

Summary: The 2025 Government shutdown resulted in softer economic growth

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Recent economic data shows economic growth (GDP) rising 1.4 percent in the 4<sup>th</sup> quarter, and the lower number is largely attributed to the 2025 government shutdown. While there are several different measures on inflation core PCE prices were up 2.7 percent during this same period, and headline inflation rose 2.9 percent. Purchases rose 2.4 percent which was slightly slower than year over year comparisons. Additionally, it should be noted that AI spending pushed up capital expenditures, and it was responsible for 0.8 percent of GDP growth. Going forward, core goods are expected to accelerate, recreation services are strong, and real disposable income is flat.

Wishing everyone a wonderful week, and as always if you have any questions please do not hesitate to call or write.

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Gapen, M. T., Coffin, S. D., Anzoategui, D., Sinha, A., Berger, H., & Xu, L. (2026, February 20). *4Q GDP: Growth slows with a drag from the shutdown* (US Economics | North America). Morgan Stanley Research.

Forbes America's Top Wealth Management Teams

Source: Forbes.com (Awarded Nov 2025) Data compiled by SHOOK Research LLC based on time period from 3/31/24-3/31/25.

Forbes Best-In-State Wealth Management Teams

Source: Forbes.com (Awarded Jan 2025) Data compiled by SHOOK Research LLC based for the period 3/31/23-3/31/24.

Barron's Top 250 Private Wealth Management Teams

Source: barrons.com (Awarded May 2025) Data compiled by Barron's for the period Jan 2024-Dec 2024.

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