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Think Strategically

The Government Progress Index: Measuring President Trump's First Ten Months In Office

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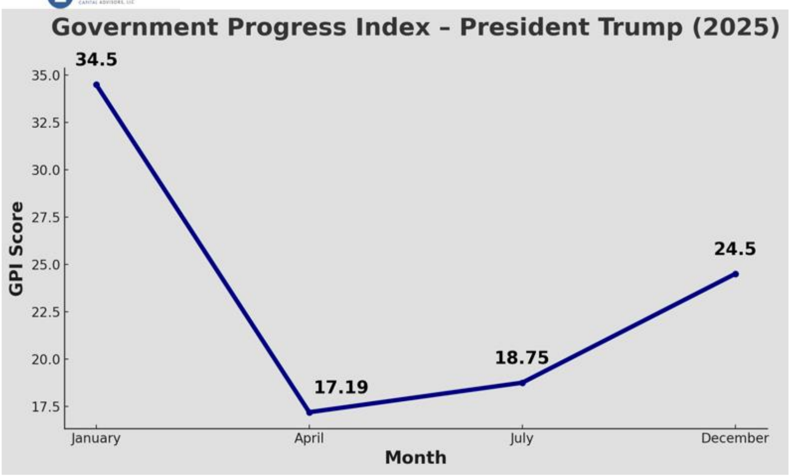
Measuring Performance, Not Politics: President Trump's Government Progress Index Score 2025

In an era defined by political turbulence, economic contradictions, and rising public distrust, evaluating government performance requires more than rhetoric—it requires data. The **Government Progress Index (GPI)**, developed by Birling Capital, is a nonpartisan, outcome-based model that measures governance through six critical domains: economic growth, employment, price stability, household conditions, fiscal discipline, and institutional/public confidence.

The GPI was built to answer one question: **What actually changed?**
When President Donald J. Trump assumed office on **January 20, 2025**, he inherited a **GPI score of 29.7** from President Biden. For analytic context, the GPI maintains a **structural benchmark of 34.5**, representing the pre-inaugural baseline of national conditions before political transition and early-term shocks. But 2025 quickly became a year defined by volatility. The first months of the Trump administration delivered a sequence of policy shocks—most notably the abrupt rollout of the **"Liberation Day Tariffs"**—that reshaped markets, sentiment, and institutional confidence. The result was one of the steepest early-term declines ever recorded in the GPI.

President Trump's Government Progress Index Readings 2025 YTD



The GPI Trajectory

Inherited GPI on January 20, 2025: 29.7, reflecting the economic and fiscal conditions at the moment of transition. By April 2025 or **100 Days Later the GPI falls to 17.19,** A dramatic **–42.1% decline** from the inherited score.
This collapse was driven by:

- A 5%–11% multi-day plunge in U.S. equity markets after tariff announcements
- A historic loss of over **$6 trillion** in global market capitalization
- A sharp deterioration in consumer confidence
- Slowing labor participation
- Early inflation pressures
- Immediate concerns about fiscal direction
- Increased geopolitical and trade uncertainty

At the six months mark in July 2025 the GPI rises modestly to **18.75**
This partial rebound reflected:

- Market recovery after tariff reversals
- GDP stabilization
- Improvements in producer pricing and supply chain normalization

However, consumer confidence remained deeply depressed, inflation pressures persisted, and fiscal vulnerabilities increased. The July score showed stabilization—not recovery.
Lastly at the eleven month mark on December 7, 2025 the GPI improves to **24.5**
By year's end, gains in equity markets, GDP acceleration, and PPI improvements lifted the index.
But the overall score of **24.5** remains:

- **Below the inherited 34.5 baseline**
- **Marking a –29% decline** from the administration's starting point

The data reveals a year of **massive early deterioration, midyear stabilization, and partial—but incomplete—recovery**.

January 20 to December 7, 2025. and we note the areas of improvement and contraction; let's review the specific benchmarks.

President Trump

US Benchmarks	12/7/25	1/20/25	Change
Price for Galon of Gasoline	$3.12	$3.23	-3.4%
Index of Consumer Sentiment	53.3	74.0	-27.97%
Dow Jones Industrial Average	47,994.99	43,487.83	10.4%
S & P 500	6,870.40	5,996.66	14.6%
Nasdaq Composite	23,578.23	19,630.20	20.1%
Unemployment Rate	4.40%	4.10%	7.3%
Gross Domestic Product	3.80%	2.80%	35.7%
Labor Participation Rate	62.40%	62.50%	-0.2%
Personal Consumption Expenditures	2.79%	2.60%	7.3%
Consumer Price Index/Inflation	3.01%	2.89%	4.2%
Producer Price Index	2.72%	3.44%	-20.9%
Home Ownership Rate	65.00%	65.60%	-0.9%
Median Family Income	$105,946	$103,148	2.7%
US National Debt In Trillions	$36.21	$35.46	2.1%
Credit Rating	AA+	AAA & AA+	No Change
US Treasuries 10-Year Rate	4.14%	4.61%	-10.2%
Aproval Rating WP-ABC-IPSOS	41%	45%	-8.9%
Government Progress Index Score	24.5	34.5	-29.0%

1. Gasoline Prices (–3.6%): A Mild Relief in a Year of Mounting Household Stress

Gasoline declined from **$3.23 to $3.12**, offering modest relief. Historically, falling gas prices:

- Improve consumer mood
- Reduce logistics costs
- Serve as an indirect tax cut

But in 2025, these savings were overshadowed by rising mortgages, insurance premiums, healthcare costs, and credit card rates. Gas improved—but life didn't.

President Trump's Government Progress Index Key Metrics

2. Consumer Sentiment (–27.97%): The Most Alarming Signal of 2025

Sentiment dropped from **74.0 to 53.3**, a plunge rarely seen outside recessions.
This decline reflects:

- Persistently high living costs
- Policy instability, particularly tariffs
- Rising borrowing costs
- Erosion of trust in institutions
- Fiscal uncertainty following the U.S. credit downgrade

Consumer sentiment is often the earliest indicator of turning points. In 2025, it screamed warning.

3. Wall Street Markets Section: A Year Defined by Recovery, Rotation, and Resilience

The story of 2025 cannot be told without understanding the behavior of financial markets. After suffering one of the sharpest short-term shocks in years during the April tariff episode, U.S. equity markets staged a powerful recovery and delivered strong year-to-date performance.

YTD Returns (as of December 7, 2025)

- **Dow Jones Industrial Average: +12.72%**
- **S&P 500: +16.81%**
- **Nasdaq Composite: +22.10%**

The **Nasdaq's 22.10% surge** reflects the engine of U.S. innovation—from AI infrastructure to semiconductor expansion. The **S&P 500's 16.81% rise** demonstrates broad earnings strength.
The **Dow's 12.72% growth** captures the resilient industrial core, the key message **Wall Street recovered. Households did not.**

4. GDP Growth (+35.7%): Strength With Fragile Underpinnings

GDP rose from **2.8% to 3.8%**, powered by:

- Inventory rebuilding
- Fiscal expansion
- Capital market strength

But deeper analysis reveals:

- Consumer spending softened
- Business investment was volatile
- Productivity growth stalled

It was growth—but growth with questions.
The latest **GDPNow for the third quarter** released on December 5 is at **3.5%,** noting that growth continues, at a slower pace.

5. Unemployment (+7.3%): A Yellow Light on the Labor Dashboard

Unemployment rose from **4.1% to 4.4%**, counterintuitive during GDP acceleration.
This increase signals:

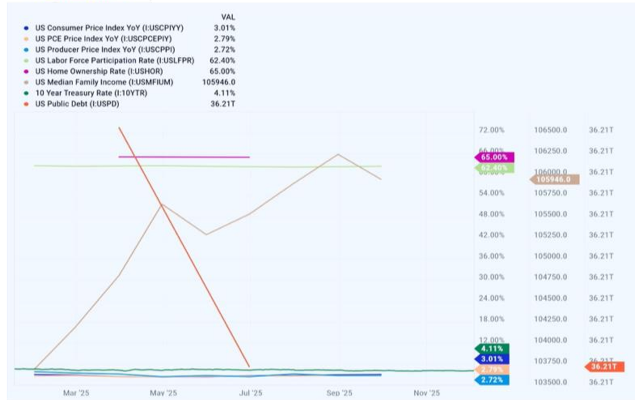
- Slowing hiring in logistics and manufacturing
- Business uncertainty post-tariffs
- Early cyclical softening

A small rise, but significant in context.

6. Labor Participation (–0.2%): Small Decline, Big Meaning

Participation fell from **62.5% to 62.4%—**a small shift with large implications:

President Trump's Government Progress Index Key Metrics



- Fewer Americans engaged in work
- Higher dependency ratios
- Structural workforce disengagement

Participation is the backbone of future GDP. Its decline weighs on long-term economic momentum.

7. Inflation Data: PCE & CPI: Not yet at the 2% target but whiting reach

Inflation rose across both measures,while these numbers have been recently released they lagg two months.

- **PCE:** 2.60% → 2.79%
- **CPI:** 2.89% → 3.01%

These increases reveal:

- Services inflation remains sticky
- Housing and insurance costs remain elevated
- Households face ongoing affordability challenges

Inflation—in the real, everyday sense—remained a top source of household stress.

9. Producer Price Index (PPI): –20.9%

PPI's steep decline reflects improved supply chains and easing industrial input costs.
This is a major positive, but its benefits had not yet reached household-level prices by December.

10. Homeownership (–0.9%): The American Dream Slipping Further

Homeownership fell from **65.6% to 65.0%** amid:

- Mortgage rates above 7%
- Insurance premium inflation
- Starter-home shortages

Housing affordability is now the weakest in nearly 40 years.

11. Median Family Income (+2.7%): Progress That Didn't Change Perception

Although incomes rose to **$105,946**, higher costs outpaced gains.
Families felt poorer despite earning more.

12. National Debt (+2.1%): A Structural Weakness Deepens

Debt rose from **$35.46T to $36.21T**, surpassing **131% of GDP**, a historic high.
Interest costs now exceed:

- Medicaid
- Veterans' services
- Federal transportation programs

Debt is no longer an abstract concern; it is a constraint.

13. Credit Rating (Downgrade): A Historic Indicator of Fiscal Stress

The downgrade from **AAA/AA+ to AA+** reflects:

- Rising deficits
- Political gridlock
- Weakened institutional credibility
- Unsustainable debt trajectory

The downgrade delivered one of the strongest negative impacts on the GPI fiscal domain.

14. The 10-Year Treasury Yield (–10.2%): Declining for the Wrong Reasons

Yields fell from **4.61% to 4.14%**, signaling:

- Markets bracing for slower growth
- Expectations of future rate cuts
- Flight to safety

Lower yields were not a vote of confidence—they were a caution.

15. Presidential Approval (–8.9%): A Mirror of Public Unease

Approval dropped from **45% to 41%**, mirroring:

- Collapsing sentiment
- Cost-of-living pressure
- Policy instability
- Growing fiscal concern

Confidence in governance weakened as the year progressed.

The GPI Score: 24.5 Out of 50 A Nation in a Fragile Equilibrium

Strengths:

- Strong financial markets
- Accelerating GDP
- Declining wholesale inflation
- Higher median incomes
- Lower gasoline prices

Weaknesses:

- A collapse in consumer sentiment
- Fiscal deterioration and credit downgrade
- Persistent household-level inflation
- Declining labor participation
- Falling homeownership
- Erosion of institutional and presidential approval

America ends 2025 not in crisis—but not in stability.

It stands at a delicate midpoint: resilient, productive, and innovative… but increasingly strained by the pressures beneath the surface.

The Final Word: The Period that Defines the Next Decade

2025 will be remembered as the year America's economic contradictions collided: strong markets alongside weak households, a booming Nasdaq paired with collapsing sentiment, and headline GDP growth overshadowed by fiscal deterioration.

- The GPI reveals not failure—but **fragility**.
- Not collapse—but **warning**.
- Not inevitability—but **urgency**.

2025 exposed the contradiction at the heart of the American economy:

- Wall Street is thriving.
- Main Street is struggling.
- GDP is rising.
- Sentiment is collapsing.
- Markets are confident.
- Institutions are under stress.

The Government Progress Index captures this contradiction with precision. As all the data is a precise reflection of the U.S. Economy.

“Sentiment may move faster than fundamentals, but fundamentals determine the fate of nations”.

The United States approaches 2026 at a crossroads.

The decisions ahead will define whether the country stabilizes—or enters a period of accelerated economic and institutional decline.

History will judge whether this moment was a turning point—or a missed opportunity.

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