



TRUMPFLATION: Donald Trump's Broken Promises on Affordability

*American families are paying the
price*

As a candidate for President of the United States, Donald Trump made sweeping promises to bring down inflation and lower costs, starting “on day one.”¹ He failed to keep them. Instead of taking action to lower costs, he marked the first year of his presidency by going to the Swiss Alps to rub shoulders with the wealthy and well-connected.² Trump’s broken promises have hit Americans’ pocketbooks hard – with families spending more on weekly groceries, monthly electricity bills, and more.

This report by the Minority Staff of the Senate Committee on Banking, Housing, and Urban Affairs presents new findings and data revealing how President Trump’s chaotic tariffs and disastrous economic agenda have made life unaffordable for the American people. This is the first in a series of reports by the Committee that will reveal Donald Trump’s failure to make the economy work better for the American people.

¹ CNN, “Candidate Trump vowed to make America affordable again. President Trump says it’s a ‘scam’,” Matt Egan, December 5, 2025, <https://www.cnn.com/2025/12/05/business/prices-trump-affordable-jobs>.

² NBC News, “In ritzy Davos, Trump to meet with world leaders he pressured over Greenland, Peter Nicholas, January 21, 2026, <https://www.nbcnews.com/politics/donald-trump/trump-takes-world-stage-davos-threaten-greenland-rcna254961>; CNN, “Trump revels in Davos about making the rich even richer,” Aaron Blake, January 21, 2026, <https://www.cnn.com/2026/01/21/politics/rich-davos-trump-newsom-miller>.

I. INFLATION

PROMISE: “Starting on day one, we will end inflation and make America affordable again.”³

REALITY: Families paid \$2,120 more in 2025 because of inflation under Donald Trump.

Throughout his 2024 Presidential campaign, President Trump repeatedly promised to lower costs.⁴ When he entered office last January, President Trump brought with him bold commitments to tackle inflation, having promised that “starting on day one, we will end inflation and make America affordable again.”⁵ He predicted that “prices will come down, you just watch, they’ll come down, and they’ll come down fast...with everything,” reassuring Americans they would see “pretty drastic price reductions.”⁶ One year later, Americans are still waiting for President Trump to live up to his promises.

In fact, when President Trump first came into office, inflation was trending down. In January 2025, year-over-year inflation, as measured by the Consumer Price Index (CPI), was nearly 3.0 percent.⁷ That same measure fell to 2.3 percent by April 2025, the lowest it had been since early 2021.⁸ But that trend was short-lived. After President Trump announced sweeping tariffs in early 2025, inflation started rising again.⁹ By September 2025, year-over-year CPI inflation climbed to

³ CNN, “Candidate Trump vowed to make America affordable again. President Trump says it’s a ‘scam’,” Matt Egan, December 5, 2025, <https://www.cnn.com/2025/12/05/business/prices-trump-affordable-jobs>.

⁴ NBC News, “Read the full transcript: President-elect Donald Trump interviewed by ‘Meet the Press’ moderator Kristen Welker,” December 8, 2024, <https://www.nbcnews.com/politics/donald-trump/trump-interview-meet-press-kristen-welker-election-president-rcna182857>; CNN, Trump pledged to bring down food prices on Day One. Instead, eggs are getting more expensive,” Alicia Wallace, Tuesday, January 28, 2025, <https://www.cnn.com/2025/01/28/economy/trump-inflation-price-promises>.

⁵ CNN, “Candidate Trump vowed to make America affordable again. President Trump says it’s a ‘scam’,” Matt Egan, December 5, 2025, <https://www.cnn.com/2025/12/05/business/prices-trump-affordable-jobs>.

⁶ PBS NewsHour, “WATCH LIVE: Trump delivers remarks on economic policy at campaign rally in Asheville, NC,” August 14, 2024, 00:34:15, https://www.youtube.com/live/p_HZOI61BNA?t=2029s; AP, “LIVE: Trump holds a press conference at Mar-a-Lago,” January 7, 2025, 01:32:52, https://www.youtube.com/live/ztGQO_mHDAM?t=5550s.

⁷ Inflation figures are based on year-over-year percent change in CPI-U. U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: All Items in U.S. City Average [CPIAUCSL], retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/CPIAUCSL>.

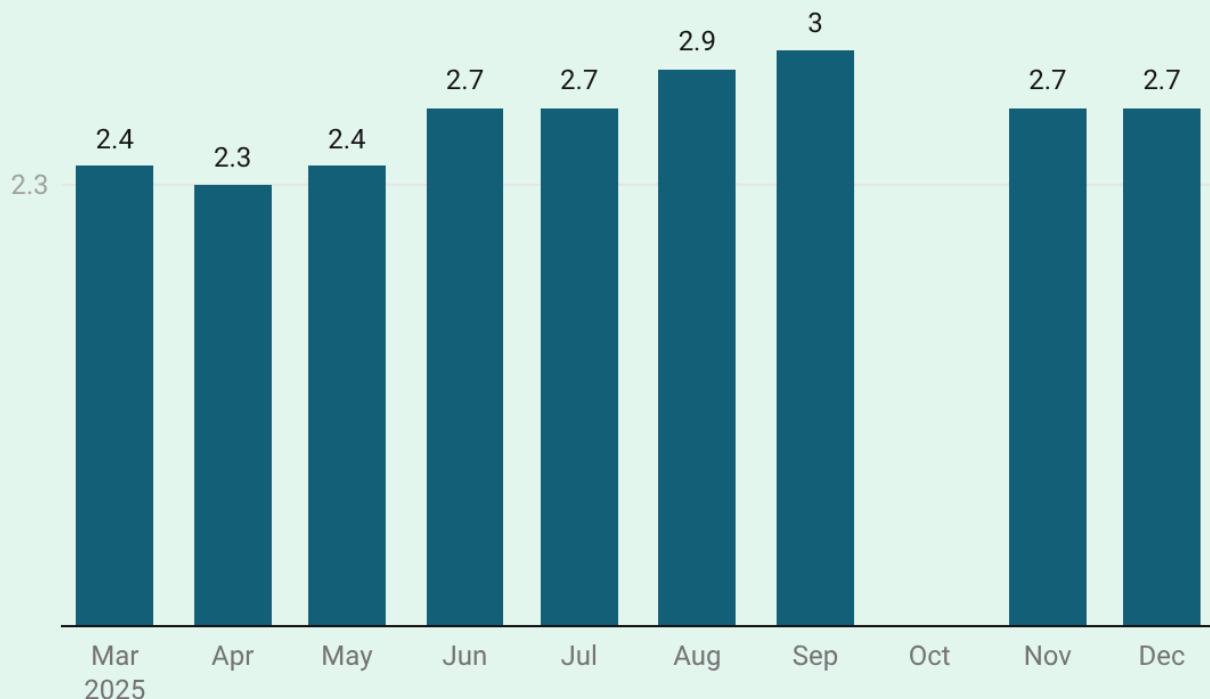
⁸ *Id.*

⁹ PBS News, “A timeline of Trump’s tariff actions so far,” Wyatte Grantham-Philips, May 26, 2025, <https://www.pbs.org/newshour/economy/a-timeline-of-trumps-tariff-actions-so-far>; The White House, “Fact Sheet: President Donald J. Trump Declares National Emergency to Increase our Competitive Edge, Protect our Sovereignty, and Strengthen our National and Economic Security,” April 2, 2025, <https://www.whitehouse.gov/fact-sheets/2025/04/fact-sheet-president-donald-j-trump-declares-national-emergency-to-increase-our-competitive-edge-protect-our-sovereignty-and-strengthen-our-national-and-economic-security/>.

3.02 percent, the highest annual rate since May 2024 – reversing the downward trend that characterized much of 2024 and the first few months of 2025.¹⁰

In a matter of months, Donald Trump took an economy with inflation trending down to an economy with inflation climbing to 3.02% – the highest since May 2024.

Year-over-year CPI inflation fell to 2.3% in April 2025, but increased after Trump announced sweeping tariffs on April 2, 2025.



The Bureau of Labor Statistics (BLS) did not collect price data in October due to the government shutdown, and the November and December CPI estimates have limitations that some

¹⁰ Inflation figures are based on year-over-year percent change in CPI-U. U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: All Items in U.S. City Average [CPIAUCSL], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CPIAUCSL>.

economists believe distorts the true inflation number.¹¹ Nonetheless, year-over-year CPI inflation remained elevated at 2.7 percent in both November and December.¹²

Goods inflation provides particularly stark evidence of this reversal. Annual core goods inflation for items like clothes, furniture, and new and used cars increased 1.4 percent in December 2025.¹³ In January 2025, that same measure was -0.07 percent.¹⁴ In fact, throughout 2024, year-over-year core goods inflation was negative; from January 2025 to March 2025, it hovered around 0; and starting in April, it accelerated.¹⁵

Elevated inflation has real costs for families. In 2024, households spent a total of \$78,535 on average on all purchases – from groceries, gas, and clothing to rent, healthcare, haircuts, and utilities.¹⁶ To buy the exact same goods and services in 2025, that same household would have needed to spend an additional **\$2,120** because of inflation under President Trump.¹⁷

Inflation's extra costs disproportionately burden low- and middle-income households. In 2025, the bottom 20 percent of households faced an additional \$950 in costs due to inflation – approximately more than 5 percent of their income. By contrast, while the top 20 percent of households confronted more than \$4,000 in additional costs due to inflation, this increase represents less than 2 percent of their income.¹⁸ This disparity exists because lower-income families spend a larger share of their earnings, particularly on essentials, making them more vulnerable to price increases.

¹¹ Wall Street Journal, “Inflation Eased to 2.7% in Report Distorted by Government Shutdown,” Chao Deng and Matt Grossman, December 18, 2025, <https://www.wsj.com/economy/consumers/consumer-price-index-inflation-november-2025-b0440253>; Wall Street Journal, “Pace of Inflation Held Steady in December; Consumer Prices Up 2.7% on Year,” Harriet Torry, January 13, 2026, <https://www.wsj.com/economy/consumer-price-index-inflation-december-2025-5e292092>.

¹² U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: All Items in U.S. City Average [CPIAUCSL], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CPIAUCSL>.

¹³ U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: Commodities Less Food and Energy Commodities in U.S. City Average [CUSR0000SACL1E], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CUSR0000SACL1E>.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ U.S. Bureau of Labor Statistics, Consumer Expenditures--2024, December 19, 2025, <https://www.bls.gov/news.release/cesan.nr0.htm>.

¹⁷ This estimate assumes that households purchased the same goods and services in 2025 that they bought in 2024. It reflects the year-over-year inflation rate measured in December 2025 (2.7%) multiplied by the average total household expenditures from 2024 (\$78,535). This estimate does not account for regional differences in inflation or variation in the inflation rate throughout the year or across different spending categories.

¹⁸ These calculations reflect the same approach described in the previous footnote. They reflect the year-over-year inflation rate measured in December 2025 (2.7%) multiplied by average expenditures by income decile from the Bureau of Labor Statistics 2024 Consumer Expenditure report. Incomes by decile for 2025 were estimated by adjusting average pre-tax income by decile from the same report upward by 3.8%, reflecting the annual growth rate in average hourly earnings reported in the Bureau of Labor Statistics' December 2025 employment report. The estimated additional costs households would face in 2025 were then divided by the estimated 2025 income for each decile to determine the proportional impact across income groups. This analysis is limited by its assumption that the CPI inflation rate applies uniformly across income deciles, wage growth was equal across all income deciles, and that the average hourly wage increase is a reasonable proxy for total household income growth; U.S. Bureau of Labor Statistics, “The Employment Situation—December 2025,” published January 9, 2026, <https://www.bls.gov/news.release/pdf/empsit.pdf>.

Inflation disproportionately burdens low- and middle-income households.

Extra costs because of inflation broken down by income deciles.

	How much more they paid in 2025 because of inflation	Approximate share of their pre-tax income
Lowest 20 percent	\$946.24	5.5%
Second 20 percent	\$1351.46	3.0%
Third 20 percent	\$1806.30	2.3%
Fourth 20 percent	\$2429.24	1.9%
Highest 20 percent	\$4059.23	1.5%

Economic analysts widely attribute persistent inflation, and the pick up in goods inflation in particular, to the President's chaotic and sweeping tariff policies.¹⁹ As businesses face higher costs for imported materials and finished goods, they have passed these expenses along to consumers through higher prices.²⁰ According to Goldman Sachs, American consumers are absorbing up to 55 percent of tariff costs.²¹ Another study found that Trump's tariffs had increased CPI inflation by 0.7 percentage points by September 2025.²²

And it's likely that American households haven't yet felt the full impact of tariff-induced inflation. According to some experts, consumers should expect to see more tariff-related price increases as we head into 2026.²³

¹⁹ Federal Reserve Bank of St. Louis, "How Tariffs Are Affecting Prices in 2025," Maximiliano A. Dvorkin, Fernando Leibovici, and Ana Maria Santacreu, October 16, 2025, <https://www.stlouisfed.org/on-the-economy/2025/oct/how-tariffs-are-affecting-prices-2025>; Fortune, "Powell warns of a 'very unusual' economy as tariffs keep goods inflation high amid a weakening labor market," Eva Roytburg, December 10, 2025, <https://fortune.com/2025/12/10/jerome-powell-rate-cuts-2026-very-unusual-economy/>.

²⁰ New York Times, "After a Lag, Consumers Begin to Feel the Pinch of Tariffs," Sydney Ember, August 2, 2025, <https://www.nytimes.com/2025/08/02/business/trump-tariffs-consumer-prices.html>.

²¹ NBC News, "U.S. consumers bearing more than half the cost of tariffs so far, Goldman Sachs says," Rob Wile, October 13, 2025, <https://www.nbcnews.com/business/consumer/us-consumers-bearing-half-cost-tariffs-far-goldman-sachs-says-rcna237283>.

²² Harvard Business School, "Harvard research: U.S. trade tariffs are increasing prices," Alberto F. Cavallo and Jaya Y. Wen, October 24, 2025, <https://www.hbs.edu/bigs/us-trade-tariffs-increasing-prices>; Alberto Cavallo, Paola Llamas, and Franco M. Vazquez, "Tracking the Short-Run Price Impact of U.S. Tariffs," November 12, 2025, https://www.pricinglab.org/files/TrackingTariffs_Cavallo_Llamas_Vazquez.pdf.

²³ Politico, "'Only so long' before Trump's tariff costs hit consumers, businesses warn," Daniel Desrochers, December 8, 2025, <https://www.politico.com/news/2025/12/08/trumps-tariff-costs-consumers-00679261>.

II. ELECTRICITY PRICES

PROMISE: “Under my administration, we will be slashing energy and electricity prices by half within 12 months.”²⁴

REALITY: Families paid \$123 more on electricity bills in 2025 under Donald Trump.

In August 2024, on the campaign trail, President Trump pledged to slash “energy and electricity prices by half within 12 months—at a maximum 18 months.”²⁵

The data reveals that electricity prices have moved sharply upward under President Trump instead. According to the CPI, year-over-year electricity inflation was 6.7 percent in December 2025 – that same measure was 2.8 percent in December 2024.²⁶ The Energy Information Administration’s (EIA) measurement of residential electricity prices shows an even steeper climb of 12.8 percent from January 2025 to October 2025.²⁷ Ahead of the 2025 winter season, energy analysts had projected that the price to heat homes this winter would be 9.2 percent higher than the year prior.²⁸

Based on December 2025 CPI data, households would have had to pay nearly \$123 more in 2025 on average for the same amount of electricity that they purchased in 2024.²⁹

And Trump’s policies are likely to lead to even higher energy costs. President Trump has slashed clean energy projects across the country, pulling cheaper energy sources from the grid.³⁰ In addition to his clean energy attacks, his Administration handed out billions of dollars in tax

²⁴ CBS News, “Energy prices could be election issue as voters see jump in utility bills,” Tracy J. Wholf, August 21, 2025, <https://www.cbsnews.com/news/rising-energy-prices-voting-issue-2025-elections/>.

²⁵ *Id.*

²⁶ U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: Electricity in U.S. City Average [CUSR0000SEHF01], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CUSR0000SEHF01>.

²⁷ This calculation reflects the percent change in the average price of electricity to ultimate customers for residential use from January 2025 to October 2025; Energy Information Administration, Electric Power Monthly, Table 5.6.A. Average Price of Electricity to Ultimate Customers by End-Use Sector, October 2025, published December 2025, https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=epmt_5_6_a.

²⁸ New York Times, “Heating Costs Expected to Rise 9.2% This Winter,” Ivan Penn, December 17, 2025, <https://www.nytimes.com/2025/12/17/business/energy-environment/winter-heating-costs-increase.html>.

²⁹ This estimate assumes that households purchased the same amount of energy in 2025 as they consumed in 2024. It reflects the year-over-year inflation rate on electricity measured in December 2025 (6.7%) multiplied by the average total household expenditures on electricity from 2024 (\$1,833).

³⁰ Climate Power, “Trump’s Energy Crisis,” <https://climatepower.us/energy-crisis/>.

breaks and subsidies for fossil fuel companies in President Trump’s signature legislation, the One Big Beautiful Bill Act, all at the expense of American families.³¹

For families already struggling with elevated costs across multiple categories, this represents another significant blow to household budgets. Rather than the promised 50 percent reduction, consumers are experiencing big increases in what they pay to power and heat their homes.

III. GROCERY PRICES

PROMISE: “A vote for Trump means your groceries will be cheaper.”³²

REALITY: Families paid \$150 more for groceries in 2025 under Donald Trump.

President Trump made grocery affordability a centerpiece of his economic messaging on the campaign trail, declaring simply that “a vote for Trump means your groceries will be cheaper.”³³ This promise resonated with voters who had experienced significant food price increases in preceding years and were hoping for relief.³⁴

The grocery aisle tells a different story.³⁵ Annual food-at-home inflation has been running higher in 2025 than it did throughout 2024.³⁶ By September 2025, this measure reached 2.7 percent, the highest rate since August 2023 – and remains elevated at 2.4 percent as of December.³⁷ Far from slowing, annual food-at-home inflation has jumped from 1.7 percent in December 2024 to 2.4 percent in December 2025.³⁸

³¹ Reuters, “Trump tax bill squeeze on clean power could raise energy bills,” Juliana Ennes, June 10, 2025, <https://www.reuters.com/business/energy/trump-tax-bill-squeeze-clean-power-could-raise-energy-bills-2025-06-10/>; Yale Environment 360, “U.S. Spending Bill to Grant \$40 Billion in Fossil Fuel Subsidies,” September 16, 2025, <https://e360.yale.edu/digest/republican-spending-bill-fossil-fuel-subsidies>.

³² C-SPAN, “User Clip: A vote for Trump means your groceries will be cheaper, Trump promises cheap groceries at a rally in Pittsburgh on Nov. 4, 2024,” November 4, 2024, <https://www.c-span.org/clip/campaign-2024/user-clip-a-vote-for-trump-means-your-groceries-will-be-cheaper/51725-65>.

³³ *Id.*

³⁴ NPR, “Grocery prices have jumped up, and there’s no relief in sight,” Scott Horsley, September 19, 2025, <https://www.npr.org/2025/09/19/10539547/grocery-prices-tariffs-food-inflation>.

³⁵ New York Times, “Despite Trump’s Claims, Grocery Prices Are Rising,” Kevin Draper and Julie Creswell, January 14, 2026, <https://www.nytimes.com/2026/01/14/business/food-prices-tariffs-trump.html>.

³⁶ U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: Food at Home in U.S. City Average [CUSR0000SAF11], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CUSR0000SAF11>.

³⁷ *Id.*

³⁸ *Id.*

Based on inflation data alone, households under President Trump had to pay nearly **\$150** more in 2025 on average to purchase the same amount of groceries they did in 2024.³⁹ Additional analysis conducted by the Joint Economic Committee Democrats suggests that families paid even more at the grocery store in 2025. By comparing typical weekly grocery purchases from January through December of both 2024 and 2025, the report found that the average family spent **\$310** more on groceries in 2025 than in 2024.⁴⁰

Low- and middle-income families spend a larger portion of their budgets on groceries. In 2024, the bottom 20 percent of households spent more than 20 percent of their pre-tax income on groceries – more than five times the roughly 3.5 percent spent by the top 20 percent.⁴¹ This disparity was likely similar in 2025, meaning that rising food costs during Trump’s first year back in office has disproportionately burdened lower-income households, who have less financial cushion to absorb price increases on groceries.

And for certain grocery staples, inflation is even higher. From January to December 2025:

- Coffee prices increased 29%⁴²
- Beef prices increased 21%⁴³
- Orange juice prices increased 7.6%⁴⁴
- White rice prices increased 6.7%⁴⁵
- Banana prices increased 5.6%⁴⁶

³⁹ Committee staff calculated the additional costs families would face in 2025 by taking the average total household expenditures on food-at-home from 2024 (\$6,224) and multiplying that by the year-over-year inflation rate on food-at-home measured in December 2025 (2.4%). This methodology assumes that households purchase the same amount of food they consumed in 2024.

⁴⁰ Joint Economic Committee Democrats, “New Data: Families Paid \$310 More for Groceries During Trump’s First Year in Office,” January 15, 2026, <https://www.jec.senate.gov/public/index.cfm/democrats/press-releases?ID=B98C65EA-6283-4DF1-950F-431A3AF9C70D>.

⁴¹ These estimates show the share of pre-tax income spent on groceries (food-at-home), calculated by dividing average annual food-at-home expenditures by average annual pre-tax income for each income decile; U.S. Bureau of Labor Statistics, Consumer Expenditures--2024, December 19, 2025, <https://www.bls.gov/news.release/cesan.nr0.htm>.

⁴² U.S. Bureau of Labor Statistics, Average Price: Coffee, 100%, Ground Roast, All Sizes (Cost per Pound/453.6 Grams) in U.S. City Average [APU0000717311], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/APU0000717311>.

⁴³ U.S. Bureau of Labor Statistics, Average Price: Ground Beef, 100% Beef (Cost per Pound/453.6 Grams) in U.S. City Average [APU0000703112], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/APU0000703112>.

⁴⁴ U.S. Bureau of Labor Statistics, Average Price: Orange Juice, Frozen Concentrate, 12 Ounce Can (Cost per 16 Ounces/473.2 Milliliters) in U.S. City Average [APU0000713111], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/APU0000713111>.

⁴⁵ U.S. Bureau of Labor Statistics, Average Price: Rice, White, Long Grain, Uncooked (Cost per Pound/453.6 Grams) in U.S. City Average [APU0000701312], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/APU0000701312>.

⁴⁶ U.S. Bureau of Labor Statistics, Average Price: Bananas (Cost per Pound/453.6 Grams) in U.S. City Average [APU0000711211], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/APU0000711211>.

And for families looking to go out to eat, annual inflation for food-away-from home hit 4 percent in December 2025, up from 3.4 percent in January 2025.⁴⁷ Including both groceries and dining out, households had to pay **\$315** more in 2025 on average to purchase the same amount of food as they did in 2024.⁴⁸

Conclusion

One year into Donald Trump’s second term, he has broken the biggest promises he made on taming inflation. Inflation remains too high – and higher than it was before Trump’s sweeping and chaotic tariffs, energy costs have soared, and grocery prices continue climbing. The gap between Trump’s promises of “drastic price reductions” and the reality of continued inflationary pressure is hurting families across the country - and costing them thousands of dollars annually.

⁴⁷ U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: Food Away from Home in U.S. City Average [CUSR0000SEFV], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CUSR0000SEFV>.

⁴⁸ Committee staff calculated the additional costs families would face in 2025 by taking the average total household expenditures on food from 2024 (\$10,169) and multiplying that by the year-over-year inflation rate on food measured in December 2025 (3.1%). This methodology assumes that households purchase the same amount of food, both at- and away-from- home they consumed in 2024.