. The company is expected to reveal its new line of Macs, running on its own Arm-based silicon chips instead of the Intel chips the company has favored since 2005. Apple-watchers say the latest "Big Sur" macOS is also likely to be made available after the event.
2. *Some Think the Air Force May Be Compromising National Security* – The U.S. Air Force Special Operations Command recently acquired 57 drones from Shenzhen, China-based Da-Jiang Innovations (DJI). According to The Wall Street Journal, Air Force officials believe that the drones are both safe and cost-effective. Critics of the purchase believe that it allows Beijing to potentially gather sensitive information from us and is rewarding an adversary. The Pentagon received an exemption to a 2019 defense-policy bill prohibiting federal agencies from buying Chinese drones.
3. *What's Soft, Fuzzy and Trading at 18-Month Highs?* – After dipping to a 10-year low of just 48.41 cents in April, cotton futures have eclipsed their 2020 highs, jumping to 72.11 cents last week. The gains are due to poor weather, a short crop yield and rising factory production in China. And while the rise may seem meteoric, experts believe much of the appreciation is from speculators buying the "COVID-19 selloff," and not a longer-term trend.

Did You Know?

Early Elections Were More Chaotic Than You Might Think...

It wasn't until the mid-19th century that congress finally stepped in and standardized presidential elections to the first Tuesday following the first Monday in November. Since the Constitution never spelled out an actual date, states had varying voting times, with federal Electoral College elections having to be resolved by mid-December. Early voting was also a boozy event; a young George Washington spent his entire campaign budget on 160 gallons of liquor to serve 391 voters, who were then handed pre-printed ballots to cast. It wasn't until 1890 that the Australian or Secret Ballot system became widely accepted in the states.

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