

Making a macro market call may be harder, but there *will* be specific sectors impacted under a Biden administration*

Policy Measure	Expected Sector Impact	Comments
Construction/Homebuilding	Positive	<ul style="list-style-type: none"> Infrastructure spending, loosening of immigration policies, easing of tariffs (+)
Energy: Renewables	Positive	<ul style="list-style-type: none"> Expansion of renewable tax credits to meet net zero emissions in power generation by 2035, prevention of FERC to support fossil power, reaccelerate stalled offshore wind permits (+)
Healthcare: Hospitals	Positive	<ul style="list-style-type: none"> Federal action to expand Medicaid aid to non-expansion states, COVID-related stimulus funding (+) Pricing / mix / rate dilution on Medicare expansion (-)
State & Municipalities	Positive	<ul style="list-style-type: none"> Additional stimulus will focus on funding for states and cities, infrastructure, more flexibility in spending (+)
Autos	Mixed	<ul style="list-style-type: none"> Additional stimulus, EV tax credits, R&D funding for battery and energy storage (+) Net zero emissions by 2050, possible unionization policies, discussion of carbon tax (-)
Financials	Mixed	<ul style="list-style-type: none"> Increased regulatory scrutiny w/ potential for enforcement / fines. More stringent focus out of CFPB, FSOC, and Fed, but will take time. Focus on higher capital would be credit (+) Potential for financial transaction tax and higher corporate tax rate (-)
Retail	Mixed	<ul style="list-style-type: none"> Additional stimulus to support consumer confidence, potential easing of tariffs (+) Focus on COVID-related essential worker health coverage, unionization policy (-)
Technology	Mixed	<ul style="list-style-type: none"> Social media regulations, consumer privacy standards, continued antitrust scrutiny, GILTI tax increase (-) More investment in 5G, which should help technological components companies (+)
Telecom & Cable	Mixed	<ul style="list-style-type: none"> Increased funding for broadband and rural municipal networks, continued investment in 5G (+) Net neutrality re-imposed, increased antitrust scrutiny, rate regulation (-)
Airlines	Negative	<ul style="list-style-type: none"> Increased environmental regulations, unionization policies, anti-trust scrutiny (-)
Chemicals	Negative	<ul style="list-style-type: none"> Environmental regulations for contamination, litigation risk, discussion of carbon tax (-)
Defense	Negative	<ul style="list-style-type: none"> Lower budget after FY21, funding diverting away from force structure, focus on technical capabilities (-)
Energy: Pipelines	Negative	<ul style="list-style-type: none"> Delay/rescission of pipeline permits, methane emissions regulation, scrutiny on inter-state pipelines (-)
Energy: Traditional Utilities	Negative	<ul style="list-style-type: none"> Stricter emissions standards and penalties associated with Paris Climate Agreement (-)
Healthcare: Insurers	Negative	<ul style="list-style-type: none"> Co-pay limits, expansion of Medicare coverage, scrutiny on profits/antitrust (-)
Healthcare: Pharma	Negative	<ul style="list-style-type: none"> Direct negotiation on Medicare volumes, broader drug re-importation and/or inflationary limits, opioid litigation (-)

*As proposed, Source: PIMCO