

Informations *Rapides*

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■ Price Index – Annual average rates of change in 2017

Consumer prices accelerated on average from 2016 to 2017

On average over the year, consumer prices gathered pace again in 2017. Thus, the inflation was up by 1.0% after a stability in 2015 and +0.2% in 2016 and reached a higher level than in 2013. Excluded tobacco, consumer prices also rose by 1.0% between 2016 and 2017. This prices dynamism came from a sharp rebound in energy prices and a pronounced acceleration in food prices. These increases were slightly attenuated by a little more marked fall in manufactured product prices. Last, services prices rose at the same pace as in 2016.

Sharp upturn in energy prices

After three years of consecutive fall, energy prices recovered sharply in 2017 (+6.2% after -2.8% in 2016), in the wake of petroleum product prices (+10.3% after -5.4%). The increase in fuel taxation in January 2017 and a higher average Brent price in 2017 than in 2016 contributed to it significantly. Thus, on average over the year, motor fuel prices rose by 9.1% in 2017 (after -4.4% in 2016) and those of heating fuel by 17.3% (after -10.6%). Gas prices also sharply contributed to energy inflation (+4.6% after -7.6%). Contrariwise, electricity prices slowed down: +0.4% after +3.1%.

This document presents the annual average rates of change in the Consumer Prices Index (CPI) in 2017. The monthly and year-on-year rates of change in the CPI in December 2017 have been also published on 12 January in another « Informations rapides ». The annual average and the year-on-year rate of change are two different concepts: the annual average rate of change refers to the whole set of prices observed during one year compared with all those observed during the previous year. The year-on-year change refers to the prices observed during a particular month compared with those observed during the same month of the previous year.

Annual average changes in consumer price index

2015: 100

2015: 100

		Annual average rates of change		
Items	Weight 2017	2016	2017	From 2016 to 2017%
a) All households – France				
Overall	10000	100,18	101,22	+1.0
Food	1627	100,58	101,62	+1.0
Fresh food	235	103,73	107,20	+3.3
Other food	1392	100,09	100,74	+0.6
Tobacco	188	100,11	102,77	+2.7
Manufactured products	2617	99,52	98,96	-0.6
Clothing and footwear	433	100,15	100,15	0.0
Medical products	433	97,00	94,97	-2.1
Other manufactured products	1751	99,91	99,67	-0.2
Energy	748	97,16	103,19	+6.2
Petroleum products	378	94,62	104,34	+10.3
Services	4820	100,95	101,97	+1.0
Actual rentals and services for dwellings	779	100,65	101,10	+0.4
Health services	600	100,23	101,49	+1.3
Transport	282	98,48	100,48	+2.0
Communication	242	102,04	98,48	-3.5
Autres services	2917	101,32	102,73	+1.4
Total except rents and tobacco	9183	100,18	101,23	+1.0
Total except tobacco	9812	100,19	101,19	+1.0
b) Urban working-class households or households of employees				
All products excluding tobacco	9710	100,13	101,05	+0.9
c) Households that belong to the lowest equivalized disposable income quintile - France				
All products excluding tobacco	9705	99,98	100,91	+0.9

Geographical coverage: France excluding Mayotte

Source: INSEE – Consumer Price indices

Sharp acceleration in food and tobacco prices

In 2017, food prices rose faster than in 2016 (+1.0% after +0.6%). The prices of food products except fresh foodstuff gathered pace sharply (+0.6% after +0.1 % in 2016) due to a an increase in meat prices (+1.1% after +0.4%), in oils and fats prices (+2.8% after +0.6%) in the wake of butter prices. Moreover, the prices of milk, cheese and eggs (+0.2% after -1.0%), of bread and cereals (+0.3% after -0.1%) and of non-alcoholic beverages (+0.6% after -0.6%) recovered. Fresh food prices slowed (+3.3% after +3.7%) and contributed less to the general increase in food prices than in 2016.

After two years of slight rise, tobacco prices went up by 2.7% between 2016 and 2017 due to an increase in taxes.

Further drop in manufactured product prices

The prices of the manufactured products fell again on average in 2017 hardly stronger than in 2016 (-0.6% after -0.5%). The prices of clothing and footwear were stable in 2017 after a rebound in 2016: the clothing prices slackened (+0.1% after +0.4%) while those of footwear dropped less than in 2016 (-0.3% after -1.1%). The prices of "other manufactured products" decreased a little more in 2017 (-0.2% after -0.1%), due to a stronger fall in the prices of furniture and furnishings (-0.4% after -0.2% in 2016), of household appliances (-2.0% after -1.2%) and to a downturn in equipment for sport, camping and open-air recreation prices (-1.2% after +1.2%). The drop in audio-visual, photographic and information processing equipment prices (-2.2%) and in telephone equipment (-8.6%) continued in 2017. On the other hand, car prices picked up sharply (+0.7% after -0.2% on average). Lastly, health product prices fell for the fourth consecutive year (-2.1%).

Pronounced downturn in communication services

After three years of increase, communication prices plunged in 2017 (-3.5% after +2.0% on average in 2016), because of telecommunications services prices (-4.0% after +1.9%). The prices of postal services rose at the same pace as in 2016 (+3.8%).

Marked rise in transport and health services prices

In 2017, the prices of transport rebounded sharply (+2.0% after -1.5% on average in 2016), due to airfares (+2.4% after -4.0%) and to the prices of combined passenger transports (+2.6% after -4.3%). The prices of passenger transport by rail increased by 0.7% after a stability in 2016. Lastly, the prices of passenger transport by road (bus, taxis, etc.) accelerated (+3.1% after +1.2%).

Health service prices rose by 1.3% on average in 2017 after +0.2%, following the changes in medical fees provided by the medical convention signed in August 2016.

Further slowdown in prices of services for dwellings and slight acceleration in other services prices

In 2017, the prices of housing service (actual rentals, supply of water and refuse collection fees) continued to slow down (+0.4% on average after +0.6%). As since 2006 except an acceleration in 2012, actual rentals, which for most of them are revalued in line with past variations of the CPI, slowed down in 2017 (+0.2% after +0.3%). On the other hand, the prices of the other housing services – mainly supply of water and refuse collection fees – rose more than in 2016 (+1.4% after +1.0%).

The prices of the other services barely gathered pace in 2017 (+1.4% after +1.3%), due to a stronger rise in the prices of recreational and cultural services (+1.1% after +0.1%). On the other hand, the prices of catering and accommodation services slackened slightly in 2017 (+1.6% after +1.7%). The prices of insurance increased by 2.1%, as in 2016.

A more or less pronounced price increase according to households

According to their consumption structure households were subject to a global inflation more or less pronounced. Thus, in 2017, households under 30 years of age suffered the lowest price increase (+0.7% compared to +1.0% for all households) and the strongest was for the over 60 years of age (+1.2%). Similarly, inflation was 0.2points lower than the average for renter households, and 0.2points higher for owners. Differences by family composition and income also existed, but they were less than 0.1points.

For more information

- Historical data are available on the BDM
- CPI: <https://www.insee.fr/en/statistiques/series/102342213>
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