

WEEKLY POLITICAL COMPASS

Welcome to this edition of the Weekly Political Compass from Teneo's political risk advisory team.

With extensive diplomacy unfolding on the sidelines of the UN General Assembly in New York this week, we take a closer look at the expected meeting between Donald Trump and Volodymyr Zelensky. Elsewhere, leaders from **Argentina** and **Turkey** will also engage Trump, while **China**, **South Korea** and **South Africa** continue their efforts to re-shape economic relations with the US. Meanwhile, the race that will determine **Japan's** next leader kicks off, **Moldova's** elections will influence its geopolitical trajectory, and the political frictions driving mass protests in **Brazil** and the **Philippines** are set to continue.

As always, we welcome your questions or comments at Macro@teneo.com.

GLOBAL SNAPSHOT

With Donald Trump and Volodymyr Zelensky set to meet in New York this week, we ask our Central and Eastern Europe advisor [Andrius Tursa](#) to look ahead.

What will be on the agenda in the talks?

Zelensky hopes to discuss future US security guarantees for Ukraine and additional sanctions on Russia, as Moscow shows no flexibility in peace talks and escalates air attacks. Zelensky has voiced support for the European Commission's proposed 19th sanctions package and will use meetings at the UN General Assembly to rally broader Western backing for further restrictions.

What is the recent context?

The meeting follows recent Russian jet and drone incursions into NATO airspace in Poland, Romania, and Estonia, incidents that heightened the risk of escalation and wider conflict. Zelensky will cite these events as further justification for tougher sanctions, while European leaders push for a more assertive US stance and concrete deterrence measures.

WHAT TO WATCH

ASIA-PACIFIC

US/China

A bipartisan group of US lawmakers met with Premier Li Qiang in Beijing on Sunday, part of the first US House of Representatives delegation to visit China since 2019. Li called the visit an "ice-breaking" trip that will improve bilateral ties. Representative Adam Smith, top Democrat on the House Armed Services Committee, led the delegation, which was planned before presidents Donald Trump and Xi Jinping [spoke by phone](#) on Friday.

Japan

The ruling Liberal Democratic Party's leadership contest officially kicked off on 22 September, with voting scheduled for 4 October. Among the five contenders, youthful centrist agriculture minister Shinjiro Koizumi and right-wing Shinzo Abe acolyte Sanae Takaichi are the [clear frontrunners](#). Given the governing coalition's minority status in both houses of the Diet, the eventual winner must also secure the backing of at least one of the three larger opposition parties to become prime minister, leading to speculation that the coalition could be formally expanded.

US/South Korea

President Lee Jae Myung has highlighted [currency risk](#) as a major issue in slow-moving negotiations to structure the USD 350bn investment package Seoul pledged in exchange for US tariff cuts. Lee told Reuters that without safeguards such as a currency swap agreement, outflows of that scale could trigger a financial crisis in South Korea comparable to 1997. Commercial viability remains another obstacle, with South Korea unwilling to cede control of investment decision-making authority in that way that Japan did earlier this month. Lee will be in New York this week but is not expected to meet President Donald Trump.

Philippines

Protests in Manila on 21 September drew moderately sized crowds, with strong participation from the politically critical middle class. Their involvement will sustain the pressure on the government to proceed swiftly with its investigation into massive corruption in public works projects. Some violence broke out later in the day, though this appears to reflect the actions of certain groups rather than the broader movement. The investigation that is being conducted by the independent commission created by President Ferdinand Marcos Jr. will top the political agenda in the weeks ahead. Its ability to maintain credibility will determine whether public anger subsides or further protests erupt.

EUROPE

Turkey

President Tayyip Erdogan will meet US President Donald Trump on 25 September, as Ankara pursues external gains while tightening its domestic clampdown on dissent. Washington is set to spotlight major defense and trade deals during the talks. The encounter will underscore a transactional diplomacy built on personal rapport and deal-making, while deep structural tensions persist and US criticism of Turkey's domestic repression remains absent.

Moldova

The outcome of the 28 September parliamentary elections will shape Moldova's geopolitical trajectory as well as impacting regional stability. Most polls suggest the governing pro-European Party of Action and Solidarity (PAS) will win a plurality of seats in the 101-seat legislature but lose its absolute majority. Electoral surprises remain possible given historically low polling accuracy, high numbers of undecided voters, and reports of Russian interference in the campaign. A strong PAS result could prompt some external actors to question the vote's legitimacy and exploit social divisions, heightening the risk of post-election unrest. By contrast, a victory for the Patriotic Electoral Bloc (BEP) and other Moscow-friendly parties would stall incipient EU accession efforts and raise regional security risks, particularly for neighboring Ukraine and Romania

LATIN AMERICA

US/Argentina

President Javier Milei will meet President Donald Trump on the sidelines of UNGA on 23 September and Treasury Secretary Scott Bessent the following day. Milei hopes the Trump meeting will bolster his domestic position after a local election loss and setbacks in Congress. He will also push for a US credit line, after Bessent suggested in April that the Exchange Stabilization Fund could provide bridging support during market turbulence. US backing would reassure investors about Argentina's

ability to meet upcoming debt obligations and stabilize the peso, which has weakened sharply in recent weeks. The Central Bank's USD 1.1bn intervention last week underscored concerns over dwindling reserves.

Brazil

Weekend mass protests in more than 20 Brazilian state capitals including São Paulo and Rio de Janeiro reflected continuing fallout from the conviction of former president Jair Bolsonaro. The demonstrations, led by opponents of the Lula administration, centered on the "Shield Amendment" and proposed amnesty bill. The amendment, which restricts criminal proceedings against legislators without congressional authorization, passed Congress with significant support, including from some government allies. The amnesty bill, intended to free Bolsonaro after his conviction and 27-year sentence on 11 September, will be voted on soon following its approval in the House.

AFRICA

US/South Africa

President Cyril Ramaphosa is leading South Africa's delegation to UNGA this week, using the country's G20 presidency to advocate for a more equitable world order, multilateralism, and UN reform. This agenda sits uneasily alongside Ramaphosa's simultaneous efforts to improve bilateral relations with the Trump administration. South Africa is seeking a bilateral trade deal, but tensions over its BRICS ties, pro-Palestine stance, and domestic policy remain sources of strain. These dynamics risk pushing relations with Washington toward a new diplomatic nadir.

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