



18th June 2026

Quarterly business survey of inflation expectations • 2nd quarter 2026

**Business leaders expect inflation to increase to 2.5% over the coming year
but to remain stable at 2% over the three-to-five-year horizon**

Business perception and expectations of inflation in France (consumer prices)

Our quarterly survey of inflation expectations, defined here as the increase in consumer prices, was conducted between 27 May and 3 June as part of the Banque de France’s business surveys.

In the second quarter of 2026, businesses perceived inflation to be 2.3%, close to the consumer price index (CPI, 2.4% in May) and below the harmonised index of consumer prices (HICP, 2.8%). One-year-ahead inflation expectations increased to 2.5%, while expectations at the three-to-five-year horizon remained stable at 2.0%.

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

	2025-Q3	2025-Q4	2026-Q1	2026-Q2
Current Perceived Inflation	2.0	1.6	1.5	2.3
1-year forward inflation expectation	2.0	1.8	2.0	2.5
3-5 year forward inflation expectations	2.0	2.0	2.0	2.0

Compared with the previous quarter, median inflation as perceived by business leaders rose by 0.8 percentage point and the median one-year inflation expectation rose by 0.5 percentage point, against a backdrop of heightened tensions in the Middle East.

Longer-term inflation expectations remained broadly anchored. However, the distribution of responses shifted somewhat towards higher inflation outcomes. The share of respondents expecting inflation below 2% fell by 16 percentage points, to 18%, while the share expecting inflation above 2% rose by 6 percentage points, to 38%. At the same time, the dispersion of responses widened, pointing to greater uncertainty about the future path of inflation.

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

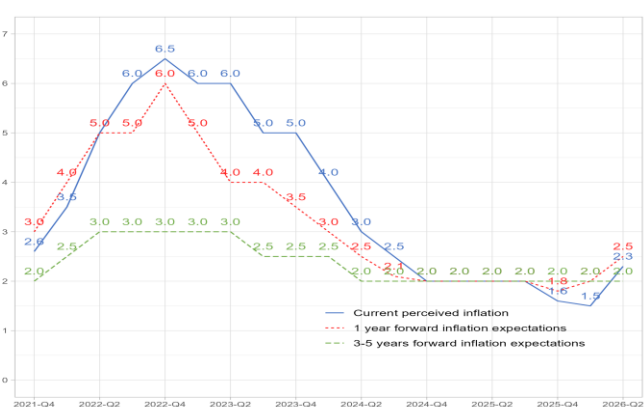
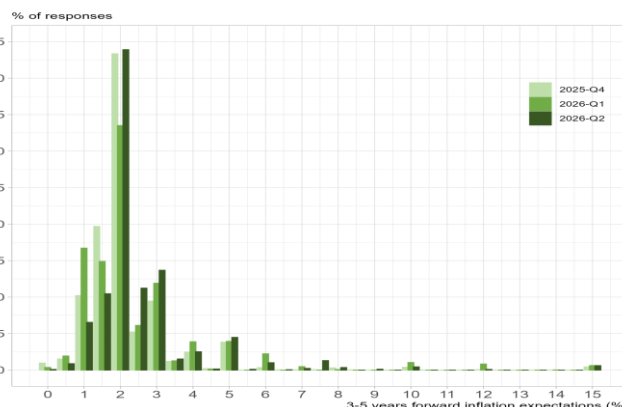


Chart 2: Distribution of three to five-year inflation expectations (%)





Wage expectations edged up but remained consistent with medium-term price stability

Wage expectations increased slightly but remained consistent with inflation stabilising around target over the medium term. Following two quarters of moderation, businesses expected basic wages to rise by 2.0% over the coming year, returning to the levels observed since late 2024. The proportion of respondents anticipating wage growth of at least 3% increased from 10% to 17%.

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

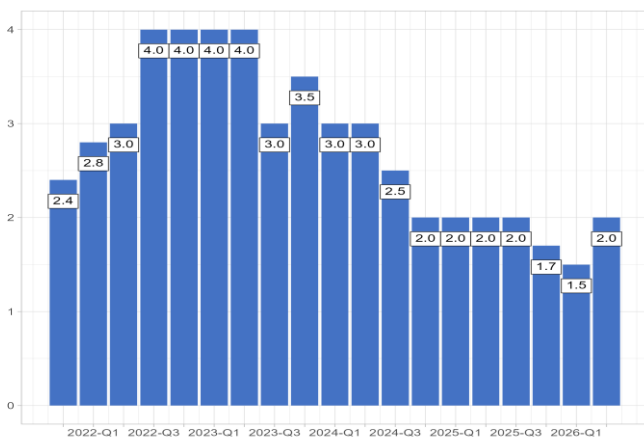
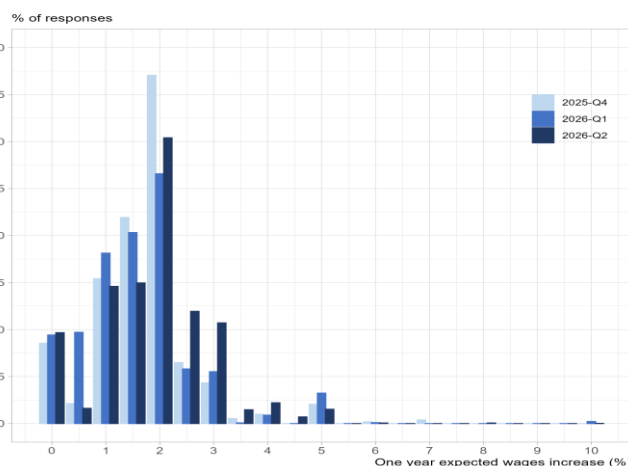


Chart 4: Distribution of one-year expectations of base wage increases (%)



Methodology

This survey was carried out between 27th may to 3rd june 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.

