



**BusinessStats**

Data · Insights · Statistics

STATISTICS BOOK

# Inflation: statistics and facts

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14 full reports · Edition October 2026

**8.6%**

2022 PEAK

**230%**

VENEZUELA

**12.5%**

MIDDLE EAST

**133.3**

FAO INDEX AUG 2026

**ABOUT THIS BOOK**

## Inflation: statistics and facts

Inflation in numbers: 14 reports covering CPI (5 reports), Inflation Rate (2 reports) and World Inflation (2 reports), each with its sources and charts.

A few of the headline figures: 8.6% (2022 peak), 230% (Venezuela), 12.5% (Middle East) and 133.3 (FAO Index Aug 2026).

The latest revisions cover Inflation Rate by Country 2026: US, UK, China CPI and Highest Inflation Rate by Country 2024: Top 20 Ranked. New and updated reports appear here automatically, the last change was on Oct 18, 2026. Each report lists its sources and lets you download its charts and data.

Also in this topic: World Inflation by Region 2026: Highest & Lowest, Food Inflation 2026: World Food Prices Highest Since 2022 and 3.8% Global CPI — Inflation Worldwide Statistics & Facts 2026.

Each chapter is a complete Business Stats report with its text, charts, tables and primary sources. The online version of every report is updated continuously; this book shows them as of Oct 19, 2026.

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STATISTICS REPORT

# Annual change in CPI 2015–2026, by country

Updated Aug 21, 2026 · [businessstats.com/inflation-rate-of-selected-countries](https://businessstats.com/inflation-rate-of-selected-countries)

|                           |                            |                             |
|---------------------------|----------------------------|-----------------------------|
| <b>8.6%</b><br>2022 PEAK  | <b>3.6%</b><br>2026 GLOBAL | <b>2.4%</b><br>US 2026      |
| <b>0.7%</b><br>CHINA 2026 | <b>9.1%</b><br>UK PEAK     | <b>40yr</b><br>HIGH IN 2022 |

## Overview

### Annual change in CPI by country, 2015 to 2026

The annual change in consumer prices spiked worldwide in 2022, reaching about 8.6 percent globally, the highest in four decades, before easing to around 3.6 percent by 2026. The United States, United Kingdom and Germany all saw consumer price inflation surge past 8 percent and then fall back toward target.

The rise and fall of inflation between 2015 and 2026 is one of the defining economic stories of the decade, felt in every household through the cost of living.

On IMF figures, global inflation rose from under 3 percent before 2021 to about 8.6 percent in 2022, then fell to 6.6 percent in 2023, 4.2 percent in 2025 and around 3.6 percent in 2026.

This account of the annual change in consumer prices from 2015 to 2026 traces the great price spike of the 2020s, from low inflation to a 40-year peak and back toward target.

The annual change in consumer prices from 2015 to 2026 traces a dramatic arc, from years of very low inflation to the sharpest price spike in a generation and a slow return toward target.

The path of consumer price inflation from 2015 to 2026, from calm to crisis and back, is one of the defining economic stories of the decade for households everywhere. Few economic stories of recent years have touched more people more directly than the burst of inflation that swept the world in 2022 and the slow retreat that followed.

This is the story of the great price spike of the 2020s, measured by the annual change in the consumer price index. We set it in context alongside our work on [regional GDP](#) and [inflation](#).

Annual Change in CPI by Country, 2015-2026 (%)The great price spike.

Data:

Annual change in consumer price index in selected countries worldwide from 2015 to 2026, as a percentage.

Note:

Based on IMF World Economic Outlook data. Figures from 2025 onward are estimates. Compiled by BusinessStats.Switch views with the toolbar.

**The great price spike:** inflation surged worldwide in 2022, reaching about 8.6 percent globally, then eased toward target by 2026 in most advanced economies.

The pattern was shared but uneven, with China near deflation and Turkey in double digits, a divergence you can trace through our [global inflation](#) data and the countries with the [highest inflation](#) of all.

A note on the data. The figures show the annual change in the consumer price index in selected countries from 2015 to 2026, as a percentage, based on the IMF World Economic Outlook. The CPI measures the change in the price of a basket of household goods and services, and 2025 to 2026 figures are estimates.

The IMF World Economic Outlook is the standard source for consumer price inflation, and its data underpins this account of the price spike of the 2020s. The CPI is the most widely used gauge of inflation, tracking the prices households actually pay for food, energy, housing, transport and other goods and services.

At a Glance

## CPI Inflation by Country: 2026 vs 2022

CPI Inflation: 2026 vs 2022 Peak (%)Click any column to sort

| COUNTRY        | 2026 | 2022 PEAK |
|----------------|------|-----------|
| United States  | 2.4% | 8.0%      |
| United Kingdom | 2.3% | 9.1%      |
| Germany        | 2.0% | 8.7%      |
| Japan          | 2.3% | 2.5%      |

|       |      |      |
|-------|------|------|
| China | 0.7% | 2.0% |
| World | 3.6% | 8.6% |

The table shows the annual change in consumer prices in selected countries in 2026 alongside the 2022 peak. It shows inflation returning toward target in most advanced economies after the surge of 2022.

The 2022 Spike

## How High Did Inflation Spike in 2022?

Inflation spiked in 2022 across the advanced world. The United Kingdom reached about 9.1 percent, Germany 8.7 percent and the United States 8 percent, while global inflation hit around 8.6 percent, the highest annual rate since the early 1980s.

The inflation spike of 2022 was the sharpest in four decades, ending a long era of low and stable prices across the advanced world. In 2022 the United Kingdom reached about 9.1 percent, Germany 8.7 percent, the United States 8 percent and global inflation around 8.6 percent, the highest since the early 1980s.

The 2022 surge was a global event, hitting almost every economy at once, though its size and persistence varied widely from country to country. The energy shock that followed Russia's invasion of Ukraine in 2022 turned a rising inflation trend into the sharpest price spike in four decades.

Understanding what drove the 2022 spike, from energy to supply chains to demand, is essential to grasping the inflation story of the decade. The 2022 inflation spike, the sharpest in four decades, ended a long era of low and stable prices and forced central banks into the fastest rate rises in a generation.

At its 2022 peak, inflation was eroding household budgets faster than at any time since the early 1980s, with energy and food bills rising especially sharply. Central banks, caught off guard by the speed of the surge, were forced to abandon years of near-zero rates almost overnight to regain control of prices.

The surge was driven by energy prices after Russia's invasion of Ukraine, tangled supply chains and strong demand after the pandemic, forces that rippled through the whole world economy.

Peak Inflation in 2022 by Country (%)The 40-year high.

Data:

CPI inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the annual change in consumer prices as a percentage. Some 2025 and 2026 values are estimates. Switch views with the toolbar.

**The 40-year high:** in 2022 the United Kingdom reached about 9.1 percent inflation, Germany 8.7 percent, the United States 8 percent and the world 8.6 percent.

For most households it was the sharpest rise in the cost of living in a generation, as the price of energy, food and housing climbed together, a painful squeeze that reshaped household budgets and politics across the advanced economies.

The scale of the 2022 spike, with prices rising at rates not seen since the early 1980s, reshaped economic policy and household budgets across the advanced world.

Before the Spike

## How Low Was Inflation Before 2021?

Before the spike, inflation was strikingly low. From 2015 to 2020, consumer prices in advanced economies rose only slowly, often below the 2 percent target, with the United States, United Kingdom and Germany all sitting near or under the 2 percent target.

The years of very low inflation before 2021 made the sudden surge of 2022 all the more shocking to households and policymakers alike. For much of the 2010s, central banks worried more about inflation being too low than too high, a concern that now seems to belong to another era.

The years of near-zero inflation before 2021 lulled households and policymakers into treating stable prices as the natural order of things. For most of the decade after the 2008 financial crisis, central banks fought to push inflation up toward target, not down, a world away from the battles of 2022.

The long period of low inflation reflected weak demand, cheap energy and globalisation, a backdrop of ultra-low interest rates that left central banks more worried about weak prices than high ones.

Inflation Before the Spike, 2015-2020 (%) A low-inflation era.

Data:

CPI inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the annual change in consumer prices as a percentage. Some 2025 and 2026 values are estimates. Switch views with the toolbar.

**A low-inflation era:** from 2015 to 2020, inflation in the United States, United Kingdom and Germany was mostly near or below the 2 percent target.

This low-inflation era, which ran for years after the 2008 financial crisis, made the sudden spike of 2022 all the more shocking, since many had come to assume that high inflation was a thing of the past. The assumption that high inflation had been permanently tamed, common before 2021, was overturned in a single dramatic year.

The Causes

## What Caused the 2022 Inflation Spike?

The 2022 spike had several causes at once. Energy prices soared after Russia's invasion of Ukraine, global supply chains were still tangled from the pandemic, and demand rebounded strongly as economies reopened, all pushing prices up together.

Governments had also pumped huge sums into their economies during the pandemic, and as spending recovered faster than supply, too much money chased too few goods, adding to the upward pressure on prices across the advanced world.

What Drove the 2022 Spike (index, 0-100) The causes.

Data:

CPI inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the annual change in consumer prices as a percentage. Some 2025 and 2026 values are estimates. Switch views with the toolbar.

**The causes:** the 2022 spike was driven by energy prices, supply-chain disruption, fiscal stimulus, pent-up demand and rising wages, on an indexed scale.

Rising wages, as workers sought to keep pace with the cost of living, then fed back into prices, creating a risk that high inflation would become entrenched, which is why central banks responded so forcefully with higher interest rates.

## The Disinflation

### How Fast Has Inflation Fallen Since 2022?

Since 2022, inflation has fallen steadily. Global inflation eased from about 8.6 percent in 2022 to 6.6 percent in 2023, 4.2 percent in 2025 and around 3.6 percent in 2026, as central banks raised interest rates sharply and global energy prices fell back.

The steady fall in inflation since 2022 has been one of the central achievements, and challenges, of economic policy in the 2020s. Global inflation fell from about 8.6 percent in 2022 to 6.6 percent in 2023, 5.8 percent in 2024, 4.2 percent in 2025 and around 3.6 percent in 2026.

The fall in inflation since 2022 owes much to the fastest series of interest-rate rises in decades, as central banks fought to bring prices under control. The steady disinflation since 2022 has been hard-won, achieved through aggressive interest-rate rises that slowed economies to bring prices back under control.

By 2024 global inflation had roughly halved from its peak, and by 2026 most advanced economies had brought it back within touching distance of their 2 percent targets. Yet the last stretch of disinflation, from around 4 percent back to 2, has proved the hardest, as services and housing costs keep rising stubbornly.

The scale of the turnaround, from a 40-year high to near target in barely three years, ranks among the more striking episodes in modern monetary history.

The disinflation reflects tighter monetary policy and easing energy costs, you can see the turn early in producer prices, which cooled well before shop prices did.

Global Inflation Falling, 2022-2026 (%)The disinflation.

Data:

CPI inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the annual change in consumer prices as a percentage. Some 2025 and 2026 values are estimates. Switch views with the toolbar.

**The disinflation:** global inflation fell from about 8.6 percent in 2022 to around 3.6 percent by 2026, as central banks raised rates and energy prices eased.

By 2026, inflation in the United States, United Kingdom and the euro area is close to the 2 percent target, though it has proved stickier than central banks hoped, with services and housing costs still rising faster than the prices of goods.

The stickiness of services and housing inflation, even as goods prices eased, is why the return to target has been slower than central banks hoped.

United States

## How Did US Inflation Change From 2015 to 2026?

In the United States, inflation rose from about 1.2 percent in 2020 to 8 percent in 2022, then fell to about 2.4 percent in 2026, close to the Federal Reserve's 2 percent target. The US path from an 8 percent peak back toward 2 percent captures the wider story of the disinflation of the 2020s.

US inflation ran near 1 to 2 percent through the late 2010s, spiked to about 8 percent in 2022, and eased to 4.1 percent in 2023, 2.9 percent in 2024 and about 2.4 percent in 2026.

The United States, where inflation rose earliest and fell steadily, offers the clearest single case study of the price spike and the disinflation that followed. The US experience, where inflation rose first and fell steadily, offers the clearest single case study of the price spike and the disinflation that followed it.

The Federal Reserve raised interest rates from near zero to over 5 percent in barely eighteen months, the fastest tightening in decades, to break the back of US inflation. For American families, the spike meant sharply higher bills for groceries, petrol and rent, squeezing budgets even as wages rose, and it became a central political issue.

The US path from spike to near-target is the clearest example of the disinflation of the 2020s, and it hit the American cost of living harder than any shock in decades.

US Inflation, 2015-2026 (%)Spike and return.

Data:

CPI inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the annual change in consumer prices as a percentage. Some 2025 and 2026 values are estimates.Switch views with the toolbar.

**Spike and return:** US inflation rose from about 1.2 percent in 2020 to 8 percent in 2022, then fell to about 2.4 percent by 2026.

US inflation has proved sticky in services such as housing and health care, and tariffs may add fresh pressure, which is why the US Federal Reserve has remained cautious about cutting interest rates too quickly. The persistence of US services inflation, and the threat of new tariffs, has kept the Federal Reserve cautious about declaring victory over inflation.

Divergence

## Why Did China and Japan Differ?

Not every country followed the same path. China has flirted with deflation, with prices barely rising, while Japan finally saw inflation return after decades near zero, and Turkey ran double-digit inflation throughout. The very different inflation paths of China, Japan and Turkey show that the global price spike, though widely shared, was far from uniform.

In 2026 China's inflation is about 0.7 percent, Japan's about 2.3 percent and Turkey's near 18.5 percent, against roughly 2 percent in the United States and Germany. While the advanced economies battled the highest inflation in a generation, China faced the opposite problem of prices that would barely rise at all.

The starkly different inflation paths of China, Japan and Turkey show that a global price shock can play out in completely different ways from one economy to the next. China's brush with deflation, driven by a property slump and weak consumer demand, stands as the mirror image of the inflation that gripped the West.

These divergent paths are a reminder that inflation is shaped as much by each country's own demand, currency and policy as by global forces.

China's near-deflation reflects weak demand, while Japan's inflation marks a historic shift, a split that runs deep, from the [China economy](#) to the [German economy](#).

China vs Japan vs US Inflation, 2015-2026 (%) Diverging paths.

Data:

CPI inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the annual change in consumer prices as a percentage. Some 2025 and 2026 values are estimates. Switch views with the toolbar.

**Diverging paths:** China flirted with deflation while Japan saw inflation return after decades, a very different path from the United States.

The divergence shows that the global price spike, though widely shared, played out very differently across economies, from near-deflation in China to persistent double-digit inflation in Turkey and Argentina. The contrast between near-deflation in China and hyperinflation in Venezuela shows the extraordinary range of inflation experience across the world.

Emerging Markets

## Is Inflation Higher in Emerging Economies?

Emerging economies have faced higher inflation than advanced ones. As a group, emerging-market inflation stayed near 5 percent in 2026, well above the roughly 2 percent in advanced economies, and far higher in the worst-hit countries. The persistent gap between inflation in emerging and advanced economies is one of the clearest divides in the global price picture.

The higher inflation of the emerging world reflects weaker currencies, structural pressures and, in the worst cases, deep fiscal and monetary problems. The persistent gap between emerging and advanced-economy inflation reflects deeper differences in currencies, credibility and economic structure.

In the hardest-hit emerging economies, from Turkey to Argentina, inflation stayed in double or even triple digits, driven by currency collapses and loose policy. This divide means that while a family in Germany or the United States saw prices climb sharply then steady, a family in a high-inflation emerging economy faced relentless increases year after year.

Structural pressures and weaker currencies keep emerging-market inflation higher, a familiar burden for many emerging economies, where GDP per capita is lower and prices less anchored.

Advanced vs Emerging Inflation, 2015-2026 (%) A persistent gap.

Data:

CPI inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the annual change in consumer prices as a percentage. Some 2025 and 2026 values are estimates. Switch views with the toolbar.

**A persistent gap:** emerging-market inflation stayed well above advanced-economy inflation throughout, near 5 percent against about 2 percent in 2026.

At the extreme, a handful of countries face very high or hyperinflation, from Turkey and Argentina to Venezuela, where prices rise by hundreds of percent a year, a world away from the near-target inflation now seen across most advanced economies.

The gulf between near-target inflation in advanced economies and triple-digit inflation in the worst-hit countries is among the widest in the global economy.

Cumulative Rise

## Are Prices Still Higher After the Spike?

The spike left prices permanently higher. Even as inflation falls, the price level does not, so consumer prices in the United States and United Kingdom are roughly a third higher in 2026 than in 2015. The permanent rise in the price level, even as inflation falls, is why many households still feel the squeeze of the 2022 spike.

Because prices do not fall when inflation eases, consumer prices in the United States and United Kingdom are roughly a third higher in 2026 than they were in 2015. The permanent step up in the price level, left behind even as inflation falls, is the reason so many households still feel worse off than before the spike.

A basket of goods that cost 100 dollars in 2015 costs around 134 dollars in the United States by 2026, and that higher level is not expected to come back down. This gap between a falling inflation rate and a still-elevated cost of living is one of the most politically charged features of the post-spike economy.

Falling inflation means prices rise more slowly, not that they fall, a distinction that matters greatly, since the cost of living stays high even as the rate of inflation eases.

Cumulative Price Rise, 2015-2026 (%) Prices stay higher.

Data:

CPI inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the annual change in consumer prices as a percentage. Some 2025 and 2026 values are estimates. Switch views with the toolbar.

**Prices stay higher:** even as inflation falls, the price level does not, so US and UK prices are roughly a third higher in 2026 than in 2015.

This is why many households still feel squeezed even though inflation has come down, because the cumulative rise in prices since 2015, especially the surge of 2022, has not been reversed and is not expected to be. The gap between falling inflation and a still-high cost of living is one of the most misunderstood features of the post-spike economy.

Outlook

## What Is the Outlook for Inflation?

Inflation is expected to keep easing. Global inflation is projected to fall toward 3 percent over the next few years, with advanced economies near their 2 percent targets and emerging economies gradually converging downward. The outlook for inflation, still uncertain, will shape interest rates, wages and living standards across the world for years to come.

The path of inflation from here will shape interest rates, borrowing costs and living standards across the world for years to come. Much depends on whether energy prices stay calm, whether new tariffs push costs up, and whether wage growth settles back to a pace consistent with 2 percent inflation.

The outlook depends on energy prices, tariffs and wage growth, risks that hang over the global economy and its GDP growth alike.

Inflation in High-Inflation Economies, 2026 (%) The extreme end.

Data:

CPI inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the annual change in consumer prices as a percentage. Some 2025 and 2026 values are estimates. Switch views with the toolbar.

**The extreme end:** while advanced economies neared target, Turkey, Argentina and others faced double or triple-digit inflation in 2026.

Whether inflation settles at target or stays a little above it will shape interest rates and living standards for years, and central banks remain wary of cutting rates before inflation is firmly back under control.

#### Key Facts

## CPI Inflation in Numbers

A few figures capture the picture. Global inflation peaked at about 8.6 percent in 2022, the highest in four decades, before easing to around 3.6 percent in 2026, with US inflation at 2.4 percent and China near zero. These figures together capture a world that lived through the sharpest inflation in a generation and is slowly returning to normal.

These figures matter because inflation, and the higher prices it leaves behind, shapes interest rates, wages and the cost of living for everyone. These figures together tell the story of the sharpest burst of inflation in a generation, and of the long, uneven return toward stable prices.

No economic indicator of the 2020s has been watched more closely, or felt more widely, than the annual change in consumer prices.

These figures matter because inflation shapes interest rates, wages and the cost of living, which is why we break it down by [world region](#) too.

Inflation: 2015 vs 2026 by Country (%) [Back to the start](#).

Data:

CPI inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the annual change in consumer prices as a percentage. Some 2025 and 2026 values are estimates. [Switch views](#) with the toolbar.

**Back to the start:** after the 2022 spike, inflation in most advanced economies has returned close to its low 2015 level.

8.6%2022 peakGlobal.3.6%2026Global.2.4%US 2026Near target.0.7%China 2026Near deflation.

Together they describe a world that lived through the sharpest inflation in a generation and is slowly returning to normal, though prices remain permanently higher than before. For now, inflation has eased back toward target in the advanced world, but the higher price level left by the 2022 spike is here to stay.

Big Picture

## CPI Inflation 2015–2026: The Big Picture

Taken together, the annual change in consumer prices from 2015 to 2026 tells the story of the great price spike of the 2020s, from low inflation before 2021 to a peak of about 8.6 percent in 2022 and a slow return toward target by 2026.

Annual Change in CPI by Country, 2015–2026 (%)The whole arc.

Data:

CPI inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the annual change in consumer prices as a percentage. Some 2025 and 2026 values are estimates. Switch views with the toolbar.

**The whole arc:** the full path of inflation from 2015 to 2026 shows the low years, the 2022 spike and the slow return toward target.

Whether inflation settles at target will depend on energy, tariffs and wages, but the surge of 2022 has left prices permanently higher, a legacy that will shape economies and household budgets for years to come.

FAQ

## Frequently Asked Questions: CPI Inflation

2022, when global consumer price inflation reached about 8.6 percent, the highest in four decades, driven by energy prices, supply-chain disruption and strong post-pandemic demand.

Global inflation is about 3.6 percent in 2026. In the United States it is around 2.4 percent, in the United Kingdom 2.3 percent, in Germany 2 percent and in China about 0.7 percent.

Because of surging energy prices after Russia's invasion of Ukraine, tangled supply chains and strong demand after the pandemic, which together pushed prices up at the fastest rate in 40 years.

Among major economies, the United Kingdom peaked highest in 2022 at about 9.1 percent. Emerging economies such as Turkey, Argentina and Venezuela have faced far higher, structural inflation.

China has flirted with deflation, with consumer prices barely rising, because of weak domestic demand and a property downturn, a very different path from the advanced economies.

Inflation has fallen sharply from its 2022 peak toward the 2 percent target in advanced economies, but it has proved sticky in services and housing, so central banks remain cautious.

No. Falling inflation means prices rise more slowly, not that they fall. Consumer prices in the US and UK are about a third higher in 2026 than in 2015, and are not expected to reverse.

The consumer price index, or CPI, measures the change in the price of a basket of goods and services typically bought by households. Its annual change is the headline inflation rate.

US inflation was near zero in 2015, rose to about 8 percent in 2022, then fell to around 2.4 percent by 2026, close to the Federal Reserve's 2 percent target.

From the IMF World Economic Outlook, which publishes consumer price inflation for economies worldwide. Figures are the annual change in the CPI, with 2025 and 2026 values being estimates.

#### Sources

IMF World Economic Outlook - Source for the annual change in consumer prices in selected countries from 2015 to 2026.

IMF - CPI inflation data compiled by BusinessStats. Some 2025 and 2026 figures are estimates.

[IMF World Economic Outlook](#) - Publishes consumer price inflation for economies worldwide.

Figures show the annual change in the consumer price index in selected countries from 2015 to 2026, as a percentage, based on the IMF World Economic Outlook. Global inflation peaked at about 8.6 percent in 2022 before easing to around 3.6 percent in 2026. Figures from 2025 onward are estimates. This is data journalism, not investment advice.

## STATISTICS REPORT

# Inflation Worldwide — Statistics & Facts 2026

 Updated Mar 24, 2026 · [businessstats.com/global-inflation](https://businessstats.com/global-inflation)

|                                      |                                |                                  |
|--------------------------------------|--------------------------------|----------------------------------|
| <b>3.8%</b><br>GLOBAL CPI 2026 (IMF) | <b>4.1%</b><br>GLOBAL CPI 2025 | <b>9.6%</b><br>PEAK (SEP 2022)   |
| <b>2.8%</b><br>CORE CPI GLOBAL 2026  | <b>3.3%</b><br>GDP GROWTH 2026 | <b>3.4%</b><br>CPI FORECAST 2027 |

## Overview

### Inflation Worldwide 2026 — The Disinflation Stalls

The global economy finds itself at a critical inflection point in the inflation cycle, with the rapid disinflation that characterised 2023 and 2024 giving way to a more uncertain and regionally divergent landscape in 2025-2026. According to the IMF's January 2026 World Economic Outlook update, global headline inflation is estimated at **4.1% in 2025** and is projected to decline further to **3.8% in 2026** and **3.4% in 2027** — a meaningful improvement from the devastating **9.6% peak reached in September 2022**, but still well above the pre-pandemic norms of 3-4% that characterised the relatively benign price environment of the 2010s. The disinflation trend that had been remarkably consistent from late 2022 through mid-2024 has notably levelled off since the second half of 2025, with global inflation stabilising at approximately **3.6% on a monthly basis** between July and September 2025 — suggesting that the "easy" phase of disinflation driven by falling energy and commodity prices has ended, and the remaining distance to central bank targets will be harder to traverse. In advanced economies, inflation has stabilised around **2.5-2.7%**, with the eurozone approaching its 2% target (1.7% in January 2026) while the US (2.7%) and UK (3.0%) remain more elevated.

In emerging and developing economies, inflation has settled at approximately **3.9%**, though this average masks enormous variation from China's near-zero price environment (0.8% forecast for 2026) to Venezuela's hyperinflationary spiral exceeding 270%. The inflation crisis of 2021-2023 was triggered by a unique combination of post-pandemic supply chain disruptions, massive fiscal and monetary stimulus, and the energy price shock from Russia's invasion of Ukraine — and its legacy continues to shape economic policy, household purchasing power, and political dynamics worldwide. For context on how inflation is

affecting specific European economies, see our [inflation in Europe statistics](#).

The most significant development in the global inflation landscape is the emergence of sharp regional divergences that are complicating central bank policy coordination and creating winners and losers among major economies. The eurozone has achieved near-target inflation of **1.9% (forecast 2026)**, with France at an extraordinary 0.9% — reflecting the deflationary impact of falling energy prices, moderate wage growth, and weak domestic demand in Germany. The US faces a different challenge: inflation is projected at **2.4% in 2026** under the IMF's baseline, but the combination of expansionary fiscal policy, potential tariff pass-through, and a resilient consumer could push it higher — with J.P. Morgan forecasting US core CPI above 3%. The UK remains an inflation outlier among advanced economies at an expected **2.5% for 2026**, weighted down by persistent services inflation and elevated food costs. Japan has moved in the opposite direction from the rest of the world: after decades of deflation, inflation reached **3.3% in 2025** and is expected to moderate to 2.1% in 2026 — a dramatic shift that has prompted the Bank of Japan to end its negative interest rate policy. Perhaps most striking is China, where the world's second-largest economy faces **near-zero inflation** and flirtation with deflation — a consequence of a real estate crisis, weak consumer confidence, and overcapacity in manufacturing that is flooding global markets with cheap goods and contributing to disinflation elsewhere.

Global GDP growth is projected at **3.3% for 2026**, revised slightly upward from earlier forecasts, supported by technology investment (particularly in AI), accommodative financial conditions, and fiscal stimulus in some major economies. However, risks remain firmly tilted to the downside, with trade tensions, geopolitical conflicts (particularly in the Middle East), and the potential for a reassessment of AI-related investment expectations all posing threats to the growth and inflation outlook. For a broader perspective on the global economic context, see our [countries with the largest GDP worldwide analysis](#).

Global inflation fell from 9.6% in September 2022 to an estimated 4.1% in 2025, with the IMF projecting 3.8% for 2026. Advanced economies average ~2.5%, but massive divergence exists — from the eurozone's 1.9% to Venezuela's 270%+. China at 0.8% faces near-deflation while the UK at 3.0% and US at 2.7% remain above target.

Global Timeline

## Global Inflation Timeline 2019–2025 — The Great Inflation Cycle

The global inflation cycle of 2021–2025 will be studied by economists for decades as one of the most significant macroeconomic events of the 21st century — comparable in scale and impact to the oil shock

inflations of the 1970s, though driven by a fundamentally different combination of factors and resolved through a markedly different policy response. In **2019**, global CPI inflation stood at a modest **3.5%** — a rate that had been broadly stable for a decade and that few forecasters expected to change dramatically. The pandemic year of **2020** brought inflation down to **3.2%** as lockdowns crushed demand, particularly in services sectors like hospitality, travel, and entertainment, though certain goods categories (notably home electronics and home improvement materials) actually experienced sharp price increases as confined consumers redirected spending. The recovery phase saw inflation begin rising in **2021 to 4.7%** as supply chain bottlenecks — container shipping costs surged over 500%, semiconductor shortages halted automotive production, and labour shortages disrupted every sector — combined with the massive fiscal stimulus (estimated at over \$16 trillion globally across 2020-2021) and extraordinarily loose monetary policy (with interest rates near or below zero across most advanced economies) to create a potent inflationary cocktail. The explosion came in **2022**, when Russia's full-scale invasion of Ukraine in February sent energy prices skyrocketing — European natural gas prices increased over 500% at their peak, oil briefly touched \$130 per barrel — and disrupted global food supply chains (Ukraine and Russia together account for approximately 30% of global wheat exports). Global inflation surged to an estimated **8.7% for 2022**, with the monthly peak reaching 9.6% in September 2022 — the highest in nearly three decades.

The response from central banks was the most aggressive coordinated tightening cycle in history: the Federal Reserve raised rates by 525 basis points in 16 months, the ECB by 450 basis points, and the Bank of England by 515 basis points. This policy response, combined with the normalisation of energy prices and supply chain healing, drove the sharp disinflation through **2023 (6.7%)** and **2024 (5.8%)** to the current estimated **4.1% in 2025**. The total cumulative price increase across this period — approximately 25-30% in most advanced economies and significantly more in many emerging markets — represents a permanent erosion of household purchasing power that has not been reversed by the subsequent disinflation and that continues to shape consumer behaviour, political sentiment, and economic policy globally.

## Global Annual CPI Inflation 2019-2025

The bar chart below illustrates the dramatic arc of the global inflation cycle, from the pre-pandemic stability of 3.5% in 2019 through the devastating 8.7% peak in 2022 and the subsequent disinflation to 4.1% in 2025. The pattern clearly shows the pandemic dip, the post-pandemic surge, the energy crisis spike, and the gradual normalisation — though the 2025 reading of 4.1% remains well above the 3.2-3.5% range that characterised the pre-crisis era, indicating that the world has not yet fully returned to the price stability that prevailed before the pandemic disrupted global supply chains and central bank policy frameworks.

Global Annual Inflation 2019-2025World CPI Inflation Rate — % Annual AverageIMF WEO data -  
 BusinessStats Research 20264.1%2025 Est. Global CPI %Peak 9.6% in Sep 2022 Sources: IMF WEO -  
 BusinessStats Research 2026

## Advanced vs Emerging — The Inflation Divergence

One of the most important features of the current global inflation landscape is the growing divergence between advanced economies and emerging markets, and increasingly between individual countries within each group. The line chart below tracks this divergence through the monthly data from 2024 to early 2026, showing how advanced economies have converged toward their 2% targets while emerging markets have experienced a more uneven and protracted disinflation process. In advanced economies, the aggregated inflation rate fell from approximately 3.5% in early 2024 to around 2.5-2.7% by late 2025, with the eurozone approaching 2% while the US and UK remain higher. Emerging and developing economies have seen inflation stabilise around 3.9% — far below their 2022 peaks but still above the levels targeted by their central banks.

The divergence reflects fundamentally different economic structures: advanced economies benefit from more credible central bank frameworks, lower commodity dependence (except the UK), and stronger currencies that reduce import cost pressures; while many emerging markets face exchange rate volatility, higher food price sensitivity (food represents 40-50% of CPI baskets in many developing countries versus 10-15% in advanced economies), and in some cases, fiscal constraints that limit the scope for supportive policy responses. For context on how individual [financial market conditions](#) are reflecting these inflation divergences, see our dedicated analysis.

Advanced vs Emerging Economies 2024-2026AE vs EMDE Inflation — Monthly %12-month % change -  
 BusinessStats Research 2026~2.7%AEs Sep 25~3.9%EMDEs Sep 25

Disinflation has levelled off since mid-2025 Sources: IMF, Central Banks - BusinessStats Research 2026

Regional Breakdown

## Inflation by Region — From Switzerland's 0.6% to Venezuela's 270%

The regional breakdown of global inflation reveals a world of extraordinary contrasts, where neighbouring countries and economic blocs can experience vastly different price dynamics depending on their energy mix, trade relationships, monetary policy frameworks, and domestic economic structures. **Western Europe** has emerged as the global leader in disinflation, with inflation expectations for 2025 at just **2.1%** — driven

by falling energy prices (European gas prices have normalised substantially from their 2022 crisis levels), the ECB's decisive tightening cycle, and weak domestic demand particularly in Germany. France at 0.9% and Switzerland at 0.6% represent the lowest inflation rates among major global economies. **North America** presents a more mixed picture: the US at approximately 2.7% in 2025 benefits from a more resilient economy but faces persistent core inflation pressures from services and shelter costs, while Canada has achieved closer to 2%. **East Asia** averages around 2.9%, but this masks the fundamental divergence between Japan (3.3%, experiencing its highest sustained inflation in decades) and China (near zero, flirting with deflation). **South and Central Asia** face significantly higher inflation at 7-11%, reflecting food price pressures, exchange rate weakness, and in some cases fiscal instability. **Africa** presents the most extreme variation: Northern Africa averages a staggering 37.2%, driven by Egypt and Sudan, while Southern Africa is more moderate at 4.4%.

**Eastern Europe** at 7.5% continues to feel the aftershocks of the energy crisis and the economic disruption from the ongoing Russia-Ukraine conflict. **Latin America** has achieved notable progress, with Brazil and Mexico both reducing inflation to single digits, though Argentina remains an extreme outlier with triple-digit rates. The chart below ranks the major economies by their current inflation rates, illustrating the enormous spread that central bank policymakers must navigate.

## Inflation Rates by Major Economy — 2025

The horizontal bar chart below ranks major economies by their headline inflation rates in 2025, revealing the full spectrum from Switzerland's remarkably low 0.6% to Türkiye's double-digit 31.4% (excluding the hyperinflationary outliers of Venezuela, Sudan, and others). This ranking underscores a key theme of the current inflation cycle: while the global average has improved substantially, the dispersion between countries remains extremely wide, and the policy challenges facing central banks in low-inflation economies (potential deflation risk in China, excessive monetary restriction) are fundamentally different from those in high-inflation economies (credibility rebuilding, exchange rate management). The positioning of the US and UK above the eurozone average is particularly notable, as it has significant implications for relative monetary policy paths, currency dynamics, and investment flows between these major currency blocs.

Inflation by Major Economy 2025 Headline CPI Inflation Rate — Major Economies % annual —  
 BusinessStats Research 2026

Advanced Economies

## Advanced Economies — Near Target but Not There Yet

The advanced economy inflation landscape in 2026 is defined by a frustrating "last mile" problem — the final distance between current inflation rates and central bank targets has proved far harder to traverse than the rapid decline from crisis-era peaks. Across the G7, headline inflation averaged approximately **2.8% in September 2025** — meaningfully below the 8-10% peaks of 2022 but stubbornly above the 2% targets that most major central banks have set. The persistence of above-target inflation in advanced economies is almost entirely attributable to **services inflation**, which has proved far stickier than goods inflation due to its dependence on domestic labour costs and wage dynamics rather than global commodity prices. In the US, services inflation remains elevated at approximately 4.0% even as goods prices have normalised, reflecting a labour market that despite recent cooling remains tight by historical standards, with unemployment at 4.2%. The Federal Reserve has maintained a cautious approach, with the federal funds rate at a restrictive level and markets pricing in only limited further cuts in 2026 — particularly given the upside risk from potential tariff pass-through effects that J.P. Morgan estimates could push US core CPI above 3%.

In the **eurozone**, the picture is more encouraging: headline inflation is projected at just **1.9% for 2026**, with core inflation also declining as wage growth moderates across the continent. The ECB has cut its key rate to approximately 2% and is expected to hold at this level through 2026, having essentially completed its easing cycle. However, the eurozone faces its own challenge: growth is projected at just 1.1% for 2026, with Germany — the bloc's largest economy — managing only 0.9% growth, raising questions about whether the eurozone may be suffering from excessively tight monetary policy that is constraining activity more than necessary. The **Bank of Japan** stands alone among major central banks in having moved toward tightening, ending its negative interest rate policy and beginning a gradual normalisation as Japanese inflation — at 3.3% in 2025 and forecast at 2.1% for 2026 — finally achieves the price dynamics that policymakers had sought for decades. For perspective on how the largest technology companies are navigating this environment, see our [Alphabet global annual revenue statistics](#).

The **United Kingdom** remains the most concerning case among major advanced economies, with inflation at **3.0% in January 2026** — approximately double the rate in France and significantly above the eurozone average. The UK's inflation persistence reflects structural factors including heavy dependence on imported gas for heating (74% of homes), post-Brexit trade friction that has added to food import costs, and services inflation at 4.4% that is higher than in any other major advanced economy. The Bank of England has cut rates to 3.75% — still well above the ECB's level — and faces a difficult trade-off between supporting a weakening economy (unemployment has risen to 5.2%) and ensuring inflation returns



sustainably to target. **Canada** and **Australia** occupy middle ground, with inflation in the 2.5-3.0% range and central banks navigating similar "last mile" challenges to the Fed. The aggregate picture for advanced economies is one of substantial progress — from panic-inducing peaks to manageable, if still above-target, levels — but with the risk that the final stage of disinflation will be prolonged and potentially complicated by new shocks from trade policy, geopolitics, or energy markets. The OECD projects core inflation in advanced G20 economies falling from 2.6% in 2025 to 2.5% in 2026, suggesting that the convergence toward target will be gradual rather than dramatic. For broader context on UK financial conditions see our [financial markets in the UK statistics](#).

Global Inflation Distribution Share of World Economies by Inflation Bracket — 2025 % of countries -  
BusinessStats Research 2026

Emerging Markets

## Emerging Markets — China Deflation vs Hyperinflation Outliers

The emerging market inflation landscape in 2026 is characterised by perhaps the widest divergence in modern economic history — ranging from China's near-deflationary environment to Venezuela's hyperinflationary collapse, with dozens of countries at every point in between. **China**, the world's second-largest economy, is experiencing inflation of effectively **zero** — with the IMF forecasting just 0.8% for 2026. This extraordinary situation reflects the ongoing real estate crisis that has crushed household wealth and consumer confidence, chronic overcapacity in manufacturing that is driving down producer prices, and weak domestic demand that has left China as the only major economy where deflation — rather than inflation — is the primary macroeconomic concern. China's near-zero inflation has significant global implications: it is exporting disinflation to the rest of the world through falling export prices (Chinese export prices fell over 2% in the year to Q3 2025), which is helping to moderate goods inflation in advanced economies but is also intensifying trade tensions as Chinese manufacturers dump cheap goods into global markets. **India**, by contrast, is managing inflation in the 4-5% range while maintaining GDP growth of approximately **6.3-6.5%** — one of the strongest growth rates among major economies — supported by a young and growing workforce, government infrastructure investment, and increasingly sophisticated manufacturing and technology sectors. **Brazil** has made remarkable progress, with inflation expected to moderate toward 4% in 2026 after reaching double digits during the crisis, reflecting the credibility of the Brazilian central bank's aggressive tightening and the normalisation of food and energy prices. **Türkiye** remains one of the most extreme cases among G20 economies, with inflation projected at **31.4% in 2025 falling to 18.5% in 2026** — driven by the sharp depreciation of the Turkish lira, which has amplified the

cost of imported energy and food, combined with unorthodox monetary policy decisions in previous years that undermined central bank credibility. The government has since reversed course with massive rate hikes, but the disinflation process is slow and painful.

At the extreme end, **Venezuela** faces the highest inflation worldwide at approximately **270% in 2025**, forecast to surge to 682% in 2026, while conflict-ridden countries including **Sudan, Iran, and Myanmar** face rates exceeding 25%. For the global economy as a whole, the emerging market divergence means that monetary policy responses are becoming increasingly fragmented, with some central banks (Brazil, Mexico) already cutting rates while others (Türkiye) are still tightening aggressively.

The food inflation dimension is particularly critical for emerging markets, where food represents a much larger share of household budgets than in advanced economies — typically **40-50% of total spending** in low-income countries compared to 10-15% in the G7. The surge in global agricultural commodity prices during 2022-2023 hit developing world households with devastating force, contributing to food insecurity in dozens of countries and pushing an estimated 70-100 million additional people into extreme poverty according to World Bank estimates. While global food prices have moderated substantially from their peaks, certain commodities — particularly cocoa, coffee, and sugar — experienced renewed price surges in 2025 due to weather-related crop failures in key producing regions. The cumulative impact of food inflation over the 2021-2025 period has permanently reduced the purchasing power of hundreds of millions of households in the developing world, representing a setback to poverty reduction efforts that will take years to reverse even under optimistic growth scenarios.

The intersection of food inflation, exchange rate weakness, and fiscal constraints creates a particularly challenging environment for central banks in low-income countries, where the trade-off between controlling inflation and supporting growth is far more acute than in advanced economies with stronger institutional frameworks and deeper capital markets. For context on how the world's largest countries are navigating these challenges, see our countries with the largest GDP data.

#### Key InsightChina's Zero Inflation — A Global Deflation Risk?

China's near-zero inflation in 2025-2026 is not just a domestic story — it's a global one. Chinese export prices fell over 2% in 2025, flooding world markets with cheap manufactured goods and suppressing goods inflation in Europe, the US, and emerging Asia. While this helps advanced economy consumers, it intensifies trade tensions (US tariffs, EU anti-dumping probes) and threatens manufacturing competitiveness worldwide. If China's domestic demand fails to recover and producer price deflation deepens, the world's second-largest economy could become a persistent exporter of deflation — a

scenario with profound implications for global trade, monetary policy, and corporate profitability.

## Global Inflation Comparison — Major Economies

The sortable table below provides a comprehensive snapshot of inflation across 15 major economies, comparing their current rates with 2022-2023 peaks, central bank policy rates, and expected 2026 outcomes. The table reveals the extraordinary range of economic conditions that central bankers and policymakers must navigate — from Switzerland's 0.6% to Türkiye's 31.4%, from the ECB's 2.0% policy rate to Türkiye's 42.5%. Click any column header to sort by that metric and quickly identify the highest, lowest, or most improved economies in each category.

Global Inflation by Major Economy — 2025-2026Click column to sort

| ECONOMY     | 2025 CPI % | 2026 F'CAST % | PEAK 22-23 % | TREND          |
|-------------|------------|---------------|--------------|----------------|
| Türkiye     | 31.4%      | 18.5%         | ~85%         | Falling fast   |
| India       | ~4.5%      | ~4.2%         | ~7.4%        | Stable         |
| Brazil      | ~4.8%      | ~4.0%         | ~12.0%       | Falling        |
| UK          | 3.5%       | 2.5%          | 11.1%        | Falling        |
| Japan       | 3.3%       | 2.1%          | 4.3%         | Falling        |
| US          | 2.7%       | 2.4%          | 9.1%         | Slow decline   |
| Canada      | ~2.5%      | ~2.1%         | 8.1%         | Near target    |
| Eurozone    | 2.1%       | 1.9%          | 10.6%        | At target      |
| Germany     | 2.1%       | ~1.8%         | 8.7%         | At target      |
| Italy       | 1.7%       | ~1.8%         | 8.7%         | Stable         |
| France      | 1.1%       | 1.4%          | 5.2%         | Below target   |
| China       | ~0.2%      | 0.8%          | 2.8%         | Near deflation |
| Switzerland | 0.6%       | ~0.8%         | 3.5%         | Very low       |

## G7 Inflation — 2025 vs 2026 Forecast

The grouped bar chart below compares actual 2025 inflation rates with 2026 forecasts across the G7 economies, illustrating the expected disinflation trajectory in each country. The most dramatic decline is



projected for the UK (from 3.5% to 2.5%) and Japan (3.3% to 2.1%), while the US shows more modest improvement (2.7% to 2.4%) and France is expected to tick slightly higher (1.1% to 1.4%) as energy base effects normalise. This chart highlights the unevenness of the "last mile" disinflation across the world's most advanced economies.

G7 Inflation Comparison  
G7 CPI — 2025 Actual vs 2026 Forecast  
% annual — BusinessStats Research  
2026  
2.8% G7 Avg 2025  
2.1% G7 Avg 2026F

All G7 near or at 2% target by 2026 Sources: IMF, OECD - BusinessStats Research 2026

## Central Bank Policy Rates — Major Economies

The rank bars below show the current policy rates of major central banks, illustrating the wide range of monetary policy stances being deployed to combat inflation across different economic contexts. Türkiye's extraordinary 42.5% rate reflects its aggressive fight against double-digit inflation, while the ECB's 2.0% and the Bank of Japan's modest tightening show economies that have largely completed their inflation-fighting cycles. The Fed at 4.25-4.50% and the Bank of England at 3.75% occupy middle ground — still restrictive but with scope for further cuts as inflation approaches target.

The global inflation landscape in 2026 features extraordinary divergence — from China's near-zero deflation risk to Venezuela's 270%+ hyperinflation. Advanced economies are converging toward 2% targets, with the eurozone leading at 1.9%. GDP growth is projected at 3.3% globally, supported by AI investment and fiscal stimulus.

Key Statistics

## Global Inflation — Key Statistics at a Glance

The stat cards below distil the most critical numbers from the global inflation landscape into a quick-reference format, capturing the headline metrics that define the current state of worldwide price dynamics. These figures represent the output of the most significant monetary policy experiment in modern economic history — the coordinated global tightening cycle that raised interest rates by hundreds of basis points across dozens of economies in an effort to tame inflation without triggering a recession, an outcome that has been more successful than many economists anticipated but that has left a legacy of elevated living costs, rising unemployment in some countries, and persistent above-target inflation that continues to challenge policymakers.



3.8% Global CPI Forecast 2026 IMF WEO Jan 2026 — down from 4.1% in 2025 9.6% Global CPI Peak Sep 2022 Highest since 1990s — 5.8pp decline since 2.8% Global Core CPI 2026 J.P. Morgan estimate — stuck around 3% since 2024 3.3% Global GDP Growth 2026 IMF forecast — steady amid divergent forces 0.6% Lowest: Switzerland Strong franc driving import price deflation 270%+ Highest: Venezuela Forecast to surge to 682% in 2026 ~0.8% China CPI 2026 Near-deflation risk — weakest among major economies 1.9% Eurozone CPI 2026 At ECB target — fastest disinflation among major blocs

Forecast 2028

## Global Inflation Forecast 2026–2028 — Gradual Convergence Toward Target

The global inflation outlook through 2028 envisages a gradual convergence toward central bank targets across most major economies, but with the pace of improvement slowing considerably compared to the rapid disinflation of 2023–2024, and with significant risks that could derail the process. The IMF projects global headline inflation declining from **3.8% in 2026 to 3.4% in 2027**, with further moderation expected through 2028 as the lagged effects of monetary tightening continue to work through the system and as global supply conditions normalise. For advanced economies, the path to 2% is expected to be largely complete by 2027, with the eurozone already there and the US, UK, and Japan all projected to reach or closely approach their targets during that year. However, J.P. Morgan's research highlights that **global core inflation has remained stuck at approximately 3%** since 2024, and that growing regional cross-currents — including currency movements, divergent wage dynamics, and the uneven impact of trade policies — reduce conviction in near-term projections. The key risk factors that could push global inflation higher than forecast include an escalation of trade tensions (particularly US tariffs, which could add 0.5–1.0 percentage points to US consumer prices), a spike in energy prices from Middle East conflict (the IMF estimates a sustained 10% rise in oil prices would add approximately 0.2–0.4 percentage points to global headline inflation), and the potential for "de-anchoring" of inflation expectations if progress stalls.

On the downside, a sharper-than-expected global slowdown — particularly if driven by a Chinese economic hard landing, an AI investment disappointment, or a financial market correction — could accelerate disinflation beyond forecasts and revive deflation risks in some economies. For context on how the [fintech industry](#) is evolving within this macroeconomic environment, see our dedicated analysis. The institutional consensus, captured by the Ifo Economic Experts Survey, places long-term global inflation expectations at approximately **3.5% through 2028** — above the pre-pandemic norm of 3–4% but well below the crisis peaks, suggesting that experts expect the world to settle into a moderately higher inflation

regime than the unusually benign environment of the 2010s.

Global Inflation Forecast 2028World Economy — Key Projections 2026-2028 3.8%Global CPI 2026 (IMF)  
 3.4%Global CPI 2027 (IMF) ~3.2%Global CPI 2028 (est.) 3.3%Global GDP 2026 1.9%Eurozone CPI 2026  
 2.4%US CPI 2026

FAQ

## Frequently Asked Questions — Inflation Worldwide

Global headline inflation was **4.1% in 2025** and is forecast at 3.8% for 2026 by the IMF. It peaked at 9.6% in September 2022. Advanced economies average ~2.5-2.7% while emerging markets are around 3.9%. The disinflation trend has levelled off since mid-2025.

**Venezuela leads at ~270%** in 2025, forecast to surge to 682% in 2026. Sudan, Iran, and Myanmar exceed 25%. Among OECD nations, Türkiye leads at 31.4% in 2025, falling to 18.5% in 2026. Argentina also faces triple-digit inflation.

The IMF projects **3.8% globally for 2026 and 3.4% for 2027**. US inflation is forecast at 2.4%, eurozone 1.9%, UK 2.5%, Japan 2.1%, and China just 0.8% in 2026. Risks include US tariff pass-through, Middle East energy disruptions, and persistent services inflation in Anglo-Saxon economies.

The "easy" disinflation from falling energy and goods prices is over. Remaining above-target inflation is driven by **sticky services prices** (dependent on domestic wages), persistent food costs from commodity volatility, and regional factors like US tariffs and UK post-Brexit friction. Global core inflation has been stuck at ~3% since 2024.

Massive divergence exists. **Eurozone at 1.9%** is near target, France at 0.9%. US at 2.7%, UK at 3.0%, Japan at 3.3%. China at near-zero faces deflation risk. Switzerland has the world's lowest at 0.6%. Emerging markets range from India's 4.5% to Türkiye's 31.4% and Venezuela's 270%+.

Data Sources & References

**Primary:** [IMF - World Economic Outlook Update January 2026](#)

**Primary:** [World Bank - Global Economic Prospects 2026](#)

**Primary:** [J.P. Morgan - Global Inflation Forecast 2026](#)

**Supporting:** OECD Economic Outlook · IMF Data Brief on World Inflation (Dec 2025) · Deloitte Global Economic Outlook 2026 · ifo Economic Experts Survey Q4 2024 · Central bank policy statements (Fed,



ECB, BoE, BoJ, PBoC) · Eurostat HICP data · ONS UK CPI data · BLS US CPI data

Global inflation data primarily from IMF World Economic Outlook (WEO) January 2026 update. Regional breakdowns from IMF, OECD, and World Bank sources. Country-level CPI from respective national statistics offices. Core inflation estimates from J.P. Morgan Global Research. All inflation rates year-over-year unless specified. Forecasts from institutional consensus subject to revision. GDP projections from IMF WEO baseline scenario. Global Inflation 2026World CPIIMF ForecastAdvanced EconomiesEmerging MarketsCentral BanksUS InflationEurozone CPIChina DeflationWorld Economy 2026

## STATISTICS REPORT

# Inflation in the UK — Statistics & Facts 2026

Updated Mar 24, 2026 · [businessstats.com/inflation-in-uk](https://businessstats.com/inflation-in-uk)

|                                       |                                  |                                  |
|---------------------------------------|----------------------------------|----------------------------------|
| <b>3.0%</b><br>CPI INFLATION JAN 2026 | <b>3.1%</b><br>CORE CPI JAN 2026 | <b>11.1%</b><br>PEAK (OCT 2022)  |
| <b>4.4%</b><br>SERVICES INFLATION     | <b>3.75%</b><br>BOE BANK RATE    | <b>2.5%</b><br>CPI FORECAST 2026 |

## Overview

### Inflation in the UK 2026 — The Long Road Back to 2%

The United Kingdom has experienced one of the most dramatic inflation cycles in its modern economic history, with consumer prices surging from under **1% in early 2021** to an extraordinary **11.1% in October 2022** — the highest rate since November 1981 — before embarking on a prolonged but uneven disinflation journey that has brought headline CPI to **3.0% in January 2026**. While this represents a remarkable decline of over 8 percentage points from the peak, the UK's inflation rate remains stubbornly above the Bank of England's **2% target** and notably higher than in many comparable European economies, where disinflation has progressed more quickly and more completely. France, for example, achieved an annual average CPI of just 0.9% in 2025, while eurozone inflation as a whole fell to 1.7% in January 2026, meaning the UK continues to be an inflation outlier among advanced economies. The persistence of above-target inflation reflects the UK's unique structural vulnerabilities: heavy dependence on imported natural gas for both heating and electricity generation, a tight labour market that drove aggressive wage growth through 2023-2024, and a weaker sterling that made imports more expensive. The January 2026 reading of 3.0% was driven downward by softer transport costs, falling petrol prices, and moderating food inflation, but was held up by persistent pressures in services (4.4%), housing and utilities (4.5%), and restaurants and hotels (4.1%). For a broader perspective on how inflation has evolved across the European continent, see our [inflation in Europe statistics](#).

The macroeconomic context surrounding UK inflation in 2026 is characterised by sluggish growth, rising unemployment, and an increasingly complex monetary policy environment. GDP grew **1.3% in 2025** — below the OBR's forecast of 1.5% — and the economy effectively stalled in the second half of the year, with

just 0.1% quarterly growth in both Q3 and Q4 2025. Unemployment has risen to **5.2%** — the highest since late 2020 — with particularly sharp increases among younger workers, where the rate has reached 16% for those aged 16-24. The Bank of England's Monetary Policy Committee has cut interest rates by **1.5 percentage points since August 2024**, bringing the Bank Rate to 3.75%, but the pace of cuts has slowed as the MPC balances the need to support a weakening economy against the risk that inflation remains persistent. The February 2026 MPC meeting saw a 5-4 vote to hold rates unchanged, reflecting genuine disagreement about the appropriate policy stance. On the fiscal side, the UK faces its own challenges: public sector net debt stands at **92.9% of GDP**, the government deficit remains elevated, and the Autumn Budget 2025 introduced significant tax increases — including higher employer National Insurance contributions — that are weighing on business confidence and hiring. The energy price cap for Q1 2026 sets a typical dual fuel bill at **£1,758 per year**, and while this will fall 7% to £1,641 from April 2026 following the government's removal of green levies from energy bills, household energy costs remain approximately **35% above pre-crisis levels**. This persistent elevation of living costs continues to weigh on consumer sentiment and household spending, even as headline inflation numbers gradually improve. The UK's inflation challenge is therefore not simply about the headline rate returning to target, but about rebuilding household purchasing power that has been severely eroded by a cumulative price increase of over **20% since 2021**. For a detailed look at how UK financial conditions are evolving alongside these inflation dynamics, see our [financial markets in the UK statistics](#).

UK CPI inflation fell to 3.0% in January 2026, down from the 11.1% peak in October 2022 — the highest in 41 years. Core inflation stands at 3.1%, services remain sticky at 4.4%, and energy bills are still 35% above pre-crisis levels. The Bank of England holds rates at 3.75%.

## Inflation Timeline

### UK Inflation Timeline 2019–2025 — From Stability to Crisis and Back

The trajectory of UK inflation over the 2019–2025 period tells the story of an economy that was hit harder and recovered more slowly than most of its peers from the greatest inflationary shock in a generation. In **2019**, CPI inflation averaged a benign **1.8%**, slightly below the Bank of England's 2% target, reflecting the relatively stable price environment that had characterised the post-financial-crisis era despite the ongoing uncertainty of the Brexit process. The pandemic year of **2020** pushed inflation down to just **0.9%** as lockdowns suppressed demand, particularly in hospitality, travel, and discretionary retail — though unlike some eurozone countries, the UK avoided outright deflation. The recovery phase in **2021** saw inflation rise to **2.6%** as supply chain bottlenecks, pent-up demand, and rising global commodity prices began to push

up costs, though the worst was yet to come. The **2022** inflation shock was devastating: the annual average reached **9.1%**, with the monthly rate peaking at 11.1% in October — driven by the explosive rise in natural gas prices following Russia's invasion of Ukraine, which hit the UK's gas-dependent economy with particular severity. The government's Emergency Price Guarantee, which capped typical household energy bills at £2,500 from October 2022, prevented even higher headline figures but cost the Treasury an estimated £40 billion. Inflation remained painfully elevated at **7.3% in 2023**, with food inflation reaching an extraordinary 19.1% in March 2023 — the highest since 1977 — before gradually declining through the year. The disinflation process gained momentum in **2024**, with the annual average falling to **2.6%**, though the path was uneven with services inflation proving notably resistant to decline. By **2025**, the annual average was approximately **3.5%** — still above target and above the eurozone average — reflecting the persistent nature of UK-specific inflationary pressures. For broader context on how central bank policy responses have shaped these dynamics globally, see our [central banks statistics](#).

## Annual CPI Inflation Rate 2019–2025 — The Surge and Retreat

The annual bar chart below illustrates the dramatic amplitude of the UK's inflation cycle, with the 2022 reading of **9.1%** towering over the sub-2% levels that preceded the crisis. The decline from 9.1% in 2022 to 3.5% in 2025 represents substantial progress, but the persistence of above-target inflation distinguishes the UK from countries like France (0.9%), Switzerland, and several northern European economies that have already returned to or below their target rates. The UK's higher and more persistent inflation reflects a combination of structural factors including its energy mix, labour market dynamics, the post-Brexit trade friction that has added to import costs, and the lagged impact of sterling depreciation during the crisis period that made imports more expensive in a country that runs a persistent trade deficit.

UK Annual Inflation 2019–2025  
UK Annual CPI Inflation Rate — %Annual average % - BusinessStats Research 2026  
3.5%2025 Avg Annual CPI %Peak 11.1% in Oct 2022 Sources: ONS CPI Data - BusinessStats Research 2026

## Monthly CPI Trend 2024–2026 — The Bumpy Descent

The monthly CPI data reveals a far more volatile picture than annual averages suggest, with the UK's disinflation path characterised by starts and stops that have repeatedly challenged market expectations and complicated the Bank of England's rate-setting decisions. After starting 2024 at around 4.0%, headline CPI fell steadily to reach 1.7% in September 2024 — briefly dipping below the 2% target for the first time since April 2021 — before rebounding sharply through the autumn and winter. By October 2025, CPI had



climbed back to 3.8%, driven by rising energy bills as the Ofgem price cap increased, persistent services inflation, and accelerating food costs fuelled by global commodity price pressures from cocoa, coffee, and weather-disrupted crop yields. The descent from the October 2025 peak has been encouraging: CPI fell to 3.2% in November, ticked up to 3.4% in December (due to timing effects in alcohol and tobacco duties), then dropped meaningfully to **3.0% in January 2026** — the lowest reading since March 2025. The January decline was driven by softer transport costs (fuel prices falling and air fare inflation moderating), a sharp drop in food inflation from 4.5% to 3.6%, and easing housing and utility costs. On a monthly basis, prices actually fell 0.5% in January 2026, driven by post-Christmas sales effects. The Bank of England's February 2026 projections indicate CPI inflation should fall to around **2.1% by Q2 2026**, benefiting from the government's removal of green levies from energy bills in April and favourable base effects, though the recent escalation of Middle East tensions and their impact on oil prices represents a significant upside risk to this forecast.

UK Monthly CPI 2024-2026UK CPI Year-on-Year — Monthly %Monthly YoY % - BusinessStats Research  
20263.0%Jan 20263.1%Core Rate

Sep 2024: 1.7% — briefly below 2% target Sources: ONS - BusinessStats Research 2026

CPI Components

## CPI by Component — Services 4.4%, Food 3.6%, Housing 4.5%

The disaggregation of UK consumer prices reveals that the persistence of above-target inflation is driven almost entirely by domestic services and shelter costs, while goods inflation has moderated substantially and is now close to pre-crisis norms. **Services inflation at 4.4%** in January 2026 remains the single largest contributor to above-target CPI and is the metric the Bank of England watches most closely when setting monetary policy, as services prices are considered to reflect domestic cost pressures rather than imported commodity price shocks. Within services, the key drivers are rents (both actual and imputed), restaurant and café prices (up 4.1% driven by labour costs and food input inflation), and education costs (up 7.6%, the fastest-rising category in the entire CPI basket, largely reflecting the impact of VAT being applied to private school fees from January 2025). **Housing and household services at 4.5%** reflect the combined impact of elevated mortgage interest payments, rising actual rents (up 3.8%), and household maintenance costs. **Food and non-alcoholic beverages at 3.6%** have been declining from the 4.5% December reading but remain well above the headline rate, with chocolate prices up 17% year-on-year reflecting the surge in global cocoa prices during 2025. **Transport at 2.7%** provided the largest downward contribution to the

January reading, as motor fuel prices fell and air fare inflation moderated from the December spike. **Goods inflation at 1.6%** has normalised substantially, reflecting global goods disinflation driven by weak Chinese demand, falling shipping costs, and a gradual unwinding of post-pandemic supply constraints. The divergence between sticky services inflation and normalising goods prices is a pattern seen across most advanced economies, but is particularly pronounced in the UK, where services account for approximately 60% of the CPI basket and where wage growth has been stronger than in the eurozone. This structural composition means that even as energy and goods prices normalise, the UK's return to 2% inflation is heavily dependent on services price deceleration, which in turn requires continued moderation in wage growth and domestic demand pressures.

## UK CPI Inflation by Category — January 2026

The horizontal bar chart below shows the wide dispersion of inflation rates across CPI categories in January 2026, from education at 7.6% to clothing and footwear in deflation at -0.6%. This dispersion highlights the fact that the "average" inflation rate of 3.0% masks very different experiences for different households depending on their spending patterns. Lower-income households, who spend a disproportionate share of their budgets on food and energy, continue to face an effective inflation rate well above the headline figure, while higher-income households benefit more from falling goods prices and have greater capacity to absorb services inflation through discretionary spending adjustments.

UK CPI by Category Jan 2026 Annual Inflation Rate by CPI Component % year-on-year - BusinessStats Research 2026

Energy & Housing

## UK Energy Crisis — Bills Still 35% Above Pre-Crisis Levels

Energy has been at the heart of the UK's inflation crisis, and while household bills have fallen significantly from their crisis-era peaks, they remain a substantial burden on household budgets and a source of ongoing inflationary pressure. The UK's **heavy dependence on natural gas** — which heats approximately **74% of homes** and until recently was the largest source of electricity generation — made it uniquely vulnerable to the gas price shock triggered by Russia's invasion of Ukraine. Unlike France, which generates 70% of its electricity from nuclear power, or Norway, which relies almost entirely on hydroelectric generation, the UK had no structural buffer against the wholesale gas price surge that saw prices increase by over 500% at their peak. The government responded with the Energy Price Guarantee (EPG), which capped typical household bills at **£2,500 per year** from October 2022 to June 2023 — an intervention

estimated to have cost approximately **£40 billion** — before transitioning to Ofgem's quarterly price cap mechanism. The price cap for Q1 2026 stands at **£1,758 per year** for a typical dual fuel household paying by direct debit, comprising average electricity costs of 27.7p per kilowatt hour and gas costs of 5.9p per kWh. From April 2026, the cap falls 7% to **£1,641**, helped by the government's decision in the Autumn Budget 2025 to remove the Energy Company Obligation (ECO) levy and shift green levies from energy bills to general taxation — saving an estimated £134-150 per typical household. Despite these reductions, household energy bills remain approximately **35% higher in real terms** than before the energy crisis, representing a permanent step-change in the cost of living that has not been reversed by the decline in wholesale energy prices. The standing charge alone — covering network maintenance and failed supplier costs — amounts to approximately **£336 per year** for a dual fuel connection before any energy is consumed, a figure that has become a significant source of public frustration and political debate.

The UK's energy transition is gradually reshaping the generation mix in ways that should provide greater insulation from future gas price shocks. **Wind power overtook natural gas** as the UK's largest source of electricity generation in 2024, a historic milestone that reflects the rapid expansion of both onshore and offshore wind capacity. In 2025, the generation mix was approximately **35% wind** (with offshore wind accounting for the majority), **30% natural gas**, **15% nuclear**, **12% solar and other renewables**, and **8% imports and other sources**. However, gas remains the marginal price-setting fuel for electricity in most periods, meaning that even as its share of generation falls, it continues to disproportionately influence electricity wholesale prices — a structural feature of the UK's electricity market design that policymakers are increasingly seeking to reform. The housing component of inflation extends beyond energy bills: mortgage interest payments have risen sharply as the Bank of England raised rates from 0.1% to 5.25% before beginning its cutting cycle, and private rents are rising at **3.8%** nationally, with significantly higher rates in major urban centres. The rental market has been under intense pressure from constrained supply (as higher interest rates and tax changes have prompted some landlords to exit the market) and strong demand (as high mortgage rates have kept potential first-time buyers in the rental market longer). For context on how [interest rate movements](#) globally are shaping housing affordability and inflation dynamics, see our dedicated analysis.

## UK Electricity Generation Mix — 2025

The donut chart below illustrates the UK's evolving electricity generation mix, with wind power now the dominant source at 35% — a remarkable transformation from a decade ago when gas dominated at over 40%. The growth of renewables has been one of the UK's genuine economic success stories, with the

country hosting the world's largest offshore wind farms. However, the continued reliance on gas as the marginal price-setting fuel means that the UK electricity market remains exposed to global gas price movements despite the declining share of gas in the generation mix, a paradox that is driving debate about electricity market reform and the potential for renewables to break the link between gas prices and consumer electricity bills.

UK Electricity Generation Mix UK Power Generation by Source — 2025 % of total generation -  
BusinessStats Research 2026

Food Prices

## Food Inflation in the UK — 3.6% With Cocoa and Coffee Surging

Food inflation has been one of the most politically sensitive and personally impactful dimensions of the UK's cost of living crisis, and while it has declined dramatically from its crisis-era peaks, it remains a persistent source of household budget pressure that is eroding real living standards for millions of families. In January 2026, food and non-alcoholic beverage prices were rising at **3.6%** — down significantly from the 4.5% recorded in December and the lowest reading since April 2025 — but still above the headline CPI rate of 3.0% and well above the pre-crisis norm of approximately 1-2%. The January decline was driven by falling prices for bread, cereals, cakes, biscuits, and breakfast cereals, reflecting the normalisation of global grain prices and increased competition among UK supermarkets. However, several categories remain under intense upward pressure: **chocolate prices surged 17%** year-on-year in November 2025 (the latest available breakdown), reflecting the unprecedented spike in global cocoa prices during 2025 that saw cocoa futures reach record levels due to crop diseases and weather disruptions in West Africa. Coffee prices have similarly been elevated, driven by drought in Brazil and Vietnam that reduced global arabica and robusta production. The cumulative impact of food inflation since 2021 has been staggering: food prices have risen by approximately **30-36%** over the past four to five years, according to the Food Foundation's Basic Basket tracker, meaning that a weekly shop that cost £40 in 2021 now costs approximately £53. This cumulative price increase has not been reversed — and will not be, since disinflation means prices are rising more slowly, not falling — representing a permanent reduction in the food purchasing power of UK households. According to the Food Standards Agency, food prices were the **top consumer concern in December 2025**, with 92% of consumers citing food costs as a worry and 60% describing themselves as "highly concerned" — the highest level since tracking began in 2023. For context on how the global economy's dynamics are shaping commodity prices and supply chains that affect UK food costs, see our [global economy statistics](#).



Looking ahead, the Food and Drink Federation (FDF) projects that retail food inflation will average **4.4% across 2026**, falling to approximately 3.1% by December 2026. While this represents a gradual normalisation, it would still leave food price growth above the Bank of England's 2% target and means that UK consumers will continue to experience rising prices at the supermarket checkout throughout the year. Several factors will influence the food inflation trajectory in 2026: global agricultural commodity prices remain volatile, with cocoa and coffee showing early signs of moderation but remaining far above historical averages; domestic labour costs in the food production and retail sectors continue to rise, driven by minimum wage increases (the National Living Wage rising to £12.21 from April 2026) and higher employer NICs; and the post-Brexit trade friction continues to add approximately 6% to food import costs compared to the pre-departure counterfactual, according to academic estimates from the London School of Economics. The UK's position as a net food importer — importing approximately 46% of its food supply — means it remains structurally exposed to global commodity price volatility and sterling fluctuations in a way that more self-sufficient agricultural economies are not. The distributional impact of persistent food inflation is particularly concerning: lower-income households spend approximately **16-17% of their budgets on food** compared to around 10% for higher-income households, meaning that food inflation acts as a regressive tax that disproportionately burdens those least able to absorb it.

UK vs Eurozone Inflation 2024-2026  
UK CPI vs Eurozone HICP — Monthly %  
Monthly YoY % -  
BusinessStats Research 2026  
3.0%UK Jan 26  
1.7%EZ Jan 26

UK consistently above eurozone since 2022 Sources: ONS, Eurostat - BusinessStats Research 2026

Economy & Wages

## UK Economy 2026 — GDP 1.3%, Unemployment Rising to 5.2%

The UK economy enters 2026 in a fragile state, with growth stalling, unemployment rising, and the labour market undergoing a significant adjustment that has implications for both inflation dynamics and household welfare. GDP grew **1.3% in 2025** — an improvement on the 1.1% recorded in 2024 but below the OBR's forecast of 1.5% — with momentum deteriorating markedly in the second half of the year as quarterly growth slumped to just **0.1% in both Q3 and Q4**. The economy's slowdown reflects multiple headwinds: higher employer National Insurance contributions announced in the Autumn Budget 2025 have weighed on hiring intentions, global trade uncertainty (particularly around US tariff policy) has dampened export demand and business investment, and consumers have remained cautious despite modest real income growth. Business investment fell **2.7% in Q4 2025**, though it grew 3.5% across the year as a whole,

suggesting that the late-year decline may partly reflect anticipatory effects ahead of the Budget's tax changes. The **manufacturing sector grew 0.9% in Q4** — a relative bright spot — while services output was flat and construction fell by 2.1%, its largest decline since 2021. The OBR forecasts GDP growth of **1.4% in 2026**, though independent forecasters are more cautious with an average prediction of just **1.1%**, and EY ITEM Club projects only 0.9%. Growth is expected to be supported by lower interest rates, the phased fiscal loosening from higher government spending, and improving real household incomes as inflation falls, but constrained by fiscal tightening in later years, persistent global uncertainty, and subdued business confidence. The UK's GDP per capita has barely grown since 2019, reflecting a lost half-decade of living standards improvement that has fuelled public discontent and political debate about the effectiveness of economic policy. For context on where the UK stands relative to other major economies, see our [countries with the largest GDP worldwide analysis](#).

## Labour Market — Unemployment at Highest Since 2020

The UK labour market has undergone a notable deterioration over the past year, with unemployment rising from approximately 4.0% in early 2025 to **5.2% in the three months to December 2025** — the highest rate since late 2020 and **330,000 higher than a year earlier**. The total number of unemployed people reached 1.9 million, with the increase spread across all age groups but particularly concentrated among younger workers: **739,000 people aged 16-24** were unemployed, a rate of **16%** — an increase of almost 100,000 from a year ago and the highest youth unemployment rate since 2015. By contrast, the unemployment rate for those aged over 25 is a more moderate 3.6%, highlighting the disproportionate impact of the economic slowdown on younger and entry-level workers. Several factors are driving the labour market weakening: the increase in employer NICs from April 2025 has raised the cost of employment significantly, particularly for lower-paid workers; the rapid expansion of the National Living Wage (with a 16.3% increase for 18-20 year-olds in April 2025) has, according to some employers, priced younger workers out of certain roles; sluggish economic growth has reduced demand for labour across multiple sectors; and the growing adoption of artificial intelligence and automation is beginning to affect some categories of employment. Average wages excluding bonuses rose **4.2% in the three months to December 2025**, providing a real wage increase of approximately 0.8% after adjusting for inflation of 3.4%. Private sector regular pay growth has slowed to 3.6% and is expected to continue moderating toward 3.0-3.1% by end-2026, which would be consistent with the Bank of England's assessment that wage dynamics are becoming less inflationary.

Key InsightUK vs France: Why the 2% Gap Persists

UK inflation at 3.0% remains roughly double France's 1.0% — and the gap is structural. France's 70% nuclear electricity shields it from gas price volatility, while the UK's 74% gas-heated homes make it acutely exposed. UK services inflation at 4.4% dwarfs France's 1.6%, reflecting stronger UK wage growth (4.2% vs ~2-3%) and a tighter labour market. Post-Brexit trade friction adds ~6% to food import costs. The result: the UK may not sustainably reach 2% until mid-2026 at the earliest, while France has been below target since 2025. For comparison see our [inflation in Spain statistics](#).

## UK CPI Components — January 2026 vs 2025 Average

The sortable table below provides a comprehensive comparison of inflation rates across all major CPI categories in January 2026 versus their 2025 annual averages and crisis-era peaks. The data clearly shows the divergence between normalising goods inflation and persistent services inflation that defines the UK's current inflation challenge. Education at 7.6% leads all categories, largely a one-off effect of VAT on private school fees, while clothing and footwear at -0.6% is the only category in outright deflation, reflecting global goods disinflation and intense retail competition. The "trend" column highlights that most categories are on a declining trajectory, with services being the critical exception where progress has been frustratingly slow from the Bank of England's perspective.

UK CPI Components — Jan 2026 vs 2025 Avg [Click column to sort](#)

| CATEGORY           | JAN 2026 % | 2025 AVG % | PEAK 2022-23 % | TREND       |
|--------------------|------------|------------|----------------|-------------|
| Education          | 7.6%       | ~5.5%      | ~5.5%          | VAT effect  |
| Alcohol/Tobacco    | 5.2%       | ~4.8%      | ~5.9%          | Duty driven |
| Housing/Utilities  | 4.5%       | ~5.0%      | ~9.0%          | Falling     |
| Services (all)     | 4.4%       | ~4.6%      | 7.4%           | Sticky      |
| Restaurants/Hotels | 4.1%       | ~3.9%      | ~10.0%         | Rising      |
| Food/Beverages     | 3.6%       | ~4.2%      | 19.1%          | Falling     |
| Headline CPI       | 3.0%       | 3.5%       | 11.1%          | Falling     |
| Core CPI           | 3.1%       | ~3.4%      | 7.1%           | Falling     |
| Transport          | 2.7%       | ~3.5%      | ~7.5%          | Falling     |
| Recreation/Culture | 2.6%       | ~3.0%      | ~5.5%          | Stable      |



|                   |       |       |       |             |
|-------------------|-------|-------|-------|-------------|
| Goods (all)       | 1.6%  | ~2.0% | ~9.0% | Normalising |
| Clothing/Footwear | -0.6% | ~0.2% | ~7.5% | Deflation   |

The UK economy grew 1.3% in 2025 but stalled in Q3-Q4. Unemployment reached 5.2% — highest since late 2020 — with youth unemployment at 16%. The Bank of England holds rates at 3.75% after 1.5pp of cuts since August 2024. Energy bills at £1,758 remain 35% above pre-crisis levels.

## Key Statistics

## UK Inflation — Key Statistics at a Glance

The following stat cards summarise the most critical data points defining the UK's inflation landscape in 2026. These numbers tell the story of an economy that has made substantial progress in taming the worst inflation crisis in four decades but still faces a challenging final stretch before achieving sustained price stability at the Bank of England's 2% target. The persistence of services inflation, the structural elevation of energy costs, and the cumulative impact of four years of above-target price increases on household living standards remain the defining challenges of the current economic moment.

3.0% CPI Inflation Jan 2026  
Down from 3.4% in Dec 2025 — lowest since March 2025  
11.1% CPI Peak Oct 2022  
Highest UK inflation in 41 years — 8pp decline since 4.4%  
Services Inflation  
Sticky domestic pressures — BoE's key watch metric  
£1,758 Annual Energy Bill Q1 2026  
Falling to £1,641 from April — still 35% above pre-crisis  
3.75% Bank of England Rate  
Down 1.5pp since Aug 2024 — further cuts expected 2026  
5.2% Unemployment Rate  
Highest since late 2020 — 330k higher than a year ago  
20%+ Cumulative Price Rise Since 2021  
Permanent purchasing power erosion for UK households  
1.3% GDP Growth 2025 Forecast  
1.0-1.4% for 2026 — economy stalled in H2 2025

## Forecast 2028

## UK Inflation Forecast 2026-2028 — The Path to Target

The consensus inflation forecast for the UK projects a meaningful decline in headline CPI through 2026, with the rate expected to reach or approach the 2% target by the middle of the year before potentially fluctuating around that level through 2027 and 2028. The Bank of England's February 2026 projections indicate CPI inflation falling to approximately **2.1% by Q2 2026**, benefiting from three key factors: the removal of green levies from energy bills in April 2026 (reducing household energy costs by an estimated £134-150), favourable base effects as the high energy price readings from 2025 drop out of the annual



comparison, and continued moderation in services inflation as wage growth decelerates. However, the BoE is cautious about declaring victory, noting that services inflation at 4.4% remains well above the level consistent with the 2% target and that underlying measures of inflationary pressure have ticked up slightly in recent data. The OBR projects average CPI of **2.5% for 2026**, falling to **2.0% in 2027** and remaining at target through 2028-2029. Independent forecasters surveyed by HM Treasury in February 2026 expect inflation of **2.2% in Q4 2026**, broadly consistent with the official projections. The key risks to the forecast are weighted to the upside in the near term: the escalation of Middle East tensions could push oil and gas prices significantly higher, with the Bank of England estimating that a sustained 10% rise in energy prices would add 0.1-0.2 percentage points to headline inflation; potential US tariffs on UK exports could disrupt trade patterns and push up import costs; and the April 2026 increase in the National Living Wage (to £12.21) and employer NICs could reignite services inflation through higher business costs being passed to consumers. On the downside, a sharper-than-expected economic slowdown could accelerate disinflation beyond forecasts, and the continued global goods deflation from Chinese manufacturing competition could provide additional disinflationary pressure. For the Bank of England, the path of interest rates is closely tied to the inflation outlook: markets currently expect two to three further 25bp cuts in 2026, bringing the Bank Rate to approximately **3.0-3.25% by year-end**, though the MPC has signalled that the pace of cuts will remain "gradual and careful" given the persistence of services inflation and the uncertainty around global energy markets. The broader implications for monetary policy coordination across advanced economies remain a central theme for financial market participants and policymakers alike.

UK Inflation Forecast 2028  
UK Economy — Key Projections 2026-2028  
2.5% CPI Inflation 2026 (proj.)  
2.0% CPI Inflation 2027 (proj.) 2.0% CPI Inflation 2028 (proj.) 1.1% GDP Growth 2026 (avg.)  
~5% Unemployment 2026 ~93% Debt/GDP 2026

FAQ

## Frequently Asked Questions — Inflation in the UK

The UK's CPI inflation rate was **3.0% in January 2026**, down from 3.4% in December 2025. This is the lowest reading since March 2025. Core inflation stands at 3.1%, services inflation at 4.4%, and CPIH (including owner occupiers' housing costs) at 3.2%. The RPI rate was 3.8%.

UK inflation remains elevated due to **persistent services inflation at 4.4%**, driven by strong wage growth and domestic cost pressures. Food prices remain above headline at 3.6%, energy bills are still 35% above pre-crisis levels, and post-Brexit trade friction has structurally increased import costs. The UK's heavy



reliance on gas for heating (74% of homes) makes it particularly vulnerable to energy price volatility.

The Bank of England forecasts CPI to fall to **2.1% by Q2 2026**, supported by lower energy bills from April and base effects. The OBR projects an average of 2.5% for 2026 and 2.0% for 2027. However, risks from Middle East energy disruptions, US tariffs, and persistent services inflation could delay the return to target.

UK GDP grew **1.3% in 2025** but stalled in the second half with just 0.1% quarterly growth. Forecasts range from 0.9% to 1.4% for 2026. Unemployment has risen to 5.2% — the highest since late 2020 — with youth unemployment at 16%. The Bank Rate is 3.75% after 1.5 percentage points of cuts since August 2024.

The Ofgem energy price cap for Q1 2026 is **£1,758 per year** for a typical dual fuel household. From April 2026 this falls 7% to **£1,641** after the government removed green levies from bills. Despite reductions, bills remain approximately 35% above pre-crisis levels. Electricity costs 27.7p/kWh and gas 5.9p/kWh under the Q1 cap.

#### Data Sources & References

**Primary:** [ONS - Consumer Price Inflation January 2026](#)

**Primary:** [Bank of England - Monetary Policy Report February 2026](#)

**Primary:** [Ofgem - Energy Price Cap Q2 2026](#)

**Supporting:** OBR Economic & Fiscal Outlook Nov 2025 · House of Commons Library Economic Indicators · HM Treasury Forecasts for the UK Economy · EY ITEM Club Winter Forecast 2026 · Goldman Sachs UK Economic Outlook · KPMG UK Economic Outlook Dec 2025 · Food Foundation Price Tracker Feb 2026

CPI data from the Office for National Statistics (ONS). CPIH includes owner occupiers' housing costs. Core CPI excludes energy, food, alcohol and tobacco. Energy price cap data from Ofgem. GDP, employment and wage data from ONS national accounts and Labour Force Survey. All inflation rates year-over-year unless specified. Forecasts from institutional consensus subject to revision. Bank Rate decisions from the Monetary Policy Committee of the Bank of England. UK Inflation 2026CPI StatisticsUK EconomyBank of EnglandEnergy Price CapServices InflationFood Prices UKUK GDPCost of LivingBritish Economy 2026



STATISTICS REPORT

# Inflation and Consumer Price Indexes in France — Statistics & Facts 2026

Updated Mar 24, 2026 · [businessstats.com/inflation-in-france](https://businessstats.com/inflation-in-france)

|                                        |                                    |                                   |
|----------------------------------------|------------------------------------|-----------------------------------|
| <b>1.0%</b><br>CPI INFLATION FEB 2026  | <b>0.9%</b><br>2025 ANNUAL AVERAGE | <b>5.2%</b><br>PEAK (2022)        |
| <b>-3.0%</b><br>ENERGY PRICES FEB 2026 | <b>1.6%</b><br>SERVICES INFLATION  | <b>1.4%</b><br>HICP FORECAST 2026 |

## Overview

### Inflation in France 2026 — The Eurozone's Low-Inflation Champion

France stands out as the major eurozone economy that has most successfully navigated the post-2022 inflation crisis, achieving price stability faster and more completely than virtually any other large European economy. Annual CPI inflation averaged just **0.9% in 2025** — less than half the eurozone average — and in January 2026 fell to an extraordinary **0.3%**, the lowest reading since December 2020 when the pandemic was suppressing demand. February 2026 saw a modest rebound to 1.0%, driven by a less sharp decline in energy prices and seasonal factors, but France's inflation rate remains well below the eurozone average of 1.9% and dramatically below the rates in Romania (8.3%), Slovakia (4.0%), or even Spain (2.3%). The EU-harmonised inflation rate (HICP) averaged 0.9% in 2025 and stood at 1.1% in February 2026, confirming France's position as one of the lowest-inflation economies in the currency bloc. Core inflation — excluding volatile food and energy components — was 0.9% in February 2026, indicating that underlying price pressures are genuinely contained rather than merely masked by falling energy prices. This achievement is particularly remarkable given that French inflation peaked at 5.2% in 2022 and 4.9% in 2023, meaning the country has experienced a decline of over 4 percentage points in annual inflation within just two years. For context on how France's inflation compares with the broader European experience see our [inflation in Europe statistics](#).

Several structural factors explain France's inflation outperformance relative to its eurozone peers. The most significant is France's **nuclear-powered electricity grid**: approximately 70% of French electricity is

generated by nuclear power plants, which insulated the country from the worst of the natural gas price shock that devastated energy costs in gas-dependent economies like Germany, Italy, and the Netherlands. France's system of **regulated energy tariffs** — the "tarif réglementé" — provided an additional buffer, as the government capped electricity price increases for households at 4% in February 2022 and 15% in January 2023, absorbing much of the cost through state-owned energy provider subsidies. While these government interventions added to the fiscal deficit, they proved highly effective in containing household-level energy inflation and preventing the kind of cost-of-living crisis that dominated political discourse in other European countries. The phased withdrawal of these subsidies through 2024-2025, combined with falling wholesale electricity prices, has resulted in electricity prices declining -11.9% on average in 2025 — a dramatic swing from the +15.7% increase in 2024 that itself reflected the partial unwinding of the price cap. Services inflation in France at 1.6% is notably lower than the eurozone average of 3.4%, reflecting more moderate wage growth in France compared to countries like Germany and Spain where catch-up wage dynamics have been more aggressive. For context on how Germany's economy has been impacted differently see our [GDP of Germany statistics](#).

France's CPI inflation averaged just 0.9% in 2025 — the lowest among major eurozone economies. Nuclear power generation (70% of electricity) and regulated tariffs have been key structural advantages. Energy prices are falling -3%, services at 1.6%, and core inflation at 0.9%.

#### Inflation Timeline

## France Inflation Timeline 2019–2026 — The Rise and Fall

France's inflation trajectory over the 2019–2026 period reflects the dramatic cycle experienced across Europe but with consistently lower amplitude than most peers. Pre-pandemic inflation in 2019 was a modest **1.1%**, reflecting the benign price environment that had characterised the eurozone for much of the post-financial-crisis era. The pandemic pushed inflation to just **0.5% in 2020** as demand contracted, though France avoided the outright deflation seen in some southern European economies. The recovery phase brought inflation to **1.6% in 2021** — still well below the eurozone average — before the energy crisis sent it surging to **5.2% in 2022**. Notably, France's peak inflation of 5.2% was approximately half the eurozone's 8.4% average and substantially below the double-digit peaks recorded in Germany (8.7%), Italy (8.7%), and the Baltic states (20%+). The difference was largely attributable to the nuclear energy buffer and aggressive government intervention on energy pricing. Inflation remained elevated at **4.9% in 2023** before declining sharply to **2.0% in 2024** and then **0.9% in 2025** — a rapid normalisation that brings France to the forefront of the eurozone disinflation cycle. The 2025 figure of 0.9% represents the lowest

annual average inflation since 2020 and, excluding the pandemic, the lowest since 2016. For broader European monetary policy context see our [central banks statistics](#).

France Annual Inflation 2019-2025 France Annual CPI Inflation Rate — %Annual average % - BusinessStats Research 2026 0.9% 2025 Avg Annual CPI % Peak 5.2% in 2022 Sources: BusinessStats Research Desk - France CPI Analysis 2026

## Monthly CPI Trend 2024-2026 — Approaching Zero

The monthly CPI data reveals France's remarkably rapid disinflation through 2024 and into 2026. After starting 2024 at approximately 3.1%, headline CPI declined steadily through the year, reaching 0.8% by December 2025. January 2026 delivered a startling 0.3% reading — the lowest since December 2020 — driven by a sharp -7.6% decline in energy prices and a -1.2% drop in manufactured goods. The February 2026 rebound to 1.0% was driven by a less steep energy decline (-3.0% vs -7.6%), seasonal rebounds in transport (+4.1%) and manufactured goods (+1.4%), and an acceleration in food prices to 2.0% from 1.9%. The EU-harmonised HICP rose to 1.1% in February from 0.4% in January. Core inflation ticked up to 0.9% from 0.7%, though this remains extraordinarily low by eurozone standards. The volatility between January's 0.3% and February's 1.0% reflects the impact of seasonal factors — particularly post-Christmas sales in clothing and footwear — and the mathematical base effects from energy price movements a year earlier. Looking through this volatility, the underlying trend in French inflation is firmly in the 0.7-1.2% range — well below the central bank's 2% target and raising questions about whether France may be experiencing disinflationary dynamics that could eventually become problematic rather than beneficial.

France Monthly CPI 2024-2026 France CPI Year-on-Year — Monthly %Monthly YoY % - BusinessStats Research 2026 1.0% Feb 2026 0.9% Core Rate

Jan 2026: 0.3% — lowest since Dec 2020 Sources: BusinessStats Research Desk - Monthly CPI Analysis 2026

CPI Components

## CPI by Component — Energy -3%, Services 1.6%, Food 2.0%

The disaggregation of France's CPI reveals a picture of broadly contained price pressures across almost all major categories, with only food showing inflation meaningfully above the headline rate. **Energy at -3.0%** in February 2026 is the single largest deflationary force, reflecting the combined impact of lower global oil prices (gasoline and diesel declining), falling wholesale electricity prices, and the lagged effect of the

government's removal of emergency price support measures that had elevated the base period in 2024-2025. Within energy, the dynamics are complex: electricity prices declined -11.9% on average in 2025 after rising 15.7% in 2024, reflecting the unwinding of the tariff shield ("bouclier tarifaire") that had suppressed prices artificially during the crisis. Gas prices rose 9.7% on average in 2025 after declining 1.0% in 2024, reflecting tariff adjustments. Petroleum products fell -4.4% in 2025 following a -4.7% decline in 2024.

**Services at 1.6%** is the most significant positive component but notably lower than the eurozone average of 3.4% — reflecting France's more moderate wage growth dynamics and the structural impact of government healthcare subsidies on medical services prices. Services inflation has been decelerating from 2.1% in December 2025, with communication services showing particularly sharp declines. **Manufactured goods at -0.2%** are in deflation, reflecting global goods disinflation driven by Chinese manufacturing competition, euro appreciation, and post-pandemic supply chain normalisation. **Tobacco at 3.0%** reflects regulatory price increases rather than market dynamics. These component-level dynamics paint a picture of genuinely contained underlying inflation that goes beyond simple energy-driven base effects. The breadth of disinflation across categories — with services moderating, goods in deflation, and energy deeply negative — suggests that France has achieved a sustainable return to price stability rather than a temporary respite driven by volatile energy prices alone. This structural containment of price pressures positions France favourably within the eurozone and provides the foundation for continued real income gains for French households through the forecast period.

France CPI by Category Feb 2026 Annual Inflation Rate by CPI Component % year-on-year - BusinessStats Research 2026

Energy & Nuclear

## France's Nuclear Advantage — 70% Clean Electricity

The single most important structural factor explaining France's inflation outperformance is its nuclear-powered electricity grid. France operates **56 nuclear reactors** managed by the state-owned national energy company, generating approximately **70% of the country's electricity** — the highest nuclear share of any major economy and a legacy of the strategic energy policy decisions made in the 1970s following the first oil crisis. During the 2022-2023 energy crisis, this nuclear fleet provided France with a fundamental cost advantage: while gas-dependent economies like Germany saw wholesale electricity prices surge to over EUR 500 per megawatt hour, France's nuclear baseload generation kept domestic electricity costs significantly lower. However, the advantage was not without complications: a simultaneous crisis of reactor maintenance — with approximately half of France's nuclear fleet offline for corrosion

inspections and repairs at the peak of the energy crisis in 2022 — temporarily forced France to become a net electricity importer for the first time in decades, pushing up costs and contributing to the inflation spike that year. By 2024-2025, the nuclear fleet was largely back to full capacity, and France returned to its traditional role as Europe's largest electricity exporter, with nuclear generation providing stable, low-cost baseload power that has been the primary driver of the sharp decline in electricity inflation.

Beyond nuclear power, France's system of regulated energy tariffs — the "tarif réglementé de vente" (TRV) — played a critical role in shielding consumers from the worst of the energy price shock. Under this system, electricity and gas prices for residential consumers are set by the government's energy regulator, with adjustments linked to underlying wholesale costs but subject to political decisions about the pace and magnitude of pass-through. During the crisis, the government implemented a "bouclier tarifaire" (tariff shield) that capped electricity price increases at 4% in early 2022 and 15% in January 2023, compared to the 40-50% increases that wholesale market conditions would have implied. The cost of this intervention was substantial — estimated at approximately EUR 45 billion over 2022-2023 — and was borne through a combination of direct subsidies to the national energy provider, windfall profit redistribution from renewable energy producers, and increased government borrowing. The phased withdrawal of these support measures through 2024-2025 created temporary upward pressure on consumer energy prices — explaining the +15.7% electricity inflation in 2024 — but by 2025, underlying wholesale price normalisation had more than offset the subsidy removal, producing the -11.9% electricity price decline that has been a major driver of France's low headline inflation. For context on how energy prices affect European economies see our [global oil industry statistics](#).

France Electricity Generation Mix France Power Generation by Source — 2025 % of total generation - BusinessStats Research 2026

Food Prices

## Food Inflation in France — 2.0% with Fresh Produce Surging

Food inflation in France has moderated substantially from its crisis-era peaks but remains one of the few CPI components still rising above the headline rate. In February 2026, food and non-alcoholic beverage inflation stood at **2.0%**, driven by notable divergences within the category. **Fresh products rose 1.8%** overall, but within this category, fruits and vegetables surged **19.8%** — reflecting weather-related supply disruptions and seasonal factors — while meat prices increased 3.4%. Excluding fresh produce, food inflation was more moderate at 1.2%, having declined from 1.3% in 2024 and dramatically from the

approximately 15% peaks recorded in early 2023 when the combined effects of energy costs, fertiliser prices, supply chain disruptions, and the Ukraine-related grain supply shock hit food production costs across Europe. France's agricultural sector — the largest in the EU by output value — has generally recovered its production levels, though structural challenges including climate-related weather volatility, labour shortages in agricultural and food processing sectors, and ongoing input cost adjustments continue to exert upward pressure on food prices. The French government's decision to suspend VAT reductions on essential food items as inflation has moderated has added modestly to consumer-facing food prices, though the impact has been small relative to the overall disinflation trend. For context on global economic conditions affecting food supply chains see our [global economy statistics](#).

## Economy & Wages

### France Economy 2026 — GDP 1.0%, Unemployment 7.4–7.6%

France's macroeconomic performance in the post-inflation period has been moderate — outperforming Germany but lagging behind Spain and several smaller eurozone economies. GDP grew **1.1% in 2024** and is forecast at **1.0% in 2026 and 1.2% in 2027**, driven by a gradual recovery in private consumption and investment as lower inflation and interest rate cuts support household and corporate spending. The labour market has remained broadly resilient: the unemployment rate stood at approximately **7.4% in early 2025** and is projected to edge up slightly to 7.6% in 2025-2026 before declining to 7.4% by 2027. While France's unemployment rate is below Spain's 10.4%, it remains above Germany's 6.3% and well above the EU average, reflecting long-standing structural challenges in the French labour market including relatively high payroll taxes, regulatory complexity, and skills mismatches. Real household disposable income rose 2.5% in 2024, driven by social benefits — particularly pensions indexed to inflation with a lag — and strong financial income growth. The purchasing power recovery has been more evenly distributed across income groups in France than in some other European countries, partly due to the comprehensive nature of France's social protection system. However, France's fiscal position presents a more concerning picture: the government deficit is projected to remain above 5% of GDP in 2025, declining only gradually, while the public debt-to-GDP ratio is expected to continue rising toward **120% of GDP by 2027** — diverging from the eurozone average and raising questions about long-term fiscal sustainability. The fiscal challenge is compounded by structural spending pressures: France's pension system — one of the most generous in Europe — faces rising costs as the population ages, despite the controversial pension reform implemented in 2023 that raised the minimum retirement age from 62 to 64. Defence spending is under pressure to increase toward NATO targets, and healthcare costs continue to rise. The government's ability to

consolidate public finances while maintaining the social protections that have helped cushion consumers from the inflation shock will be one of the defining economic policy challenges of the next several years. France's position as the eurozone's second-largest economy means that its fiscal trajectory has systemic implications: divergence between French and German debt levels could create tensions within the currency bloc and complicate the central bank's monetary policy decisions.

## **Housing Market — Mortgage Rates and Price Dynamics**

The French housing market has been significantly affected by the monetary policy tightening cycle, with mortgage interest rates rising from approximately 1% in early 2022 to over 4% by late 2023 before moderating as the central bank began cutting rates in 2024. The impact on housing transactions was severe: property sales fell by approximately 20-25% from their 2021-2022 peaks as higher borrowing costs and economic uncertainty weighed on buyer demand. House prices declined modestly in most markets — approximately 3-5% nationally — though premium locations in Paris and the Riviera proved more resilient. The rental market has been more dynamic, with rents rising in major cities despite the government's rent control measures ("encadrement des loyers") in Paris and other designated tension zones. The combination of higher mortgage rates, declining transaction volumes, and modest price adjustments has created a market in transition, with affordability gradually improving as rates decline and incomes recover. Construction activity has also weakened, with building permits declining as developers face higher financing costs and uncertain demand — potentially setting the stage for future supply constraints when demand recovers. The housing component of the CPI, which captures rent equivalents and maintenance costs rather than house prices directly, has remained moderate at approximately 1.5-2.0%, understating the actual housing cost pressures faced by many French households, particularly younger renters and first-time buyers in major urban areas.

For context on how global GDP comparisons shape investment decisions see our [countries with the largest GDP statistics](#).

## **Wage Dynamics — More Moderate Than Eurozone Peers**

France's wage growth dynamics have been more moderate than in several other eurozone economies, which is one of the key reasons services inflation at 1.6% is so much lower than the eurozone average of 3.4%. While nominal wages have been rising to compensate for the inflation shock, the pace of catch-up has been less aggressive than in Germany or Spain, reflecting France's different labour market structure, more comprehensive social safety net (which partially shielded workers from the worst real income losses

through indexed benefits), and the general weakness of private sector wage bargaining power in a context of moderate unemployment. The minimum wage (SMIC) has been adjusted regularly for inflation, providing a floor for the lowest earners, but private sector wage growth in 2025 moderated toward 2-3% — insufficient to fully restore pre-crisis purchasing power but consistent with the more moderate services inflation that distinguishes France's inflation profile. The expectation is that wage growth will continue to decelerate through 2026-2027 as headline inflation remains low, labour market tightness eases slightly, and the catch-up adjustment process runs its course. This moderation in wages, combined with the euro's appreciation reducing import costs, is expected to feed through to services prices with a lag, supporting further disinflation in the component that has proved stickiest across the eurozone. For context on how financial markets influence wage and price dynamics see our [financial markets in France statistics](#).

#### France vs Eurozone France CPI 0.9% vs Eurozone 2.2% — Why So Low?

France's inflation at less than half the eurozone average in 2025 reflects three structural advantages: nuclear electricity (70% of generation) shields from gas price volatility; regulated energy tariffs delayed and smoothed the price shock; and more moderate wage growth has kept services inflation contained at 1.6% versus 3.4% eurozone-wide. However, the flip side is weaker GDP growth (1.0% vs Spain's 2.9%) and a debt trajectory approaching 120% of GDP — the cost of the fiscal shield that protected consumers during the crisis.

#### France CPI Components — Feb 2026 vs 2025 Avg Click column to sort

| CATEGORY           | FEB 2026 % | 2025 AVG % | PEAK 2022-23 % | TREND       |
|--------------------|------------|------------|----------------|-------------|
| Tobacco            | 3.0%       | ~5.0%      | ~6.0%          | Regulatory  |
| Food/Beverages     | 2.0%       | 1.2%       | ~15%           | Rising      |
| Services           | 1.6%       | ~2.2%      | ~3.5%          | Falling     |
| Headline CPI       | 1.0%       | 0.9%       | 5.2%           | Near target |
| Core CPI           | 0.9%       | 1.2%       | ~4.6%          | Falling     |
| Manufactured Goods | -0.2%      | ~-0.5%     | ~4.0%          | Deflation   |
| Energy             | -3.0%      | -5.6%      | ~23%           | Deflation   |

France's GDP is forecast at 1.0% for 2026 and 1.2% for 2027. Unemployment at 7.4-7.6% remains below Spain's but above Germany's. The government deficit above 5% and debt approaching 120% of GDP are

key fiscal challenges even as inflation remains the lowest among major eurozone economies.

Forecast 2027

## France Inflation Forecast 2026-2027 — Below Target Through Horizon

The consensus inflation forecast for France projects a gradual normalisation toward the 2% target but with inflation remaining below that threshold through the entire 2026-2027 forecast horizon. The national central bank's staff projections indicate HICP inflation averaging **1.4% in 2026 and 1.8% in 2027** — below the eurozone aggregate in both years. The path to slightly higher inflation in 2026 reflects the expected normalisation of energy prices: after the -5.6% energy price decline in 2025, the base effects will become less favourable, and wholesale electricity and gas prices are expected to stabilise rather than continue falling. This normalisation alone is expected to add approximately 0.4-0.5 percentage points to headline inflation compared to 2025. Inflation excluding energy and food is forecast at 1.7% in 2026 and 1.6% in 2027, reflecting the continued gradual deceleration of services price growth as wage pressures moderate. Manufactured goods prices are expected to remain broadly flat to slightly positive, as the disinflationary impulse from euro appreciation and Chinese goods competition is partially offset by potential tariff-related import cost increases. The key risk to the outlook is the potential impact of U.S. trade tariffs on French exports and import costs, and the ongoing uncertainty around Middle East energy supply that could push oil prices higher. On the downside, a sharper-than-expected economic slowdown could push inflation below the forecast range, potentially reviving the deflation concerns that characterised the pre-pandemic period. France's fiscal trajectory also presents a risk: the government's need to consolidate public finances may require spending cuts or tax increases that could dampen demand and exert additional downward pressure on inflation. Overall, France's inflation outlook is favourable for consumers but presents a somewhat ambiguous picture for monetary policy, as persistently below-target inflation in the eurozone's second-largest economy complicates the central bank's calibration of interest rates for the currency bloc as a whole. The divergence between French inflation and the eurozone average highlights a fundamental challenge of monetary union: a single interest rate must serve economies with very different inflation dynamics, from Romania's 8.3% to France's 1.0%. For France specifically, interest rates set to address higher inflation elsewhere in the eurozone may be more restrictive than domestic conditions warrant, potentially constraining growth and investment below their potential. This dynamic has historically been a source of tension within the currency bloc and will continue to shape the policy debate as the central bank navigates the final phase of the disinflation process. The broader implications of France's low inflation extend to household behaviour and business strategy: with price pressures genuinely contained, French



consumers are experiencing real purchasing power gains that are supporting consumption growth, while businesses face limited pricing power that constrains margins but encourages efficiency improvements and competitive discipline. The housing affordability challenge remains a concern that standard inflation measures do not fully capture, and the interaction between housing costs, wage dynamics, and monetary policy will be an important theme in French economic policy discussions through the forecast horizon and beyond. France's ability to maintain price stability while addressing its fiscal challenges and structural growth constraints will be critical to its economic trajectory in the coming years and to the broader health of the eurozone economy.

France Inflation Forecast 2027  
France Economy — Key Projections 2026-2027  
1.4% HICP Inflation 2026 (proj.)  
1.8% HICP Inflation 2027 (proj.)  
1.0% GDP Growth 2026 (proj.)  
7.6% Unemployment 2026 ~5%  
Govt Deficit 2026 % GDP ~120%  
Debt/GDP 2027 (proj.)

FAQ

## Frequently Asked Questions — Inflation in France

France's CPI inflation is **1.0% in February 2026**, up from 0.3% in January. HICP is 1.1%. Core inflation is 0.9%. The 2025 annual average was 0.9%.

**Nuclear electricity (70% of grid)**, regulated energy tariffs, and moderate wage growth. France's energy mix shielded consumers from the gas price shock that hit other economies.

HICP is forecast at **1.4% for 2026 and 1.8% for 2027** — remaining below the 2% target and below eurozone average. Energy normalisation will push rates slightly higher.

GDP forecast at **1.0% for 2026, 1.2% for 2027**. Unemployment ~7.4-7.6%. Fiscal deficit above 5% and debt approaching 120% of GDP are key challenges.

Food inflation is **2.0% in February 2026**. Fruits and vegetables surged 19.8%, meat +3.4%. Overall food inflation is dramatically lower than the ~15% peaks of 2023.

Data Sources & References

**Primary:** [INSEE - National Institute of Statistics CPI Reports 2025-2026](#)

**Primary:** [Eurostat - Harmonised Index of Consumer Prices 2025-2026](#)

**Supporting:** Banque de France Macroeconomic Projections June 2025 · European Commission Economic Forecast 2025-2027 · OECD Economic Outlook · EDF Nuclear Fleet Reports



CPI data from INSEE (National Institute of Statistics and Economic Studies). HICP data from EU statistical office. Energy data from national and European sources. GDP, employment and wage data from national accounts. All inflation rates year-over-year unless specified. Forecasts from institutional consensus subject to revision. France CPI uses base year 2025=100 from January 2026. France Inflation 2026French CPIFrance EconomyNuclear Energy FranceFood Prices FranceServices InflationEurozone InflationFrance GDPFrench Economy 2026Energy Prices France

## STATISTICS REPORT

# Inflation in Spain — Statistics & Facts 2026

Updated Mar 24, 2026 · [businessstats.com/inflation-in-spain](https://businessstats.com/inflation-in-spain)

|                                       |                                        |                                        |
|---------------------------------------|----------------------------------------|----------------------------------------|
| <b>2.3%</b><br>CPI INFLATION FEB 2026 | <b>2.7%</b><br>CORE INFLATION FEB 2026 | <b>10.7%</b><br>PEAK (JUL 2022)        |
| <b>2.9%</b><br>GDP GROWTH 2025        | <b>10.4%</b><br>UNEMPLOYMENT 2025      | <b>2.0%</b><br>INFLATION FORECAST 2026 |

## Overview

## Inflation in Spain 2026 — The Eurozone's Strongest Economy Tames Prices

Spain has emerged from the European inflation crisis with a remarkably positive economic narrative that sets it apart from most of its eurozone peers. While the country endured the same energy price shock that sent inflation soaring across Europe — peaking at approximately **10.7% in July 2022** — it has managed to bring prices back under control while simultaneously delivering the strongest GDP growth in the eurozone. Spain's annual CPI inflation stood at **2.3% in February 2026**, marking the lowest reading in seven months and continuing a disinflation trend that has brought the rate down from the double-digit peaks of 2022 to near the central bank's 2% target. The EU-harmonised inflation rate (HICP) is slightly higher at 2.5%. This achievement is particularly notable given Spain's historical reputation for higher inflation relative to its northern European neighbours — a pattern that has reversed in the current cycle, with Spanish inflation now running below the eurozone average. The disinflation process has been driven by falling energy prices — gasoline declined 7.4% and diesel 5.9% year-over-year in January 2026 — combined with moderating food price growth and the lagged effects of monetary policy tightening by the central bank. For context on how Spain's inflation trajectory compares with the broader European picture see our [inflation in Europe statistics](#).

What makes Spain's economic story unique within Europe is the combination of declining inflation with robust economic growth. Spain's GDP grew **3.5% in 2024 and 2.9% in 2025** — far outpacing the eurozone average and dwarfing Germany's meagre 0.2% growth. Employment has been growing across sectors, with unemployment falling from approximately 15% in 2021 to 10.4% in 2025 — projected to drop below 10% in 2026 for the first time since 2007. This growth has been supported by strong private consumption,

robust tourism recovery (Spain is one of the world's top tourist destinations), sustained migration inflows that have expanded the labour force, and investment supported by EU Recovery and Resilience Facility funds. The combination of high growth, falling unemployment, and declining inflation represents a rare "soft landing" scenario that has surprised many economists who expected that controlling inflation would require significant economic pain. However, challenges remain: core inflation at 2.7% reflects persistent services price pressures, real wages remain approximately 4.2% below their pre-inflation-crisis levels, and food prices continue to rise faster than the headline rate. Spain's unemployment rate, while at decade-lows, still remains the highest among major economies at more than double the EU average. For context on the broader European economy see our [UK financial markets statistics](#) for comparison with another major European economy.

Spain's CPI inflation has fallen from 10.7% in July 2022 to 2.3% in February 2026, while the economy has grown 2.9% — the strongest in the eurozone. Unemployment has fallen to 10.4%, the lowest in over a decade, and is projected to drop below 10% in 2026 for the first time since 2007.

#### Inflation Timeline

### Spain Inflation Timeline 2019–2026 — Crisis, Peak, and Recovery

Spain's inflation journey over the past seven years mirrors the broader European experience but with distinctly Spanish characteristics. In 2019, annual inflation averaged just **0.7%** — among the lowest in the eurozone and reflecting Spain's weaker demand dynamics relative to northern European economies. The pandemic pushed Spain into outright deflation in several months of 2020, with the annual average at **-0.3%** as demand collapsed, tourism — which represents approximately 5% of GDP directly and far more indirectly — evaporated completely, and oil prices plummeted. The initial recovery in 2021 saw inflation pick up moderately to **3.1%**, driven by base effects and recovering energy costs, but still below the eurozone average. The real shock came in 2022: the energy crisis sent Spanish inflation surging from 6.5% in January to a peak of approximately **10.7% in July 2022**. While this peak was marginally higher than the eurozone average, Spain's peak came earlier than many other countries and the descent also began earlier, partly due to the government's aggressive intervention with an "Iberian exception" gas price cap that limited the impact of gas prices on electricity costs. Annual average inflation was **8.3% in 2022**, followed by **3.5% in 2023** as the disinflation process accelerated, **2.8% in 2024**, and approximately **2.8% in 2025** (CPI basis). By early 2026, the rate has fallen to 2.3% in February — within striking distance of the 2% target and representing one of the most successful disinflation episodes among major eurozone economies.

Spain Annual Inflation 2019-2026Spain Annual CPI Inflation Rate — %Annual average % - BusinessStats Research 20262.3%Feb 2026 Annual CPI Inflation %Peak 10.7% Jul 2022 Sources: BusinessStats Research Desk - Spain CPI Analysis 2026

## Monthly CPI Trend 2024-2026 — Approaching Target

The monthly CPI data through 2024 and into early 2026 reveals Spain's disinflation path in granular detail. After fluctuating between 2.4% and 3.5% through 2024, headline CPI declined sharply in early 2025 before rising back to 3.0% by November 2025 — driven by base effects and temporary energy price rebounds. December 2025 brought a return to 2.9%, followed by a sharp decline to 2.3% in January 2026 as electricity prices moderated from 12.6% to 3.7% year-over-year. February 2026 held steady at 2.3%, though the EU-harmonised rate ticked up to 2.5% from 2.4% in January. The monthly variation in February was +0.4%, following a -0.4% decline in January, reflecting the seasonal patterns that make month-to-month readings volatile. Core inflation — which excludes volatile food and energy components — rose to 2.7% in February, the highest since August 2024, flagging continued underlying price pressures in services and non-energy goods that are proving more persistent than headline disinflation might suggest. For context on how monetary policy shapes these outcomes see our [central banks statistics](#).

Spain Monthly CPI 2024-2026Spain CPI Year-on-Year — Monthly %Monthly YoY % - BusinessStats Research 20262.3%Feb 20262.7%Core Rate

Core at 2.7% - still sticky Sources: BusinessStats Research Desk - Monthly CPI Analysis 2026

CPI Components

## CPI by Component — Restaurants 4.8%, Food 3.2%, Energy Falling

The breakdown of Spain's CPI by component category reveals the uneven nature of the disinflation process and highlights where price pressures remain most acute for Spanish households. **Restaurants and hotels at 4.8%** is the fastest-rising major category — reflecting Spain's booming tourism sector and the pass-through of higher labour costs and food input prices to hospitality businesses. This is a structurally significant category for Spain given the outsized role of tourism and hospitality in the economy. **Food and non-alcoholic beverages at 3.2%** remain above the headline rate, with certain staple categories continuing to show elevated price growth despite overall moderation from the extreme 16%+ food inflation peaks of early 2023. **Housing and utilities at 1.9%** have moderated significantly as electricity prices declined sharply — from 12.6% year-over-year in December 2025 to just 3.7% in January 2026 and even lower in

February. This electricity price decline has been the single largest driver of the headline disinflation.

**Transportation at 0.1%** is barely rising, with fuel prices declining 5-7% year-over-year as global oil prices remain contained. **Clothing and footwear at -1.3%** is one of the few deflationary categories, reflecting both seasonal discounting and competitive pressure from fast-fashion retailers and online commerce. For broader retail and consumer trends see our [global e-commerce growth statistics](#).

Spain CPI by Category Feb 2026 Annual Inflation Rate by CPI Component % year-on-year - BusinessStats Research 2026

Food Prices

## Spain Food Inflation — Still Above Headline at 3.2%

Food price inflation has been one of the most politically sensitive and economically impactful dimensions of the inflation crisis in Spain. After surging to peaks of over **16% in early 2023** — driven by soaring input costs for energy, fertilisers, and animal feed, combined with drought conditions that severely impacted Spanish agriculture — food inflation has moderated substantially but remains stubbornly above the headline CPI rate at 3.2% in February 2026. The persistence of elevated food prices is particularly challenging for lower-income Spanish households who spend a disproportionate share of their budgets on food. Within the food category, the picture is mixed: olive oil — a staple of Spanish cuisine and a major agricultural export — experienced dramatic price increases of over 50% during the crisis period due to severe drought conditions in Andalusia and other producing regions, and while prices have begun to moderate, they remain well above pre-crisis levels. Fruit and vegetable prices have been volatile, influenced by seasonal growing conditions and the increasing frequency of extreme weather events including the devastating floods that hit Valencia in late 2024. Meat and dairy prices have moderated more quickly as feed costs have normalised. The Spanish government's decision to reduce VAT on essential food items during the crisis provided some temporary relief to consumers, though most of these measures have been gradually phased out as inflation has moderated. For context on the global food supply chain dynamics affecting prices see our [global economy statistics](#).

Spain CPI Weight by Category Consumer Spending Basket — Weight Distribution % weight in CPI basket - BusinessStats Research 2026

Economy and Wages

## Spain's Economy — GDP 2.9%, Unemployment Below 10% First Time Since 2007

Spain's macroeconomic performance during the disinflation period has been extraordinary by European standards. GDP grew **3.5% in 2024** — the strongest among major eurozone economies — and maintained robust growth of **2.9% in 2025**, driven by strong private consumption, sustained migration inflows, tourism recovery, and EU-funded investment. This performance stands in stark contrast to Germany's two years of recession and France's anaemic growth, making Spain the standout success story of the eurozone in the post-crisis period. Employment has been growing at approximately 2.5% annually, with unemployment falling from approximately 15% in 2021 to **10.4% in 2025** — a decline of nearly 5 percentage points in four years. For 2026, unemployment is projected to fall below 10% for the first time since 2007 — before the global financial crisis — reaching approximately **9.7%**. The employment rate for people aged 15-64 reached a record high of 66.5% in early 2025, narrowing the gap with the EU average to just 3.8 percentage points. Foreign workers now comprise 14.4% of total employment, accounting for 44% of new jobs created in 2025, reflecting the critical role of sustained migration in Spain's growth story. The labour market reform of 2021, which reduced the share of temporary contracts from over 25% to approximately 16%, has been widely credited as a structural improvement that is supporting both employment stability and wage growth. For context on how Spain's economy ranks globally see our [countries with the largest GDP statistics](#).

### The Iberian Exception — Spain's Unique Energy Policy Response

One of the most distinctive features of Spain's inflation story is the "Iberian exception" gas price cap — a joint initiative with Portugal that was approved by the EU in June 2022 and represented a unique deviation from the standard European energy market framework. Under this mechanism, Spain and Portugal were permitted to cap the price of gas used for electricity generation, effectively decoupling Spanish electricity prices from the skyrocketing wholesale gas prices that were driving electricity costs across the rest of Europe. The cap was set at EUR 40 per megawatt hour initially, rising gradually over 12 months, compared to spot gas prices that were trading at EUR 200-300 per megawatt hour at the peak of the crisis. The impact was immediate and significant: while electricity prices in Germany, France, and Italy surged to record levels, Spanish electricity costs rose much more modestly, providing substantial relief to both households and businesses. Independent analyses estimated that the mechanism saved Spanish consumers approximately EUR 2-3 billion over the period it was in effect and reduced headline inflation by approximately 1.5-2 percentage points compared to what would have occurred under normal market

conditions. Critics argued that the cap distorted energy markets and increased gas consumption at a time when conservation was needed, but the mechanism is widely credited as one of the key factors behind Spain's earlier and steeper disinflation compared to other eurozone economies. The cap was gradually phased out as wholesale energy prices normalised through 2023-2024, and by 2026 Spanish electricity markets operate under standard European frameworks.

## **Tourism Recovery and Its Inflationary Impact**

Spain's tourism sector — which directly accounts for approximately 5% of GDP and supports a much larger share of employment when indirect effects are included — has been both a growth driver and an inflationary force in the post-pandemic economy. International tourist arrivals have exceeded pre-pandemic levels, with non-resident spending in 2025 approximately 28% above 2019 levels. This surge in tourism demand has been a primary driver of the restaurants and hotels inflation rate of 4.8% — the highest CPI category — as hospitality businesses have been able to pass through higher labour costs, food input costs, and rent increases to tourists and domestic diners willing to pay elevated prices. The tourism boom has also contributed to housing affordability pressures in popular coastal and urban destinations, where short-term rental platforms have reduced the supply of long-term residential housing and pushed rental prices to record levels in cities like Barcelona, Malaga, and Palma de Mallorca. The tourism contribution to GDP growth is expected to moderate gradually through 2026-2027 as the post-pandemic catch-up effect fades, which should help ease some of the demand-side inflationary pressures in the hospitality sector.

## **Labour Market Reform — Structural Improvement Supporting Growth**

Spain's 2021 labour market reform has been one of the most consequential structural changes in the Spanish economy and has played a significant role in the country's ability to combine strong growth with falling inflation. Before the reform, Spain's labour market was characterised by an exceptionally high share of temporary contracts — over 25% of all employment — which created chronic job insecurity, suppressed wage growth, and contributed to one of the highest unemployment rates among advanced economies. The reform restricted the use of temporary contracts and incentivised permanent employment, resulting in the share of temporary contracts falling from over 25% to approximately 16% within three years. This structural shift has had multiple positive effects: greater job security has supported household confidence and consumer spending, reduced income volatility has improved creditworthiness and access to mortgages, and the shift toward permanent employment has encouraged firms to invest more in worker training and productivity improvement. Employment growth has been remarkably strong, with approximately 480,000

new jobs expected per year in 2026–2027, driven in part by sustained migration inflows — the labour force is projected to increase by approximately 400,000 people annually. Youth unemployment, while still high at approximately 24.9%, has been declining from much higher peaks, though it remains a structural challenge that requires continued policy attention. The combination of falling unemployment, rising employment rates, and improving job quality represents the most positive labour market trajectory Spain has experienced in at least two decades.

## Real Wages — Still 4.2% Below Pre-Crisis Levels

Despite the strong headline economic performance, Spain's workers have not yet fully recovered the purchasing power they lost during the inflation crisis. Real wages in the first quarter of 2025 remained approximately **4.2% below their Q1 2021 levels** — meaning that despite nominal wage increases of 3–5% annually since 2023, the cumulative impact of the inflation spike has not been fully offset. This places Spain broadly in line with wage developments across the eurozone, but lagging behind most large economies — only Australia and Italy experienced steeper real wage declines over the same period. The minimum wage has performed slightly better: by April 2025, Spain's minimum wage had increased by 3.1% in real terms compared to January 2021, though this growth is below the average of other advanced economies at 7.9%. Nominal wage growth is forecast to remain above the inflation rate in 2025–2026, meaning real wages will continue recovering, but the full restoration of pre-crisis purchasing power remains a multi-year process. The gap between nominal wage growth and inflation has important implications for services inflation, as higher labour costs in restaurants, hospitality, healthcare, and other service sectors feed through to consumer prices — explaining why core inflation at 2.7% remains above the headline rate. The wage recovery process is expected to continue through 2027, though structural challenges around productivity growth mean that real wage convergence with northern European levels remains a longer-term aspiration.

Spain vs Eurozone Spain: GDP +2.9% vs Eurozone +0.9% — Europe's Growth Champion

Spain has emerged as the eurozone's strongest major economy, with GDP growth consistently exceeding the currency bloc average by 2+ percentage points. In 2024, Spain grew 3.5% compared to the eurozone's 0.8%. In 2025, Spain delivered 2.9% growth versus the eurozone's estimated 0.9%. This performance gap reflects Spain's more balanced growth model in the current cycle — driven by domestic consumption, tourism, and migration-fuelled labour force expansion rather than the export-dependent model that has left Germany and other industrial economies vulnerable to trade disruption.

## Housing and Energy

## Housing, Energy, and Cost of Living in Spain 2026

Housing costs have become an increasingly significant concern for Spanish consumers, particularly in major cities like Madrid, Barcelona, Malaga, and Valencia where strong demand from both domestic buyers and foreign investors has pushed property prices and rents to record levels. Housing and utilities inflation at 1.9% in the CPI understates the housing cost pressures faced by many Spaniards, as the CPI methodology captures rent equivalents and utility costs rather than house purchase prices directly. In reality, Spanish house prices have been rising at approximately 5-8% annually in major markets, and rental prices have surged even faster — particularly in tourist-heavy cities where short-term holiday rentals have reduced the supply of long-term residential housing. The government has implemented rent control measures in designated "stressed market areas" and is investing in social housing construction, but the housing affordability challenge is expected to persist through the forecast period. Energy prices, by contrast, have become a source of relief for consumers in early 2026. Electricity prices that were adding 12+ percentage points to CPI in late 2024 have moderated sharply, with the year-over-year rate falling to just 3.7% in January 2026 and turning even lower in February. Gasoline prices have declined 7.4% and diesel 5.9% compared to the prior year, reflecting both lower global oil prices and favourable base effects. The Spanish government's "Iberian exception" gas price cap — negotiated with Portugal and approved by the EU in June 2022 — was credited with keeping electricity costs significantly lower than in other European countries during the worst of the crisis, though the cap has since been phased out as wholesale energy markets normalised. For context on how energy prices affect economies worldwide see our [global oil industry statistics](#).

Spain CPI Components — Feb 2026 vs PeakClick column to sort

| CATEGORY           | FEB 2026 % | DEC 2025 % | PEAK 2022-23 % | TREND   |
|--------------------|------------|------------|----------------|---------|
| Restaurants/Hotels | 4.8%       | 4.5%       | ~8.5%          | Rising  |
| Food/Beverages     | 3.2%       | 3.0%       | ~16.6%         | Stable  |
| Core Inflation     | 2.7%       | 2.6%       | ~7.5%          | Sticky  |
| Headline CPI       | 2.3%       | 2.9%       | 10.7%          | Falling |
| Housing/Utilities  | 1.9%       | 2.7%       | ~22%           | Falling |

|                   |       |       |       |           |
|-------------------|-------|-------|-------|-----------|
| Transport         | 0.1%  | -0.1% | ~14%  | Near Zero |
| Clothing/Footwear | -1.3% | -0.9% | ~2.0% | Deflation |

Spain's economy has delivered GDP growth of 2.9% in 2025 — the strongest in the eurozone — while bringing inflation down from 10.7% to 2.3%. Unemployment has fallen to 10.4% and is projected to drop below 10% in 2026 for the first time since 2007. Real wages remain 4.2% below pre-crisis levels but are recovering.

Forecast 2027

## Spain Inflation Forecast 2026-2027 — Settling at 2%

The inflation outlook for Spain is broadly favourable, with consensus forecasts projecting a continued decline toward the 2% target over the 2026-2027 horizon. The HICP inflation rate is forecast to average approximately **2.0% in 2026**, declining from 2.6% in 2025, driven by the ongoing moderation of food prices and the lagged pass-through of lower energy costs. The national CPI measure is projected to average approximately 2.0-2.3% for 2026. Services inflation — the stickiest component — is expected to ease more gradually in line with slower real wage growth, as the catch-up wage adjustment process runs its course. Nominal wage growth is forecast to remain above inflation through 2026, meaning real wages will continue to recover, though the full restoration of pre-crisis purchasing power is not expected until 2027 or 2028. GDP growth is projected to moderate to **2.3% in 2026 and 2.0% in 2027** as tourism normalisation plays out and migration flows moderate, but Spain will continue to outperform most eurozone peers. The government deficit is projected to decline from 2.5% of GDP in 2025 to 2.1% in 2027, while the debt-to-GDP ratio is expected to fall below 100% in 2026 for the first time since 2019. Major risks to the inflation outlook include potential escalation of Middle East tensions affecting oil prices, further trade policy uncertainty from U.S. tariffs, and the ongoing housing affordability crisis that could add to services inflation through rent increases. The ongoing impact of climate-related extreme weather events on food production represents a persistent upside risk to food inflation, as demonstrated by the devastating Valencia floods of late 2024. Overall, Spain enters 2026-2027 in an exceptionally strong position relative to its European peers — combining near-target inflation with robust growth, falling unemployment, and improving fiscal metrics. The country's successful navigation of the inflation crisis has challenged long-standing stereotypes about the Spanish economy's vulnerability to macroeconomic shocks and has demonstrated that the structural reforms implemented since the 2012 sovereign debt crisis — including labour market reform, banking sector restructuring, and fiscal consolidation — have fundamentally improved the



economy's resilience and adaptability. Spain's growth model in the current cycle has been more balanced and domestically driven than in previous expansions, reducing dependence on foreign capital inflows and construction-led growth that characterised the pre-2008 boom and subsequent devastating bust. The positive current account balance, declining government debt ratio, and sustained job creation across multiple sectors suggest that Spain's current economic performance is structurally sounder than previous growth episodes, though risks around housing affordability, demographic aging, and productivity convergence remain important long-term challenges that will shape the economy's trajectory beyond the immediate forecast horizon.

Spain Inflation Forecast 2027 Spain Economy — Key Projections 2026-2027 2.0% HICP Inflation 2026 (proj.) 2.0% HICP Inflation 2027 (proj.) 2.3% GDP Growth 2026 (proj.) 9.7% Unemployment 2026 2.1% Govt Deficit 2027 % GDP <100% Debt/GDP 2026

FAQ

## Frequently Asked Questions — Inflation in Spain

Spain's CPI inflation is **2.3% in February 2026**, unchanged from January. The EU-harmonised rate (HICP) is 2.5%. Core inflation is 2.7%.

The energy crisis from Russia's Ukraine invasion drove inflation to **10.7% in July 2022**. Energy, food supply chains, and pandemic-era disruptions all contributed.

Spain is the **eurozone's strongest economy** with 2.9% GDP growth in 2025. Unemployment fell to 10.4% — the lowest in a decade. Growth of 2.3% is forecast for 2026.

HICP inflation is forecast at **2.0% for 2026**, declining from 2.6% in 2025. Food prices will moderate while services inflation eases gradually.

Yes, food inflation is **3.2% in February 2026**, above the headline rate. But this is dramatically lower than the 16%+ peaks of 2023.

Data Sources & References

**Primary:** [INE - National Statistics Institute Monthly CPI Reports 2025-2026](#)

**Primary:** [Eurostat - Harmonised Index of Consumer Prices 2025-2026](#)

**Supporting:** European Commission Economic Forecast for Spain 2025-2027 · OECD Economic Survey: Spain 2025 · BBVA Research Spain Economic Outlook December 2025 · CaixaBank Research Economic



## Reports 2025

CPI data from INE (National Statistics Institute of Spain). HICP data from EU statistical office. GDP and employment data from national and EU sources. Forecasts represent institutional consensus from multiple research bodies. The Valencia floods of late 2024 created temporary disruptions to some economic data series. All inflation rates are year-over-year unless otherwise specified. Spain Inflation 2026Spanish CPISpain EconomySpain GDP GrowthFood Prices SpainSpain UnemploymentEurozone InflationSpain Cost of LivingSpanish Economy 2026Core Inflation Spain

## STATISTICS REPORT

# Countries with the highest inflation rate in 2024

Updated Aug 14, 2026 · [businessstats.com/ranking-of-the-25-countries-with-the-highest-inflation-rate](https://businessstats.com/ranking-of-the-25-countries-with-the-highest-inflation-rate)

|                          |                            |                               |
|--------------------------|----------------------------|-------------------------------|
| <b>230%</b><br>VENEZUELA | <b>190%</b><br>ZIMBABWE    | <b>127%</b><br>SUDAN          |
| <b>3</b><br>TRIPLE DIGIT | <b>5.8%</b><br>GLOBAL 2024 | <b>20</b><br>COUNTRIES RANKED |

## Overview

### The 20 countries with the highest inflation in 2024

Venezuela had the highest inflation rate in the world in 2024, with consumer prices projected to rise about 230 percent, far ahead of Zimbabwe at about 190 percent and Sudan at about 127 percent, the only other economies with triple digit inflation.

Inflation, the rate at which prices rise, hits hardest in a small group of economies where it runs many times the global average, and this ranking shows exactly where the pressure was worst. Our [global inflation rate compared to the previous year](#) coverage sets the same figures in a wider time frame.

The ranking is based on IMF World Economic Outlook projections for the annual change in consumer prices in 2024. It captures the 20 economies where inflation was expected to be highest, from Venezuela at the top to Uzbekistan near 11 percent at the foot of the list.

Few economic measures reveal the health of a country as clearly as its inflation rate. The countries at the top of this list share weak currencies, large deficits and, in several cases, years of money printing that fed runaway prices.

This overview ranks all 20 economies, then explains the drivers, the regional pattern and how they compare with the rest of the world, as our [inflation worldwide](#) hub tracks in full across every year.

The gap between these economies and the rest of the world is vast. While most large economies kept inflation near or below 5 percent in 2024, the countries here faced double or triple digit rises that erode savings and wages within months.

The picture also connects to the wider slowdown in prices after the global peak of 2022, a decline our [global inflation](#) and [global economy](#) coverage follows across every major region.

Highest Inflation Rate by Country, 2024 (%)The top 20 ranked.

Data:

The 20 countries with the highest inflation rate in 2024, annual percent change in consumer prices, based on IMF World Economic Outlook projections. Compiled by BusinessStats.Switch views with the toolbar.

**The top 20 ranked:** Venezuela led with inflation near 230 percent in 2024, ahead of Zimbabwe and Sudan, with the rest of the list running from roughly 70 percent down to about 11 percent.

The chart makes the concentration clear. A handful of economies at the top faced runaway prices, while most of the top 20 sat between 10 and 30 percent, still far above the levels seen across advanced and most emerging markets.

It is worth stressing what these figures mean in daily life. An inflation rate of 230 percent means the price of a typical basket of goods more than triples in a single year, so money set aside in January buys far less by December. Wages rarely keep pace, so real incomes fall sharply.

The ranking also shifts from year to year. Countries can climb or fall quickly as currencies move, conflicts erupt or policy changes, which is why a snapshot of 2024 differs from earlier years even for the same economies at the top of the list.

Top 20 Ranking

## Highest Inflation Rate by Country in 2024

Top 20 Highest Inflation Countries, 2024Click any column to sort

| RANK | COUNTRY   | INFLATION 2024 | REGION             |
|------|-----------|----------------|--------------------|
| 1    | Venezuela | 230.0%         | Latin America      |
| 2    | Zimbabwe  | 190.2%         | Sub-Saharan Africa |
| 3    | Sudan     | 127.3%         | Sub-Saharan Africa |
| 4    | Argentina | 69.5%          | Latin America      |
| 5    | Turkey    | 54.3%          | Emerging Europe    |

|    |              |       |                    |
|----|--------------|-------|--------------------|
| 6  | Egypt        | 25.9% | Middle East        |
| 7  | Angola       | 25.6% | Sub-Saharan Africa |
| 8  | Iran         | 25.0% | Middle East        |
| 9  | Burundi      | 22.4% | Sub-Saharan Africa |
| 10 | Sierra Leone | 21.7% | Sub-Saharan Africa |
| 11 | Suriname     | 20.0% | Latin America      |
| 12 | Ethiopia     | 18.5% | Sub-Saharan Africa |
| 13 | Pakistan     | 17.5% | Emerging Asia      |
| 14 | Nigeria      | 15.4% | Sub-Saharan Africa |
| 15 | Malawi       | 15.2% | Sub-Saharan Africa |
| 16 | Ghana        | 15.0% | Sub-Saharan Africa |
| 17 | Yemen        | 15.0% | Middle East        |
| 18 | Mongolia     | 12.8% | Emerging Asia      |
| 19 | Haiti        | 12.7% | Latin America      |
| 20 | Uzbekistan   | 10.7% | Emerging Asia      |

The table lists all 20 economies with the highest inflation in 2024, their projected rate and their region. It shows how sharply the list falls away from Venezuela at the top, and how many of the entries sit in Sub-Saharan Africa.

Ten of the 20 economies were in Sub-Saharan Africa, four in Latin America, three in the Middle East and three in emerging Asia, a spread that our [GDP per capita](#) coverage frames through wide differences in income.

Sorting the table by rate rather than rank makes the drop from the top even clearer. The distance between first and fourth place is larger than the distance across the entire rest of the list, a sign of just how extreme the leading economies were in 2024.

The Highest

## Which Country Has the Highest Inflation in 2024?

Venezuela had the highest inflation rate in 2024, with prices projected to climb about 230 percent.

Zimbabwe followed at about 190 percent and Sudan at about 127 percent, the three economies where inflation crossed 100 percent in a single year.

These leaders stand apart from the rest of the ranking. Their rates were several times higher than Argentina in fourth place, and dozens of times higher than the countries at the foot of the top 20, a divide that reflects deep economic crisis rather than passing pressure.

Venezuela has ranked among the highest inflation economies for a decade. Prices there once rose by millions of percent in 2018, so a rate near 230 percent, while still the worst in the world, marks a sharp fall from the depths of that crisis.

Zimbabwe has a long history of monetary instability, including an episode of hyperinflation in the late 2000s that forced it to abandon its own currency for a time, and its 2024 rate shows how hard that instability is to shake off.

Sudan, meanwhile, has been gripped by conflict that has shattered production and public finances, feeding an inflation rate above 100 percent as the state prints money to cover its costs.

Top 6 Highest-Inflation Economies, 2024 (%)  
The leaders.

Data:

Highest inflation economies in 2024, annual percent change in consumer prices, IMF World Economic Outlook projections. Compiled by BusinessStats. Switch views with the toolbar.

**The leaders:** Venezuela, Zimbabwe and Sudan faced triple digit inflation in 2024, far ahead of Argentina, Turkey and Egypt in the tier below.

Below the top three, Argentina and Turkey stand out as large economies with entrenched inflation, both running well above 50 percent before aggressive policy shifts began to bring the numbers down later in the year.

Energy costs play a large part in many of these economies, since fuel feeds into the price of almost everything else. Where a country imports most of its fuel and the currency is weak, a rise in world energy prices lands with extra force, as our [gas prices](#) coverage tracks.



Food is the other great pressure point. In lower income economies, households spend a much larger share of their budget on food, so double digit food inflation hits living standards far harder than the same headline rate would in a wealthy country.

Highest vs Lowest

## How Wide Is the Gap Between the Highest and Lowest?

The gap between the highest and lowest inflation countries in 2024 was enormous. Venezuela near 230 percent sat at one extreme, while economies such as China and Switzerland held inflation near 2 percent, and Senegal was close to zero.

Seen on a normal scale, the top economies dwarf everyone else, so a logarithmic view helps show the full range from hyperinflation to near price stability. It reveals a spread of more than a hundredfold across the world in a single year.

The contrast is a reminder that a global average hides vastly different experiences. A household in Venezuela or Zimbabwe faced price rises that would be unthinkable in Switzerland or China, where prices barely moved at all.

At the calm end of the range sit advanced economies and a few emerging markets with strong currencies and credible central banks. Their inflation stayed close to the targets that most policymakers aim for, as our [largest economies](#) coverage sets out.

Highest vs Lowest Inflation, 2024 (% , log scale)A hundredfold spread.

Data:

Selected highest and lowest inflation economies in 2024, IMF World Economic Outlook projections.

Note:

Shown on a logarithmic scale so both extremes are visible. Compiled by BusinessStats.Switch views with the toolbar.

**A hundredfold spread:** on a logarithmic scale, Venezuela near 230 percent towers over economies such as China and Switzerland near 2 percent and Senegal close to zero.

The logarithmic view underlines why comparing these economies on a single linear axis is so hard. The distance from Senegal to Venezuela in 2024 spanned several orders of magnitude, a range rarely seen in any other economic measure.

This is also why economists often treat the worst hit economies separately. Including them in a simple world average would distort the picture, so aggregates are usually shown as medians or grouped by income, keeping the extremes in view without letting them dominate every figure.

Inflation Bands

## How Does the Top 20 Break Down by Band?

The top 20 splits into clear bands. Three economies faced triple digit inflation, two more ran between 50 and 99 percent, six sat between 20 and 49 percent, and the remaining nine fell between 10 and 19 percent.

Grouping the ranking this way shows that true hyperinflation was rare, confined to Venezuela, Zimbabwe and Sudan, while most of the list faced severe but less extreme double digit inflation that still bites hard into household budgets.

The largest band, from 10 to 19 percent, held nine economies including Pakistan, Nigeria, Ghana and Ethiopia. These are large populations facing sustained price rises that outpace wages and push millions toward hardship.

The 20 to 49 percent band captured Egypt, Angola, Iran and others where inflation was severe but not yet catastrophic, often driven by currency weakness and rising import costs for food and fuel.

Top 20 by Inflation Band, 2024 (count)How the 20 split.

Data:

Number of the top 20 economies in each inflation band in 2024, based on IMF World Economic Outlook projections. Compiled by BusinessStats.Switch views with the toolbar.

**How the 20 split:** only three economies faced triple digit inflation, while nine sat in the 10 to 19 percent band, the largest single group in the ranking.

The banding also hints at how each group might recover. The triple digit economies need deep structural change, while several in the lower bands could return toward single digits within a year or two if their currencies stabilise and food and fuel prices ease.

The breakdown helps put hyperinflation in perspective. It is the rare exception even among the worst hit economies, while the more common story is entrenched double digit inflation that grinds down living standards year after year.



Above Target

## How Far Above the 2 Percent Target Are These Economies?

Every economy in the top 20 ran far above the 2 percent target that most central banks aim for. Even in the double digit tier, from Egypt near 26 percent down to Pakistan near 18 percent, inflation was many times the goal that anchors advanced economies.

The distance from target matters because it shapes how painful the fight against inflation becomes. The further a rate sits above 2 percent, the higher interest rates usually need to climb, and the deeper the squeeze on growth and jobs.

For the economies shown here, the gap to target ranged from about 15 to 24 percentage points, a chasm that cannot be closed quickly without either very tight policy or a sharp fall in the price of imported food and energy.

The path back toward target is rarely smooth. It usually requires a stable currency, credible policy and, often, painful cuts to public spending, a mix that many of these economies find hard to sustain, as our [interest rates](#) coverage explains.

Double-Digit Inflation vs the 2% Target, 2024 (%)The gap to target.

Data:

Selected double-digit inflation economies in 2024 against the 2 percent target common among central banks. IMF projections, compiled by BusinessStats.Switch views with the toolbar.

**The gap to target:** even the double digit tier of the ranking, from Egypt to Pakistan, ran far above the 2 percent goal that anchors most advanced economies.

The chart shows how wide the gap remains once inflation becomes entrenched. Closing it takes years rather than months, and the effort weighs heavily on borrowers, businesses and government budgets alike.

The scale of the challenge stands out when set against advanced economies. There, a move of even one percentage point above target prompts a strong response, while the economies here needed inflation to fall by 15 points or more just to reach the level that would alarm a wealthy country before any policy rate could be eased.

Top 20 vs World

## How Does Inflation Compare Across the World?

The top 20 economies faced inflation far above the rest of the world in 2024. Advanced economies averaged near 2.6 percent and the global figure was about 5.8 percent, while the average across the top 20 was close to 47 percent.

The contrast shows how concentrated extreme inflation had become. A small group of economies pulled the tail of the global distribution far to the right, even as most of the world moved back toward more normal price rises.

Emerging and developing economies as a group averaged about 8 percent in 2024, higher than advanced economies but still a fraction of the rates seen in the worst hit countries, where prices doubled or more within a year.

This wide gap between the average and the extremes is why headline global inflation can look calm while millions of people still face severe price rises, a divide our [world growth](#) coverage frames alongside output.

Inflation: Top 20 vs the World, 2024 (%)Average vs extremes.

Data:

Advanced and emerging aggregates from the IMF World Economic Outlook; the top 20 average is computed from the ranked economies. The line marks the 2 percent target. Compiled by BusinessStats.Switch views with the toolbar.

**Average vs extremes:** the average across the top 20 was near 47 percent, against about 8 percent for emerging economies, 5.8 percent globally and 2.6 percent in advanced economies.

It is also a reminder that averages can mislead. A person reading that global inflation was under 6 percent might assume the crisis was over, yet for hundreds of millions of people in the top 20 economies, the reality in 2024 was still one of rapidly rising prices.

The combined view sets the ranking against the wider world. It shows that the countries on this list were true outliers, not part of a broad wave of high inflation, even though many people across the world still felt the pinch of rising prices.

Why So High

## Why Is Inflation So High in These Countries?

Inflation runs so high in these countries because of weak currencies, large fiscal deficits, rapid money supply growth and heavy reliance on imported food and energy. These forces often combine, so that a fall in the currency feeds straight into higher prices.

In the worst cases, governments cover their spending by printing money, which floods the economy with currency and pushes prices up fast. This is the classic engine of hyperinflation seen in Venezuela and Zimbabwe over the past decade.

Currency weakness is often the trigger. When a currency loses value against the dollar, the cost of imported fuel, food and machinery jumps, and businesses pass those higher costs on to households almost immediately.

Conflict and political instability make everything worse. War in Sudan and Yemen has wrecked production and public finances, while sanctions and isolation add to the pressure in economies such as Iran.

Loose monetary policy and weak central banks complete the picture. Where policymakers lack the independence or the tools to raise rates in time, inflation expectations become unanchored and price rises feed on themselves, as our [central banks](#) coverage sets out.

Common Drivers of High Inflation (indexed 0-100)A shared profile.

Note:

This is an illustrative index compiled by BusinessStats to compare common drivers across country groups, not a measured inflation rate. Higher values mean stronger pressure from that driver. Switch views with the toolbar.

**A shared profile:** hyperinflation economies score high across currency weakness, deficits and money growth, while emerging markets on average show far milder pressure. Values are an illustrative index.

Expectations are a driver in their own right. Once people expect prices to keep rising, they demand higher wages and raise their own prices in advance, which turns fear of inflation into more inflation. Breaking that cycle is one of the hardest tasks a central bank can face.

The profile shows why some economies get stuck at the top of the ranking. When several drivers pull in the same direction at once, inflation becomes self reinforcing and far harder to bring back under control.

Inflation vs Growth

## How Do Inflation and Growth Compare in These Economies?

High inflation does not always mean weak growth, but it often signals economic strain. Among the high inflation economies of 2024, Argentina was in recession while Ethiopia grew strongly, showing that fast rising prices can sit alongside very different growth stories.

The relationship is complex. Some economies with double digit inflation still expanded, helped by rising commodity exports or population growth, while others saw output shrink as households and firms cut back in the face of soaring prices.

Argentina is the clearest example of strain, with inflation near 70 percent and output falling as a sweeping stabilisation program squeezed demand. The pain was seen as the price of bringing inflation down over time.

Elsewhere, economies such as Ethiopia and Iran combined high inflation with positive growth, though the quality of that growth is often uneven and does little to protect the poorest from rising prices, as our [cost of living](#) coverage frames.

Inflation vs Growth, 2024 Prices against output.

Note:

Inflation figures are IMF 2024 projections. Growth figures are approximate IMF projections and bubble size is illustrative of economy size. Hyperinflation outliers are excluded so the axis stays readable. Compiled by BusinessStats. Switch views with the toolbar.

**Prices against output:** Argentina paired very high inflation with recession, while Ethiopia combined high inflation with strong growth, on approximate 2024 projections.

The scatter shows there is no single rule linking inflation and growth. What the high inflation economies share is not a common growth path but a common loss of price stability, which makes planning and investment far harder.

Major Economies

## Where Do the Major Economies Sit?

The major economies sat far below the top 20 in 2024. India was highest among them near 4.4 percent, followed by Brazil near 3.9 percent, while the United States, Germany and the United Kingdom held between 2 and 3 percent.

This is the contrast that defines the global picture. The economies that dominate world output and trade kept inflation close to target, even as a separate group of smaller and more fragile economies faced runaway prices.

China stood out for very low inflation near 2 percent, close to deflation, as weak domestic demand and property market trouble kept prices flat, a very different problem from the one facing the top of the ranking.

The United States held near 2.6 percent, still a touch above target, while much of Europe returned close to 2 percent after the energy crisis eased, as our [inflation in Europe](#) and [inflation in the UK](#) coverage sets out.

Inflation in Major Economies, 2024 (%)Near or below target.

Data:

Inflation in selected major economies in 2024, annual percent change in consumer prices, IMF World Economic Outlook projections. Compiled by BusinessStats.Switch views with the toolbar.

**Near or below target:** the major economies ran from about 4.4 percent in India down to 1.9 percent in China and France, far below the top 20 highest inflation countries.

Within Europe, the picture was fairly even by 2024. France sat near 1.9 percent while Spain held close to 3 percent, both a world away from the top of the ranking, as our [inflation in France](#) and [inflation in Spain](#) coverage sets out in detail.

The chart underlines the divide at the heart of this story. The world largest economies had largely tamed inflation by 2024, while the countries at the top of the ranking remained locked in crisis, as our [US tariffs](#) coverage notes for the price pressures that lingered.

Key Facts

## Highest Inflation in 2024 in Numbers

A few figures capture the ranking. Venezuela led with inflation near 230 percent, three economies crossed 100 percent, and the average across the top 20 was close to 47 percent, against a global figure near 5.8 percent.

These numbers matter because inflation is not an abstract figure but the force that decides how far wages stretch and how much savings are worth, hitting hardest in the very economies least able to cope, as our [richest countries](#) coverage sets alongside incomes.

Top 5 Highest-Inflation Economies, 2024 (%)The five worst hit.

Data:

The five highest inflation economies in 2024, IMF World Economic Outlook projections. Compiled by BusinessStats. Switch views with the toolbar.

**The five worst hit:** Venezuela, Zimbabwe, Sudan, Argentina and Turkey made up the top five highest inflation economies in the world in 2024.

230%VenezuelaHighest in the world. 3Triple digitOver 100 percent. 47%Top 20 averageFar above the world. 5.8%Global 2024The world average.

Together they describe a world where extreme inflation had become rare but intense, concentrated in a handful of economies while the global average kept falling back toward more normal levels.

Big Picture

## Highest Inflation Countries: The Big Picture

Taken together, the highest inflation countries of 2024 tell a story of crisis at the edges of the world economy, even as the global average eased toward the mid 5 percent range after the peak of 2022.

The wider path of global inflation, up sharply in 2022 and then down through 2024 and beyond, is the backdrop against which these outliers stand out, as our [year on year](#) coverage shows in detail. That link opens the same series across a longer horizon.

For the economies at the top of this list, the global trend offered little relief. Their inflation was driven by domestic weakness rather than the global forces that lifted and then lowered prices elsewhere, which is why they remained stuck near the top.

Looking ahead, the IMF expects global inflation to keep easing toward the middle of the decade, though risks remain from energy shocks, trade tensions and fresh conflict. A renewed jump in commodity prices could slow the decline or even reverse it for a time.

For the worst hit economies, the outlook is more uncertain still. Some, such as Argentina, may fall sharply down the ranking if reforms hold, while others could stay near the top for years unless the deeper problems behind their inflation are addressed.

Global Inflation, 2019-2027 (%)The wider backdrop.

Data:



Global, advanced and emerging economy inflation from 2019 to 2027, annual percent change in consumer prices, IMF World Economic Outlook.

Note:

2026 and 2027 values are projections. Compiled by BusinessStats. Switch views with the toolbar.

**The wider backdrop:** global inflation peaked in 2022 and eased through 2024, but the countries at the top of the ranking stayed far above this path throughout.

History offers some hope. Countries that once seemed trapped at the top, from parts of Latin America to Eastern Europe, have brought inflation down to single digits within a decade when reforms held and central banks won back their credibility.

The lesson from 2024 is that high inflation is neither random nor permanent. It follows clear causes, and it responds to clear remedies, even if the road back to stable prices is long, painful and easy to abandon halfway.

Whether these economies escape the top of the ranking will depend on domestic reform, stable currencies and credible policy, rather than on the global trend alone, and for now they remain the clearest examples of what happens when price stability is lost.

FAQ

## Frequently Asked Questions: Highest Inflation Countries

Venezuela had the highest inflation rate in the world in 2024, with consumer prices projected to rise about 230 percent, far ahead of every other economy on the IMF ranking.

Three countries faced triple-digit inflation in 2024: Venezuela at about 230 percent, Zimbabwe at about 190 percent, and Sudan at about 127 percent, all far above the global average.

Argentina had an inflation rate of about 69.5 percent in 2024, the fourth highest in the world, though it began falling sharply later in the year under a new economic program.

Turkey had an inflation rate of about 54.3 percent in 2024, the fifth highest, driven by a weak currency and years of loose monetary policy before rates were raised sharply.

High inflation reflects weak currencies, large fiscal deficits, money printing, and heavy reliance on imported food and energy, which together push prices up fast in the worst-hit economies.



Global inflation was projected at about 5.8 percent in 2024, down from a higher rate in 2023, but far below the levels seen in the top 20 highest-inflation countries.

The ranking is based on IMF World Economic Outlook projections for annual consumer price inflation in 2024, compiled by BusinessStats and widely used in global comparisons.

Venezuela has ranked among the highest for a decade, once reaching millions of percent in 2018. The 2024 rate near 230 percent is far lower but still the highest worldwide.

Pakistan was projected near 17.5 percent and Nigeria near 15.4 percent on the IMF ranking, both in the top 20, driven by weak currencies and rising food and energy costs.

Sub-Saharan Africa had the most entries in the top 20, with several economies facing double-digit inflation, alongside Latin American and Middle Eastern countries.

#### Sources

IMF World Economic Outlook - Source for the 2024 inflation projections used in the ranking and the global, advanced and emerging aggregates.

National statistics offices and central banks - Source for country-level inflation context, compiled by BusinessStats.

[IMF World Economic Outlook](#) - Publishes global and country inflation estimates and projections.

Figures show the 20 countries with the highest inflation rate in 2024, as annual percent change in consumer prices, based on IMF World Economic Outlook projections. Venezuela led at about 230 percent, ahead of Zimbabwe at 190 percent and Sudan at 127 percent. Driver and growth measures are labelled as illustrative estimates. This is data journalism, not investment advice.



STATISTICS REPORT

# Monthly 12-Month Inflation Rate in the United States — January 2021 to March 2026

Updated Jun 13, 2026 · [businessstats.com/monthly-inflation-rate-united-states](https://businessstats.com/monthly-inflation-rate-united-states)

|                                                |                                            |                                                  |
|------------------------------------------------|--------------------------------------------|--------------------------------------------------|
| <b>2.8%</b><br>HEADLINE CPI MARCH 2026         | <b>3.1%</b><br>CORE CPI (EX-FOOD & ENERGY) | <b>9.1%</b><br>PEAK INFLATION (JUNE 2022)        |
| <b>525bp</b><br>TOTAL FED RATE HIKES 2022–2023 | <b>4.25%</b><br>FED FUNDS RATE MARCH 2026  | <b>+21%</b><br>CUMULATIVE CPI INCREASE 2021–2026 |

## Executive Summary

### U.S. Inflation 2021–2026 — The Most Consequential Price Cycle in 40 Years

The inflation cycle of 2021–2026 will be studied by economists for decades as a case study in how pandemic-era fiscal and monetary policy, supply chain disruptions, geopolitical shocks, and labor market dynamics can combine to produce the most significant price instability in a generation. The story begins in January 2021, when the 12-month CPI stood at a benign **1.4%** — consistent with the low-inflation regime that had characterized the post-2008 era. Within 18 months, inflation had surged to **9.1% (June 2022)**, driven by the collision of \$5+ trillion in pandemic fiscal stimulus, near-zero interest rates, broken global supply chains, a historically tight labor market, and the energy price shock triggered by Russia's February 2022 invasion of Ukraine. The Federal Reserve's response — **11 rate hikes totaling 525 basis points** between March 2022 and July 2023, taking the federal funds rate to 5.25–5.50% — represented the most aggressive monetary tightening since the Volcker era of the early 1980s.

The subsequent disinflation — from 9.1% in June 2022 to approximately **2.8% in March 2026** — has been remarkably successful by historical standards. The Fed achieved a "soft landing" that most economists considered impossible: inflation declined by over 6 percentage points without triggering a recession, with GDP growth remaining positive and unemployment staying below 4.5% throughout the tightening cycle. However, the **"last mile" from 3% to 2%** has proven stubborn. Core CPI (excluding food and energy) remains at approximately 3.1% in March 2026, driven primarily by persistent shelter inflation (+4.2% YoY) and services price stickiness. The Fed began cutting rates in September 2024 but has proceeded



cautiously, with the federal funds rate at approximately 4.25–4.50% in March 2026 — still significantly above the pre-pandemic era of near-zero rates. The cumulative price increase from January 2021 to March 2026 — approximately **21%** — means that the average American household's purchasing power has been permanently reduced, even as the rate of increase has normalized. This erosion of purchasing power has been a primary driver of consumer sentiment dissatisfaction and voter concerns about the economy.

The U.S. 12-month inflation rate has declined from a 40-year high of 9.1% in June 2022 to approximately 2.8% in March 2026. The Federal Reserve's 525 basis points of rate hikes — the most aggressive tightening cycle since the early 1980s — achieved a rare "soft landing" that avoided recession while bringing inflation within range of the 2% target.

Monthly Inflation Chart

## 12-Month CPI Inflation Rate — Monthly Data January 2021 to March 2026

The following chart presents the 12-month Consumer Price Index (CPI-U) inflation rate for every month from January 2021 through March 2026. The data reveals the dramatic arc of the inflation cycle: the rapid acceleration from 1.4% in January 2021 to 9.1% in June 2022 (a 7.7 percentage point surge in 18 months), the peak plateau of 8–9% through October 2022, and the subsequent gradual disinflation that brought the rate below 3% by mid-2023, where it has oscillated in a narrow range through March 2026. The chart also illustrates the "bumpy" nature of disinflation — with several months of upward reversals (particularly January 2024 and January 2025) that temporarily sparked market fears of reacceleration before proving to be seasonal rather than structural.

Mar 2026

2.8%

U.S. 12-Month CPI Inflation Rate Monthly Consumer Price Index (CPI-U) — January 2021 to March 2026 12-month percentage change, seasonally adjusted · Bureau of Labor Statistics 2.8% CPI · Mar 2026 CPI-U 12-Month Rate

Peak 9.1% · June 2022 Source: U.S. Bureau of Labor Statistics · CPI-U All Items · Seasonally Adjusted

Core vs. Headline CPI

## Core CPI vs. Headline CPI — The Divergence That Defines the "Last Mile" Challenge

The distinction between **headline CPI** (all items including food and energy) and **core CPI** (excluding food and energy) is critical for understanding where inflation stands in 2026 and why the Federal Reserve remains cautious about declaring victory. Headline CPI has declined to approximately **2.8% in March 2026**, benefiting from falling energy prices (gasoline down 8% YoY) and decelerating food inflation (+2.5% YoY). However, **core CPI remains stubbornly elevated at approximately 3.1%** — more than a full percentage point above the Fed's 2% target. The primary culprit is **shelter inflation**, which carries the largest weight in the CPI basket (36%) and continues running at +4.2% YoY due to the BLS's lagging "Owners' Equivalent Rent" methodology that takes 12–18 months to reflect actual market rent changes. Services inflation (excluding shelter) — what Fed Chair Jerome Powell calls "supercore" inflation — remains at approximately 3.5%, driven by healthcare, insurance, and restaurant price increases that reflect sticky wage growth in labor-intensive industries.

### Headline CPI vs. Core CPI vs. Fed Funds Rate — January 2021 to March 2026

The multi-line chart below illustrates the critical divergence between headline CPI, core CPI, and the Federal Reserve's policy response (federal funds rate). The key takeaways: headline CPI peaked earlier and has declined faster than core CPI, reflecting the volatile energy component; core CPI has been consistently 0.5–1.5% above headline since mid-2023, reflecting persistent shelter and services inflation; and the Fed's rate hike trajectory (0.25% → 5.50%) and subsequent partial easing (→ 4.25%) has closely tracked core CPI movements. The gap between core CPI (3.1%) and the 2% target represents the "last mile" that determines how long the Fed maintains restrictive monetary policy.

CPI vs. Core CPI vs. Fed Rate · 2021–2026 Headline CPI, Core CPI & Federal Funds Rate — Jan 2021 to Mar 2026 Percentage · Monthly data · BLS & Federal Reserve 3.1%Core CPI · Mar 2026

Fed Target: 2.0% Sources: Bureau of Labor Statistics · Federal Reserve Board of Governors · FRED

[Complete Monthly Data](#)

### Complete Monthly CPI Data — January 2021 to March 2026

The following table presents the complete month-by-month 12-month CPI-U inflation rate for the United States from January 2021 through March 2026 — 63 monthly data points spanning the entire inflation cycle. This granular data reveals the pace and pattern of both the acceleration phase (January 2021–June



2022) and the disinflation phase (July 2022–March 2026), as well as the seasonal patterns that produced temporary upward spikes in early 2024 and early 2025.

## U.S. 12-Month CPI Inflation Rate — Monthly Data Jan 2021 to Mar 2026

Click column to sort

| MONTH    | CPI RATE | CORE CPI | MOM CHANGE | KEY CONTEXT                             |
|----------|----------|----------|------------|-----------------------------------------|
| Jan 2021 | 1.4%     | 1.4%     | +0.3%      | Pre-stimulus baseline                   |
| Mar 2021 | 2.6%     | 1.6%     | +0.6%      | \$1.9T American Rescue Plan signed      |
| May 2021 | 5.0%     | 3.8%     | +0.6%      | Used car, lumber prices surge           |
| Jul 2021 | 5.4%     | 4.3%     | +0.5%      | "Transitory" narrative dominant         |
| Oct 2021 | 6.2%     | 4.6%     | +0.9%      | Supply chain crisis, port backlog       |
| Dec 2021 | 7.0%     | 5.5%     | +0.5%      | Fed retires "transitory," signals hikes |
| Feb 2022 | 7.9%     | 6.4%     | +0.8%      | Russia invades Ukraine (Feb 24)         |
| Mar 2022 | 8.5%     | 6.5%     | +1.2%      | Fed begins hiking (25bp), oil >\$120    |
| Jun 2022 | 9.1%     | 5.9%     | +1.3%      | u26a0 40-YEAR PEAK · Gas \$5.00/gal     |
| Sep 2022 | 8.2%     | 6.6%     | +0.4%      | Core CPI peaks at 6.6%                  |
| Dec 2022 | 6.5%     | 5.7%     | +0.1%      | Disinflation accelerates                |
| Mar 2023 | 5.0%     | 5.6%     | +0.1%      | SVB collapse, banking stress            |
| Jun 2023 | 3.0%     | 4.8%     | +0.2%      | Headline drops below 3%                 |
| Sep 2023 | 3.7%     | 4.1%     | +0.4%      | Energy bump, oil price recovery         |
| Dec 2023 | 3.4%     | 3.9%     | +0.3%      | Fed signals rate cuts in 2024           |
| Jan 2024 | 3.1%     | 3.9%     | +0.3%      | Hot CPI print, rate cut fears           |
| Mar 2024 | 3.5%     | 3.8%     | +0.4%      | Stickier than expected                  |
| Jun 2024 | 3.0%     | 3.3%     | -0.1%      | First negative MoM since 2020           |
| Sep 2024 | 2.4%     | 3.3%     | +0.2%      | Fed cuts 50bp (first cut)               |
| Dec 2024 | 2.9%     | 3.2%     | +0.4%      | Energy, shelter sticky                  |

|          |      |      |       |                                 |
|----------|------|------|-------|---------------------------------|
| Jan 2025 | 3.0% | 3.3% | +0.5% | Seasonal January uptick         |
| Mar 2025 | 2.8% | 3.1% | +0.2% | Tariff uncertainty begins       |
| Jun 2025 | 2.6% | 3.0% | +0.1% | Energy deflation helps headline |
| Sep 2025 | 2.5% | 3.0% | +0.2% | Shelter slowly decelerating     |
| Dec 2025 | 2.7% | 3.1% | +0.3% | Fed pauses cuts at 4.25%        |
| Jan 2026 | 2.9% | 3.2% | +0.4% | Seasonal January effect         |
| Feb 2026 | 2.8% | 3.1% | +0.2% | Gradual moderation              |
| Mar 2026 | 2.8% | 3.1% | +0.2% | u25c6 CURRENT READING           |

### Inflation by Category

## CPI Inflation by Category — Where Prices Are Rising and Falling in March 2026

The aggregate CPI number masks enormous variation across spending categories. In March 2026, Americans are experiencing a highly divergent price environment: **shelter costs** (rent, homeowners' equivalent rent) continue rising at 4.2% annually — the single largest contributor to above-target inflation, driven by the BLS's lagging rent methodology. **Auto insurance** remains the highest-inflation category at +8.5%, reflecting the cumulative impact of higher vehicle repair costs, increased accident severity, and replacement vehicle prices. **Healthcare services** (+4.0%) and **restaurants** (+4.1%) reflect persistent wage-driven services inflation. Conversely, **energy prices** are declining (-2.1% YoY), **used vehicles** are in deflation (-3.5%), and **consumer electronics** continue their secular deflationary trend (-4.2%). The energy component's role in driving both the inflation surge and subsequent decline is explored in comprehensive analysis of [US energy price dynamics and their macroeconomic impact](#).

### CPI Inflation by Major Category — March 2026 (YoY %)

CPI WEIGHT BY CATEGORY 2026 Consumer Price Index — Category Weight Distribution Relative importance of major CPI components · BLS · 2026

u2691 Category weights — BLS Relative Importance of Components in CPI 2026.

### Federal Reserve Response



## The Federal Reserve's Rate Hiking Campaign — From 0% to 5.5% and the Path Back Down

The Federal Reserve's response to the 2021–2022 inflation surge represents the most aggressive monetary tightening cycle since Paul Volcker's 1979–1981 campaign that ultimately broke double-digit inflation at the cost of two recessions. Between **March 2022 and July 2023**, the Fed raised the federal funds rate **11 times, adding 525 basis points** (5.25 percentage points) to short-term borrowing costs. The hiking cycle included four consecutive 75-basis-point increases (June, July, September, November 2022) — the fastest pace of tightening since the Fed adopted the federal funds rate as its primary policy tool. The Fed maintained the 5.25–5.50% peak rate for over a year (July 2023 to September 2024) before beginning its cutting cycle with a 50bp cut in September 2024, followed by 25bp cuts in November and December 2024. As of March 2026, the federal funds rate stands at approximately **4.25–4.50%** — significantly above the pre-pandemic 0–0.25% range, reflecting the Fed's cautious approach to the "last mile" of disinflation.

11Rate Hikes (Mar 2022 – Jul 2023) 525bpTotal Rate Increase 5.50%Peak Fed Funds Rate 4.25%Current Fed Funds Rate 14 moHeld at Peak Before Cutting 100bpTotal Rate Cuts So Far

Inflation is still too high. We are strongly committed to returning inflation to our 2 percent objective. The process of getting inflation back down to 2 percent has a long way to go.

— Jerome Powell, Federal Reserve Chair (Jackson Hole, August 2023)

Inflation Timeline

## The Inflation Timeline — Key Events from January 2021 to March 2026

Q1 2021The Stimulus Ignition — \$1.9 Trillion American Rescue Plan and the "Transitory" DebateCPI rises from 1.4% (January) to 2.6% (March) as the \$1.9 trillion American Rescue Plan adds to the \$2.2 trillion CARES Act and \$900 billion December 2020 package — a combined \$5+ trillion in fiscal stimulus. \$1,400 direct payments, enhanced unemployment benefits, and Child Tax Credit expansion boost consumer demand into supply-constrained markets. Used car prices begin surging (+10% YoY) as semiconductor shortages cut new vehicle production. The Federal Reserve and most economists characterize inflation as "transitory" — a temporary result of supply-demand mismatches that will resolve as supply chains normalize. Q2–Q4 21The Surge — 5% to 7% as Supply Chains Break and Demand ExplodesCPI accelerates from 5.0% (May) to 7.0% (December) as the "transitory" narrative collapses. Used car prices surge 40%+ YoY. Lumber prices hit \$1,700 per thousand board feet (5x pre-pandemic). Container shipping rates from



Shanghai to Los Angeles reach \$20,000 (10x pre-pandemic). Over 100 container ships queue outside the ports of Los Angeles and Long Beach. Energy prices surge as global demand recovers faster than OPEC supply. In November 2021, Fed Chair Powell officially retires the word "transitory," signaling that the Fed has misdiagnosed the nature of the inflation problem. Q1–Q2 22The Ukraine Shock — 8% to 9.1% as Energy and Food Prices ExplodeRussia's February 24, 2022 invasion of Ukraine triggers the sharpest energy and food price shock since the 1970s. Oil surges above \$120/barrel. European natural gas prices rise 500%. Global wheat and corn prices surge 40–60% as Ukraine (a major grain exporter) is blockaded. US gasoline prices hit a national average of \$5.00/gallon in June 2022. CPI reaches 9.1% in June — the highest since November 1981. The Fed begins hiking rates in March (25bp), accelerating to 75bp hikes by June. Food-at-home prices rise 12.2% YoY — the fastest food inflation since 1979. H2 2022Peak and Turn — The Fed Goes Nuclear with Four Consecutive 75bp HikesThe Fed delivers four consecutive 75bp rate hikes (June, July, September, November 2022), taking the federal funds rate from 1.75% to 4.50% in six months — the fastest tightening pace in modern history. Oil prices retreat from the \$120 peak as recession fears grow. Gas prices decline from \$5.00 to \$3.20/gallon. Headline CPI begins declining from 9.1% (June) to 6.5% (December). However, core CPI peaks at 6.6% in September — higher than headline — signaling that underlying inflation has become more entrenched than the energy-driven headline suggests. The crypto market collapses (FTX bankruptcy), housing markets freeze as 30-year mortgage rates double from 3% to 7%. 2023The Disinflation Year — 6.5% to 3.4% and the SVB Banking CrisisCPI declines steadily from 6.5% (January) to 3.0% (June) to 3.4% (December). The rapid disinflation in headline CPI is driven primarily by energy base effects and goods deflation (used cars, consumer electronics). The March 2023 collapse of Silicon Valley Bank and Signature Bank — triggered partly by the rapid rate hiking cycle devaluing their bond portfolios — temporarily raises fears that the Fed has overtightened. The Fed slows its hiking pace (25bp in February, March, May) and delivers its final hike in July (to 5.25–5.50%). By December, the Fed's SEP "dot plot" signals three rate cuts in 2024, triggering a powerful year-end rally in stocks and bonds. 2024The "Last Mile" — Sticky 3%+ Core CPI and the First Rate Cuts2024 proves that the "last mile" of disinflation is the hardest. CPI oscillates between 2.4% and 3.5% throughout the year — declining to 2.4% by September but bumping back up to 2.9% by December. Core CPI remains stubbornly above 3% all year, driven by shelter inflation (+5%) and auto insurance (+20%). The Fed holds rates at 5.25–5.50% for 14 months before cutting 50bp in September 2024, followed by 25bp cuts in November and December — bringing the rate to 4.25–4.50%. The January 2024 CPI print (3.1% headline, 3.9% core) temporarily spooks markets and delays expected rate cuts from March to September. 2025–26The Plateau — 2.5–3.0% Range and the Question of "Good Enough"CPI settles into a 2.5–3.0% range through 2025 and early 2026, with core CPI stubbornly at 3.0–3.2%. The Fed pauses its rate cutting cycle at 4.25–4.50%,



signaling that it will not cut further until core inflation shows sustained progress toward 2%. The debate shifts to whether the US economy has entered a structurally higher inflation regime (2.5–3.0%) compared to the pre-pandemic era (1.5–2.0%), driven by deglobalization, AI-driven investment, energy transition costs, and persistent housing supply shortages. In March 2026, headline CPI stands at 2.8% and core at 3.1% — within striking distance of the target but not yet at it.

## Key Inflation Drivers

# Six Forces That Drove — and Are Now Restraining — U.S. Inflation

## 1. Shelter Inflation — The 36% CPI Weight That Won't Quit

Shelter (rent + owners' equivalent rent) carries 36% weight in CPI and continues running at +4.2% YoY in March 2026 — the single largest reason core CPI remains above 3%. The BLS methodology uses a lagging 6–12 month average of rent changes, meaning real-time rental market cooling (Zillow shows 2.5% rent growth) won't fully appear in CPI for another 6–12 months. The structural housing supply shortage (US is estimated to be 4–7 million homes short of demand) creates a persistent floor under shelter inflation that monetary policy alone cannot solve.

## 2. Energy Prices — The Volatile Swing Factor

Energy prices were the primary driver of both the inflation surge (gasoline +60% in 2022) and the subsequent disinflation (gasoline -20% from peak). In March 2026, energy is in mild deflation (-2.1% YoY), benefiting from lower oil prices (\$72/barrel vs. \$120+ in 2022), increased US production (record 13.4 million barrels/day), and the growing share of renewables in electricity generation. However, energy remains the most volatile CPI component and a potential upside risk through geopolitical supply disruptions or OPEC production cuts.

## 3. Wage Growth — The Virtuous/Vicious Cycle

Average hourly earnings grew approximately 4.0% YoY in early 2026 — down from the 5.9% peak in March 2022 but still above the ~3.5% level consistent with 2% inflation (given productivity growth of ~1.5%). The tight labor market (unemployment 4.0–4.2%) continues supporting wage growth in services sectors — healthcare, hospitality, education, government — where labor is the dominant cost input and price increases are passed to consumers. The question is whether AI-driven productivity gains can break the wage-price dynamic without requiring a recession.

## 4. Goods Deflation — The Disinflationary Tailwind



Goods prices (excluding food and energy) have been in deflation since mid-2023, driven by the normalization of supply chains, declining used car prices (-3.5% YoY), falling consumer electronics prices (-4.2%), and the secular deflationary impact of globalized manufacturing and e-commerce competition. New car prices have flattened after rising 20%+ during the chip shortage. Furniture, appliances, and clothing are all running at 0–2% inflation. Goods deflation has been the primary reason headline CPI has declined faster than core (services-heavy) CPI.

## 5. Fiscal Policy and Tariffs — New Inflationary Risks

The second Trump administration's tariff policies — including 10–25% tariffs on Chinese imports and proposed universal baseline tariffs — represent a new potential inflationary force that did not exist during the 2021–2022 surge. Economic models suggest that full implementation of proposed tariffs could add 0.3–0.8% to CPI inflation, partly offsetting the shelter and goods disinflation. Federal deficits exceeding \$2 trillion annually also create fiscal-driven demand that complicates the Fed's inflation-fighting efforts.

## 6. Inflation Expectations — The Self-Fulfilling Prophecy

Long-term inflation expectations — measured by the University of Michigan consumer survey, the 5-year TIPS breakeven, and the Cleveland Fed's inflation expectations — have remained well-anchored at 2.3–2.8% throughout the inflation cycle. This anchoring is arguably the Fed's greatest success: despite 9.1% actual inflation, consumers and bond markets never lost faith that inflation would eventually return to target. If expectations had become de-anchored (as they did in the 1970s), a much more severe recession would have been required to restore price stability. The current anchored expectation environment supports the "soft landing" outcome. Investors seeking inflation protection have increasingly turned to precious metals — a dynamic explored in comprehensive analysis of [gold's role as an investment and inflation hedge](#).

US vs. Global Inflation

## How U.S. Inflation Compares to Other Major Economies

The US inflation experience of 2021–2026, while severe by recent American standards, has been broadly consistent with — and in many cases better than — the experience of other major economies. The **Eurozone** saw headline inflation peak at 10.6% in October 2022 (driven by extreme energy dependence on Russian gas), while the **UK** reached 11.1% in October 2022 (the highest among G7 nations). **Japan**, which spent three decades fighting deflation, saw inflation peak at a relatively modest 4.3% in January 2023. Among emerging markets, **Turkey** (85% peak), **Argentina** (290%+ in 2024), and **Nigeria** (34%)



experienced far more severe inflationary episodes. The US has arguably achieved the best inflation outcome among major Western economies — a faster disinflation to the 2.5–3% range without the recession experienced by several European economies.

GLOBAL INFLATION COMPARISON · MARCH 2026 12-Month Inflation Rate — Major Economies (Latest Available) CPI 12-month % change · National statistics offices · Q1 2026 u2691 Rates reflect latest available data Q1 2026. Argentina uses official INDEC methodology. Japan rate reflects BOJ's different inflation dynamics. Sources: National statistics offices, IMF, OECD. The cumulative CPI increase of approximately 21% from January 2021 to March 2026 means that goods and services costing \$100 in early 2021 now cost approximately \$121. This erosion of purchasing power — even as the rate of inflation has normalized — has been a primary driver of consumer sentiment dissatisfaction and voter economic anxiety.

## Outlook & Projections

### U.S. Inflation Outlook — When Will the Fed Finally Reach Its 2% Target?

The consensus among economists, the Federal Reserve, and bond market pricing is that headline CPI inflation will reach the 2% target range by **late 2026 or early 2027** — approximately 4.5–5 years after the inflation cycle began. The primary variable is the pace of shelter inflation deceleration: real-time rent indices show market rents growing at 2–3% (consistent with 2% CPI), but the BLS methodology's 12–18 month lag means this data won't fully flow through to CPI until late 2026. The Federal Reserve's own Summary of Economic Projections (SEP) forecasts core PCE inflation (the Fed's preferred measure, which runs 0.3–0.5% below core CPI) reaching 2.2% by end of 2026 and 2.0% by end of 2027.

Inflation Projections U.S. CPI Inflation — Key Forecasts 2.2% CPI Forecast Dec 2026 (Consensus) 2.0% Fed PCE Target (Est. Reach: 2027) 3.75% Fed Funds Rate Forecast Dec 2026 2.5–3% Shelter CPI Forecast Late 2026 +21% Cumulative CPI Increase 2021–2026 0.3–0.8% Potential Tariff CPI Impact

### Key Risks to the Inflation Outlook

**Upside Risk: Tariff-Driven Price Increases** The second Trump administration's tariff policies could add 0.3–0.8% to CPI inflation if fully implemented. Universal baseline tariffs and targeted 25% tariffs on specific countries would directly increase import prices, which account for approximately 15% of consumer goods. The inflationary impact would be concentrated in 2026–2027 and could delay the Fed's achievement of the 2% target by 6–12 months. **Upside Risk: Energy Price Shock** A geopolitical event that disrupts oil supply — escalation of Middle East conflict, further Russian supply disruption, or OPEC production cuts — could



rapidly add 1–2% to headline CPI. Oil at \$100+/barrel (vs. \$72 current) would push gasoline back above \$4/gallon and reverse much of the energy-driven disinflation of 2023–2025. **Downside Risk: Economic Slowdown** If the cumulative impact of higher rates finally triggers a meaningful economic slowdown or recession in late 2026–2027, inflation could undershoot the 2% target — potentially reaching 1.5% or below. This would prompt aggressive Fed rate cuts and potentially a return to the pre-2020 "too low inflation" regime that characterized the 2010s. **Leading indicators** including the yield curve, consumer confidence, and manufacturing PMIs are not currently signaling recession, but the lag effects of monetary tightening can be unpredictable. **Structural Risk: Higher Inflation Regime** Some economists argue that the US has entered a structurally higher inflation regime (2.5–3.0%) compared to the pre-pandemic 1.5–2.0% era, driven by deglobalization, nearshoring/friendshoring of supply chains, energy transition investment costs, persistent housing supply shortages, aging demographics that constrain labor supply, and increased fiscal spending. If correct, the Fed may ultimately need to raise its inflation target or accept persistent above-target inflation — a politically and institutionally difficult adjustment.

FAQ

## Frequently Asked Questions — U.S. Inflation Rate Statistics

The 12-month CPI inflation rate is approximately **2.8% in March 2026**. Core CPI (excluding food and energy) is 3.1%. This is down from the 40-year peak of 9.1% in June 2022 but still above the Fed's 2% target.

The peak was **9.1% in June 2022** — the highest reading since November 1981. It was driven by energy prices (\$5/gal gasoline), food inflation (12.2% YoY), supply chain disruptions, and the economic impact of Russia's Ukraine invasion.

The Fed raised rates **11 times, adding 525 basis points** (March 2022–July 2023), taking the rate from 0–0.25% to 5.25–5.50%. This was the most aggressive cycle in 40 years. Rate cuts began September 2024; the current rate is 4.25–4.50%.

**Headline CPI** includes all items (currently 2.8%). **Core CPI** excludes volatile food and energy (currently 3.1%). Core is higher because shelter inflation (+4.2%) dominates, while falling energy prices pull headline down. The Fed watches core more closely for underlying trend.

Highest: **auto insurance (+8.5%)**, shelter/housing (+4.2%), restaurants (+4.1%), healthcare (+4.0%).

Lowest/deflationary: consumer electronics (-4.2%), used vehicles (-3.5%), energy (-2.1%), apparel (+0.8%). Shelter is the #1 reason core CPI stays above 3%.



Consensus forecasts project headline CPI reaching **2% by late 2026 or early 2027**. The main obstacle is lagging shelter CPI (market rents already at 2–3% but BLS methodology delays reflection by 12–18 months). Risks: tariffs could add 0.3–0.8%, energy shocks could spike headline, or structural forces could keep inflation at 2.5–3% permanently.

#### Data Sources & References

**Primary:** [U.S. Bureau of Labor Statistics — Consumer Price Index \(CPI-U\)](#)

**Primary:** [Federal Reserve Board of Governors — Federal Funds Rate & FOMC Statements](#)

**Primary:** [Federal Reserve Economic Data \(FRED\) — CPI, PCE, Inflation Expectations](#)

**Additional:** Bureau of Economic Analysis (BEA) PCE Data · Cleveland Fed Inflation Nowcast · University of Michigan Consumer Survey · Survey of Professional Forecasters (SPF) · Bloomberg Consensus Estimates  
u2691

#### Data Transparency Note:

CPI data is published monthly by the BLS, typically around the 10th–14th of the following month. All rates represent 12-month percentage change in CPI-U (All Urban Consumers), seasonally adjusted. Core CPI excludes food and energy. PCE (Personal Consumption Expenditures) is the Fed's preferred inflation measure and typically runs 0.3–0.5% below core CPI. This report is for informational purposes only and does not constitute investment or policy advice. US Inflation Rate 2026 Monthly CPI Data Consumer Price Index Core CPI vs Headline Federal Reserve Rate Hikes 9.1% Inflation Peak Inflation by Category Shelter Inflation Fed Funds Rate 2026 US Inflation Forecast

## STATISTICS REPORT

# Inflation rate in selected world regions in 2026

Updated Aug 16, 2026 · [businessstats.com/survey-inflation-rate-in-selected-world-regions](https://businessstats.com/survey-inflation-rate-in-selected-world-regions)

|                             |                         |                              |
|-----------------------------|-------------------------|------------------------------|
| <b>12.5%</b><br>MIDDLE EAST | <b>12%</b><br>AFRICA    | <b>4.7%</b><br>WORLD         |
| <b>5.9%</b><br>EMERGING     | <b>2.6%</b><br>ADVANCED | <b>2.9%</b><br>EMERGING ASIA |

## Overview

### Inflation by world region in 2026, versus the previous year

Inflation in 2026 is deeply uneven across the world. The Middle East and Sub-Saharan Africa face rates near 12 percent, while advanced economies sit near 2.6 percent. The world average is about 4.7 percent, up from 4.1 percent in 2025.

The scale of the gap between the highest and lowest inflation regions, from about 2.6 percent in advanced economies to near 12 percent in the Middle East and Africa, is striking.

On IMF figures, inflation in 2026 runs near 12 percent in the Middle East and Central Asia and Sub-Saharan Africa, about 8 percent in emerging Europe, 5.8 percent in Latin America, 2.9 percent in emerging Asia and 2.6 percent in advanced economies.

The uneven map of world inflation in 2026, high in the emerging world and low in the advanced, reflects the deep and lasting divisions in the global economy.

This overview compares the inflation rate across the main world regions in 2026, from the highest in the Middle East and Africa to the lowest in the advanced economies, and how each changed from 2025.

Understanding how inflation varies across the world, from near target in the rich regions to double digits in the poorest, is central to making sense of the uneven global recovery of the mid-2020s.

This overview compares the inflation rate across the main world regions in 2026 and against the previous year, from the highest in the Middle East and Africa to the lowest in the advanced economies.

The gap between advanced and emerging regions remains very wide, as our [developed and emerging inflation](#) and [inflation worldwide](#) coverage tracks, with poorer regions facing far higher and more volatile rates.

Inflation Rate by World Region, 2026 vs 2025 (%)Middle East highest, advanced lowest.

Data:

Inflation rate in selected world regions in 2026, compared to the previous year, annual percent change in consumer prices.

Note:

Based on IMF data. Regional aggregates are IMF World Economic Outlook group figures. Compiled by BusinessStats.Switch views with the toolbar.

**Middle East highest, advanced lowest:** the Middle East and Sub-Saharan Africa face inflation near 12 percent in 2026, while advanced economies sit near 2.6 percent, with most regions rising from 2025.

Inflation rose in most regions in 2026, driven by higher energy and food prices after conflict in the Middle East, a shock our [gas prices](#) and [global economy](#) coverage frames across the world economy.

A note on the data. The figures show the inflation rate in selected world regions in 2026, compared to the previous year, as annual percent change in consumer prices, based on IMF regional aggregates. Some regional values are approximate.

The IMF publishes inflation for its main country groups and regions in the World Economic Outlook, which forms the basis for these figures, updated through the year. Regional aggregates are weighted averages across the economies in each group, so a few very large or very high-inflation economies can shift the regional figure significantly.

At a Glance

## Inflation Rate by World Region

Inflation Rate by World Region, 2026 vs 2025 (%)Click any column to sort

| REGION                     | 2026  | 2025  |
|----------------------------|-------|-------|
| Middle East & Central Asia | 12.5% | 12.0% |
| Sub-Saharan Africa         | 12.0% | 13.0% |

|                              |      |      |
|------------------------------|------|------|
| Emerging & developing Europe | 8.0% | 9.5% |
| Emerging market & developing | 5.9% | 5.5% |
| Latin America & Caribbean    | 5.8% | 5.5% |
| World                        | 4.7% | 4.1% |
| Emerging & developing Asia   | 2.9% | 2.4% |
| Advanced economies           | 2.6% | 2.5% |

The table sets out the inflation rate in the main world regions in 2026 and 2025. It shows the very high rates in the Middle East and Africa, the moderate rates in Latin America and emerging Europe, and the low rates in advanced economies and Asia.

Advanced vs Emerging

## Why Is Inflation Higher in Emerging Regions?

The clearest divide in world inflation is between advanced and emerging economies. Advanced economies face about 2.6 percent inflation in 2026, while emerging and developing economies face about 5.9 percent, more than double the rate.

The divide between advanced and emerging economy inflation is the single clearest feature of the global price picture, reflecting deep differences in currencies, incomes and spending. Advanced economy inflation is projected at about 2.6 percent in 2026 against 5.9 percent for emerging and developing economies, a gap of more than three percentage points.

The more than twofold gap between advanced and emerging economy inflation is among the most persistent features of the global price picture in the mid-2020s. The divide between advanced and emerging economy inflation is the deepest fault line in the global price picture, shaping everything from interest rates to living standards across the world.

The more than twofold gap between advanced and emerging inflation reflects structural differences that will not close quickly, even as both groups gradually bring prices down.

The gap reflects weaker currencies, higher food and energy shares in spending, and less firmly anchored expectations in poorer regions, a divide our [GDP per capita](#) and [BRICS economies](#) coverage frames through the differences in incomes.

Advanced vs Emerging Inflation, 2019-2027 (%) Bars emerging, line advanced.

Data:

Regional inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in consumer prices, as IMF group aggregates. Some values are approximate. Switch views with the toolbar.

**Bars emerging, line advanced:** emerging economy inflation has run well above advanced economy inflation throughout the period, at about 5.9 percent against 2.6 percent in 2026.

Advanced economy inflation has returned close to the 2 percent target that most central banks aim for, while many emerging regions still face rates well above target, forcing them to keep monetary policy tighter for longer.

The need to keep policy tighter for longer in many emerging regions weighs on their growth, even as advanced economies begin to ease, widening the divide between the two groups.

Highest Regions

## Which World Region Has the Highest Inflation?

The highest-inflation regions in 2026 are the Middle East and Central Asia and Sub-Saharan Africa, both near 12 percent, followed by emerging and developing Europe near 8 percent. All face pressures far beyond the world average.

The very high inflation of the Middle East and Sub-Saharan Africa, several times the world average, reflects the toll of conflict, currency weakness and dependence on imported food and energy. The highest regional inflation in 2026 is in the Middle East and Central Asia and Sub-Saharan Africa, both near 12 percent, followed by emerging and developing Europe near 8 percent.

The Middle East, Central Asia and Sub-Saharan Africa carry the heaviest inflation burden in 2026, a reflection of conflict, currency weakness and dependence on imported essentials. The regions carrying the heaviest inflation burden in 2026, the Middle East and Africa, are also among those least able to bear it, deepening hardship where incomes are lowest.

Inflation near 12 percent in the Middle East and Sub-Saharan Africa dwarfs the advanced-economy rate of 2.6 percent, a gap that captures the deep inequality of the global price picture.

Emerging and developing Europe, near 8 percent, sits between the double-digit rates of Africa and the Middle East and the mid-single digits of Latin America, held up by a handful of high-inflation economies.

The high rates in the Middle East reflect the direct effects of conflict on energy and supply, while in Sub-Saharan Africa they reflect high oil and fertilizer prices, fuel shortages and rising borrowing costs, which our [richest countries](#) coverage sets against global incomes.

Highest-Inflation Regions, 2026 (%)The emerging world leads.

Data:

Regional inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in consumer prices, as IMF group aggregates. Some values are approximate.Switch views with the toolbar.

**The emerging world leads:** the highest inflation in 2026 is in the Middle East and Central Asia and Sub-Saharan Africa, both near 12 percent, then emerging Europe near 8 percent.

These regional averages are pulled up by a handful of very high-inflation economies, such as those facing currency crises or conflict, so the typical country in each region often faces a lower rate than the aggregate suggests.

The influence of a few extreme cases on regional averages means the headline figures for the Middle East and Africa overstate the inflation faced by the typical economy in those regions.

Change from 2025

## How Much Did Regional Inflation Change?

Inflation rose in most world regions between 2025 and 2026. The world average climbed from 4.1 to 4.7 percent, emerging economies from 5.5 to 5.9 percent, and Sub-Saharan Africa saw its median rate jump from about 3.4 to 5 percent.

The renewed rise in inflation across most regions in 2026, after two years of easing, showed how quickly an energy shock can reverse hard-won progress on prices.

World inflation rose from about 4.1 percent in 2025 to 4.7 percent in 2026, emerging economies from 5.5 to 5.9 percent, and Sub-Saharan Africa saw its median rate rise from about 3.4 to 5 percent.

The broad rise in 2026, touching almost every region, was driven by the same global forces of energy and food, even as the scale of the increase varied widely from one region to the next.

The renewed rise in inflation across most regions in 2026 undid part of two years of hard-won progress, a reminder of how exposed the world remains to energy and food shocks. The rise from 2025 to 2026 touched almost every region, though its scale varied, with the world average up 0.6 points and some emerging regions rising faster still.

The renewed rise reflected higher energy and food prices after conflict in the Middle East, a shock our [central banks](#) and [interest rates](#) coverage tracks as policymakers weighed how to respond across very different regions.

Inflation Change by Region, 2025 to 2026 (%)Most regions rose.

Data:

Regional inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in consumer prices, as IMF group aggregates. Some values are approximate.Switch views with the toolbar.

**Most regions rose:** inflation rose in most world regions between 2025 and 2026, driven by higher energy and food prices, with emerging Europe a notable exception.

A few regions bucked the trend, with inflation easing in emerging Europe as Turkey continued to disinflate from very high rates, showing that the regional picture is shaped by local crises as much as by global forces.

The disinflation in emerging Europe, led by Turkey, stood out against the broader rise, showing that local crises and recoveries can move a whole region against the global tide.

Long-Run Trend

## How Has Regional Inflation Moved Since 2020?

Regional inflation has followed the global pattern since 2020, surging in 2022 and then easing, though emerging regions peaked higher and have come down more slowly than advanced ones, keeping the gap between them wide.

The regional pattern of inflation, high in the emerging world and low in the advanced, has held throughout the surge and retreat of prices since 2020. The regional pattern of inflation has been remarkably consistent since 2020, with emerging regions running well above advanced ones throughout the surge, the peak and the retreat.

The peak of 2022, when emerging inflation reached nearly 10 percent and even advanced economies passed 7 percent, remains the reference point against which the easing of recent years is judged.

The producer price shocks of recent years, which our [producer price index](#) coverage tracks, fed through to consumer inflation across every region, though with different timing and force depending on energy dependence and demand.

World Inflation by Group, 2019-2027 (%) A widening then narrowing gap.

Data:

Regional inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in consumer prices, as IMF group aggregates. Some values are approximate. Switch views with the toolbar.

**A widening then narrowing gap:** the gap between advanced and emerging inflation widened in 2022 and has narrowed since, though it remains wide in 2026.

The renewed rise in 2026, after two years of easing, interrupted the return to target in most regions, a reminder of how exposed the world remains to energy shocks even years after the surge of 2022.

The interruption to the return to target in 2026, after two years of falling inflation, was a reminder that the last stretch back to stable prices is often the hardest.

Drivers

## What Is Driving World Inflation in 2026?

Energy and food are the main drivers of the 2026 rise in world inflation. Higher oil and gas prices, linked to conflict in the Middle East, pushed up costs across every region, hitting poorer ones hardest where food and energy dominate spending.



Energy and food, the two most volatile parts of the consumer basket, are once again the main drivers of the 2026 rise, and they weigh most heavily on the poorest regions. In 2026, higher energy prices added the most to inflation in most regions, followed by food, while services remained the largest steady component in the advanced world.

Energy and food, the most volatile parts of the consumer basket, drive both the swings in world inflation and the differences between regions, since they weigh most on the poorest. The 2026 world inflation rate of about 4.7 percent breaks down into a large services contribution and smaller but volatile energy and food components that drove the increase.

Services inflation, tied to wages and demand, remained the largest single component in advanced regions, while energy and food drove the increase in emerging ones, a split our [inflation in Europe](#) coverage details for the advanced world.

What Drives 2026 World Inflation (pp)Energy and food lead.

Data:

Regional inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in consumer prices, as IMF group aggregates. Some values are approximate. Switch views with the toolbar.

**Energy and food lead:** energy and food drove the 2026 rise in world inflation, with services the largest steady component, adding up to a world rate of about 4.7 percent.

The heavy weight of food and energy in the spending of poorer regions means the 2026 shock fell hardest on those least able to absorb it, widening the gap between rich and poor regions and deepening hardship in the worst-hit economies.

The heavy weight of food and energy in poorer regions means the 2026 shock deepened hardship most where households were already least able to absorb rising prices.

How They Compare

## How Do the World Regions Compare?

The world regions compare very differently on inflation. Advanced economies and emerging Asia sit near or below target, Latin America and emerging Europe in the mid-single digits, and the Middle East and Africa

in double digits.

The wide differences between world regions on inflation reflect how differently the same global shocks play out depending on energy dependence, currencies and food security.

Regional inflation in 2026 ranges from about 2.6 percent in advanced economies and 2.9 percent in emerging Asia to 5.8 percent in Latin America, 8 percent in emerging Europe and near 12 percent in the Middle East and Africa.

No single figure captures world inflation, which ranges from near target in the advanced world to double digits in the most vulnerable regions of Africa and the Middle East. The four-way split, between low-inflation advanced economies and Asia, mid-single-digit Latin America and Europe, and double-digit Africa and the Middle East, captures the shape of world inflation in 2026.

The four-way split in world inflation, between low, moderate and high-inflation regions, captures the shape of a global economy still divided long after the pandemic and energy shocks. The gap between the calmest and most turbulent regions, from about 2.6 percent to near 12 percent, is among the widest on record and reflects a world economy pulling apart on prices.

These differences reflect energy dependence, currency strength, fiscal policy and food security, a picture our [largest economies](#) coverage frames, with the most vulnerable regions facing the highest and most volatile rates.

World Regions Compared (index, 0-100)Four very different pictures.

Data:

Regional inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in consumer prices, as IMF group aggregates. Some values are approximate.Switch views with the toolbar.

**Four very different pictures:** advanced economies and Asia sit near target, Latin America and Europe in the mid-single digits, and the Middle East and Africa in double digits.

The wide spread of regional inflation, from about 2.6 percent in advanced economies to near 12 percent in the Middle East and Africa, is one of the defining features of the uneven global recovery of the mid-2020s.

The persistence of a wide regional gap, from advanced economies near target to the Middle East and Africa in double digits, is a defining feature of the uneven global recovery.

Inflation and Growth

## How Do Inflation and Growth Vary by Region?

Inflation and growth vary together across regions. Emerging Asia combines low inflation with fast growth, while Sub-Saharan Africa and the Middle East face high inflation alongside slower or more volatile growth, a harder combination.

The combination of inflation and growth varies sharply by region, with some facing the double burden of high prices and weak growth while others enjoy low inflation and fast expansion. Emerging and developing Asia stands out for combining low inflation, near 2.9 percent, with the fastest growth of any region, a rare and favourable mix in the current world economy.

The mix of inflation and growth across regions determines how heavily rising prices weigh on households, with the worst combination being high inflation alongside weak growth. Emerging Asia enjoys the best mix of any region, low inflation and fast growth, while conflict-hit parts of Africa and the Middle East face the worst, high prices and weak growth.

The link between high inflation and weaker economic conditions in some regions, especially those hit by conflict or currency crises, is one our [China economy](#) and [world growth](#) coverage frames across the global picture.

Inflation vs Growth by Region, 2026Bubble size shows population.

Data:

Regional inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in consumer prices, as IMF group aggregates. Some values are approximate.Switch views with the toolbar.

**Bubble size shows population:** emerging Asia combines low inflation with fast growth, while Africa and the Middle East face high inflation. Position shows inflation against growth.

Where high inflation coincides with weak growth, as in parts of Africa and the Middle East, households face the hardest squeeze, with rising prices and stagnant incomes eroding living standards fastest. The regions

facing both high inflation and weak growth, especially those hit by conflict, endure the hardest squeeze, with rising prices and stagnant incomes eroding living standards.

Forecast

## Will Regional Inflation Come Down?

World inflation is projected to ease again after 2026, falling toward the 2 percent target in advanced economies and slowly declining in emerging ones, though the gap between regions is likely to persist. The outlook for regional inflation, easing but uneven, will shape living standards and stability across a world economy divided between rich and poor regions.

World inflation is projected to ease from about 4.7 percent in 2026 to 3.9 percent in 2027, with advanced economies returning to target while emerging regions decline more slowly. The central expectation is a gradual and uneven return toward lower inflation, with the advanced world leading and the most exposed regions lagging well behind.

The outlook for regional inflation, easing but uneven, will shape the fortunes of billions of people across a world economy divided between rich and poor regions. Even as world inflation eases toward 3.3 percent by 2029 on IMF projections, the distance between the advanced world and the most exposed regions is expected to remain stubbornly wide.

The outlook depends heavily on energy prices and the course of conflict in the Middle East, with a prolonged shock able to keep inflation high in the most exposed regions for longer than the current forecasts assume across the world economy.

World Inflation Forecast to 2029 (%)Easing but uneven.

Data:

Regional inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in consumer prices, as IMF group aggregates. Some values are approximate. Switch views with the toolbar.

**Easing but uneven:** world inflation is projected to ease from about 4.7 percent in 2026 to 3.9 percent in 2027, with advanced economies leading the return to target.

Emerging regions are likely to keep inflation above the advanced-economy average for some time, as weaker currencies and higher food and energy shares keep their rates elevated, leaving the wide regional gap a lasting feature.

## Key Facts

## Regional Inflation in Numbers

A few figures capture the picture. World inflation is about 4.7 percent in 2026, with advanced economies near 2.6 percent, emerging economies near 5.9 percent, and the Middle East and Africa near 12 percent, the highest of any region.

These figures together capture a world where inflation has eased from its peak but remains deeply uneven, with the poorest regions facing the heaviest burden. These figures matter because they show a world still divided on inflation, with the burden of high prices falling most heavily on the regions least able to bear it.

These figures together capture a world where inflation has come down from its peak but remains deeply unequal, with the poorest regions facing the heaviest burden of rising prices.

These figures matter because inflation shapes living standards, interest rates and stability across very different regions, a picture our [global inflation](#) coverage sets alongside the wider world.

Inflation Rate by World Region, 2026 (%)The full ranking.

Data:

Regional inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in consumer prices, as IMF group aggregates. Some values are approximate.Switch views with the toolbar.

**The full ranking:** regional inflation in 2026 ranges from near 12 percent in the Middle East and Africa to about 2.6 percent in advanced economies.

12.5%Middle EastHighest.2.6%AdvancedLowest.4.7%World2026 average.5.9%EmergingAbove target.

Together they describe a world where inflation has eased from its 2022 peak but remains deeply uneven, with the poorest regions facing rates several times higher than the richest. For now, world inflation stands above target in most regions but well below the extremes of 2022, with a very wide gap between the

richest and poorest parts of the world.

Big Picture

## World Regional Inflation: The Big Picture

Taken together, inflation across the world regions in 2026 shows a deeply uneven picture, with advanced economies near target but the Middle East and Africa facing double-digit rates, and most regions seeing inflation rise again on energy and food.

The picture in 2026 is of a world past the worst of the inflation crisis but still far from an even return to stable prices, with the poorest regions carrying the heaviest load.

Regional Inflation, Rich vs Poor (index, 0-100)A world divided.

Data:

Regional inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in consumer prices, as IMF group aggregates. Some values are approximate. Switch views with the toolbar.

**A world divided:** the richest regions face inflation near target while the poorest face double digits, on an indexed comparison across the main drivers.

Whether inflation returns evenly to target will depend on energy prices and the fortunes of the most exposed regions, but for now the world faces a wide and persistent gap between the low inflation of the rich regions and the high rates of the poor, as our [cost of living](#) coverage continues.

FAQ

## Frequently Asked Questions: Regional Inflation

The Middle East and Central Asia and Sub-Saharan Africa, both near 12 percent, followed by emerging and developing Europe near 8 percent, all far above the world average.

Advanced economies, at about 2.6 percent in 2026, close to the 2 percent target of most central banks, followed by emerging and developing Asia at about 2.9 percent.

About 4.7 percent, up from 4.1 percent in 2025, an increase driven by higher energy and food prices after conflict in the Middle East pushed up costs.

Weaker currencies, higher food and energy shares in spending, and less firmly anchored expectations push emerging economy inflation to about 5.9 percent, double the advanced rate.

High oil and fertilizer prices, fuel shortages, currency weakness and the direct effects of conflict push inflation in these regions near 12 percent, far above the world average.

The world average rose from 4.1 to 4.7 percent, emerging economies from 5.5 to 5.9 percent, and Sub-Saharan Africa saw its median rate jump from about 3.4 to 5 percent.

Yes. They are IMF World Economic Outlook group aggregates, which can be pulled up by a few very high-inflation economies, so the typical country often faces a lower rate.

Higher energy and food prices, linked to conflict in the Middle East, are the main drivers, hitting poorer regions hardest where food and energy dominate household spending.

The IMF projects world inflation easing after 2026, but the gap between regions is likely to persist, with emerging regions staying above the advanced-economy average.

From the IMF World Economic Outlook, which publishes inflation for country groups and regions. Figures are annual percent change, and some regional values are approximate.

#### Sources

IMF World Economic Outlook - Source for inflation in selected world regions in 2026, compared to the previous year.

IMF regional aggregates - Regional inflation data compiled by BusinessStats.

[IMF World Economic Outlook](#) - Publishes inflation for country groups and world regions.

Figures show the inflation rate in selected world regions in 2026, compared to the previous year, as annual percent change in consumer prices, based on IMF regional aggregates. The Middle East and Sub-Saharan Africa face the highest rates, near 12 percent, while advanced economies sit near 2.6 percent and the world average is about 4.7 percent. Some regional values are approximate. This is data journalism, not investment advice.



STATISTICS REPORT

# Average inflation rate worldwide 1980-2031

Updated Aug 13, 2026 · [businessstats.com/global-inflation-rate-compared-to-previous-year](https://businessstats.com/global-inflation-rate-compared-to-previous-year)

|                           |                              |                            |
|---------------------------|------------------------------|----------------------------|
| <b>4.7%</b><br>2026 RATE  | <b>36.9%</b><br>1992 PEAK    | <b>17%</b><br>1980         |
| <b>8.6%</b><br>2022 SPIKE | <b>3.2%</b><br>2031 FORECAST | <b>-13pp</b><br>SINCE 1980 |

## Overview

### Average inflation rate worldwide from 1980 to 2031

The average inflation rate worldwide is about 4.7 percent in 2026, up from 4.1 percent in 2025 and far below the peak of nearly 37 percent in the early 1990s. It is forecast to ease toward about 3.2 percent by 2031.

The long decline in world inflation, from near-hyperinflation in the early 1990s to low single digits today, is one of the defining economic achievements of the modern era.

On IMF figures, world average inflation ran near 17 percent in 1980, peaked at almost 37 percent in 1992, fell to about 4 percent by the 2000s, spiked to 8.6 percent in 2022, and stood at about 4.7 percent in 2026.

Few economic series capture the sweep of modern history as clearly as world inflation, from the monetary chaos of the early 1990s to the hard-won stability of recent decades.

This overview traces the average inflation rate worldwide year by year from 1980 to 2031, across the world as a whole and for advanced and emerging economies, alongside the great peaks and the outlook.

Understanding how inflation has moved over 45 years helps make sense of today rates, showing both how far the world has come and how the shocks of the 2020s fit into the longer story.

World inflation is measured as the annual percent change in average consumer prices, and the world figure is an average that can be pulled up sharply by a few very high-inflation economies.

The chart above traces that whole journey, from the double-digit rates of the early years through the towering peak of the 1990s to the low and mostly stable inflation of recent decades.

The world average has fallen enormously over 45 years, as our [inflation worldwide](#) and [global inflation](#) coverage tracks, though the path has been uneven, marked by the hyperinflations of the 1990s and the price shock of 2022.

Average Inflation Rate Worldwide, 1980-2031 (%)A dramatic decline.

Data:

Average inflation rate worldwide from 1980 to 2031, annual percent change in average consumer prices, based on IMF data.

Note:

Values from 2026 onward are IMF projections. Figures are a world average. Compiled by BusinessStats.Switch views with the toolbar.

**A dramatic decline:** world average inflation fell from about 17 percent in 1980 and a peak near 37 percent in 1992 to about 4.1 percent in 2025, with a sharp spike in 2022.

Inflation shapes interest rates, wages and living standards, and its long decline reflects better monetary policy worldwide, a shift our [central banks](#) and [interest rates](#) coverage follows across the decades.

A note on the data. The figures show the average inflation rate worldwide from 1980 to 2031, as annual percent change in average consumer prices, based on IMF data. Values from 2026 onward are projections, and the figures are a world average.

The IMF publishes average consumer price inflation for the world and for country groups in its World Economic Outlook, updated through the year, which forms the basis for these figures. Average consumer price inflation measures the change in the cost of a typical basket of goods and services, and is the most widely used gauge of the cost of living.

At a Glance

## World Inflation Rate by Year

Average World Inflation Rate, Selected Years (%)Click any column to sort

| YEAR | WORLD AVERAGE |
|------|---------------|
| 1980 | 17.3%         |
| 1985 | 15.1%         |



|      |       |
|------|-------|
| 1990 | 26.5% |
| 1992 | 36.9% |
| 1994 | 31.2% |
| 1996 | 15.2% |
| 2000 | 5.0%  |
| 2008 | 6.4%  |
| 2015 | 2.9%  |
| 2020 | 3.2%  |
| 2022 | 8.6%  |
| 2025 | 4.1%  |
| 2028 | 3.6%  |
| 2031 | 3.2%  |

The table sets out the average world inflation rate at key points from 1980 to 2031. It shows the very high rates of the 1980s and 1990s, the long decline that followed, and the renewed spike of the 2020s.

The 1990s Peak

## When Was World Inflation Highest?

World average inflation peaked at nearly 37 percent in 1992, during a period of hyperinflation in the former Soviet bloc and parts of Latin America. It stayed above 30 percent from 1991 to 1994 before falling sharply.

The near-37 percent world average of 1992 is almost unimaginable today, a reminder of how unstable prices were across large parts of the world only a generation ago.

World average inflation ran above 30 percent from 1991 to 1994, peaking near 37 percent in 1992, before falling to about 15 percent by 1996 and single digits by the end of the decade.

The hyperinflations of the early 1990s, though largely forgotten today, were among the most destructive economic events of the era, wiping out savings and destabilising whole societies.

The extreme rates of the early 1990s were driven by the collapse of the Soviet Union and the currency crises that followed, felt far beyond Europe, as our [inflation in Europe](#) coverage details, and by chronic

hyperinflation in several large emerging economies.

These episodes were driven less by the ordinary forces of supply and demand than by the collapse of monetary systems, which is why the rates reached levels rarely seen in stable economies.

The 1990s Inflation Peak, 1988-2000 (%)Near 37 percent.

Data:

Inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in average consumer prices, a world average. Values from 2026 onward are projections. Switch views with the toolbar.

**Near 37 percent:** world average inflation stayed above 30 percent from 1991 to 1994, peaking in 1992, during hyperinflation in the former Soviet bloc and Latin America.

These were not typical inflation rates but episodes of near-breakdown in the value of money, and the world average fell rapidly once these countries stabilised their currencies and brought their public finances under control.

The speed of the recovery, from near 37 percent to single digits within a few years, showed that even the most extreme inflation can be brought down once its causes are tackled.

By Decade

## How Has Inflation Fallen Over Time?

Average world inflation has fallen decade by decade. It ran near 16 percent through the 1980s and about 22 percent in the turbulent 1990s, before dropping to around 4 percent in the 2000s and 3.5 percent in the 2010s.

The fall in average inflation from one decade to the next tracks the spread of sound monetary policy across the world, from a handful of advanced economies to almost every country.

World average inflation ran near 16 percent in the 1980s, about 22 percent in the 1990s, around 4 percent in the 2000s, about 3.5 percent in the 2010s, and above 5 percent so far in the 2020s.

Reading the decades in sequence, from the double-digit 1980s to the calm 2010s and back to a more volatile 2020s, tells the story of how the world learned to control inflation. The decade-by-decade fall in

inflation is perhaps the clearest single measure of how economic management improved across the world in the decades after the 1970s and 1980s.

The steep fall from the 1990s reflects a worldwide shift toward independent central banks, inflation targets and sounder public finances, a change our [GDP per capita](#) coverage frames alongside the rise in incomes that accompanied it.

Average World Inflation by Decade (%)Falling every decade.

Data:

Inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in average consumer prices, a world average. Values from 2026 onward are projections.Switch views with the toolbar.

**Falling every decade:** average world inflation fell from about 16 percent in the 1980s and 22 percent in the 1990s to around 4 percent in the 2000s and 3.5 percent in the 2010s.

The 2020s have seen inflation rise again, averaging above 5 percent so far, as the pandemic and energy shocks interrupted two decades of low and stable prices, though rates remain far below the extremes of the 1990s, across economies our [largest economies](#) coverage covers.

The renewed rise of the 2020s, though far milder than the 1990s, was enough to end two decades of unusually calm prices and to force central banks back into action. Even at above 5 percent, the 2020s average remains a fraction of the 1990s figure, a sign of how much more resilient the global fight against inflation has become.

Advanced vs Emerging

## Why Was the World Average So High?

The world average has long been pulled up by emerging and developing economies, where inflation has been far higher than in advanced ones. In the 1990s, developing economy inflation averaged well above 40 percent while advanced economies stayed near 3 percent.

The gap between advanced and emerging economy inflation, once enormous, is one of the clearest measures of how far poorer countries have come in achieving monetary stability. Developing economy inflation averaged well above 40 percent in the early 1990s against about 3 percent in advanced

economies, a gap that has since narrowed to a few percentage points.

The narrowing of the gap between advanced and emerging economy inflation over four decades is one of the most important and least noticed successes of the global economy.

The enormous gap between rich and poor economy inflation in the past, and its steady narrowing since, is a story of how monetary stability spread from a few countries to most of the world.

That gap has narrowed hugely as emerging economies tamed inflation, though it persists, with emerging economies still facing higher rates today, a divide our [BRICS economies](#) coverage frames through the largest of them.

Advanced vs Emerging Inflation, 1980-2031 (%)A narrowing gap.

Data:

Inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in average consumer prices, a world average. Values from 2026 onward are projections. Switch views with the toolbar.

**A narrowing gap:** emerging economy inflation averaged well above 40 percent in the early 1990s against about 3 percent in advanced economies, a gap that has since narrowed sharply.

Advanced economy inflation has been low and stable for most of the period since the mid-1990s, close to the 2 percent target most central banks aim for, apart from the sharp but brief spike of 2022 and 2023.

The long stability of advanced economy inflation, broken only briefly in 2022, is the anchor around which the whole world average has gradually fallen over the decades. That long stretch of low and stable advanced economy inflation, from the mid-1990s to 2021, was the anchor that gradually pulled the whole world average down toward single digits.

The 2022 Surge

## What Happened to Inflation in the 2020s?

After two decades near 3 to 4 percent, world inflation surged to about 8.6 percent in 2022, the highest since the 1990s, before easing to 6.7 percent in 2023 and 5.7 percent in 2024, then 4.1 percent in 2025 and about 4.7 percent in 2026.

The 2022 surge, the first major bout of high inflation in a generation, tested central banks that had grown used to fighting inflation that was too low rather than too high.

World average inflation rose from about 3.2 percent in 2020 to 4.7 percent in 2021, 8.6 percent in 2022 and then eased to 6.7 percent in 2023 and 5.7 percent in 2024, before ticking up to about 4.7 percent in 2026.

The return of high inflation in 2022, after almost thirty years of steady decline, came as a shock to a generation of policymakers and households that had never known it. The 2020s spike, though modest by historical standards, marked the end of an unusually long period of calm and forced a generation of policymakers to relearn old lessons.

The 2022 surge was driven by pandemic supply shocks and the energy crisis after the invasion of Ukraine, pushing up fuel prices worldwide, as our [gas prices](#) coverage tracks, in a shock felt across almost every economy.

The speed of the 2022 rise, after years of inflation running below target in many economies, caught central banks off guard and forced an abrupt shift in policy across the world.

World Inflation, 2019-2031: Rate and Advanced (%) Bars world, line advanced.

Data:

Inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in average consumer prices, a world average. Values from 2026 onward are projections. Switch views with the toolbar.

**Bars world, line advanced:** world inflation spiked to about 8.6 percent in 2022, far above the steady advanced economy rate, before easing back toward target.

Unlike the 1990s, when high inflation was concentrated in a few crisis economies, the 2022 spike was broad-based and global, which is why it prompted the sharpest round of interest rate rises in decades, a response our [inflation in the UK](#) coverage tracks across the major economies.

The breadth of the 2022 shock, hitting almost every economy at once, is what made it so politically potent, even though its scale was modest by historical standards.

Highest Years

## Which Years Had the Highest Inflation?

The highest years for world average inflation were 1992 at nearly 37 percent, 1993 at about 35 percent, and 1991 and 1994 above 31 percent. All fell within the hyperinflation era of the early 1990s.

The peak years of the early 1990s stand apart in the whole period, episodes of monetary breakdown rather than the more familiar inflation of recent decades. The five highest years for world average inflation, 1992, 1993, 1991, 1994 and 1990, all fell within the hyperinflation era, with rates from about 26 to nearly 37 percent.

The five worst years all fell between 1990 and 1994, a concentrated burst of hyperinflation that pushed the world average far above anything seen before or since.

These peaks dwarf even the 2022 spike of about 8.6 percent, a reminder that the inflation of recent years, though painful, was mild by the standards of the worst episodes of the late twentieth century.

Highest Years for World Inflation (%) The 1990s dominate.

Data:

Inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in average consumer prices, a world average. Values from 2026 onward are projections. Switch views with the toolbar.

**The 1990s dominate:** the highest years for world average inflation were 1992, 1993, 1991, 1994 and 1990, all above 26 percent, within the hyperinflation era.

The rapid fall from these peaks, from nearly 37 percent to single digits within a few years, shows how quickly inflation can come down once the underlying causes, usually loose money and weak currencies, are addressed.

The lesson of the early 1990s, that even near-hyperinflation can be tamed within a few years, offered hope to every economy that has faced runaway prices since.

Peaks Compared

## How Do the 1990s and 2022 Compare?

The two great inflation episodes of the period, the 1990s and 2022, were very different. The 1990s peak was far higher but concentrated in crisis economies, while the 2022 spike was smaller but truly global in reach.

Comparing the 1990s and 2022 episodes shows how different two bouts of high inflation can be, in scale, cause, breadth and how long they take to fade. The 1990s peak reached nearly 37 percent but was concentrated in crisis economies, while the 2022 spike of about 8.6 percent was far smaller but hit almost every country at once.

No two inflations are alike, and the contrast between the 1990s and 2022 is a lesson in how scale, cause and breadth all shape how a bout of rising prices unfolds.

Setting the two great inflations of the period side by side, the 1990s and the 2020s, reveals how differently the same broad phenomenon, rising prices, can behave in scale and cause.

The 1990s inflation was driven mainly by monetary collapse and currency crises, while the 2022 surge was driven by supply shocks and energy, a contrast our [global economy](#) coverage sets alongside the wider forces at work.

1990s vs 2022 Inflation Compared (index, 0-100)Two very different shocks.

Data:

Inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in average consumer prices, a world average. Values from 2026 onward are projections. Switch views with the toolbar.

**Two very different shocks:** the 1990s peak was far higher but concentrated in crisis economies, while the 2022 spike was smaller but global and faster to fade.

The 2022 episode also faded far faster, brought down within two to three years by aggressive interest rate rises, whereas the high inflation of the 1990s took most of the decade to unwind across the affected economies.

The far faster resolution of the 2022 episode, compared with the drawn-out 1990s, reflects both better policy tools and the different nature of the two shocks.

Volatility

## Has Inflation Become More Stable?

Inflation has become not only lower but more stable over time. The 1990s combined very high average rates with extreme volatility, while the 2000s and 2010s were both low and steady, before the renewed volatility of the 2020s.

The move to low and stable inflation after the 1990s underpinned a long period of steadier growth, until the shocks of the 2020s brought volatility back. Stability, not just a low average, is what households and businesses value most, and the long move toward steady prices after the 1990s was as important as the fall in the rate itself.

The shift from volatile to stable inflation, and the partial return of volatility in the 2020s, matters as much for households and businesses as the level of the rate itself.

The move to low and stable inflation after the 1990s was one of the great achievements of modern economic policy, underpinning a long period of steadier growth, as our [world growth](#) coverage tracks across the same decades.

The calm of the 2000s and 2010s, low inflation combined with low volatility, was in many ways the reward for the hard-won victories over inflation in the preceding decades.

Inflation by Decade: Average vs VolatilityBubble size shows the peak.

Data:

Inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in average consumer prices, a world average. Values from 2026 onward are projections. Switch views with the toolbar.

**Bubble size shows the peak:** the 1990s combined a very high average with extreme volatility, while the 2000s and 2010s were low and steady. Position shows average against volatility.

The renewed volatility of the 2020s, with inflation spiking and then falling sharply, has tested that stability, though rates remain far more contained than in the turbulent decades of the late twentieth century.



Whether the calm of the 2000s and 2010s returns, or the volatility of the 2020s persists, is one of the central questions for the world economy in the years ahead.

Forecast

## Will Inflation Keep Falling?

World average inflation is projected to ease from about 4.7 percent in 2026 to 3.9 percent in 2027 and toward 3.2 percent by 2031, assuming energy and food prices stabilise and central banks hold policy tight enough.

The outlook for world inflation, easing but still above pre-pandemic levels, will shape interest rates, growth and living standards for the rest of the decade. World average inflation is projected at about 4.7 percent in 2026, easing to 3.9 percent in 2027, 3.6 percent in 2028 and toward 3.2 percent by 2031, assuming energy and food prices stabilise.

The central forecast, a slow settling toward the low rates of the pre-pandemic years, rests on assumptions about energy prices and central bank resolve that the 2026 rise has already tested. The path ahead, a gradual settling toward the low rates of the pre-pandemic years, depends on energy prices and the resolve of central banks, both of which remain uncertain.

The outlook is for a gradual return toward the low rates of the pre-pandemic years, though the renewed rise in 2026 shows how energy prices and conflict can still knock inflation off course, a risk our [Federal Reserve](#) coverage tracks.

World Inflation Forecast to 2031 (%)Easing again.

Data:

Inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in average consumer prices, a world average. Values from 2026 onward are projections. Switch views with the toolbar.

**Easing again:** world average inflation is projected to ease from about 4.7 percent in 2026 to 3.9 percent in 2027 and toward 3.2 percent by 2031.

The central expectation is that the world settles at inflation a little above pre-pandemic levels, lower than the 2020s spike but not back to the very low rates of the 2010s, leaving prices permanently higher than



before.

A world of low but slightly elevated inflation, rather than a return to the very low rates of the 2010s, is the most likely outcome, leaving prices permanently higher than before the pandemic.

## Key Facts

## World Inflation in Numbers

A few figures capture the picture. World average inflation stood at about 4.1 percent in 2025, down from nearly 37 percent at its 1992 peak and about 17 percent in 1980, and is forecast to reach about 3.2 percent by 2031.

These figures together capture the taming of inflation over 45 years, one of the quiet successes of modern economic policy. These figures matter because inflation is not an abstract number but the force that determines how far wages stretch and how much savings are worth for billions of people.

Set against the long history, the inflation of the 2020s looks less like a return to the bad old days and more like a sharp but temporary interruption to a long era of stability.

These figures matter because they show one of the great economic successes of the modern era, the taming of inflation, a picture our [richest countries](#) coverage sets alongside the rise in global living standards.

World Inflation Milestones (%)Peak to pause.

Data:

Inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in average consumer prices, a world average. Values from 2026 onward are projections.Switch views with the toolbar.

**Peak to pause:** world inflation fell from its 1992 peak near 37 percent to about 4.1 percent in 2025, with the 2022 spike a brief interruption.

4.7%2026 rateWorld average.36.9%1992 peakHyperinflation.17%1980Starting point.3.2%2031Forecast.

Together they describe a world that moved from the near-hyperinflation of the early 1990s to low and stable prices, interrupted but not undone by the spike of the 2020s, but far better placed to keep prices



stable than at almost any point in the past half century.

For now, world inflation stands far below its historic peaks but a little above the very low rates of the 2010s, with the 2020s spike a reminder of how fragile stability can be.

Big Picture

## World Inflation History: The Big Picture

Taken together, the average inflation rate worldwide from 1980 to 2031 tells a story of remarkable progress, from nearly 37 percent to single digits, driven by better monetary policy and sounder public finances across the world.

The scale of the fall, from nearly 37 percent to about 4 percent, is hard to overstate, and represents one of the most important economic shifts of the past half century.

Inflation by Group, 1990s vs 2020s (%)A generational fall.

Data:

Inflation data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are annual percent change in average consumer prices, a world average. Values from 2026 onward are projections. Switch views with the toolbar.

**A generational fall:** average inflation for the world, advanced and emerging economies is far lower in the 2020s than in the turbulent 1990s.

The spike of the 2020s was a reminder that price stability must be defended, not taken for granted, but the long view shows a world far closer to stable prices than at almost any point in the past half century, a story our [cost of living](#) and [US inflation](#) coverage continues.

FAQ

## Frequently Asked Questions: World Inflation History

About 4.7 percent in 2026, up from 4.1 percent in 2025 and far below the near-37 percent peak of 1992. It is forecast to ease to about 3.2 percent by 2031.

In the early 1990s, peaking at nearly 37 percent in 1992 during hyperinflation in the former Soviet bloc and parts of Latin America, staying above 30 percent from 1991 to 1994.

The collapse of the Soviet Union and the currency crises that followed, plus chronic hyperinflation in several large emerging economies, drove the world average to extreme levels.

The 2022 spike of about 8.6 percent was far smaller than the near-37 percent peak of 1992, but it was broad-based and global rather than concentrated in a few crisis economies.

Yes, hugely. The average fell from about 22 percent in the 1990s to around 4 percent in the 2000s, driven by independent central banks, inflation targets and sounder public finances.

Emerging and developing economies have long had far higher inflation, averaging well above 40 percent in the 1990s, while advanced economies stayed near 3 percent. The gap has since narrowed.

Pandemic supply shocks and the energy crisis after the invasion of Ukraine, which pushed up fuel and food prices worldwide in a broad-based, global shock.

Yes. After rising to about 4.7 percent in 2026, world inflation is projected to ease to 3.9 percent in 2027 and toward 3.2 percent by 2031, assuming prices stabilise.

Because it is pulled up by high-inflation economies. Episodes of hyperinflation in a few large countries can lift the world average far above the rate in most economies.

From the IMF World Economic Outlook. Figures are the annual percent change in average consumer prices, a world average, with values from 2026 onward being projections.

#### Sources

IMF World Economic Outlook - Source for average world inflation and country-group rates from 1980 to 2031.

IMF and national statistics offices - Historical inflation data compiled by BusinessStats.

IMF World Economic Outlook - Publishes average world inflation estimates and projections.

Figures show the average inflation rate worldwide from 1980 to 2031, as annual percent change in average consumer prices, based on IMF data. World inflation peaked at nearly 37 percent in 1992, eased to about 4.7 percent in 2026, and is forecast to reach about 3.2 percent by 2031. Values from 2026 onward are projections. This is data journalism, not investment advice.

## STATISTICS REPORT

# Food inflation statistics & facts

 Updated Sep 30, 2026 · [businessstats.com/food-inflation-statistics](https://businessstats.com/food-inflation-statistics)

|                                    |                                   |                                             |
|------------------------------------|-----------------------------------|---------------------------------------------|
| <b>133.3</b><br>FAO INDEX AUG 2026 | <b>+2.5%</b><br>GLOBAL PRICES YOY | <b>33.8%</b><br>TURKEY FOOD INFLATION       |
| <b>2.7%</b><br>US FOOD INFLATION   | <b>1.3%</b><br>UK FOOD INFLATION  | <b>45%</b><br>LOW-INCOME COUNTRIES ABOVE 5% |

## Overview

## What is food inflation?

Food inflation is the rate at which the prices people pay for food rise over time. It is usually measured as the annual change in the food component of a consumer price index, comparing prices in one month with the same month a year earlier. Economists often split it into food at home, meaning groceries bought in shops, and food away from home, meaning meals in restaurants, cafes and canteens. At the global level, the Food and Agriculture Organization of the United Nations (FAO) tracks the international prices of key traded food commodities through its Food Price Index.

Food inflation matters more than almost any other price. Food is a necessity that people cannot easily cut back on, and it takes a much bigger share of spending for poorer households. In the United States, households spent 9.7 percent of disposable income on food in 2025, but lower-income households spent 33 percent of their before-tax income on food, compared with 6.4 percent for upper-income households, according to the US Department of Agriculture. In low-income countries such as Nigeria, food accounts for close to 60 percent of household spending. When food prices rise quickly, hunger and poverty rise with them, and governments often face political pressure.

The past five years have seen the biggest food price shock in decades. Global food prices climbed to a record in March 2022 after the Russian invasion of Ukraine disrupted exports of grain and sunflower oil, and consumer food inflation reached its highest level in 40 years or more in many countries in 2022 and 2023. Since then, food inflation has eased in most rich economies. But in 2026 world food commodity prices are rising again: the FAO Food Price Index reached 133.3 points in August 2026, its highest level

since late 2022, driven by sugar, cereals and vegetable oils. This report sets out the latest data on global food prices, food inflation by country, the drivers behind it and what it means for households.

133.3FAO Food Price IndexAugust 2026, highest since 2022.+2.5%Global food prices, year on yearAugust 2026, FAO.45%Low-income countries with food inflation above 5%World Bank, June 2026.2.9%US food price forecast2026, USDA. Global Prices

## Global food prices: the FAO Food Price Index

The FAO Food Price Index measures the monthly change in international prices of a basket of food commodities, covering cereals, vegetable oils, dairy, meat and sugar, weighted by their share of world exports. It is expressed as an index with the average of 2014 to 2016 set at 100. Because it tracks prices on world markets rather than in shops, it tends to move before consumer food inflation, which also reflects costs such as processing, transport, packaging, labour and retail margins.

FAO Food Price Index, Annual Average, 2014 to 2025 (2014-2016 = 100)Annual average of the FAO Food Price Index.

Data:

Food and Agriculture Organization of the United Nations, FAO Food Price Index. Compiled by BusinessStats.Switch to the table for exact figures.

**From a record to a new rise:** the FAO Food Price Index averaged a record 144.5 points in 2022, eased to 122.0 in 2024 and rose again to 127.2 in 2025.

For several years before the pandemic, global food prices were relatively stable, with the index averaging between about 92 and 98 points from 2015 to 2020. Prices then surged. The index averaged 125.7 points in 2021 as demand recovered from the pandemic and supply chains struggled, a period covered in our report [on the impact of the coronavirus pandemic on the global economy](#), and a record 144.5 points in 2022, when the war in Ukraine pushed up prices of wheat, maize and vegetable oils. The index peaked at 160.2 points in March 2022, the highest level since records began in 1990.

Prices then fell back to an average of 124.5 points in 2023 and 122.0 in 2024, before rising 4.3 percent to 127.2 points in 2025, driven by higher prices for vegetable oils, dairy and meat. In August 2026, the index stood at 133.3 points, up 1.9 percent from July and 2.5 percent from a year earlier, although still 16.8 percent below its March 2022 peak.

## Commodities

## Which food commodities are driving prices

Different foods have moved in very different directions. In 2025, vegetable oil prices averaged 161.6 points, up 17.1 percent from 2024, because of tight supplies of palm, soy, sunflower and rapeseed oil and strong demand for biofuels. Dairy prices rose 13.2 percent to 146.9 points, and meat prices 5.1 percent to 123.2 points, a record high driven largely by beef. In contrast, cereal prices fell 4.9 percent to 107.9 points thanks to good harvests, and sugar prices dropped 17.0 percent to 104.3 points as global supply improved.

FAO Food Price Sub-Indices, Annual Average, 2024 vs 2025 Annual average of each FAO commodity price index (2014-2016 = 100).

Data:

Food and Agriculture Organization of the United Nations, January 2026. Compiled by BusinessStats. Switch to the table for exact figures.

**Oils and dairy up, cereals and sugar down:** vegetable oil prices rose 17 percent in 2025 and dairy prices 13 percent, while sugar fell 17 percent and cereals 5 percent.

The picture has shifted again in 2026. In August 2026, the FAO sugar index jumped 11.9 percent in a single month to 106.4 points, its highest since June 2025, on concerns about hot, dry weather in Europe and Asia and lower production in Brazil. Cereal prices rose 2.2 percent to 116.3 points, the highest since May 2024, as wheat was supported by disruptions to Black Sea exports and weather concerns; international wheat prices were 15.0 percent higher than a year earlier. The vegetable oil index reached 196.9 points, its highest since June 2022, while dairy rose 2.3 percent to 119.2 points and meat 1.0 percent to 127.9 points.

### Key Drivers of Food Prices in 2026

- **Weather:** heat and drought in Europe and Asia and lower sugar output in Brazil pushed sugar prices up 11.9 percent in August 2026.
- **Black Sea disruption:** ongoing disruptions to export logistics lifted wheat prices 15 percent year on year.
- **Energy and fertiliser:** fertiliser prices were about 35 percent higher in the first five months of 2026 than a year earlier, according to the World Bank.
- **Vegetable oils:** tight supply and biofuel demand kept vegetable oil prices at their highest since mid 2022.



- **El Nino risk:** the World Bank warned of a 61 to 87 percent probability of El Nino emerging by mid 2026, a threat to rice output in South Asia and southern Africa.

By Country

## Food inflation by country

Consumer food inflation varies enormously from country to country, reflecting local harvests, exchange rates, energy costs and economic policy. In August 2026, the highest rates among major economies were in Turkey, where food and non-alcoholic beverage prices were 33.8 percent higher than a year earlier, and Nigeria, where food inflation was 19.6 percent. Both countries have experienced sharp falls in their currencies, which raise the cost of imported food, fuel and fertiliser. See our ranking of [the countries with the highest inflation rates](#) for the wider context.

Annual Food Inflation in Selected Economies, August 2026 (%)Year-on-year change in consumer food prices in August 2026.

Data:

TurkStat, National Bureau of Statistics of Nigeria, Ministry of Statistics and Programme Implementation (India), IBGE, Statistics Bureau of Japan, US Bureau of Labor Statistics, ONS, Eurostat and National Bureau of Statistics of China.

Note:

the euro area figure covers food, alcohol and tobacco. Compiled by BusinessStats.Switch to the table for exact figures.

**From 34 percent to deflation:** food prices rose 33.8 percent in Turkey and 19.6 percent in Nigeria in the year to August 2026, but fell 1.4 percent in China.

India recorded food inflation of 5.95 percent in August 2026, above its headline inflation rate of 4.82 percent, with rural households facing higher food inflation, at 6.13 percent, than urban households, at 5.64 percent. Brazil had food inflation of 3.5 percent and Japan 3.1 percent, the lowest in Japan since July 2024, helped by a 15.7 percent fall in rice prices after a record surge in 2025.

In the rich economies of North America and Europe, food inflation has fallen to low levels. It was 2.7 percent in the United States, 1.3 percent in the United Kingdom, the lowest since September 2021, and 1.1 percent for food, alcohol and tobacco in the euro area. In China, food prices fell 1.4 percent, with pork

prices down 11.8 percent, although egg prices rose 15.0 percent and beef 5.3 percent. More detail on general inflation is available in our data on [inflation rates in selected countries](#) and [monthly inflation in developed and emerging economies](#).

## Developing Countries

### Food inflation in developing countries

High food inflation remains widespread in poorer countries. The World Bank, in its Food Security Update of June 2026, reported that 45.0 percent of low-income countries had food inflation above 5 percent, along with 36.7 percent of lower-middle-income countries and 29.8 percent of upper-middle-income countries. Among high-income countries, only 5.1 percent had food inflation above that level.

Share of Countries With Food Inflation Above 5%, by Income Group, 2026 (%) Share of countries in each income group with annual food inflation above 5 percent.

Data:

World Bank, Food Security Update, June 2026. Compiled by BusinessStats. [Switch to the table for exact figures.](#)

**The poorer the country, the higher the food inflation:** 45 percent of low-income countries had food inflation above 5 percent in 2026, compared with 5 percent of high-income countries.

The World Bank also measures real food inflation, which compares food price growth with overall inflation. In about 14 percent of the 169 countries it analysed, food prices were rising faster than prices in general, with lower-middle-income countries most affected. Because food makes up such a large share of spending in these countries, even moderate food inflation can push millions of people into food insecurity. The World Bank warned in 2026 that fertiliser prices had risen about 35 percent in the first five months of the year, and that a possible El Nino event could cut rice output in vulnerable regions, adding to risks for 2027.

## United States

### Food inflation in the United States

In the United States, food inflation peaked in 2022, when grocery prices rose 11.4 percent on average, the largest annual increase in more than four decades, according to the USDA Economic Research Service. Restaurant prices rose 7.6 percent. Food inflation then slowed: grocery prices rose 5.1 percent in 2023, 1.2 percent in 2024 and 2.3 percent in 2025, below the 20-year average of 2.6 percent. Restaurant prices

have risen faster, by 7.1 percent in 2023, 4.1 percent in 2024 and 3.8 percent in 2025, because labour and rent make up a larger share of their costs. Our data on [the monthly US inflation rate](#) covers the wider picture.

US Food Price Inflation, Food at Home vs Away From Home, 2022 to 2026 (%)Annual average change in consumer prices.

Data:

USDA Economic Research Service, Food Price Outlook, September 2026.

Note:

2026 is a forecast. Compiled by BusinessStats.Switch to the table for exact figures.

**Grocery inflation has cooled, restaurants stay higher:** US grocery prices rose 11.4 percent in 2022 but are forecast to rise 2.4 percent in 2026, while restaurant prices are expected to rise 3.5 percent.

The USDA forecasts that all food prices will rise 2.9 percent in 2026, with a prediction interval of 2.5 to 3.2 percent. Grocery prices are expected to rise 2.4 percent and restaurant prices 3.5 percent, and all food prices are projected to rise 2.0 percent in 2027. In August 2026, the Bureau of Labor Statistics reported that food prices were 2.7 percent higher than a year earlier, with food at home up 2.2 percent and food away from home up 3.4 percent, against overall inflation of 3.4 percent driven by a 16.3 percent jump in energy prices.

US Categories

## US food prices by category

Average food inflation hides large swings in individual products. In 2025, egg prices rose 21.9 percent in the United States because of outbreaks of avian influenza, which forced farmers to cull millions of laying hens, and beef and veal prices rose 11.6 percent as the national cattle herd fell to its lowest level in decades. Sugar and sweets rose 5.1 percent and nonalcoholic beverages, including coffee, 3.8 percent, while fresh vegetables fell 0.4 percent and fats and oils 0.8 percent.

US Food Price Changes by Category, 2025 Actual vs 2026 Forecast (%)Annual average change in consumer prices.

Data:

USDA Economic Research Service, Food Price Outlook, September 2026.



Note:

2026 figures are forecasts. Compiled by BusinessStats. Switch to the table for exact figures.

**Eggs swing from boom to bust:** egg prices rose 21.9 percent in 2025 but are forecast to fall 29.4 percent in 2026, while beef keeps climbing with a forecast rise of 9.4 percent.

For 2026, the USDA expects the picture to shift. Egg prices are forecast to fall 29.4 percent as flocks recover, while beef and veal prices are expected to rise another 9.4 percent. Fresh vegetables are forecast to rise 5.7 percent, sugar and sweets 6.6 percent and nonalcoholic beverages 4.2 percent, while dairy prices are expected to be almost unchanged, up 0.1 percent. For a sense of how food fits into overall household costs, see our data on [the US cost of living](#).

UK and Europe

## Food inflation in the UK and Europe

The United Kingdom suffered one of the sharpest food price shocks among rich countries. Annual food and non-alcoholic beverage inflation peaked at 19.2 percent in March 2023, the highest rate in more than 45 years, according to the Office for National Statistics. Over the two years to January 2024, food prices rose by about 25 percent, compared with just 9 percent over the whole previous decade. By August 2026, UK food inflation had fallen to 1.3 percent, the lowest since September 2021, helped by falling prices for chocolate as sugar and confectionery inflation dropped from 11.9 percent in October 2025 to 0.6 percent. Our data on [inflation in the UK](#) and [UK grocery market shares](#) give more context.

In the euro area, annual inflation for food, alcohol and tobacco was 1.1 percent in August 2026, according to Eurostat, down from a peak of more than 15 percent in early 2023. Unprocessed food prices rose 2.7 percent and processed food, alcohol and tobacco 0.5 percent. Headline euro area inflation, however, rose to 3.2 percent in August 2026, driven by energy. See our data on [inflation in Europe](#) and [monthly inflation in EU countries](#).

Food Inflation at Its Peak vs August 2026 (%) Annual food inflation at its post-pandemic peak and in August 2026.

Data:

ONS, US Bureau of Labor Statistics, Eurostat.

Note:

peaks were March 2023 in the UK and euro area and August 2022 in the US; US figures are food at home; euro area covers food, alcohol and tobacco. Compiled by BusinessStats. Switch to the table for exact figures.

**A dramatic cool-down:** UK food inflation fell from 19.2 percent in March 2023 to 1.3 percent in August 2026, and US grocery inflation from 13.5 percent to 2.2 percent.

Staple Foods

## Staple foods in focus: rice, wheat and cooking oil

Staple foods show how quickly local shocks can hit households. In Japan, a shortage of domestic rice after a poor harvest in 2023, combined with rising demand from tourists and weak government stock releases, caused retail rice prices to roughly double in 2025, prompting the government to release emergency reserves and allow more imports. By August 2026 the situation had reversed, with rice prices 15.7 percent lower than a year earlier, the steepest fall since 2005, helping to bring Japanese food inflation down to 3.1 percent.

Wheat and cooking oils matter most for poorer countries that import much of their food. Wheat prices surged in 2022 when the war in Ukraine blocked exports from two of the largest suppliers, and were again 15 percent higher than a year earlier in August 2026 because of renewed disruption to Black Sea shipping. Vegetable oils, used for cooking across Africa and Asia, reached their highest price since mid 2022 in August 2026. For countries such as Egypt, Nigeria and Pakistan, which depend on imported wheat and oil and have seen their currencies weaken, these increases translate directly into higher bread and cooking costs.

Causes

## What causes food inflation

Food prices are influenced by a long chain of costs, from the farm to the shop shelf. Understanding these drivers helps explain why food inflation can stay high even after commodity prices fall, and why it can differ so much between countries.

The Main Causes of Food Inflation

- **Commodity prices:** world prices of grains, oils, sugar, dairy and meat set the cost of raw ingredients.

- **Energy:** fuel and electricity costs affect farming, fertiliser production, processing, refrigeration and transport.
- **Weather and climate:** droughts, floods and heatwaves reduce harvests; climate change is making such shocks more frequent.
- **Animal disease:** outbreaks such as avian influenza and African swine fever cut supplies of eggs and pork.
- **Exchange rates:** a weaker currency raises the cost of imported food and farm inputs.
- **Labour and wages:** higher pay for farm, factory, transport and retail workers feeds into prices, especially for restaurant meals.
- **Trade policy and conflict:** export bans, tariffs and war, such as the disruption of Black Sea grain exports, reduce supply.

Energy is one of the most important links. The 2022 food shock was driven as much by soaring gas and electricity prices, which raised the cost of fertiliser, processing and transport, as by the war itself. In 2026, energy prices are rising again, up 16.3 percent in the United States and 14.3 percent in the euro area in August, which could feed through into food prices over the coming months. Our data on [energy prices in the EU](#) and [weekly crude oil prices](#) track these costs.

Households

## The impact on households

Food inflation hits poorer households hardest, because they spend a much larger share of their income on food and have less room to cut back. In the United States, lower-income households spent 33 percent of their before-tax income on food in 2024, compared with 6.4 percent for upper-income households, according to the USDA. In many low-income countries, food accounts for half or more of household budgets. When prices rise, families switch to cheaper brands, buy less meat and fresh produce, skip meals or rely on food banks, with lasting effects on nutrition and health.

The cost-of-living crisis of 2022 and 2023 showed how quickly food inflation can affect wellbeing. Even after food inflation fell, prices did not come down: they simply stopped rising as fast. In the United Kingdom, food prices were about 25 percent higher in early 2024 than two years earlier, and in the United States grocery prices were more than 20 percent higher in 2025 than in 2021. For many households, the level of food prices, not just the rate of inflation, remains the main concern, and whether wages keep pace

is covered in our report on [wages and salaries worldwide](#).

## Policy

### How governments respond

Governments use a range of tools to limit the impact of food inflation. Central banks raise interest rates to cool overall demand, although they have little direct influence over harvests or world commodity prices. Governments may cut sales taxes on basic foods, provide food vouchers or cash transfers to poorer households, release grain from public stocks or impose price controls. Some food-exporting countries restrict exports to keep domestic prices down, as India did with rice and wheat in recent years, though such measures can raise prices on world markets.

In the longer run, reducing food inflation depends on making food systems more resilient: investing in farm productivity and climate adaptation, diversifying supply chains and trading partners, maintaining open trade, reducing food waste and supporting early warning systems for crop failures and animal disease. International bodies such as the FAO and the World Bank monitor food prices closely and coordinate support for countries facing food crises.

## Outlook

### The outlook for food inflation

After falling for most of 2024 and 2025, food inflation risks are rising again in 2026. The FAO Food Price Index is at its highest level since 2022, driven by sugar, cereals and vegetable oils, and higher energy and fertiliser costs could push up food prices over the coming months. Weather is a major uncertainty, with the possibility of an El Nino event adding to risks for harvests in Asia and Africa in 2027.

In rich economies, consumer food inflation is currently low, and the USDA expects US food prices to rise 2.9 percent in 2026 and 2.0 percent in 2027. In many developing countries, however, food inflation remains high, with nearly half of low-income countries facing rates above 5 percent. For households everywhere, the key question is whether the new rise in world food commodity prices will feed through to shop shelves, and how quickly.

## Key Facts

## Food inflation in numbers

160.2 Record FAO index March 2022. 19.2% UK food inflation peak March 2023, highest in 45 years. 33.8% Turkey food inflation August 2026. -29.4% US egg price forecast 2026, USDA. FAQ

## Frequently Asked Questions

Food inflation is the annual rate at which consumer food prices rise, usually measured by the food component of the consumer price index. It covers groceries, known as food at home, and restaurant meals, known as food away from home.

The FAO Food Price Index was 133.3 points in August 2026, up 2.5 percent from a year earlier and its highest level since late 2022, but 16.8 percent below its March 2022 record of 160.2 points.

Among major economies in August 2026, Turkey had food inflation of 33.8 percent and Nigeria 19.6 percent. Food prices fell 1.4 percent in China.

US food prices were 2.7 percent higher in August 2026 than a year earlier, with groceries up 2.2 percent and restaurant meals up 3.4 percent. The USDA forecasts a 2.9 percent rise for 2026.

UK food and non-alcoholic beverage inflation was 1.3 percent in August 2026, the lowest since September 2021, down from a peak of 19.2 percent in March 2023.

World food prices are being pushed up by weather problems affecting sugar and wheat, disruption to Black Sea exports, high vegetable oil prices and higher energy and fertiliser costs.

In the US, beef and veal prices are forecast to rise 9.4 percent in 2026, sugar and sweets 6.6 percent and fresh vegetables 5.7 percent, while egg prices are expected to fall 29.4 percent.

Poorer households and low-income countries. Lower-income US households spend about a third of their income on food, and 45 percent of low-income countries had food inflation above 5 percent in 2026.

Food inflation peaked in most countries in 2022 and 2023. US grocery prices rose 11.4 percent in 2022, and UK food inflation reached 19.2 percent in March 2023, the highest in more than 45 years.

### Sources

[Food and Agriculture Organization](#) - FAO Food Price Index, September 2026 release.

[World Bank](#) - Food Security Update, June 2026.

[USDA Economic Research Service](#) - Food Price Outlook, September 2026.

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[National Bureau of Statistics of Nigeria](#) - Consumer Price Index, August 2026.

[TurkStat](#) - Consumer Price Index, August 2026.

[IBGE](#) - Consumer Price Index (IPCA), August 2026.

[Statistics Bureau of Japan](#) - Consumer Price Index, August 2026.

Country figures are year-on-year changes in consumer food prices and are not fully comparable because of differences in definitions. USDA figures for 2026 and 2027 are forecasts. All data compiled by BusinessStats.

## STATISTICS REPORT

# Countries with the lowest inflation rate in 2026

Updated Aug 16, 2026 · [businessstats.com/ranking-of-the-25-countries-with-the-lowest-inflation-rate](https://businessstats.com/ranking-of-the-25-countries-with-the-lowest-inflation-rate)

|                            |                            |                          |
|----------------------------|----------------------------|--------------------------|
| <b>-0.4%</b><br>COSTA RICA | <b>0.6%</b><br>SWITZERLAND | <b>0.7%</b><br>CHINA     |
| <b>1</b><br>IN DEFLATION   | <b>20</b><br>COUNTRIES     | <b>4.7%</b><br>WORLD AVG |

## Overview

### The 20 countries with the lowest inflation in 2026

Costa Rica has the lowest inflation rate in the world in 2026, and is the only country projected to see deflation, at about minus 0.4 percent. Switzerland and Liechtenstein follow at about 0.6 percent, then China and Thailand at 0.7 percent.

These are the calmest economies in a turbulent year, standing in stark contrast to the countries facing double-digit or even triple-digit inflation at the other extreme.

On IMF projections, Costa Rica has the lowest inflation in 2026 at about minus 0.4 percent, followed by Switzerland and Liechtenstein at 0.6 percent, China and Thailand at 0.7 percent, and a cluster of Caribbean and Gulf economies near 1 percent.

The countries at the bottom of the global inflation table in 2026 offer a striking counterpoint to the crisis economies at the top, where prices are rising by tens or hundreds of percent.

This overview lists the twenty countries with the lowest projected inflation in 2026, from Costa Rica in deflation to a cluster of small economies near 1 percent, and explains why each is so low.

Understanding which countries have the lowest inflation, and why, reveals as much about the global economy as the list of those with the highest, since price stability can spring from strength or weakness.

This overview lists the twenty countries with the lowest projected inflation in 2026, alongside how each changed from 2025, and explains why prices are so stable in each.

These are the calmest economies in a turbulent year, as our [regional inflation](#) and [inflation worldwide](#) coverage tracks, standing in sharp contrast to the countries facing double-digit or even triple-digit inflation.

20 Countries With the Lowest Inflation, 2026 (%)Costa Rica lowest, in deflation.

Data:

The 20 countries with the lowest inflation rate in 2026, compared to the previous year, annual percent change in consumer prices.

Note:

Based on IMF World Economic Outlook data. Some values are projections. Compiled by BusinessStats.Switch views with the toolbar.

**Costa Rica lowest, in deflation:** Costa Rica has the lowest inflation in 2026 at about minus 0.4 percent, the only country in deflation, ahead of Switzerland and Liechtenstein at 0.6 percent.

Low inflation here reflects strong currencies, weak demand or currencies pegged to the dollar, a mix our [central banks](#) coverage frames across very different economies, from wealthy Europe to the small islands of the Caribbean.

A note on the data. The figures show the 20 countries with the lowest inflation rate in 2026, compared to the previous year, as annual percent change in consumer prices, based on IMF World Economic Outlook projections. Some values are estimates.

The IMF projects inflation for around 190 economies in its World Economic Outlook, from Venezuela at the top to Costa Rica at the bottom, giving a full picture of the global spread.

Inflation measures the annual change in the cost of a typical basket of goods and services, so a negative rate, or deflation, means that basket is getting cheaper over the year.

At a Glance

## Countries With the Lowest Inflation Rate

20 Countries With the Lowest Inflation, 2026 vs 2025 (%)Click any column to sort

| RANK | COUNTRY    | 2026  | 2025 |
|------|------------|-------|------|
| 1    | Costa Rica | -0.4% | 0.8% |



|    |               |      |      |
|----|---------------|------|------|
| 2  | Switzerland   | 0.6% | 0.5% |
| 3  | Liechtenstein | 0.6% | 0.5% |
| 4  | China         | 0.7% | 0.4% |
| 5  | Thailand      | 0.7% | 0.6% |
| 6  | Panama        | 1.0% | 0.5% |
| 7  | Aruba         | 1.1% | 1.3% |
| 8  | Belize        | 1.2% | 1.4% |
| 9  | Grenada       | 1.2% | 1.5% |
| 10 | Saint Vincent | 1.3% | 1.6% |
| 11 | Bahamas       | 1.3% | 1.5% |
| 12 | Brunei        | 1.3% | 1.0% |
| 13 | Bahrain       | 1.4% | 1.0% |
| 14 | Oman          | 1.5% | 1.2% |
| 15 | Fiji          | 1.5% | 1.8% |
| 16 | Saudi Arabia  | 1.6% | 2.0% |
| 17 | Vanuatu       | 1.6% | 1.9% |
| 18 | Cabo Verde    | 1.7% | 1.5% |
| 19 | Morocco       | 1.8% | 1.2% |
| 20 | Kuwait        | 1.8% | 2.5% |

The table sets out the 20 countries with the lowest projected inflation in 2026, alongside their 2025 rate. It shows Costa Rica in deflation and a cluster of Caribbean, Gulf and small open economies with very low rates.

Deflation

## Which Country Is in Deflation in 2026?

Costa Rica is the only country projected to be in outright deflation in 2026, with prices falling about 0.4 percent. Its central bank does not expect inflation to return to its target range until the middle of 2027.

Costa Rica position as the world only deflating economy in 2026 makes it a rare case, since falling prices are far less common than rising ones even in a low-inflation world.

Costa Rica is projected to see prices fall about 0.4 percent in 2026, the only country in outright deflation, with its central bank not expecting a return to target until mid-2027.

Deflation, though rare, carries its own dangers, which is why Costa Rica status as the only deflating economy in 2026 is watched closely by its central bank and by economists.

Deflation is far rarer than inflation, so Costa Rica place as the only deflating economy of 2026 makes it a case study in the risks of prices that fall rather than rise.

Costa Rica central bank does not expect inflation to return to its target range until the middle of 2027, underlining how unusual and persistent its bout of deflation has proved. Falling prices may sound welcome to shoppers, but sustained deflation can weaken demand, cut business revenues and squeeze wages, which is why central banks treat it as a warning sign.

Deflation may sound good for shoppers, but sustained falling prices can weaken demand and squeeze business revenues and wages, a risk our [global economy](#) coverage frames when prices fall for too long.

The Lowest-Inflation Countries, 2026 (%)Costa Rica alone in deflation.

Data:

Low-inflation country data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the projected annual inflation rate for 2026. Some values are approximate. Switch views with the toolbar.

**Costa Rica alone in deflation:** only Costa Rica is projected to see falling prices in 2026, with Switzerland, Liechtenstein, China and Thailand just above zero.

China and Thailand sit just above deflation at about 0.7 percent, with China facing its fourth straight year of near-flat or falling factory and consumer prices, a very different problem from the high inflation seen elsewhere.

The difference between China near-deflation and Switzerland low inflation matters greatly, since one reflects economic weakness and the other economic strength, despite similar headline rates.

Where They Are

## Where Are the Low-Inflation Countries?

The lowest-inflation countries cluster in a few groups: small Caribbean economies, Gulf states with currencies pegged to the dollar, and a handful of European and Asian economies with strong currencies or weak demand. The clustering of low-inflation countries among small Caribbean, Gulf and strong-currency economies reveals the common routes to price stability in an otherwise inflationary world.

The lowest-inflation group includes Costa Rica, Switzerland, Liechtenstein, China and Thailand at the very bottom, followed by Panama, Aruba, Belize, Grenada, the Bahamas and other small economies near 1 percent. Dollar pegs, strong currencies and weak demand are the three main routes to the bottom of the inflation table, each represented among the twenty lowest-inflation countries of 2026.

The geography of low inflation in 2026, concentrated in the Caribbean, the Gulf and a few strong-currency economies, mirrors the different mechanisms that keep prices stable. The concentration of low-inflation countries in a few clusters, Caribbean, Gulf and strong-currency economies, points to the specific mechanisms that keep prices stable in an inflationary world.

Panama, Aruba, Belize, Grenada, the Bahamas and Saint Vincent are among the Caribbean economies whose dollar-linked currencies keep imported inflation low and stable.

The Caribbean economies, such as Panama, Aruba and Belize, benefit from dollar-linked currencies and imported price stability, a pattern our GDP per capita coverage frames across small open economies.

Where the Low-Inflation Countries AreBy group.

Data:

Low-inflation country data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the projected annual inflation rate for 2026. Some values are approximate.Switch views with the toolbar.

**By group:** the lowest-inflation countries cluster among small Caribbean economies, Gulf states with dollar pegs, and strong-currency or weak-demand economies in Europe and Asia.



The Gulf states keep inflation low by pegging their currencies to the dollar and subsidising key goods, while Switzerland relies on a strong franc that lowers import prices, showing how different routes can lead to the same low rates.

The reliance of Gulf and Caribbean economies on currency pegs means their low inflation is imported from the United States, leaving them exposed if the dollar or US prices shift.

Why So Low

## Why Do These Countries Have Low Inflation?

Countries reach low inflation by different routes. Switzerland has a strong currency that cuts import prices, China has weak demand and overcapacity, the Gulf states peg to the dollar, and small economies import stability from larger partners.

The very different routes to low inflation, from a strong franc to weak demand to a currency peg, mean the same low rate can signal very different things about an economy. Understanding why a country has low inflation, whether through strength or weakness, is essential to judging whether its low rate is something to envy or to worry about.

The different routes to low inflation matter because a low rate born of a strong economy, as in Switzerland, is very different from one born of weak demand, as in China. The clearest and healthiest route to low inflation is a strong currency, as in Switzerland, since it lowers import prices without the economic weakness that drives deflation elsewhere.

A strong currency is the clearest route to low inflation, as Switzerland shows, since it makes imports cheaper, a mechanism our [inflation in Europe](#) coverage frames against the higher rates elsewhere in Europe.

Routes to Low Inflation (index, 0-100) Strength or weakness.

Data:

Low-inflation country data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the projected annual inflation rate for 2026. Some values are approximate. Switch views with the toolbar.

**Strength or weakness:** countries reach low inflation through a strong currency, weak demand, a dollar peg or small-economy stability, shown on an indexed scale.

Weak demand is a less welcome route, as in China, where low inflation reflects a struggling economy rather than sound policy, a distinction that matters greatly for what low inflation means for a country and its people.

The distinction between low inflation from strength, as in Switzerland, and from weakness, as in China, is one of the most important in judging what a low rate really means.

Change from 2025

## Did Their Inflation Fall in 2026?

Most of the lowest-inflation countries saw inflation fall or stay flat between 2025 and 2026, bucking the global trend of rising prices. Costa Rica moved into deflation, while China and Thailand stayed near zero.

The fact that these economies stayed calm while most of the world saw inflation rise shows how powerfully a strong currency, weak demand or a peg can shield prices from global shocks.

World inflation rose to about 4.7 percent in 2026, yet these economies stayed calm, with Costa Rica in deflation and China and Thailand near 0.7 percent, far below the global average.

The steadiness of these economies through the 2026 energy shock, when most of the world saw prices rise, is one of the clearest signs of how currencies and demand shape inflation.

That these economies stayed calm while most of the world saw inflation rise in 2026 is a testament to the power of currencies, demand and pegs in shaping national price levels. Where the world average rose from about 4.1 to 4.7 percent between 2025 and 2026, these economies mostly fell or held flat, a striking divergence from the global trend.

While much of the world saw inflation rise in 2026 on higher energy and food prices, these economies stayed calm, insulated by strong currencies, weak demand or pegs, a divide our [developed and emerging inflation](#) coverage tracks.

Lowest-Inflation Countries, 2025 vs 2026 (%)Calm while the world rose.

Data:

Low-inflation country data compiled by BusinessStats from the IMF World Economic Outlook.



Note:

Figures are the projected annual inflation rate for 2026. Some values are approximate. Switch views with the toolbar.

**Calm while the world rose:** most of the lowest-inflation countries stayed flat or fell between 2025 and 2026, even as world inflation rose to about 4.7 percent.

The contrast with the wider world, where inflation rose to about 4.7 percent on average, shows how much a strong currency or weak demand can shield an economy from global price shocks, for better or worse.

The insulation of these economies from the 2026 energy and food shock, through strong currencies, weak demand or pegs, set them apart from the rising prices seen almost everywhere else.

Inflation and Income

## Are Low-Inflation Countries Wealthy?

The lowest-inflation countries span a wide range of incomes, from wealthy Switzerland to middle-income Caribbean and Gulf economies, showing that low inflation is not only a feature of rich countries. The spread of low-inflation countries across income levels, from wealthy Switzerland to middle-income island economies, shows that price stability is not the preserve of rich nations alone.

The presence of both wealthy and middle-income economies among the lowest-inflation countries shows that price stability is achievable across the income spectrum, by different means. That low inflation reaches from wealthy Switzerland to middle-income Caribbean and Gulf economies shows there is no single template for price stability, only a set of different routes to it.

Wealthy economies such as Switzerland pair low inflation with high incomes and strong currencies, a combination our richest countries and largest economies coverage frames against the wider world.

Low Inflation vs IncomeBubble size shows population.

Data:

Low-inflation country data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the projected annual inflation rate for 2026. Some values are approximate. Switch views with the toolbar.

**Bubble size shows population:** low-inflation countries range from wealthy Switzerland to middle-income island and Gulf economies. Position shows inflation against income.

Middle-income economies with low inflation, such as those in the Caribbean and Gulf, often rely on currency pegs or subsidies rather than strong domestic fundamentals, which can leave them exposed if those supports weaken. The dependence of many middle-income low-inflation economies on pegs or subsidies rather than strong fundamentals means their price stability can be more fragile than it appears.

Switzerland vs China

## What Do Switzerland and China Show?

China and Switzerland offer two very different stories of low inflation. Switzerland has kept prices stable through a strong franc for years, while China has slid toward deflation amid weak demand and industrial overcapacity.

The contrast between Switzerland and China, both with very low inflation for opposite reasons, is the clearest illustration of how the same headline rate can mean strength or weakness. China has faced near-deflation for a fourth straight year, at about 0.7 percent in 2026, while Switzerland has kept inflation near or below 1 percent for years through a strong franc.

The divergence between a strong, stable Switzerland and a weak, deflating China, both near the bottom of the inflation table, is one of the most instructive contrasts in the global economy.

The Switzerland and China comparison is among the most instructive in economics, since both sit near the bottom of the inflation table for reasons that could hardly be more different.

China near-flat prices, at about 0.7 percent in 2026, mark a fourth straight year of very low inflation, while Switzerland has held rates near or below 1 percent for even longer.

China near-deflation, its fourth year of very low prices, reflects weak domestic demand and excess capacity, and it has begun exporting that deflation abroad, a dynamic our [China economy](#) and [producer price index](#) coverage tracks.

Switzerland vs China Inflation (%) Bars Switzerland, line China.

Data:

Low-inflation country data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the projected annual inflation rate for 2026. Some values are approximate. Switch views with the toolbar.

**Bars Switzerland, line China:** Switzerland has kept inflation low through a strong franc, while China has slid toward deflation on weak demand, two very different stories.

Switzerland low inflation, by contrast, reflects a strong and stable economy with a powerful currency, showing that the same low headline rate can signal either economic strength or economic weakness depending on the country.

The lesson of China and Switzerland is that a low inflation rate is not automatically good news, since it can reflect either a healthy, stable economy or a weak and struggling one.

vs the World

## How Do They Compare to World Inflation?

The lowest-inflation countries stand far below the world average of about 4.7 percent in 2026. Where the typical economy faces rising prices, these countries enjoy near-total price stability or even falling prices.

The gap between these calm economies and the rest of the world, where inflation averaged about 4.7 percent in 2026, is one of the widest features of the global price map. The lowest-inflation countries sit far below the world average of about 4.7 percent in 2026, with the very lowest, Costa Rica, in deflation at minus 0.4 percent.

While most of the world battled inflation that rose again in 2026, these economies faced the rarer and in some cases equally tricky challenge of prices that were barely moving at all.

The distance between these calm economies and a world averaging about 4.7 percent inflation in 2026 is one of the widest and most telling features of the global price map. Where most economies faced inflation several points above target in 2026, these countries enjoyed near-total price stability, and in Costa Rica case prices that were actually falling.

The gap between these calm economies and the rest of the world, where our [global inflation and interest rates](#) coverage tracks rates several times higher, is one of the widest features of the 2026 price map.

Lowest Countries vs World Average (%)Far below the world.

Data:

Low-inflation country data compiled by BusinessStats from the IMF World Economic Outlook.



Note:

Figures are the projected annual inflation rate for 2026. Some values are approximate. Switch views with the toolbar.

**Far below the world:** the lowest-inflation countries sit well under the world average of about 4.7 percent in 2026, with Costa Rica in outright deflation.

For central banks in these countries, the challenge is often the opposite of that facing most of the world, since they must guard against inflation falling too low rather than rising too high, a rare position in the current climate.

The rare challenge facing central banks in these economies, guarding against inflation falling too low rather than rising too high, is the opposite of the problem facing most of the world.

Forecast

## Will They Stay Low?

Most of the lowest-inflation countries are expected to keep inflation low through 2027, though Costa Rica is projected to leave deflation and China to edge up slowly as it works to lift demand and curb overcapacity.

The outlook for the lowest-inflation countries, mostly stable but with Costa Rica leaving deflation and China edging up, will shape whether they keep their place at the bottom of the table. Whether these economies stay at the bottom of the inflation table will depend on currencies, demand and global prices, all of which can shift the calmest rates surprisingly quickly.

The outlook for the lowest-inflation countries depends on currencies, demand and global prices, any of which could lift even the calmest rates in the months and years ahead. China faces the hardest task among these economies, lifting prices back to a healthy level without reigniting the overcapacity that drove them down in the first place.

The outlook for these economies depends on currencies, demand and global prices, with a fresh energy shock or a shift in the dollar able to lift even the calmest rates, a risk our [cost of living](#) coverage frames.

Low-Inflation Outlook to 2028 (%) Mostly staying low.

Data:

Low-inflation country data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the projected annual inflation rate for 2026. Some values are approximate. Switch views with the toolbar.

**Mostly staying low:** most of the lowest-inflation countries are expected to keep inflation low through 2028, with Costa Rica leaving deflation and China edging up.

Switzerland and the Gulf states are likely to keep inflation low for the foreseeable future, while China faces the harder task of lifting prices back toward a healthy level without reigniting the overcapacity that drove them down.

Key Facts

## Lowest Inflation in Numbers

A few figures capture the picture. Costa Rica has the lowest inflation in 2026 at about minus 0.4 percent, the only country in deflation, followed by Switzerland and Liechtenstein at 0.6 percent and China and Thailand at 0.7 percent.

These figures together capture a small group of economies enjoying near-total price stability in a year when most of the world faced rising prices, for reasons both good and bad. These figures matter because they show that price stability, and even falling prices, remained possible in 2026, though often for reasons that were far from uniformly positive.

These figures together capture a small group of economies enjoying near-total price stability in a turbulent year, a rare position that carries its own risks as well as its rewards.

These figures matter because very low inflation, like very high inflation, brings its own risks, a picture our [UK inflation](#) coverage sets alongside the economies facing the opposite problem.

The Ten Lowest-Inflation Countries, 2026 (%)The very bottom.

Data:

Low-inflation country data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the projected annual inflation rate for 2026. Some values are approximate. Switch views with the toolbar.

**The very bottom:** Costa Rica, Switzerland, Liechtenstein, China and Thailand hold the five lowest inflation rates in 2026, all at or below 0.7 percent.

-0.4%Costa RicaOnly deflation.0.6%SwitzerlandStrong franc.0.7%ChinaNear deflation.4.7%WorldFar higher.

Together they describe a small group of economies enjoying near-total price stability in a year when most of the world saw inflation rise, whether through strength, as in Switzerland, or weakness, as in China.

For now, this small group of economies stands apart from a world where inflation, though down from its 2022 peak, rose again in 2026 across most countries and regions.

Big Picture

## Lowest Inflation 2026: The Big Picture

Taken together, the countries with the lowest inflation in 2026 show that price stability can spring from very different roots, from the strong franc of Switzerland to the weak demand of China and the dollar pegs of the Gulf and Caribbean.

The countries at the bottom of the inflation table in 2026 are as instructive as those at the top, showing that stable or falling prices can reflect very different economic conditions.

Lowest Countries in Global Context, 2026 (%)From deflation to the world average.

Data:

Low-inflation country data compiled by BusinessStats from the IMF World Economic Outlook.

Note:

Figures are the projected annual inflation rate for 2026. Some values are approximate.Switch views with the toolbar.

**From deflation to the world average:** the lowest-inflation countries sit far below the world average of 4.7 percent, with Costa Rica in deflation while emerging economies average 5.9 percent.

Whether these economies keep their low rates will depend on currencies, demand and global prices, but for now they stand as the calm exceptions in a turbulent year, a contrast our [highest-inflation countries](#) coverage completes at the other extreme.

## FAQ

## Frequently Asked Questions: Lowest Inflation

Costa Rica, at about minus 0.4 percent, the only country projected to be in deflation. Switzerland and Liechtenstein follow at 0.6 percent, then China and Thailand at 0.7 percent.

Costa Rica is the only country projected to see outright deflation in 2026, with prices falling about 0.4 percent. China and Thailand sit just above deflation at about 0.7 percent.

A strong Swiss franc lowers the cost of imports, keeping prices stable. Switzerland has kept inflation near or below 1 percent for years, among the lowest in the world.

Weak domestic demand and industrial overcapacity have kept Chinese prices near flat for a fourth straight year, at about 0.7 percent, a very different problem from high inflation.

Not always. Very low inflation or deflation can weaken demand and squeeze wages and business revenues, so central banks aim for low but positive inflation, usually around 2 percent.

Gulf states peg their currencies to the US dollar and subsidise key goods, which keeps inflation low and stable, often near or below 2 percent.

They sit far below the world average of about 4.7 percent in 2026. Where most economies faced rising prices, these countries enjoyed near-total price stability or falling prices.

Most stayed flat or fell, bucking the global trend of rising prices. Costa Rica moved into deflation, while China and Thailand stayed near zero as much of the world rose.

No. They range from wealthy Switzerland to middle-income Caribbean and Gulf economies, many of which rely on currency pegs or subsidies rather than strong domestic fundamentals.

From the IMF World Economic Outlook, which projects inflation for around 190 economies. Figures are the projected annual rate for 2026, with some values estimated.

### Sources

IMF World Economic Outlook - Source for the 20 countries with the lowest inflation rate in 2026, compared to the previous year.

IMF and national statistics offices - Inflation data compiled by BusinessStats.

[IMF World Economic Outlook](#) - Publishes inflation projections for around 190 economies.



Figures show the 20 countries with the lowest inflation rate in 2026, compared to the previous year, as annual percent change in consumer prices, based on IMF World Economic Outlook projections. Costa Rica is the only country in deflation, at about minus 0.4 percent, followed by Switzerland and Liechtenstein at 0.6 percent. Some values are estimates. This is data journalism, not investment advice.

## STATISTICS REPORT

# Monthly inflation rates in developed and emerging countries 2021-2026

Updated Aug 15, 2026 · [businessstats.com/monthly-inflation-rates-developed-emerging-countries](https://businessstats.com/monthly-inflation-rates-developed-emerging-countries)

|                               |                              |                               |
|-------------------------------|------------------------------|-------------------------------|
| <b>7.7%</b><br>DEVELOPED PEAK | <b>9.9%</b><br>EMERGING PEAK | <b>2.7%</b><br>DEVELOPED 2026 |
| <b>5.9%</b><br>EMERGING 2026  | <b>2022</b><br>PEAK YEAR     | <b>67</b><br>MONTHS TRACKED   |

## Overview

### Monthly inflation in developed and emerging countries, 2021 to 2026

Inflation in developed economies rose from about 1 percent in early 2021 to a peak near 7.7 percent in late 2022, then eased back toward 2.7 percent by mid 2026. Emerging economies ran higher throughout, peaking close to 10 percent.

This overview tracks monthly consumer price inflation, measured against the same month a year earlier, for developed and emerging economies from January 2021 to July 2026. It shows the surge, the peak and the long decline that followed. For the country detail, our [ranking of the 25 countries with the highest inflation rate](#) sets out where prices rose fastest.

The two groups moved together in direction but not in level. Developed economies saw inflation climb and fall more sharply around the 2022 peak, while emerging economies stayed elevated for longer, keeping a persistent gap between the two.

Few economic stories of the decade have mattered more. The rise in prices after the pandemic and the invasion of Ukraine reshaped interest rates, wages and living standards across rich and developing economies alike, as our [inflation worldwide](#) and [global inflation](#) coverage tracks.

The monthly view captures turning points that annual averages miss. It shows exactly when inflation peaked in each group, how quickly it fell, and how far apart developed and emerging economies remained through the recovery, a picture our [global economy](#) hub sets in context.

Monthly Inflation: Developed vs Emerging, 2021-2026 (%) Year over year, monthly.

Data:

Monthly consumer price inflation in developed and emerging economies from January 2021 to July 2026, year over year, compiled by BusinessStats from IMF World Economic Outlook annual data and OECD monthly consumer price releases.

Verified anchors (OECD):

OECD area inflation peaked at 10.3 percent in June 2022, the highest since 1988; Group of Seven inflation was 2.6 percent in November 2024 and 2.8 percent in December 2024; OECD area inflation was 3.3 percent in January 2026.

Note:

Months between published readings are interpolated to fit these anchors and the IMF annual averages. Switch views with the toolbar.

**Year over year, monthly:** developed inflation peaked near 7.7 percent in late 2022, while emerging inflation peaked close to 10 percent and stayed higher for longer.

The chart makes the shared shock clear. Both groups saw inflation surge from 2021, peak in 2022 and fall through 2023 and 2024, but emerging economies settled at a higher level, near 6 percent, against about 2.7 percent for developed economies.

A note on the data. The two lines follow the IMF annual averages for advanced and emerging economies, with the monthly path pinned to real OECD monthly readings, such as the OECD area peak of 10.3 percent in June 2022 and its fall to 3.3 percent by January 2026. Months between those published points are interpolated.

The distinction between developed and emerging economies is central to the story. Developed economies are the wealthy, industrialised nations, while emerging economies are the fast growing but lower income countries that make up a large and rising share of world output.

Because emerging economies now account for the majority of global growth, their inflation matters far beyond their borders. Higher prices there feed into global supply chains, commodity markets and the cost of goods that developed economies import every day.

Reading inflation month by month also reveals how expectations shifted. In 2021 many policymakers described the surge as temporary, only for it to prove far more stubborn, a misjudgement that shaped the

aggressive response that followed in 2022 and 2023.

Measuring inflation year over year, as this series does, has one important effect on how the chart reads. A high figure reflects the change over the previous twelve months, so sharp monthly jumps in prices can keep the annual rate elevated long after the initial shock has passed.

The choice of a monthly frequency is deliberate. Quarterly or annual data would blur the exact timing of the peak and the pace of the decline, both of which are central to understanding how developed and emerging economies responded to the same global forces.

Yearly Averages

## Developed and Emerging Inflation by Year

Annual Average Inflation, 2021-2026 (%)Click any column to sort

| YEAR | DEVELOPED | EMERGING | GAP (PP) |
|------|-----------|----------|----------|
| 2021 | 3.1%      | 5.9%     | 2.8      |
| 2022 | 7.3%      | 9.8%     | 2.5      |
| 2023 | 4.6%      | 8.3%     | 3.7      |
| 2024 | 2.6%      | 8.1%     | 5.5      |
| 2025 | 2.5%      | 5.5%     | 3.0      |
| 2026 | 2.6%      | 5.9%     | 3.3      |

The table shows the annual average inflation rate for each group from 2021 to 2026 and the gap between them. It highlights the 2022 peak, when both groups reached their highest rates, and the wide gap that opened in 2024.

The gap widened sharply in 2024, when developed inflation had returned close to target but emerging inflation stayed above 8 percent, before narrowing again as emerging economies cooled, as our [GDP per capita coverage frames](#) through income differences.

Annual averages are the figures most often quoted in headlines, but they can lag the turning points by months. A year that averages 7 percent may have started far higher and ended far lower, which is why the monthly series adds so much detail.



The 2024 row is the most striking. It shows developed inflation almost back to target while emerging inflation barely moved, the clearest sign that the two groups were on very different tracks even three years after the initial shock.

It is worth remembering that these group averages are weighted by the size of each economy. Larger economies count for more, so the developed figure leans heavily on the United States, the euro area and Japan, while the emerging figure reflects giants such as China and India.

The narrowing of the gap in 2025 and 2026 is the more hopeful signal in the table. It suggests the divergence of the middle years was a phase of the recovery rather than a permanent split, even if the two groups had not fully converged by the end of the period.

The Peak

## How High Did Inflation Peak?

Developed economy inflation peaked near 7.7 percent in late 2022, the highest in four decades, while emerging economy inflation peaked close to 10 percent. Global inflation as a whole peaked near 8.7 percent in the same period.

The peak marked the sharpest burst of inflation in a generation. It was driven by pandemic supply shocks, a rapid rebound in demand and the surge in energy and food prices that followed the invasion of Ukraine in early 2022.

For developed economies, a rate near 7.7 percent was a profound shock after years of inflation close to 2 percent. It forced the fastest round of interest rate rises in decades as central banks scrambled to bring prices under control.

Emerging economies were already used to higher and more volatile inflation, but a peak near 10 percent still strained budgets and currencies, hitting households that spend a large share of income on food and energy hardest.

Peak Monthly Inflation by Group, 2022 (%)The high point.

Data:

Approximate peak monthly inflation reached by each group during 2022, compiled by BusinessStats from IMF and OECD data.Switch views with the toolbar.

**The high point:** emerging economies peaked close to 10 percent in 2022, developed economies near 7.7 percent, with the global figure around 8.7 percent.

The peaks came at slightly different times, with many developed economies topping out in late 2022 and some emerging economies a little earlier, but the message was the same across the world, that inflation had reached levels not seen in a generation.

Comparing the peaks also shows how much starting conditions mattered. Developed economies entered the crisis with inflation near 2 percent, so the climb to nearly 8 percent was enormous, while emerging economies started higher and had less far to travel to double digits.

The speed of the ascent was as alarming as the level. In many developed economies, inflation went from around 2 percent to above 7 percent in little more than a year, one of the fastest accelerations recorded in the postwar era.

For central banks, the peak was the moment credibility was most at risk. Allowing inflation to stay near its high for too long threatened to unanchor the expectations that keep long run inflation stable, which is why the policy response was so forceful.

The peak also reset how the public thinks about inflation. After decades in which price rises barely registered as a concern in most developed economies, the surge of 2022 pushed the cost of living to the top of political and household worries almost everywhere.

Not every economy peaked at the same headline number. The figures shown here are group aggregates, and behind them lie wide ranges, from economies that barely crossed 5 percent to those where inflation ran well into the double digits at the height of the crisis.

The Gap

## How Wide Is the Gap Between Developed and Emerging?

The gap between emerging and developed inflation swung over the period. It was about 2 to 3 percentage points in 2021 and 2022, narrowed as both peaked together, then widened to more than 5 points in 2024 before closing again toward 3 points.

The gap is revealing because it shows how differently the two groups recovered. Developed economies brought inflation back toward target quickly, while emerging economies stayed elevated, so the gap between them grew even as the shock faded.

At its widest in 2024, the gap reflected developed inflation near 2.6 percent against emerging inflation above 8 percent. That divide meant very different pressures on interest rates, currencies and household budgets across the two groups.

The gap narrowed again through 2025 and 2026 as emerging inflation eased toward 6 percent, though it remained wider than before the pandemic, a sign that the two groups had not fully reconverged.

The Gap: Emerging Minus Developed (pp)A shifting divide.

Data:

Monthly difference between emerging and developed inflation, in percentage points, January 2021 to July 2026. Compiled by BusinessStats from IMF and OECD data. Switch views with the toolbar.

**A shifting divide:** the gap between emerging and developed inflation widened to more than 5 percentage points in 2024 before narrowing again toward 3 points.

The path of the gap is a reminder that a single global inflation figure hides very different experiences. Even as the world average fell, the distance between developed and emerging economies grew for a time before starting to close.

The widening gap in 2024 had real consequences for capital flows. As developed economies cut rates while emerging inflation stayed high, investors weighed currency risk carefully, and several emerging central banks kept policy tight to defend their exchange rates.

A persistent gap also reshapes trade and competitiveness. When one group of economies runs inflation several points above another for years, relative prices and wages drift apart, gradually altering which countries look cheap or expensive to trade with.

The gap is measured in percentage points rather than as a ratio, which keeps it easy to read against the two underlying lines. A gap of five points means emerging inflation was running five whole percentage points above the developed rate at that moment.

Tracking the gap over time is a useful discipline because it separates the common global shock from the local factors specific to each group. The shared surge lifted both lines together, while the diverging recovery is what opened and then slowly closed the gap.

Yearly Compared

## How Do the Annual Averages Compare?

On an annual average basis, developed economies ran at about 3.1 percent in 2021, 7.3 percent in 2022, 4.6 percent in 2023 and 2.6 percent in 2024. Emerging economies ran higher every year, from 5.9 percent in 2021 to 9.8 percent in 2022.

Comparing the yearly averages smooths out the monthly noise and shows the underlying story. Both groups surged in 2022, but emerging economies stayed far above developed ones through 2023 and 2024, keeping global inflation elevated.

By 2025, developed inflation had settled near 2.5 percent, close to the target most central banks aim for, while emerging inflation had fallen to about 5.5 percent, still more than double the developed rate.

The yearly view also frames how the largest economies shaped the totals, since a few big developed and emerging economies carry heavy weight in each aggregate, as our [largest economies](#) coverage sets out.

Annual Average Inflation by Group (%) Developed vs emerging.

Data:

Annual average inflation for developed and emerging economies, 2021-2026, based on IMF World Economic Outlook data. Compiled by BusinessStats. Switch views with the toolbar.

**Developed vs emerging:** both groups peaked in 2022, but emerging economies stayed far higher through 2023 and 2024 before easing.

The grouped bars show the persistence of emerging economy inflation. While developed economies returned close to target within two years of the peak, emerging economies took longer, keeping the world average above pre-pandemic norms.

The yearly figures also underline how uneven the recovery was within each group. A handful of large economies with well anchored expectations pulled the developed average down quickly, while crisis hit emerging economies kept the emerging average stubbornly high.

Looking across the six years, the single clearest message is persistence. Developed inflation spiked and faded within about three years, but emerging inflation stayed elevated for longer, a pattern with deep roots in currency strength and policy credibility.

The gap column in the table is a compact summary of divergence. It was modest in the surge years, widened sharply as developed economies recovered first, then began to close only as emerging



economies finally cooled in 2025 and 2026.

Annual averages remain the standard reference for economists comparing years, contracts and forecasts. They iron out seasonal noise and one off spikes, giving a cleaner sense of the underlying trend than any single month can provide on its own.

The contrast between 2022 and 2024 captures the whole episode in two rows. In 2022 both groups sat near their peaks, while by 2024 developed economies had returned close to target and only emerging economies kept the world average meaningfully elevated.

What Drove It

## What Drove the 2022 Surge?

The 2022 surge was driven by several forces at once. Sharled supply chains, a jump in energy prices, rising food costs, a rapid rebound in demand and broad underlying pressure on core prices all added to the peak near 7.7 percent in developed economies.

No single factor explains the surge. It was the combination of a pandemic recovery, supply disruptions and the energy shock after the invasion of Ukraine that pushed inflation to levels not seen since the early 1980s.

Energy was the most visible driver. The jump in oil and gas prices fed straight into fuel, heating and electricity bills, and then into the cost of almost every other good and service, as our [gas prices](#) coverage tracks.

Food prices added another layer, hit by higher energy and fertiliser costs and by disruption to grain exports. For many households, especially in emerging economies, food is the largest single item in the budget.

What Drove the 2022 Surge (pp, illustrative)Building to the peak.

Note:

An illustrative breakdown compiled by BusinessStats to show how different forces contributed to the developed economy inflation peak of about 7.7 percent in 2022. Individual contributions are estimates, not official figures.Switch views with the toolbar.

**Building to the peak:** supply chains, energy, food, demand and core pressure together lifted developed inflation to about 7.7 percent in 2022, on an illustrative breakdown.



Separating the temporary drivers, such as energy and supply chains, from the more lasting pressure on core prices was the central challenge for policymakers, since it shaped how far and how fast interest rates needed to rise.

The order in which the drivers arrived mattered as much as their size. Supply chain strains and rebounding demand came first, then the energy and food shock of 2022 landed on top, turning a strong recovery into a full inflation crisis.

Core inflation, which strips out volatile food and energy, is the measure central banks watch most closely. Its steady rise showed that price pressure had spread well beyond the initial shocks and into wages, services and rents across the economy.

Emerging economies faced an extra driver that developed ones largely escaped, namely currency weakness. As the dollar strengthened during the tightening cycle, many emerging currencies fell, raising the local price of imported energy, food and other essentials.

It is important to stress that the breakdown shown here is illustrative rather than an official decomposition. It is intended to convey how several forces stacked together to produce an extraordinary peak, not to assign precise blame to any single cause.

Base effects also shaped the numbers in ways that can mislead. Because inflation is measured against the previous year, the very high readings of 2022 made the following year look calmer by comparison, even where prices were still rising at a brisk pace.

Rate Response

## How Did Central Banks Respond?

Central banks responded to the surge with the sharpest round of interest rate rises in decades. In developed economies, policy rates climbed from near zero in 2021 to above 5 percent by 2023, before easing as inflation fell.

The scale of the tightening matched the scale of the shock. After years of near zero rates, central banks moved quickly to cool demand and to keep inflation expectations from becoming unanchored, as our [interest rates](#) and [central banks](#) coverage follows.

The relationship between inflation and rates is at the heart of monetary policy. As inflation rose in 2022, rates followed, and as inflation eased through 2024, central banks began the slow process of cutting them again.

The United States Federal Reserve led the way, raising its policy rate above 5 percent before cutting toward 4 percent by 2026, a path our [federal funds rate](#) coverage tracks alongside inflation.

Developed Inflation vs Policy Rate (%) Inflation bars, rate line.

Data:

Developed economy inflation and an approximate advanced economy policy rate, 2021-2026, compiled by BusinessStats from IMF and central bank data.

Note:

The policy rate is an illustrative advanced economy path. Switch views with the toolbar.

**Inflation bars, rate line:** policy rates rose sharply as inflation surged in 2022, then began to fall as inflation eased back toward target.

The lag between rate rises and falling inflation tested the nerve of central banks. Raising rates too little risked letting inflation persist, while raising them too far risked choking off growth, a balance our [world growth](#) coverage frames.

The tightening cycle was notable for how synchronised it was. Rarely have so many central banks raised rates at once, a coordinated response to a shock that hit almost every economy through the same channels of energy, food and supply.

Rate rises work with a long and variable lag, often taking a year or more to fully affect prices. That delay explains why inflation kept falling through 2023 and 2024 even as some central banks paused or began to reverse their increases.

Emerging central banks often moved earlier and more aggressively than their developed counterparts. Many began raising rates in 2021, ahead of the developed world, drawing on hard won experience of how quickly inflation can spiral if left unchecked.

The policy rate line shown here is an illustrative advanced economy path rather than any single central bank rate. It is meant to convey the broad shape of the tightening cycle, the climb through 2022 and 2023 and the gradual easing that followed.

Higher rates work by cooling demand, raising the cost of borrowing for households and firms and encouraging saving over spending. The aim is to slow price rises without tipping the economy into a deep downturn, a balance that is difficult to strike in practice.



Peak to Now

## How Much Did Inflation Fall From Peak to Now?

Inflation fell sharply from its peak in both groups. Developed economy inflation dropped from about 7.7 percent to near 2.7 percent by mid 2026, while emerging economy inflation fell from close to 10 percent to about 5.9 percent.

The decline was one of the fastest on record for developed economies, helped by falling energy prices, easing supply chains and tight monetary policy. It brought inflation back within reach of target within about three years of the peak.

Emerging economies saw a large fall too, but from a higher peak and to a higher landing point. Their inflation remained above target, reflecting weaker currencies and less firmly anchored expectations.

The scale of the fall matters as much as the peak. It shows that the post-pandemic inflation, while severe, proved less persistent than many feared, even if prices themselves remain permanently higher than before.

Peak vs Latest Inflation by Group (%)How far it fell.

Data:

Peak monthly inflation in 2022 against the latest reading in 2026 for each group, compiled by BusinessStats from IMF and OECD data.Switch views with the toolbar.

**How far it fell:** developed inflation fell from about 7.7 percent to near 2.7 percent, while emerging inflation fell from close to 10 percent to about 5.9 percent.

The distance between the two points for each group captures the recovery. Developed economies closed most of the gap to target, while emerging economies made large progress but still had further to travel.

The fall from the peak was helped enormously by energy. As oil and gas prices retreated from their 2022 highs, one of the largest contributors to headline inflation reversed, pulling the annual rate down sharply across both groups of economies.

Yet a falling inflation rate does not mean prices are falling. It means they are rising more slowly, so the higher cost of living reached during the crisis largely remains, which is why households often feel little relief even as the numbers improve.

The dumbbell view is designed to make the size of the decline obvious at a glance. The distance each dot travels from its 2022 peak to its 2026 reading is a direct measure of how much inflation has come down in

that group.

World inflation sits between the two groups by construction, since it blends developed and emerging economies together. Its own fall from near 9 percent to around 4 percent captures the global scale of both the crisis and the recovery that followed it.

By Country

## How Does Inflation Compare Across Selected Economies?

Across individual economies, inflation varied widely. Among developed economies in 2024, the United States sat near 2.6 percent and the United Kingdom near 2.4 percent, while among emerging economies India was near 4.4 percent and Brazil near 3.9 percent.

The spread across countries shows how much the group averages can hide. Even within the developed group, rates ranged from below 2 percent in France to near 3 percent in Germany and the United States.

China stood out among large economies for very low inflation, close to deflation, as weak domestic demand and property market trouble kept prices flat, a very different problem from the one facing most of the world.

European economies had largely brought inflation back to target by 2024, as our [inflation in the UK](#), [inflation in France](#) and [inflation in Europe](#) coverage sets out, though the pace of the return varied by country.

Inflation in Selected Economies, 2024 (%)A wide spread.

Data:

Inflation in selected developed and emerging economies in 2024, annual percent change in consumer prices, IMF World Economic Outlook projections. Compiled by BusinessStats.Switch views with the toolbar.

**A wide spread:** among the major economies, inflation in 2024 ranged from about 4.4 percent in India down to 1.9 percent in China and France.

The country view underlines that developed and emerging labels are broad. Some emerging economies had lower inflation than some developed ones, while a handful of crisis economies ran far above every country shown here.

The country detail also shows why aggregates can mislead. A single large economy with unusual conditions, such as China with its very low inflation, can pull a group average in a direction that does not

reflect the experience of most of its members.

Within Europe, the range was wide even among neighbours. Countries more exposed to imported energy tended to see higher peaks, while those with different energy mixes or price controls experienced the shock in milder or delayed form.

Crisis economies sit in a category of their own. A small number of countries running inflation in the double or triple digits distort any simple average, which is why analysts often report medians or exclude extreme outliers when describing global trends.

The economies shown here are a selection meant to span the range, not a complete list. They include large developed economies and several major emerging ones, chosen to illustrate how widely inflation varied even among the most closely watched countries.

These figures use annual estimates for 2024 rather than the monthly series, which keeps the country comparison clean and consistent. Monthly readings for individual countries can be far more volatile than the smooth group aggregates shown elsewhere in this report.

Outlook

## Where Does Inflation Go Next?

Global inflation is projected to keep easing after 2026, falling toward the mid 3 percent range by 2027, assuming energy and food prices stabilise. Developed economies are expected to hold near target, while emerging economies ease more slowly.

The outlook rests on the assumption that the shocks of the past few years do not return. A fresh jump in energy prices, new supply disruptions or renewed conflict could all slow the decline or push inflation back up.

For developed economies, the central expectation is inflation close to 2 to 3 percent, near the target that anchors policy. For emerging economies, rates are likely to stay somewhat higher, reflecting deeper structural pressures.

The risks are not only to the upside. Weak demand in some large economies could pull inflation lower than expected, while the lasting rise in the price level continues to weigh on households whatever the annual rate.

Global Inflation Path to 2027 (%)Easing further.



Data:

Global inflation from 2021 to 2027, annual percent change in consumer prices, IMF World Economic Outlook.

Note:

The 2027 value is a projection. Compiled by BusinessStats. Switch views with the toolbar.

**Easing further:** global inflation is projected to keep falling toward the mid 3 percent range by 2027, after peaking near 8.7 percent in 2022.

The forecast is for a gradual return toward more normal inflation, but the experience of the past few years shows how easily that path can be knocked off course by events outside the control of central banks.

Forecasts for inflation carry unusual uncertainty after the past few years. The failure to predict the 2021 surge left policymakers cautious, and most now stress the range of possible outcomes rather than a single confident central estimate.

Structural forces could keep inflation a little higher than the pre pandemic norm. Shifting supply chains, an ageing workforce in many economies and the cost of the energy transition all point to modestly firmer price pressure over the medium term.

Any projection this far out should be read as a central path surrounded by wide bands of uncertainty. Small changes in energy prices, growth or policy can move the outcome by more than a percentage point, as the surprises of recent years have shown.

The gap between developed and emerging economies is expected to persist into the forecast, though in a narrower form. Emerging economies are likely to keep running somewhat hotter, reflecting the structural factors that have long kept their inflation above developed levels.

Key Facts

## Developed and Emerging Inflation in Numbers

A few figures capture the story. Developed inflation peaked near 7.7 percent and emerging near 10 percent in 2022, before falling to about 2.7 and 5.9 percent by 2026. The gap between the two reached more than 5 points in 2024.

These numbers matter because inflation shapes wages, savings and the cost of everyday life, hitting households in both rich and developing economies, a picture our [richest countries](#) coverage sets alongside

incomes.

Developed-Emerging Gap by Year (pp)The divide by year.

Data:

Annual gap between emerging and developed inflation, in percentage points, 2021-2026. Compiled by BusinessStats from IMF and OECD data.Switch views with the toolbar.

**The divide by year:** the gap between emerging and developed inflation was widest in 2024, at more than 5 percentage points.

7.7%Developed peakLate 2022.9.9%Emerging peak2022 high.2.7%Developed 2026Near target.5.9%Emerging 2026Still elevated.

Together they describe a shared shock with an uneven recovery, where developed economies returned close to target while emerging economies stayed higher for longer, keeping the world average above its pre-pandemic level.

These headline numbers are best read together rather than in isolation. The peaks show the scale of the shock, the latest readings show how far the recovery has come, and the gap shows how unevenly that recovery was shared between the two groups.

For households, the most important figure is not on the chart at all, namely the cumulative rise in prices. Even with inflation back near target, the price level in many economies is far above where it stood before the crisis began.

Each of these figures ties directly back to a chart earlier in this report, so they can be traced rather than taken on trust. The peaks come from the monthly series, the latest readings from its final months and the gap from the difference between the two lines.

Taken as a set, the numbers describe a crisis that was severe but ultimately contained. Inflation reached levels not seen in decades, yet it fell back within a few years rather than becoming permanently entrenched, which was the darker fear at the height of the surge.

Big Picture

## Monthly Inflation: The Big Picture

Taken together, the monthly path of inflation from 2021 to 2026 tells a story of a sharp global shock followed by an uneven recovery, with developed economies returning to target faster than emerging ones.



Set over a longer horizon, the surge stands out as an exception to decades of low and stable inflation, one that reshaped policy and expectations across the world, as our [US inflation](#) coverage tracks month by month.

The wider record from 2019 to 2027 shows the peak of 2022 and the decline that followed for the world, advanced and emerging economies alike, even as the countries at the very top of the crisis stayed far above this path.

Inflation 2019-2027: World, Advanced, Emerging (%)The long view.

Data:

Global, advanced and emerging economy inflation from 2019 to 2027, annual percent change in consumer prices, IMF World Economic Outlook.

Note:

2026 and 2027 values are projections. Compiled by BusinessStats.Switch views with the toolbar.

**The long view:** inflation peaked in 2022 and eased through 2024, with emerging economies staying above advanced ones throughout the cycle.

Whether inflation settles back to its pre-pandemic calm will depend on energy prices, policy and the absence of fresh shocks, but for now the world faces lower inflation than in 2022 and a cost of living that remains permanently higher.

Seen against the calm of the 2010s, the surge of the early 2020s looks like a sharp interruption rather than a new normal. Whether it stays that way depends on whether the forces that drove it prove to be one off shocks or lasting shifts.

The long view also flatters the recovery. Annual figures smooth away the anxious months of 2022 when it was far from clear that inflation would fall back at all, and when many feared a repeat of the entrenched inflation of the 1970s.

What the whole cycle confirms is that developed and emerging economies remain distinct even as they grow more connected. They shared the same shock and the same broad recovery, but the level, the persistence and the cost differed at every stage.

The nine year window from 2019 to 2027 places the surge in its proper context. It sits as a dramatic spike between the low inflation of the late 2010s and the projected return toward more normal rates, a single episode rather than a lasting regime change.

For readers tracking the story going forward, the monthly series is where the next turning point will show up first. Annual averages will confirm the trend only months later, which is why a monthly view remains the most timely guide to where inflation is heading.

The persistence of the developed and emerging divide through this cycle carries a practical lesson for anyone reading global data. A single world inflation figure is convenient, but it can hide experiences that differ by several percentage points and by years of duration between the two groups.

In the end, the monthly record from 2021 to 2026 is a study in shared shocks and separate recoveries. Both groups faced the same surge in prices, both saw it peak in 2022, and both watched it fall, yet developed economies returned to calm far sooner than their emerging counterparts.

FAQ

## Frequently Asked Questions: Developed and Emerging Inflation

Inflation in developed economies peaked near 7.7 percent in late 2022, the highest in about four decades, driven by supply shocks, strong demand and the energy crisis after the invasion of Ukraine.

Emerging economy inflation peaked close to 10 percent in 2022, higher than in developed economies, and stayed elevated above 8 percent through much of 2023 and 2024 before easing.

Emerging economies tend to have weaker currencies, higher food and energy shares in spending, and less firmly anchored expectations, which keep their inflation above that of developed economies.

Inflation peaked in 2022 for both groups, with many developed economies topping out in late 2022 near 7.7 percent and emerging economies peaking close to 10 percent around the same time.

By mid 2026, developed economy inflation had eased to about 2.7 percent, close to target, while emerging economy inflation had fallen to about 5.9 percent, still more than double the developed rate.

The surge was driven by pandemic supply chain disruption, a rapid rebound in demand, and a sharp rise in energy and food prices after the invasion of Ukraine in early 2022.

Central banks raised interest rates sharply, with developed economy policy rates climbing from near zero to above 5 percent by 2023, before cutting again as inflation eased.

Developed inflation fell from about 7.7 percent to near 2.7 percent by 2026, while emerging inflation fell from close to 10 percent to about 5.9 percent, a large but incomplete decline.



The figures are compiled by BusinessStats from IMF and OECD data, showing monthly consumer price inflation compared with the same month a year earlier for developed and emerging economies.

Global inflation is projected to ease further toward the mid 3 percent range by 2027, assuming energy and food prices stabilise, though fresh shocks could slow or reverse the decline.

#### Sources

IMF World Economic Outlook - Source for annual and grouped inflation for developed and emerging economies from 2019 to 2027.

OECD Consumer Price Index news releases - Source for real monthly anchor readings, including the OECD area peak of 10.3 percent in June 2022 and the decline through 2024 to 2026. Compiled by BusinessStats.

[IMF World Economic Outlook](#) - Publishes global and country inflation estimates and projections.

Figures show monthly inflation in developed and emerging economies from January 2021 to July 2026, as annual percent change in consumer prices. The lines follow the IMF World Economic Outlook annual averages for advanced and emerging economies, with the monthly path interpolated between published OECD monthly readings. Real anchor points include the OECD area peak of 10.3 percent in June 2022, Group of Seven inflation of 2.6 percent in November 2024 and 2.8 percent in December 2024, and OECD area inflation of 3.3 percent in January 2026. Developed inflation peaked near 7.7 percent and emerging near 10 percent in 2022, before easing to about 2.7 and 5.9 percent by 2026. This is data journalism, not investment advice.

## STATISTICS REPORT

# Inflation rate in the EU in 2026, by country

Updated Aug 14, 2026 · [businessstats.com/monthly-inflation-rate-in-eu-countries](https://businessstats.com/monthly-inflation-rate-in-eu-countries)

|                              |                             |                           |
|------------------------------|-----------------------------|---------------------------|
| <b>9.2%</b><br>ROMANIA (TOP) | <b>1.0%</b><br>SWEDEN (LOW) | <b>2.9%</b><br>EU AVERAGE |
| <b>2.8%</b><br>EURO AREA     | <b>27</b><br>MEMBER STATES  | <b>8.5%</b><br>ENERGY     |

## Overview

### EU inflation rate in June 2026, by member state

Romania had the highest inflation rate in the European Union in June 2026 at about 9.2 percent, while Sweden had the lowest at about 1 percent. EU inflation averaged 2.9 percent and the euro area 2.8 percent, both above the two percent target set by the European Central Bank.

The wide gap between the highest and lowest inflation rates in the EU, from about 9 percent in Romania to 1 percent in Sweden, is one of the clearest features of the bloc price map in 2026.

On Eurostat figures, EU inflation was about 2.9 percent in June 2026 and the euro area 2.8 percent, with Romania highest at 9.2 percent and Sweden lowest at about 1 percent.

The pattern of EU inflation in 2026, high in the east and low in the north, has become a familiar feature of the bloc since the energy crisis of 2022 reshaped its price map.

This overview shows the HICP inflation rate for every EU member state in June 2026, from the highest in Romania to the lowest in Sweden, alongside the drivers, the trend and the outlook.

Understanding how inflation varies across the EU, from the high rates in the east to the low ones in the north, is central to making sense of the pressures facing the European Central Bank in 2026.

The HICP figures let every member state be compared on the same basis, which is why they are the standard reference for inflation across the European Union. Inflation in the EU has cooled a long way from the double digits of 2022, but the June 2026 figures show it is not yet back to target in most of the bloc.

The gap between the highest and lowest member states was very wide, as our [ranking of the highest-inflation countries](#) and [inflation in Europe](#) coverage tracks, with eastern members far above the western and Nordic economies, reflecting deep differences in wages, energy and fiscal policy across the union.

EU Inflation Rate by Country, June 2026 (%)Romania leads, Sweden lowest.

Data:

HICP inflation rate in the European Union in June 2026, by member state, annual percent change.

Note:

Based on Eurostat data. Some member state values are estimates. Compiled by BusinessStats.Switch views with the toolbar.

**Romania leads, Sweden lowest:** Romania had the highest EU inflation in June 2026 at about 9.2 percent and Sweden the lowest at about 1 percent, a spread of more than eight points.

EU inflation eased in June, falling in twenty-two member states from May, though it stayed above the European Central Bank target of 2 percent, a picture our [central banks](#) and [inflation worldwide](#) coverage sets in context.

A note on the data. The figures show the harmonized index of consumer prices, or HICP, inflation rate in the European Union in June 2026, by member state, as an annual percent change, based on Eurostat data. Some member state values are estimates.

Eurostat publishes the HICP inflation rate for every EU member state each month, allowing the twenty-seven economies to be compared on a single, harmonised basis. The HICP, or Harmonized Index of Consumer Prices, measures the change in the cost of a common basket of goods and services, and is the official inflation measure of the European Union.

At a Glance

## EU Inflation Rate by Country

EU Inflation Rate by Member State, June 2026 (%)Click any column to sort

| RANK | MEMBER STATE | HICP INFLATION |
|------|--------------|----------------|
| 1    | Romania      | 9.2%           |
| 2    | Lithuania    | 5.4%           |



|    |             |      |
|----|-------------|------|
| 3  | Bulgaria    | 5.2% |
| 4  | Estonia     | 4.5% |
| 5  | Croatia     | 4.3% |
| 6  | Hungary     | 4.0% |
| 7  | Slovakia    | 3.9% |
| 8  | Latvia      | 3.8% |
| 9  | Poland      | 3.7% |
| 10 | Spain       | 3.6% |
| 11 | Belgium     | 3.2% |
| 12 | Austria     | 3.0% |
| 13 | Portugal    | 3.0% |
| 14 | Netherlands | 2.9% |
| 15 | Italy       | 2.9% |
| 16 | Slovenia    | 2.8% |
| 17 | Germany     | 2.8% |
| 18 | Greece      | 2.6% |
| 19 | France      | 2.4% |
| 20 | Luxembourg  | 2.4% |
| 21 | Malta       | 2.2% |
| 22 | Ireland     | 2.0% |
| 23 | Finland     | 1.9% |
| 24 | Denmark     | 1.8% |
| 25 | Cyprus      | 1.5% |
| 26 | Czechia     | 1.1% |
| 27 | Sweden      | 1.0% |

The table sets out the HICP inflation rate for all EU member states in June 2026. It shows the very high rates in Romania and the Baltic states and the low rates in the Nordic economies and Czechia.

Largest Economies

## What Is Inflation in the Big EU Economies?

Among the largest EU economies in June 2026, Spain had the highest inflation at about 3.6 percent, followed by Italy and the Netherlands near 2.9 percent and Germany at 2.8 percent, while France was lowest at about 2.4 percent.

The spread among the largest EU economies, from about 2.4 percent in France to 3.6 percent in Spain, shows how differently the same energy shock played out across the bloc.

In June 2026, Spain had inflation of about 3.6 percent, Italy and the Netherlands about 2.9 percent, Germany 2.8 percent and France about 2.4 percent, the lowest of the large economies.

The largest economies matter most for the bloc average, so the rise in German, Italian and Spanish inflation through 2026 did much to lift the overall EU and euro area rates.

The largest EU economies set the tone for the bloc as a whole, so the rise in Spanish, Italian and German inflation over the year did much to keep the overall rate above target.

France stood out among the large economies for its low inflation, helped by regulated energy prices, while Spain remained persistently above the euro area average through 2026.

Inflation rose across most of the large economies over the year, as our [German economy](#) and [inflation in France](#) coverage tracks, driven by higher energy prices after conflict in the Middle East disrupted supplies.

Inflation in the Largest EU Economies (%) This year vs a year ago.

Data:

EU inflation data compiled by BusinessStats from Eurostat.

Note:

Figures are the annual HICP rate for June 2026 unless stated. Some member state values are estimates. Switch views with the toolbar.

**This year vs a year ago:** inflation rose across most of the largest EU economies over the year to June 2026, led by Spain at about 3.6 percent, with France lowest at about 2.4 percent.

Spain has run persistently above the euro area average, as our [inflation in Spain](#) coverage details, while France has been among the lowest in the bloc, helped by regulated energy prices and weaker demand.

The contrast between Spain, persistently above the euro area average, and France, among the lowest, shows how national energy policy and demand shape inflation even within the single currency.

Drivers

## What Is Driving EU Inflation in 2026?

Services were the largest driver of euro area inflation in June 2026, adding about 1.5 percentage points, followed by energy at about 0.8 points, then food, alcohol and tobacco, and non-energy goods. Separating the drivers of EU inflation, from services and energy to food and goods, is central to judging how quickly the headline rate will return to target.

In June 2026, services added about 1.5 percentage points to euro area inflation, energy about 0.8 points, food, alcohol and tobacco about 0.3 points, and non-energy goods about 0.2 points.

Breaking down the drivers of euro area inflation, from the large and steady contribution of services to the volatile swings in energy, is key to judging where the headline rate goes next and how fast it returns to target.

Energy was the fastest-rising component, up about 8.5 percent over the year after conflict in the Middle East pushed oil and gas prices higher, a shock our [EU energy prices](#) and [gas prices](#) coverage tracks across the bloc.

What Drives Euro Area Inflation, June 2026 (pp)Services and energy lead.

Data:

EU inflation data compiled by BusinessStats from Eurostat.

Note:

Figures are the annual HICP rate for June 2026 unless stated. Some member state values are estimates. Switch views with the toolbar.

**Services and energy lead:** services added about 1.5 percentage points to euro area inflation in June 2026 and energy about 0.8 points, with food and goods adding the rest.

Underlying core inflation, which strips out volatile energy and food, ran near 2.6 percent, still above target, showing that price pressures remained broad even as the headline rate eased from its spring peak.

The stickiness of core and services inflation, well above target even as energy eased, is the main reason the European Central Bank has been cautious about cutting rates.

Recent Trend

## Is EU Inflation Rising or Falling?

Euro area inflation rose through the spring of 2026, from about 1.7 percent in January to 3.2 percent in May, before easing to 2.8 percent in June as the energy shock began to fade.

The rise and fall of euro area inflation through 2026, spiking in spring and easing by summer, tracked the surge and retreat of energy prices almost exactly.

Euro area inflation rose from about 1.7 percent in January 2026 to 1.9 percent in February, 2.6 percent in March, 3.0 percent in April and 3.2 percent in May, before easing to 2.8 percent in June.

The path of euro area inflation through 2026, a spring spike followed by a summer easing, was one of the clearest examples yet of how energy prices drive the headline rate. The path of inflation through 2026, rising in spring and falling by summer, mirrored the surge and retreat of energy prices after conflict in the Middle East disrupted supplies.

By June, with inflation falling in twenty-two of the twenty-seven members at once, the broad easing suggested the spring energy shock had largely passed.

The mid-year spike was driven by the jump in energy prices after conflict in the Middle East, which lifted inflation across almost every member state before beginning to unwind, a path our [interest rates](#) coverage tracks against ECB policy.

Euro Area Inflation Through 2026 (%)A spring spike, summer easing.

Data:

EU inflation data compiled by BusinessStats from Eurostat.

Note:

Figures are the annual HICP rate for June 2026 unless stated. Some member state values are estimates. Switch views with the toolbar.

**A spring spike, summer easing:** euro area inflation rose from about 1.7 percent in January 2026 to 3.2 percent in May before easing to 2.8 percent in June as energy prices fell back.

The fall in June, with inflation easing in twenty-two of the twenty-seven member states, suggested the worst of the energy shock had passed, though rates remained above the 2 percent target across most of the bloc.

The broad-based easing in June, with inflation falling in most member states at once, was the clearest sign yet that the spring energy shock had begun to unwind.

Energy

## How Much Did Energy Push Up Inflation?

Energy was the standout driver of EU inflation in mid-2026, with energy prices up about 8.5 percent over the year in June, far above the headline rate, before easing as oil and gas prices stabilised.

Energy was once again the swing factor in EU inflation, driving the mid-year spike and then easing, in an echo of the far larger shock of 2022. Energy prices in the EU rose about 8.5 percent over the year to June 2026, far above the headline rate, after conflict in the Middle East disrupted oil and gas supplies.

The swing in energy prices, up sharply in spring and easing by summer, was the single biggest reason EU inflation rose and then fell over the first half of 2026.

The surge in energy prices, triggered by conflict in the Middle East, echoed the shock of 2022, though on a smaller scale, and was the main reason inflation rose across the bloc in the spring of 2026.

EU Inflation vs Energy Prices, 2026 (%) Bars headline, line energy.

Data:

EU inflation data compiled by BusinessStats from Eurostat.

Note:

Figures are the annual HICP rate for June 2026 unless stated. Some member state values are estimates. Switch views with the toolbar.

**Bars headline, line energy:** energy prices rose about 8.5 percent over the year to June 2026, far above the headline rate, driving the mid-year spike before easing.

Services inflation, at about 3.2 percent, remained the largest single contributor to the headline rate, reflecting strong wage growth and steady demand, and is likely to fall more slowly than the volatile energy component.

The persistence of services inflation, tied to wages and demand, means the headline rate is likely to fall more slowly from here than the sharp swings in energy might suggest.

By Region

## Why Is Inflation Higher in Eastern Europe?

Inflation in June 2026 was highest in eastern and Baltic member states, led by Romania, Lithuania and Bulgaria, and lowest in the Nordic economies and Czechia, a pattern that has held for much of the period since 2022.

The east-west divide in EU inflation, with eastern members far above western and Nordic ones, reflects the wider process of economic convergence across the bloc.

The highest EU inflation rates in June 2026 were in Romania at 9.2 percent, Lithuania at 5.4 percent and Bulgaria at 5.2 percent, and the lowest in Sweden at 1.0 percent and Czechia at 1.1 percent.

The east-west split in EU inflation is not new, but it has widened since 2022, as energy shocks and the process of price convergence pushed eastern rates well above western ones. The east-west divide in EU inflation, which widened sharply after 2022, is one of the clearest and most persistent features of the bloc price map in the mid-2020s.

Romania, Lithuania and Bulgaria led the bloc in June 2026, all in the east and Baltics, while Sweden, Czechia and Denmark had the lowest rates, a clear north-east divide.

The higher rates in eastern Europe reflect faster wage growth, catch-up in prices toward western levels, and in some cases looser fiscal policy, a divide our [GDP per capita](#) coverage frames through the wide income differences across the bloc.

EU Inflation by Region (index, 0-100) East above west.

Data:

EU inflation data compiled by BusinessStats from Eurostat.

Note:

Figures are the annual HICP rate for June 2026 unless stated. Some member state values are estimates. Switch views with the toolbar.

**East above west:** inflation was highest in eastern and Baltic members and lowest in the Nordic economies, on an indexed scale across the main components.

The lower rates in the Nordic and some western economies reflect tighter policy, weaker demand and, in cases such as France, regulated energy prices, leaving a wide spread across the twenty-seven members.

The wide spread of rates, from below 1 percent to above 9 percent, is a standing challenge for a single monetary policy that must serve economies at very different stages.

Above Target

## How Many EU Countries Are Above Target?

Most EU member states remained above the European Central Bank target of 2 percent in June 2026.

Around twenty of the twenty-seven members were above target, with only the Nordic economies, Czechia and a few others below the two percent mark that the central bank aims for.

The persistence of above-target inflation across most member states kept the European Central Bank cautious about cutting interest rates too quickly. Around twenty of the twenty-seven EU member states were above the 2 percent target in June 2026, with only the Nordic economies, Czechia and a few others below it.

With inflation above target in most members, the European Central Bank faced a difficult balance between supporting growth and ensuring prices returned fully to 2 percent.

The number of member states above target, and how far above, matters greatly for a European Central Bank that must set a single interest rate for the whole euro area, from the lowest-inflation Nordic economies to the highest in the east.

The gap between the highest and lowest rates, more than eight percentage points, makes setting one interest rate for the whole bloc an unusually difficult balancing act.

The persistence of above-target inflation across most of the bloc kept pressure on the European Central Bank, a tension the European Central Bank faced as it weighed further rate cuts against the risk of inflation staying high across the bloc.

EU Members Above the 2% Target, June 2026 Most are above.

Data:

EU inflation data compiled by BusinessStats from Eurostat.

Note:

Figures are the annual HICP rate for June 2026 unless stated. Some member state values are estimates. Switch views with the toolbar.

**Most are above:** around twenty of the twenty-seven EU member states were above the European Central Bank target of 2 percent in June 2026.

The spread of rates around the target, from below 1 percent to above 9 percent, is one of the hardest challenges for a single monetary policy that must serve twenty economies sharing the euro and a wider union of twenty-seven.

Managing inflation that ranges from below 1 to above 9 percent with one interest rate is among the hardest tasks facing any central bank in the world.

Inflation and Income

## Why Do Poorer EU Members Have Higher Inflation?

Inflation in the EU is closely tied to income levels. The highest-inflation members, in eastern Europe, tend to have lower incomes and are catching up in prices, while the wealthier western and Nordic economies have lower and steadier inflation.

The link between lower incomes and higher inflation, clearest in eastern Europe, is one of the defining features of the EU price map and of the convergence process. The highest-inflation members in June 2026, in eastern Europe and the Baltics, tend to have lower incomes and are converging in prices toward the wealthier western and Nordic economies.

The clear link between income and inflation across the EU, with poorer members facing higher rates, is a reminder that a single currency covers economies at very different stages of development.

The strong link between income and inflation across the EU, with poorer eastern members facing the highest rates, reflects the long process of economic convergence within the bloc, as prices and wages in the east rise toward western levels over time.

This link between lower incomes and higher inflation reflects the process of convergence, as prices and wages in poorer members rise toward western levels, a story our richest countries and largest economies

coverage frames.

Inflation vs Income Across the EU Bubble size shows population.

Data:

EU inflation data compiled by BusinessStats from Eurostat.

Note:

Figures are the annual HICP rate for June 2026 unless stated. Some member state values are estimates. Switch views with the toolbar.

**Bubble size shows population:** lower-income eastern members tend to have higher inflation, while wealthier western and Nordic economies have lower rates. Position shows inflation against income.

The pattern is not absolute, and energy dependence, fiscal policy and currency arrangements all play a part, but the broad link between income and inflation is one of the clearest features of the EU price map.

The convergence of prices and wages in poorer members toward western levels is a healthy sign of catch-up growth, even as it keeps their inflation above the bloc average.

Forecast

## Will EU Inflation Keep Falling?

EU inflation is expected to ease further, falling toward the 2 percent target through 2027 as the energy shock fades, though the pace will vary widely across member states. The outlook for EU inflation, easing but uneven, will shape interest rates and living standards across a bloc of twenty-seven very different economies.

The central expectation is that EU inflation eases toward target through 2027, though eastern members are likely to stay above the western average as convergence continues. Much depends on whether energy prices stay contained, since a renewed shock, like the one that drove the spring spike, could quickly push inflation back up across the bloc.

The outlook depends heavily on energy prices and the course of conflict in the Middle East, with a renewed shock able to push inflation up again, a risk our [global economy](#) coverage tracks alongside the wider outlook.

EU Inflation Forecast to 2028 (%) Easing to target.



Data:

EU inflation data compiled by BusinessStats from Eurostat.

Note:

Figures are the annual HICP rate for June 2026 unless stated. Some member state values are estimates. Switch views with the toolbar.

**Easing to target:** EU inflation is expected to ease toward the 2 percent target through 2027 and 2028 as the energy shock fades, though unevenly across members.

Eastern members are likely to keep inflation above the western average for some time, as the process of price convergence continues, leaving the wide spread across the bloc a lasting feature rather than a temporary one.

Key Facts

## EU Inflation in Numbers

A few figures capture the picture. EU inflation averaged 2.9 percent in June 2026 and the euro area 2.8 percent, with Romania highest at 9.2 percent and Sweden lowest at about 1 percent, a spread of more than eight points.

These figures together capture a bloc past the worst of the energy shock but still above target, with one of the widest spreads between members in its recent history. These figures matter because they show a bloc still working to bring inflation fully back to target, with a spread between members that makes a single monetary policy especially hard.

These figures together capture a bloc that has come a long way from the double-digit inflation of 2022 but still faces above-target rates and a very wide spread between members.

These figures matter because inflation shapes interest rates, wages and living standards across the bloc, a picture our [global inflation](#) coverage sets alongside the wider world.

Highest-Inflation EU Members, June 2026 (%) The east leads.

Data:

EU inflation data compiled by BusinessStats from Eurostat.

Note:

Figures are the annual HICP rate for June 2026 unless stated. Some member state values are estimates. Switch views with the toolbar.

**The east leads:** the highest EU inflation in June 2026 was in Romania at 9.2 percent, Lithuania at 5.4 percent and Bulgaria at 5.2 percent, all in the east and Baltics.

9.2%RomaniaHighest.1.0%SwedenLowest.2.9%EU averageJune 2026.2.8%Euro areaJune 2026.

Together they describe a union where inflation has eased from its spring peak but remains above target in most members, with a very wide gap between the highest and lowest member states across the union.

For now, EU inflation stands above target in most members but well below the extremes of 2022, with a very wide gap between the highest and lowest member states.

Big Picture

## EU Inflation 2026: The Big Picture

Taken together, EU inflation in June 2026 shows a bloc past the worst of the energy shock but still above target, with Romania and the Baltic states far above the Nordic economies and Czechia at the other end of the scale.

The wide spread between member states, from about 1 to more than 9 percent, remains the defining feature of EU inflation and the hardest challenge for a single monetary policy.

EU Inflation, June 2025 vs June 2026 (%)A year of change.

Data:

EU inflation data compiled by BusinessStats from Eurostat.

Note:

Figures are the annual HICP rate for June 2026 unless stated. Some member state values are estimates. Switch views with the toolbar.

**A year of change:** inflation rose in most large EU economies between June 2025 and June 2026, as the energy shock lifted rates across the bloc.

Whether inflation returns smoothly to target will depend on energy prices and the wide differences between member states, but for now the EU faces easing but still elevated inflation and one of the widest spreads in its recent history, as our [UK inflation](#) coverage compares with its neighbours.



## FAQ

### Frequently Asked Questions: EU Inflation 2026

Romania, at about 9.2 percent in June 2026, the highest in the European Union, followed by Lithuania at 5.4 percent and Bulgaria at 5.2 percent.

Sweden, at about 1 percent in June 2026, the lowest in the European Union, followed by Czechia at 1.1 percent and Denmark at 1.8 percent.

The EU inflation rate was about 2.9 percent in June 2026 and the euro area rate 2.8 percent, both above the European Central Bank target of 2 percent.

The Harmonized Index of Consumer Prices, or HICP, is the standard measure of inflation across the EU, allowing member states to be compared on the same basis.

Faster wage growth, price convergence toward western levels and looser fiscal policy have kept Romanian inflation well above the EU average, at about 9.2 percent in June 2026.

Services were the largest driver, adding about 1.5 percentage points, followed by energy at about 0.8 points, after conflict in the Middle East pushed energy prices higher.

Yes. Inflation fell in twenty-two of the twenty-seven member states in June 2026 as the spring energy shock faded, though it stayed above the 2 percent target in most.

About 2.8 percent in June 2026, down from 3.2 percent in May, as the energy shock eased. It remains above the European Central Bank target of 2 percent.

Eastern and Baltic members tend to have lower incomes and are catching up in prices and wages toward western levels, which keeps their inflation above the EU average.

From Eurostat, which publishes the HICP inflation rate for every EU member state each month. Figures are the annual rate for June 2026, with some values estimated.

#### Sources

Eurostat - Source for the HICP inflation rate in the European Union in June 2026, by member state.

Eurostat and national statistics offices - Inflation and component data compiled by BusinessStats.

Eurostat HICP - Publishes the harmonized inflation rate for every EU member state each month.



Figures show the HICP inflation rate in the European Union in June 2026, by member state, as an annual percent change, based on Eurostat data. Romania had the highest rate at about 9.2 percent and Sweden the lowest at about 1 percent, with the EU average at 2.9 percent and the euro area at 2.8 percent. Some member state values are estimates. This is data journalism, not investment advice.



STATISTICS REPORT

# Inflation in Europe — Statistics & Facts 2026

Updated Mar 24, 2026 · [businessstats.com/inflation-in-europe](https://businessstats.com/inflation-in-europe)

|                                            |                                      |                                  |
|--------------------------------------------|--------------------------------------|----------------------------------|
| <b>1.9%</b><br>EUROZONE INFLATION FEB 2026 | <b>2.1%</b><br>EU INFLATION FEB 2026 | <b>10.6%</b><br>PEAK (OCT 2022)  |
| <b>3.4%</b><br>SERVICES INFLATION          | <b>-3.2%</b><br>ENERGY PRICES        | <b>8.3%</b><br>ROMANIA (HIGHEST) |

## Overview



#### HOW TO CITE THIS BOOK

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<https://businessstats.com/inflation-topic-overview/>

## Methodology

Every figure comes from a Business Stats report that names its primary source: statistics offices, central banks, company filings and original surveys. Estimates and projections are labelled as such.

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