



Republicans win control of the US Senate

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The Republican Party has taken control of the Senate. Now it has to prove itself.

As a result of Tuesday's midterm elections, the GOP will have at least 52 Senate seats in January. Results from two states, Alaska and Louisiana, are pending. The last time the GOP controlled the Senate was in 2007.

The pendulum swung in favor of the Republicans on Tuesday night with Joni Ernst's defeat of Democrat Bruce Braley in Iowa.

Currently, Democrats hold 53 seats to the Republican's 45. Two seats are held by independents.

The Republicans also renewed their hold on the House.

But Tuesday night's victories may just be the beginning for the Republicans.

"That's not victory, that's step one," American Enterprise Institute resident scholar Michael Strain said. "Victory comes in demonstrating to the American people that when the Republicans hold a majority in both houses, they can come together by passing a policy vision that reflects conservative principles and will help the lives of American citizens. That's hard, and that's a challenge."

Experts told CNBC that a GOP-controlled Senate will look to pursue several legislative goals, including tax reform and energy infrastructure bills.

One area of interest will be what Republicans choose to focus on with the chamber's banking committee. This could include reforming massive the [Dodd-Frank](#) legislation, said Mark Calabria, director of financial regulation studies at the Cato Institute.

Potentially more significant than any policy priorities, Calabria said, is that a Republican-led Senate will mean that regulators would now "try to maintain a good relationship with congressional GOP."

Although a Republican Senate takeover was largely predicted by national and local polls, the development may still create investing opportunities, experts said.

Richard Hastings, macro strategist at Global Hunter Securities, predicted that the new Senate may bolster the American fossil fuels industry by focusing more on stimulating shale gas production and unconventional drilling, and less on alternative energy sources such as wind or solar power.

A "grand bargain" incorporating corporate tax and minimum wage reform may also be a possibility with the new congressional demographics, Hastings said.

"Something is changing: Traditionally one might think that a Republican regime would not be supportive of raising wages, but that classical model may be falling apart," he said.

In fact, two traditionally red states—Nebraska and Arkansas—were among five states that [passed ballot measures](#) calling for increases to their state minimum wages.