



19 march 2026

Quarterly Business Survey of Inflation Expectations • 2026 Q1

One-year-ahead inflation expectations edged up, while medium-term expectations remained anchored at 2%

Businesses' perceptions and expectations of consumer price inflation in France

The quarterly survey of inflation expectations, defined here as the rate of change in the consumer price index (CPI), forms part of the Banque de France's Business Survey and was conducted between 25 February and 5 March 2026. In the first quarter of 2026, the median rate of inflation as perceived by business leaders stood at 1.5 %, exceeding the latest observed outturns for both the [CPI](#) (1.0 % in February) and the harmonised index of consumer prices ([HICP](#)) (1.1 % in February). Median one-year-ahead inflation expectations rose to 2%. Medium-term expectations, defined as those over a three- to five-year horizon, remained stable at 2%, indicating that longer-term inflation expectations continue to be well anchored.

Table 1: Business perceptions and expectations of the annual inflation rate (median, %)

	2025-Q2	2025-Q3	2025-Q4	2026-Q1
Current Perceived Inflation	2.0	2.0	1.6	1.5
1-year forward inflation expectation	2.0	2.0	1.8	2.0
3-5 year forward inflation expectations	2.0	2.0	2.0	2.0

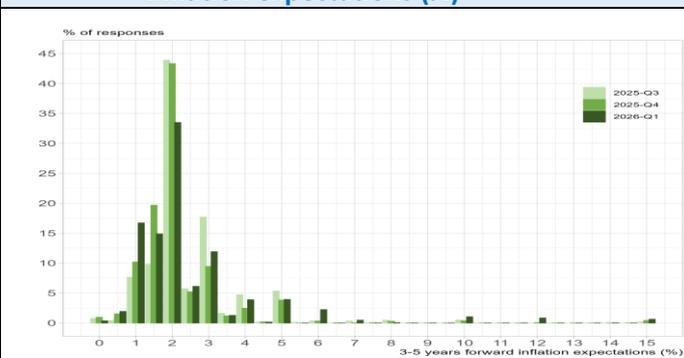
In the first quarter of 2026, median perceived inflation edged down by 0.1 percentage point (pp) relative to the previous quarter. By contrast, one-year-ahead inflation expectations increased by 0.2 pp to 2 %, likely reflecting developments associated with the conflict in the Middle East on 28 February, which occurred midway through the survey period. Responses collected prior to this event, accounting for around one quarter of the sample, indicated a median expectation of 1.5 %. For the remaining three quarters of responses, gathered following the onset of the conflict, the median rose to 2 %. By comparison, median medium-term inflation expectations (at a three- to five-year horizon) remained anchored at 2% throughout the period, both before and after the escalation.

Relative to the fourth quarter of 2025, the distribution of responses became somewhat more dispersed in the first quarter of 2026. The proportion of respondents reporting inflation at exactly 2% declined by 9 pp, to 33% (from 42% in Q4 2025). This was accompanied by an increase in the shares of respondents reporting inflation rates both above and below 2%, with the rise more pronounced for values above 2%.

Chart 1: Change in annual inflation rate perceptions and expectations (median, %)



Chart 2: Distribution of three to five-year inflation expectations (%)



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For further details, see the [methodology](#), the [publications calendar](#) and the [contacts](#). All statistical time series published by the Banque de France can be accessed on the following address [WEBSTAT Banque de France](#)

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STAT INFO – Q1 2026
Inflation expectations

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Expectations for base wage growth

In the first quarter of 2026, business leaders' one-year-ahead expectation for base wage growth at their firm was 1.5 % (median), down 0.2 percentage point compared with 2025Q4. The share of respondents anticipating wage increases of 2 % or more fell by 10 percentage points (42 % compared with 52 % in the previous quarter).

Chart 3: Change in one-year base wage expectation (median, %)

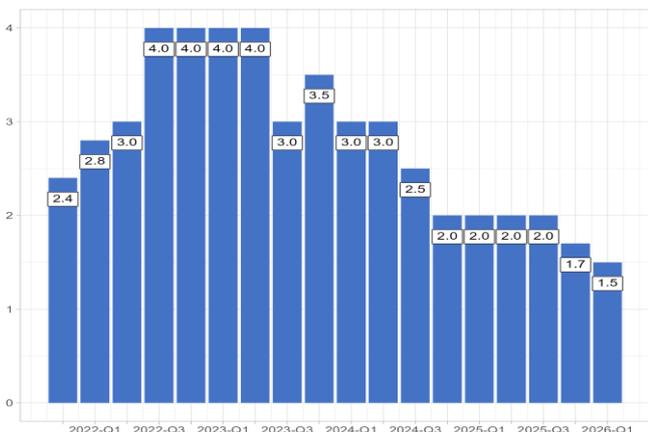
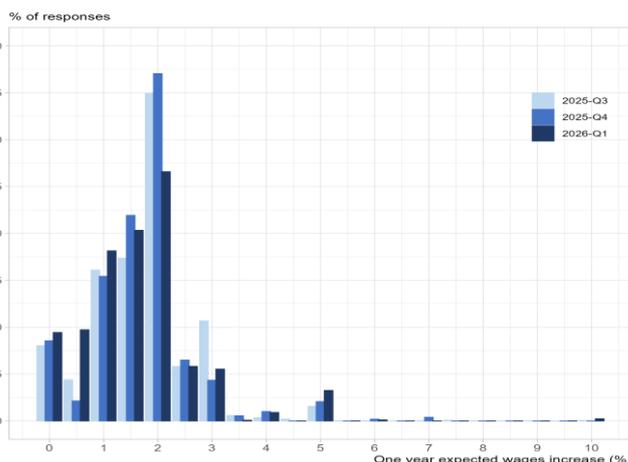


Chart 4 : Distribution of one-year expectations of base wage increases (%)



Methodology

This survey was carried out between 25th february to 5th march on a representative sample of 1,700 business leaders. The survey covers three major market sectors of the economy and firms of all sizes from every region of metropolitan France. The opinions of business leaders are obtained by telephone during the monthly interview conducted for the Monthly Business Survey and each business leader is questioned only once a year with regard to this module. Business leaders are asked four questions:

- 1 - As a percentage, what, in your opinion, is the actual rate of inflation in France?
- 2 - As a percentage, what, in your opinion, will the rate of inflation be in one year in France?
- 3 - As a percentage, what, in your opinion, will the rate of inflation be in three to five years in France?
- 4 - As a percentage, how, in your opinion, will the base wage (before tax, excluding bonuses) change in your firm over the coming 12 months?

Note that the base wage corresponds to gross salary before the deduction of social security contributions and payment of social security benefits. Bonuses and overtime are not included.

The data are trimmed at the 99th centile. To calculate the results, the replies are weighted based on the average number of employees and the relative importance of each firm within its sector, then by the respective weights of the professional branches in terms of value added at the aggregate level.

