

Consumer prices

After plateauing for almost a year at around 6% in 2022, year-on-year variation in consumer prices in France fell back sharply in 2023 and early 2024. It stabilised in the spring, fluctuating between +2.2% and +2.3% between March and July 2024, before falling again during the summer, dropping to +1.1% year on year in September, due to the decline in energy and services inflation, especially telecommunications. In November, inflation stood at +1.3% year on year (► [Figure 1](#)). As an annual average in 2024, it is expected to fall to +2.0%, after +4.9% in 2023 and +5.2% in 2022 (► [Figure 2](#)).

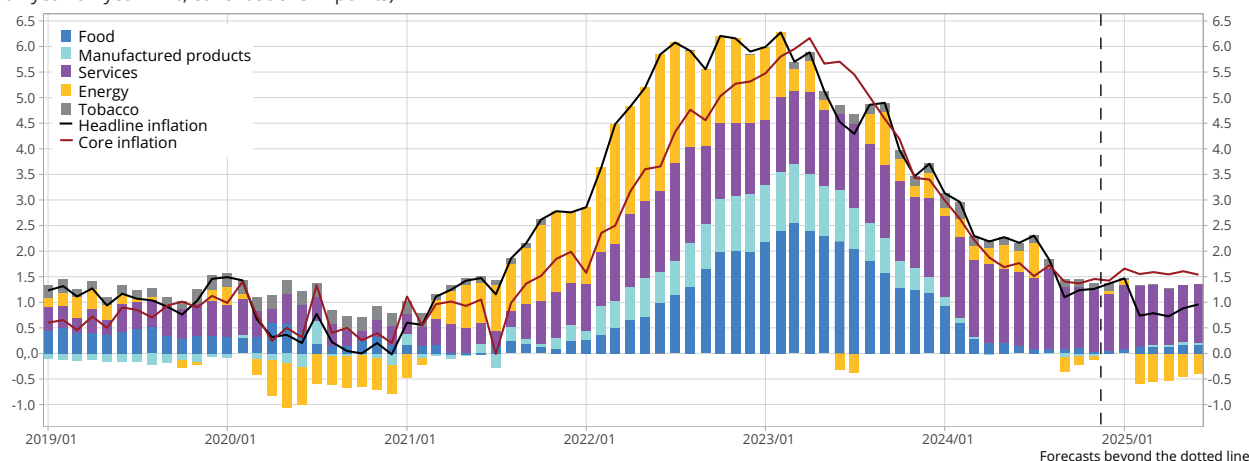
Core inflation, which stood at +1.5% in November, is expected to maintain this pace over the forecasting period. The balances of opinion in the business tendency surveys relating to expected prices have generally stabilised after falling sharply from early 2023 to mid-2024, signalling the end of the disinflationary trend (► [Figure 3](#)). Thus, compared to November, the contribution of food and manufactured products to headline inflation is expected to increase very slightly, whereas that of services should remain fairly stable. The other components of inflation are likely to trend downwards, however, especially tobacco prices, which are unlikely to increase much at all year on year from January, and electricity prices, which are expected to fall in February. Thus in June 2025, headline inflation is expected to stand at +1.0% year on year. It is likely to peak in January at +1.5% year on year due to the increase in certain regulated tariffs (health and insurance), before falling back from February onwards with the expected drop in electricity prices.

Energy prices are expected to continue to fall year on year. Assuming that the price of Brent remains stable at €69.50 per barrel, petroleum product prices are then expected to fall back by 4.7% year on year in June 2025, after -9.0% in November. For electricity prices, meanwhile, the year on year variation was +9.5% in November 2024 due mainly to the increase in the regulated electricity tariff implemented in February 2024, but these prices look set to fall in February 2025 in line with the 14% drop announced in the regulated sales tariff (TRV), which is indexed to market prices but with some delay. This fall is expected to be a little less pronounced for households subscribing to a market offer, with the result that electricity prices will probably fall, on average, by 11.6% year on year in June 2025. Finally, gas prices are likely to increase in the winter before falling slightly from March onwards as a result of fluctuations in the market price (► [Energy and commodities sheet](#)): year on year, they are expected to increase by 16.1% in June 2025, after +7.2% in November 2024. All in all, energy is likely to contribute to reducing headline inflation in June 2025, mainly due to the drop in regulated electricity tariffs and the year on year decline in the price of petroleum products.

Food inflation is expected to rise again in 2025, from +0.2% year on year in November 2024 to +1.1% year on year in June 2025. Inflation in fresh produce is likely to increase in the coming months, from +1.8% in November 2024 to +5.1% in June 2025, mainly as a result of the base effect. Food prices, excluding fresh produce, are likely to be a little more dynamic than last year, since agrifood industry producer prices will not decline any further in 2024 (► [Figure 4](#)): for these products, the year-on-year increase in prices is expected to reach +0.6% in June 2025, whereas it was slightly negative in November 2024. The outcome of the trade negotiations currently underway in the major retail sector could affect this trajectory, in one direction or another.

► 1. Headline inflation and contributions by item

(inflation year-on-year in %, contributions in points)



Last point: November 2024, definitive CPI.

How to read it: in November 2024, headline inflation is expected to rise by +1.3%. Energy contributed -0.1 points, while services contributed +1.3 points.

Source: INSEE.

Inflation in manufactured products is expected to increase slightly over the forecasting period, reaching +0.1% year on year in June 2025, after -0.3% in November 2024. This rise in inflation will be driven in part by new cars, whose prices are expected to increase in December as a result of restrictions on the ecological bonus. In addition, according to the business tendency survey in industry, in November 2024, the balance of opinion on expected variations in selling prices was close to its long-term average.

Inflation in services is expected to drop only very slightly over the forecasting period, to +2.2% in June 2025 after +2.3% in November 2024: services are expected to remain the main contributors to headline inflation throughout the forecasting period, due to their weighting in the index (accounting for about half of the consumer basket). Prices of health services are expected to increase from the end of 2024, driven by the increase in the basic consultation rate for general practitioner doctors. Inflation in transport services is expected to slow over the period of the forecast, except for rail transport, where it is likely to increase a little. However, since the end of the summer, the decline in communication tariffs has intensified considerably and stood at -12.2% in November 2024. This fall was specific to France and almost the same as that recorded in 2012 when a fourth operator arrived on the scene (► [Figure 5](#)); these rates are expected to continue to fall through to June 2025, although this decline will ease a little (-6.5%). Inflation in “other services” to households looks set to slow slightly in the wake of wage costs. However, the increase in insurance rates is expected to be sustained, particularly due to the increase in the additional subscription rates for “natural disaster” guarantees. The year-on-year variation in rents for principal residences is expected to fall over the forecasting period, in the wake of the increase in the rent reference index (► [Focus](#) on change in housing rents).

Finally, tobacco inflation is likely to decline due to the base effect from January 2025, provided there are no new tax increases: after this date, prices should be more or less stable year on year, having increased by +8.7% year on year in November 2024 as a result of excise duty increases decided on at the beginning of the year. ●

► 2. Headline inflation, past and forecast

(change in %, contributions in points)

CPI groups* (2023 weightings)	Oct. 2024		Nov. 2024		Dec. 2024		Jan. 2025		March 2025		June 2025		Annual averages	
	yoy	cyoy	yoy	cyoy	yoy	cyoy	yoy	cyoy	yoy	cyoy	yoy	cyoy	2023	2024
Food (15.1%)	0.6	0.1	0.2	0.0	0.3	0.1	0.5	0.1	0.9	0.1	1.1	0.2	11.8	1.4
including: fresh food (1.9%)	4.5	0.1	1.8	0.0	2.9	0.1	3.0	0.1	5.3	0.1	5.1	0.1	9.6	2.2
excluding: fresh food (13.2%)	0.0	0.0	-0.1	0.0	0.0	0.0	0.2	0.0	0.2	0.0	0.6	0.1	12.2	1.3
Tabacco (1.8%)	8.7	0.2	8.7	0.2	8.7	0.2	2.3	0.0	0.3	0.0	0.2	0.0	8.0	10.3
Manufactured products (23.2%)	-0.2	0.0	-0.3	-0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0	3.5	0.0
including: clothing and footwear (3.4%)	0.1	0.0	-0.1	0.0	0.4	0.0	0.6	0.0	0.5	0.0	0.5	0.0	2.5	0.5
medical products (4.0%)	-1.2	0.0	-1.5	-0.1	-1.4	-0.1	-1.4	-0.1	-1.4	-0.1	-1.4	-0.1	-0.7	-1.2
other manufactured products (15.8%)	0.0	0.0	0.0	0.0	0.2	0.0	0.3	0.0	0.4	0.1	0.5	0.1	4.7	0.2
Energy (8.3%)	-2.0	-0.2	-0.7	-0.1	0.7	0.1	1.0	0.1	-6.5	-0.6	-4.7	-0.4	5.6	2.2
including: oil products (4.3%)	-11.9	-0.5	-9.0	-0.4	-5.8	-0.2	-5.0	-0.2	-8.1	-0.4	-4.7	-0.2	-1.7	-4.8
Services (51.6%)	2.2	1.1	2.3	1.2	2.1	1.1	2.4	1.3	2.3	1.2	2.2	1.1	3.0	2.7
including: rent-water (8.0%)	2.8	0.2	2.8	0.2	2.8	0.2	2.7	0.2	2.6	0.2	2.6	0.2	2.8	2.8
health services (6.2%)	-0.4	0.0	-1.2	-0.1	-1.0	-0.1	-0.1	0.0	-0.3	0.0	0.4	0.0	-0.2	0.6
transport (2.9%)	3.8	0.1	4.4	0.1	3.1	0.1	3.1	0.1	1.9	0.1	2.0	0.1	6.3	2.3
communications (2.0%)	-15.7	-0.3	-12.2	-0.2	-12.3	-0.3	-10.3	-0.2	-8.4	-0.2	-6.5	-0.1	-3.6	-7.9
other services (32.5%)	3.5	1.1	3.6	1.2	3.4	1.1	3.5	1.2	3.4	1.1	3.0	1.0	3.9	3.8
All (100%)	1.2	1.2	1.3	1.3	1.4	1.4	1.5	1.5	0.8	0.8	1.0	1.0	4.9	2.0
All excluding energy (91.7%)	1.5	1.4	1.4	1.3	1.4	1.3	1.5	1.4	1.5	1.3	1.5	1.4	4.8	2.0
All excluding tabacco (98.2%)	1.0	1.0	1.1	1.1	1.2	1.2	1.5	1.4	0.8	0.8	1.0	1.0	4.8	1.9
Core inflation** (62.7%)	1.3	0.8	1.5	0.9	1.4	0.9	1.7	1.0	1.6	1.0	1.5	0.9	5.1	1.8

■ Forecast.

yoy: year-on-year; **cyoy**: contribution to the year-on-year value of the overall index.

* Consumer price index (CPI).

** Index excluding public tariffs and products with volatile prices, corrected for tax measures.

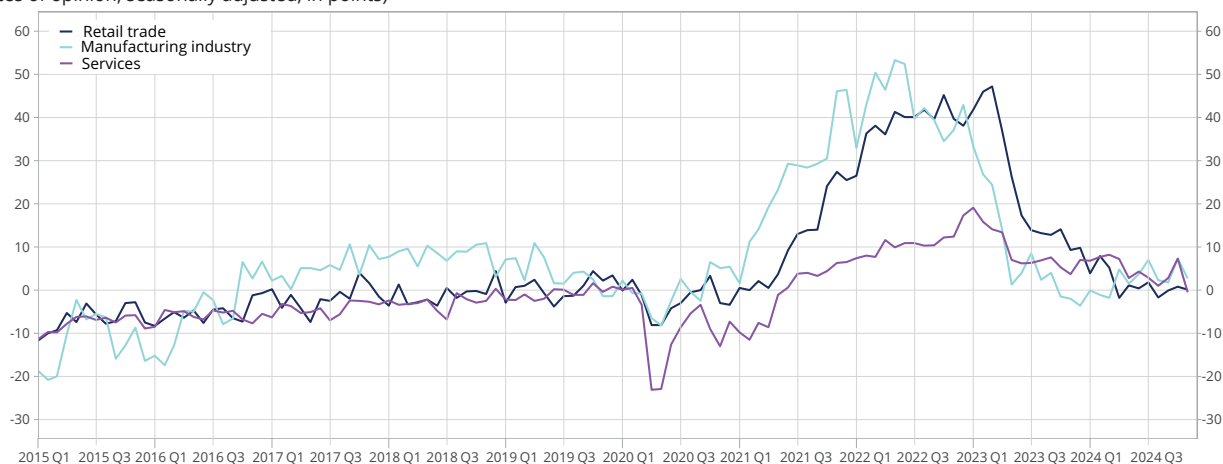
Note: the table shows the definitive CPI for February, published on 15 March 2023, while forecasts for the following months were based on the provisional CPI estimate.

Source: INSEE.

French economic outlook

► 3. Balances of opinion on variations in selling prices over the next 3 months

(balances of opinion, seasonally adjusted, in points)



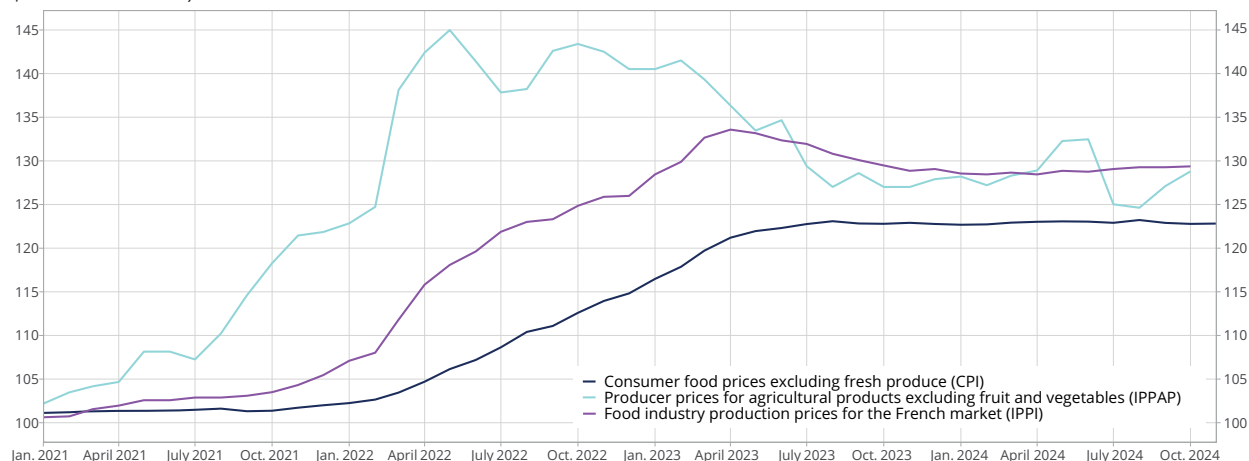
Last point : November 2024.

How to read it: in November 2024, the balance of opinion on variation in selling prices is 2.7 in manufacturing industry, -0.5 in services and +0.1 in retail trade +0.1 in retail trade.

Source: monthly business surveys, INSEE.

► 4. Variation in prices along the food production chain

(in level, base = 100 in 2019)



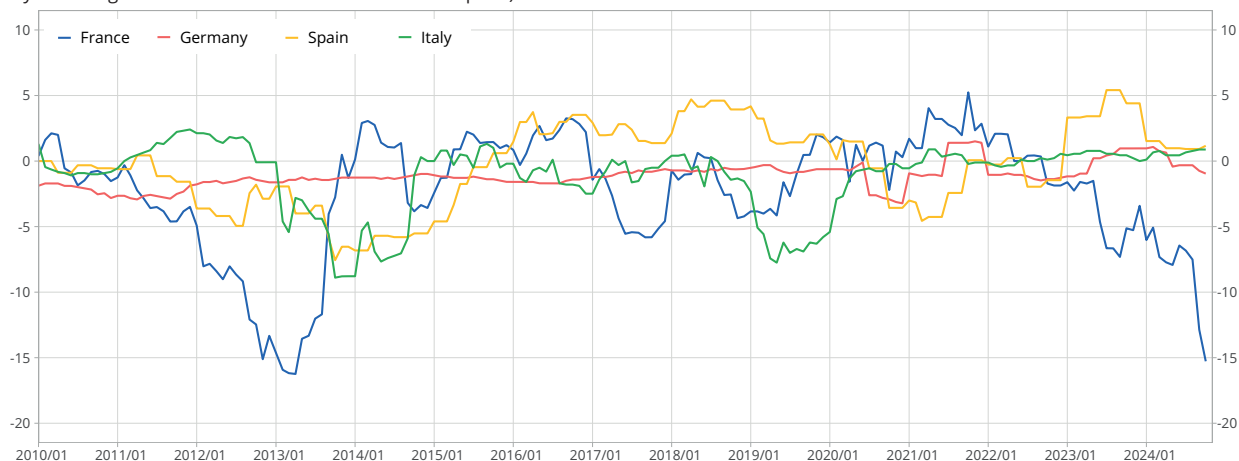
Last point : October 2024 for IPPAP and IPPI, November 2024 for CPI.

How to read it: in October 2024, compared with their average in 2019, consumer prices for food products excluding fresh produce rose by 22.8%, production prices for the French market by 29.4% and farm-gate prices for agricultural products (excluding fruit and vegetables) by 28.8%.

Source: IPPAP, IPPI, IPC, INSEE.

► 5. Variation in the prices of telecommunications services in the four main Eurozone countries

(Year-on-year change in the harmonised index of consumer price)



Last point : October 2024.

Note: the data below use the Harmonised Index of Consumer Prices (HICP) at European level to facilitate comparisons. They therefore differ slightly from the French national index (CPI) referred to in Table 2.

How to read it: in France in October 2024, the year-on-year variation in the HICP for "telecommunication services" was -15.3%, whereas it was +1.2% in Spain.

Source: Eurostat.