Flash Economics

N° 147
December 2nd, 2025

Donald Trump's popularity ratings continue to fall: why? And how will he react?

The difference, at the end of November 2025, between the percentage of Americans who approve of Donald Trump's action and those who disapprove is -17%: 40% approve and 57% disapprove.

The balance between the percentage of Americans who approve of Donald Trump's policies and those who disapprove has been falling steadily since mid-February 2025.

Rejection of Donald Trump's policies is very strong when it comes to inflation, employment, taxes and public spending; it is visible when it comes to immigration. This rejection is particularly strong among women, the under-30s, Hispanics and African Americans, and graduates.

The economy is seen as the most important problem facing the United States.

It is likely that Donald Trump will change his policy to improve his popularity, and therefore:

- He will back down on tariffs (this is already the case on agricultural products and on imports from Switzerland);
- He will pursue an even more expansionary fiscal policy (for example, with the plan to distribute $2,000 to every American household).

All in all, we can expect the US public deficit to become even more impressive.

Patrick Artus
Senior Economic Advisor
patrick.artus-ext@ossiam.com
@PatrickArtus
Patrick Artus

Isabelle Gravet
Research Assistant
isabelle.gravet-ext@ossiam.com

Marketing communication: this document is a marketing presentation. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research; and it is not subject to any prohibition on dealing ahead of the dissemination of investment research.

Many Americans disapprove of Donald Trump's actions

At the end of November 2025 (according to YouGov), 40% of Americans approve of Donald Trump's actions and 57% disapprove.

Disapproval is particularly strong when it comes to:

- **Inflation and prices** (balance approving - disapproving: -33%) ;
- **Taxes and public spending** (balance approving - disapproving: -20%);
- **Employment and the economy** (balance approving - disapproving: -19%).

There is even a majority of Americans who disapprove of **Trump's immigration** and **national security policies**.

It is above all women, young people under 30, Hispanics and African Americans, and people with a high level of education who disapprove of Trump's policies.

The most important issue for Americans today is the state of the economy (for 40% of Americans), ahead of civil rights (13%) and health (12%), immigration (7%), taxes and public spending (7%), climate change (5%), crime (5%), abortion (3%) and education (3%).

It is therefore likely that Donald Trump wants to improve the economic situation

The economic situation is therefore perceived as deteriorating (**Chart** 1), due to:

- **Inflation** (**Chart 2**), with US households' inflation expectations significantly higher than actual inflation (**Chart 3**);

Chart 1
United States: Consumer confidence index - Expectations index (Conference Board, 1985 = 100)

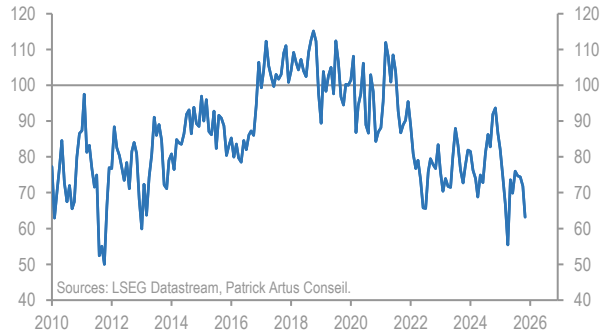
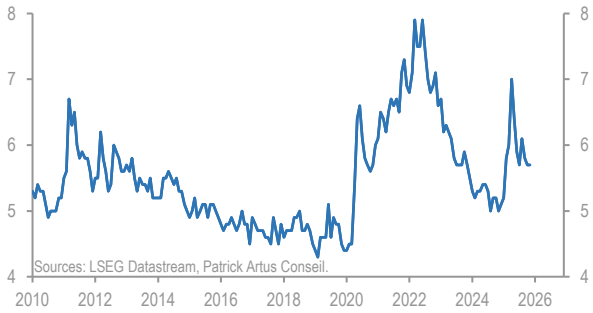


Chart 2
United States: Inflation (CPI, Y/Y as %)

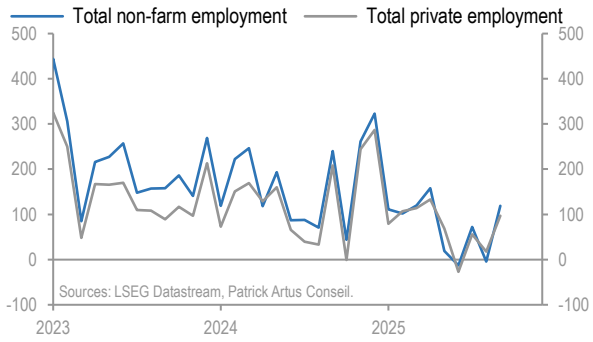


Chart 3
United States: Consumer's inflation expectations for the year ahead (as %, Conference Board)



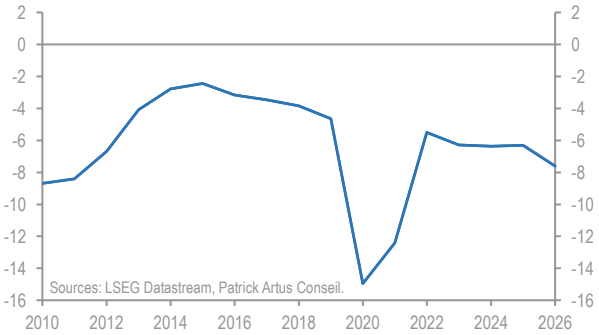
- The decline in job creation (Chart 4);

Chart 4
United States: Change in payroll employment
(M/M, thousands of person)



- The negative perception of the situation with regard to taxes and public spending is bizarre because of the significant widening of the public deficit (Chart 5).

Chart 5
United States: Budget deficit (as % of nominal GDP)



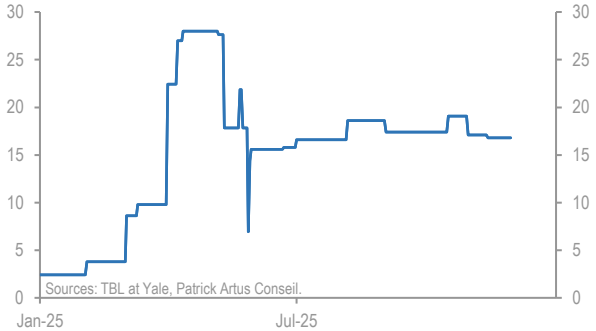
What changes, if any, should be made to US economic policies as a result?

It is conceivable that Donald Trump would change the economic policies that most negatively affect Americans.

This would mean:

- Backing down on tariffs (Chart 6), which he has already done for tariffs on agricultural products to bring down prices, and on imports from Switzerland;

Chart 6
United States: Duties collected on total imports (as %)



- That he distributes income to households; we know that he has announced that every American household (except the richest) will receive a 'dividend' of $2,000.

Summary: towards a sharp increase in the public deficit (?? Word missing)

The additional tariffs (compared with their level at the start of the year) have brought in $21 billion a month in tax revenue.

If:

- Tariffs are reduced, to reduce the perception of high inflation among Americans;
- In addition, additional income is distributed to households ($2,000 per household corresponds to $256 billion), then the public deficit, which was already expected to exceed 7% of GDP in 2026 with the tax cuts, would be increased by more than $500 billion, and would be close to 9% of GDP, which is enormous and will be difficult to finance, even if it is the public deficit of the United States.

Disclaimer

Ossiam, a subsidiary of Natixis Investment Managers, is a French asset manager authorized by the Autorité des Marchés Financiers (Agreement No. GP-10000016). Although information contained herein is from sources believed to be reliable, Ossiam makes no representation or warranty regarding the accuracy of any information of which it is not the source. The information presented in this document is based on market data at a given moment and may change from time to time. This material has been prepared solely for informational purposes only and it is not intended to be and should not be considered as an offer, or a solicitation of an offer, or an invitation or a personal recommendation to buy or sell participating shares in any Ossiam Fund, or any security or financial instrument, or to participate in any investment strategy, directly or indirectly. It is intended for use only by those recipients to whom it is made directly available by Ossiam. Ossiam will not treat recipients of this material as its clients by virtue of their receiving this material. All performance information set forth herein is based on historical data and, in some cases, hypothetical data, and may reflect certain assumptions with respect to fees, expenses, taxes, capital charges, allocations and other factors that affect the computation of the returns. Past performance does not predict future returns. Any opinions expressed herein are statements of our judgment on this date and are subject to change without notice. Ossiam assume no fiduciary responsibility or liability for any consequences, financial or otherwise, arising from, an investment in any security or financial instrument described herein or in any other security, or from the implementation of any investment strategy. This information contained herein is not intended for distribution to, or use by, any person or entity in any country or jurisdiction where to do so would be contrary to law or regulation or which would subject Ossiam to any registration requirements in these jurisdictions. This material may not be distributed, published, or reproduced, in whole or in part.