

Consumer prices

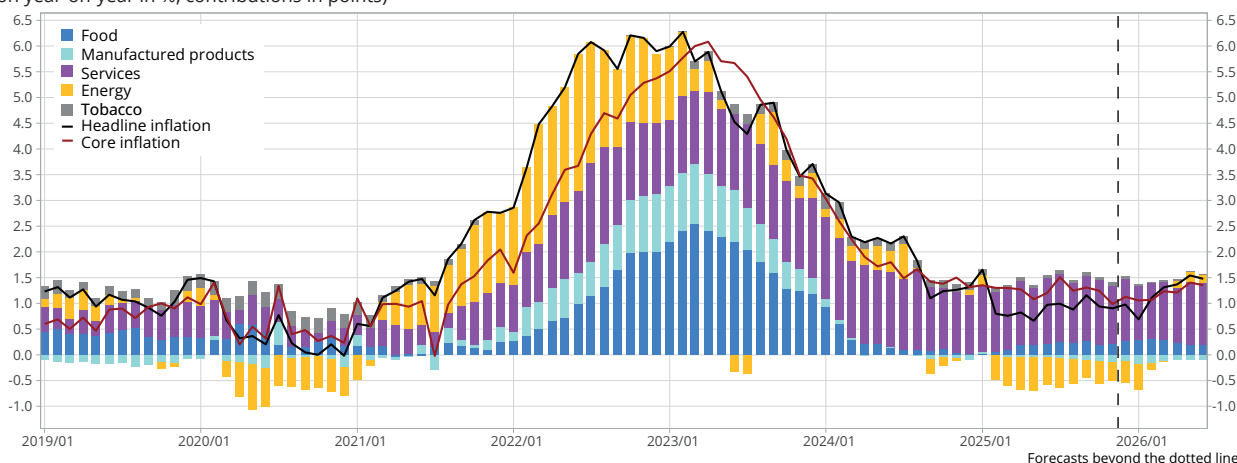
The year-on-year variation in consumer prices in France has fallen back sharply over the past two years, from over +6% in early 2023 to less than +1% in February 2025. Since then, it has hovered around +1% (► [Figure 1](#)) and was still at that level in November (+0.9%). Since the start of the year, inflation has remained significantly lower in France than in other European countries, due to three main factors. Firstly, wage growth dynamics have been less pronounced in France, holding back the prices of services. Secondly, the timetable for setting regulated electricity tariffs led to a significant decline in prices starting in February 2025 (► [Figure 2](#)). Finally, price competition between telecommunications operators led to a sharp drop in prices during 2025, in proportions comparable to those observed upon the arrival of the fourth major operator in the 2010s (► [Figure 3](#)). However, this price war ended in September and is therefore no longer contributing to low inflation. In addition, food inflation, which had stagnated below +1% between spring 2024 and spring 2025, rose slightly to +1.4% year on year in November. This increase was driven by the introduction in March of the tax on sugar-sweetened beverages in the framework of the financial laws for 2025, by the surge in tropical commodity prices and by the passing on of increases in producer prices for non-fresh food products over the last few months, particularly for meat and eggs. Overall, headline inflation is expected to average +1.0% per annum in 2025, after +2.0% in 2024 and +4.9% in 2023, which would be the lowest rate seen since 2020.

Over the forecasting period, inflation is likely to pick up slightly, to +1.5% year on year in June 2026, assuming that the price per barrel of crude oil remains unchanged at €54.30 (i.e. \$63 and an exchange rate of \$1.16/€). This increase should be driven mainly by energy prices, particularly electricity prices, as the sharp reduction observed in February 2025 drops out of the calculation of the year-on-year figures. Food prices are expected to keep accelerating in Q1, before slowing in the spring as the sharp rises in exotic commodity prices observed last year drop out of the year-on-year calculation. The year-on-year variation in the prices of manufactured goods is likely to remain negative, with the appreciation of the euro against the dollar and Asian currencies continuing to exert downward pressure on imported goods prices. However, it should pick up slightly in the spring, notably due to the tax on small parcels (► [Box](#) on public policy measures for 2026). Lastly, inflation in services is expected to remain broadly stable between November and June, while concealing contrasting price trends between the various products.

Between now and June, the year-on-year variation in the prices of energy products should pick up to +2.0%, whereas it remained strongly negative in November (-4.6%). The decline observed since the beginning of 2025 is therefore set to come to an end. This rise in energy inflation should be mainly due to the fact that the sharp reduction in the regulated sales tariff (TRV) for electricity in 2025 will drop out of the year-on-year calculation in February. The regulated sales tariff for electricity is expected to remain broadly stable in February 2026, after falling sharply one year earlier (-15% in February 2025), thereby automatically pushing up the year-on-year variation in prices. In addition, petroleum product prices are likely to rise, having already been more buoyant than Brent crude prices in November 2025. This increase in margins is common to all European economies (► [Figure 4](#)) and appears to be partly linked to the recent destruction of Russian and Ukrainian refining capacity, which has led to a long-term tightening of the global supply of refined products.

► 1. Headline inflation and contributions by item

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



Last point: November 2025, final CPI.

How to read it: in November 2025, headline inflation stood at +0.9%. Energy contributed -0.4 points, while services contributed +1.1 points

Source: INSEE.

Furthermore, the increase in the obligations that suppliers will need to meet from 1st January 2026 under the Energy Saving Certificates (CEE) scheme is likely to be passed on to pump prices at the start of the year. All in all, assuming that the price of Brent crude remains stable at €54.30 per barrel, the price of petroleum products is expected to rise year on year in June 2026 (+4.0%), after +1.0% in November 2025. The year-on-year change in the price of gas is set to edge down over the forecasting period, from +1.8% in November to -0.4% year on year in June.

Food inflation should also rise in early 2026, from +1.4% year on year in November to +2.0% in March, before falling back to +1.3% in June. Several successive effects are likely to be felt over time. At the beginning of 2026, the past rebound in producer prices in the agri-food sector, which began at the start of 2025, should continue to be passed on slightly to consumer prices: non-fresh food prices are therefore expected to remain more dynamic than last year on a month-by-month basis. Their year-on-year rise is expected to reach +2.3% in February 2026, after +1.9% in November. However, this increase in food inflation is likely to be interrupted in Q2 when the introduction of the tax on sugar-sweetened beverages and the sharp rises in the prices of coffee and cocoa-based products observed in April and May 2025 (► **Focus** on consumer prices of coffee and cocoa-based products, *Economic outlook*, June 2025) drop out of the year-on-year calculation.

The prices of manufactured goods are set to keep declining year on year over the forecasting period, but at a less sustained pace than that seen this autumn: their year-on-year variation is expected to stand at -0.4% in June 2026, after -0.6% in November. On the one hand, the increase in the electric vehicle bonus and the past appreciation of the euro against the dollar and Asian currencies should drive down the prices of manufactured goods; on the other hand, the tax on small parcels is likely to raise them slightly.

Inflation in services is expected to be broadly stable over the forecasting period: the year-on-year variation should stand at +2.3% in June 2026, after +2.2% in November. Services are therefore set to remain the main contributors to headline inflation, due to their significant weight in total consumption (around half of the basket). This relative stability in the year-on-year variation masks contrasting movements depending on the products. The annual variation in rents for main residences is expected to fall (+1.5% in June 2026, after +2.6% in November), reflecting the delayed effect of the past drop in inflation (► **Focus** on residential rents, *Economic outlook*, December 2024). The year-on-year variation in the prices of health services is also likely to fall to +1.1% in June after +2.3% in November. The increases in fees for paramedical consultations and certain specialists on 1st January 2026 (initially scheduled for July 2025) should be more than offset

► 2. Headline inflation, past and forecast

(change in %, contributions in points)

CPI groups* (2025 weightings)	Oct. 2025	Nov. 2025	Dec. 2025	Jan. 2026	Feb. 2026	June 2026	Annual averages	
							2024	2025
Food (14.6%)	1.3	1.4	1.8	1.9	2.0	1.3	1.4	1.2
fresh food (1.7%)	-2.2	-2.8	-0.1	-0.6	-0.2	0.8	1.9	1.0
other food product (12.9%)	1.8	1.9	2.1	2.2	2.3	1.3	1.3	1.2
Tabacco (1.6%)	4.1	4.1	4.1	1.9	1.7	1.7	10.3	4.3
Manufactured products (22.8%)	-0.5	-0.6	-0.5	-0.7	-0.7	-0.4	0.0	-0.3
clothing and footwear (3.3%)	0.3	0.2	0.2	-1.2	-0.9	0.6	0.4	0.7
medical products (4.1%)	-2.1	-1.9	-1.8	-1.8	-1.8	-1.8	-1.2	-1.7
other manufactured products (15.4%)	-0.2	-0.4	-0.3	-0.3	-0.3	-0.3	0.2	-0.1
Energy (8.1%)	-5.6	-4.6	-5.5	-6.3	-1.9	2.0	2.3	-5.5
oil products (3.8%)	-1.1	1.0	-0.1	-1.6	-1.8	4.0	-4.7	-4.1
Services (52.8%)	2.4	2.2	2.3	2.0	2.1	2.3	2.7	2.3
rent, water, refuse collection (8.0%)	2.3	2.7	2.7	2.6	2.0	2.0	2.8	2.6
health services (6.4%)	2.1	2.3	2.2	0.7	0.6	1.1	0.6	1.7
transport (3.1%)	-1.8	-1.5	-0.4	0.1	0.9	0.9	2.5	0.6
communications (1.8%)	2.0	-1.6	-0.4	-0.2	0.2	2.9	-8.1	-8.7
other services (33.5%)	2.8	2.5	2.6	2.4	2.6	2.7	3.9	3.1
including accommodation and catering (9.0%)	2.2	1.9	1.9	2.1	2.2	2.8	3.1	2.4
including social protection (5.0%)	3.8	3.9	4.1	3.1	3.4	3.7	3.5	4.1
including insurance (3.5%)	6.4	6.3	5.8	4.5	4.5	4.5	8.0	8.4
All (100%)	0.9	0.9	1.0	0.7	1.1	1.5	2.0	1.0
All excluding energy (91.9%)	1.5	1.4	1.5	1.3	1.4	1.4	2.0	1.5
All excluding tabacco (98.4%)	0.9	0.9	0.9	0.7	1.1	1.5	1.8	0.9
Core inflation** (61.4%)	1.2	1.0	1.1	1.1	1.1	1.4	1.8	1.2
HICP set	0.8	0.8	0.9	0.8	1.2	1.6	2.3	0.9

■ Forecast.

* Consumer price index (CPI).

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

How to read it: in November 2025, headline inflation year on year was +0.9%. The year-on-year variation in food prices was +1.4%.

Source: INSEE.

French economic outlook

by the exclusion of the increase in the price of general practitioner consultations at the end of December 2024 from the calculation of the year-on-year figures. Conversely, in communication services, the price war between operators has come to an end, with the result that inflation is set to rise between now and June (+2.9% year on year in June 2026 after -1.6% in November 2025), as the sharp declines observed in 2025 drop out of the year-on-year calculation. The prices of transport services, which are forecast to rise by 0.9% year on year in June 2026 after -1.5% in November, are expected to maintain their upward trend that began in the summer, in the wake of energy prices. Inflation in “other household services” is likely to rise slightly (+2.7% in June, after +2.5% in November). Despite the increases in daycare fees in January 2026, social protection prices are expected to rise less sharply than last year, driving their year-on-year variation down as a result of the base effect. Similarly, the year-on-year rise in insurance prices should also slow due to the base effect, while maintaining a sustained pace in 2026: year on year, it is likely to stand at +4.5% in June, compared with +6.3% in November. Conversely, the year-on-year variation in the prices of “other services” is expected to be buoyed by the prices of accommodation-catering (+2.8% in June, after +1.9% in November), which are expected to return to a trend in line with their usual determinants.

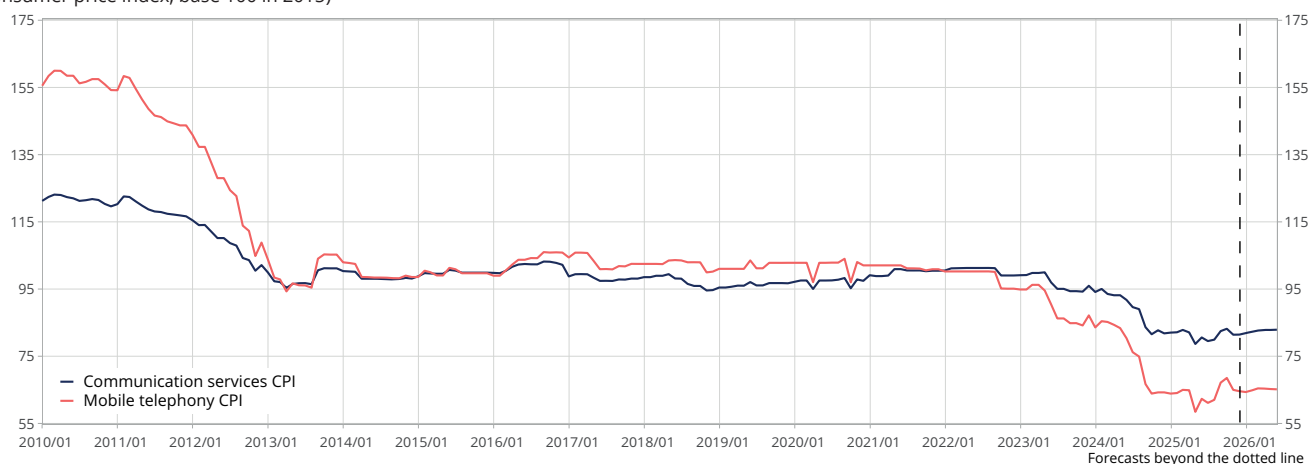
Tobacco prices should slow due to the base effect (+1.7% year on year in June 2026, after +4.1% in November 2025), with the tax increase on 1st January, indexed to past inflation, being lower than in 2025.

Core inflation, which excludes both volatile prices such as energy and administered tariffs, is expected to stand at +1.4% in June year on year, after +1.0% in November.

Inflation within the meaning of the Harmonised Index of Consumer Prices (HICP), which differs in its method of accounting for the prices of healthcare goods and services, is likely to rise more strongly than the CPI, due mainly to the greater weight of energy in the calculation of this index. Year on year, inflation within the meaning of the HICP should stand at +1.6% in June after +0.8% in November (► **Box** on differences between the CPI and HICP, *Economic outlook*, June 2025). ●

► 3. Monthly price trends in communication services since 2010

(consumer price index, base 100 in 2015)

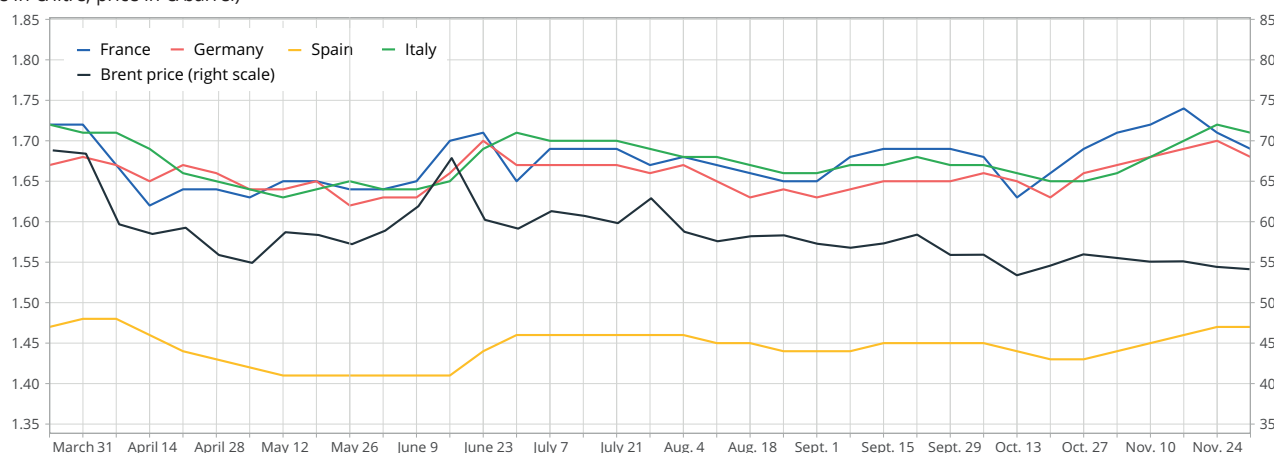


How to read it: in November 2025, the prices of communication services were 18% below their 2015 level.

Source: INSEE.

► 4. Weekly change in fuel prices at the pump and in the price of a barrel of Brent crude oil

(price in €/litre; price in €/barrel)



How to read it: in the week of 24 November 2025, the average pump price in France was €1.71 per litre, while the price of a barrel of Brent crude oil averaged €55.

Source: European Commission, Commodity Research Bureau.