

Tuesday, 28 October 2025

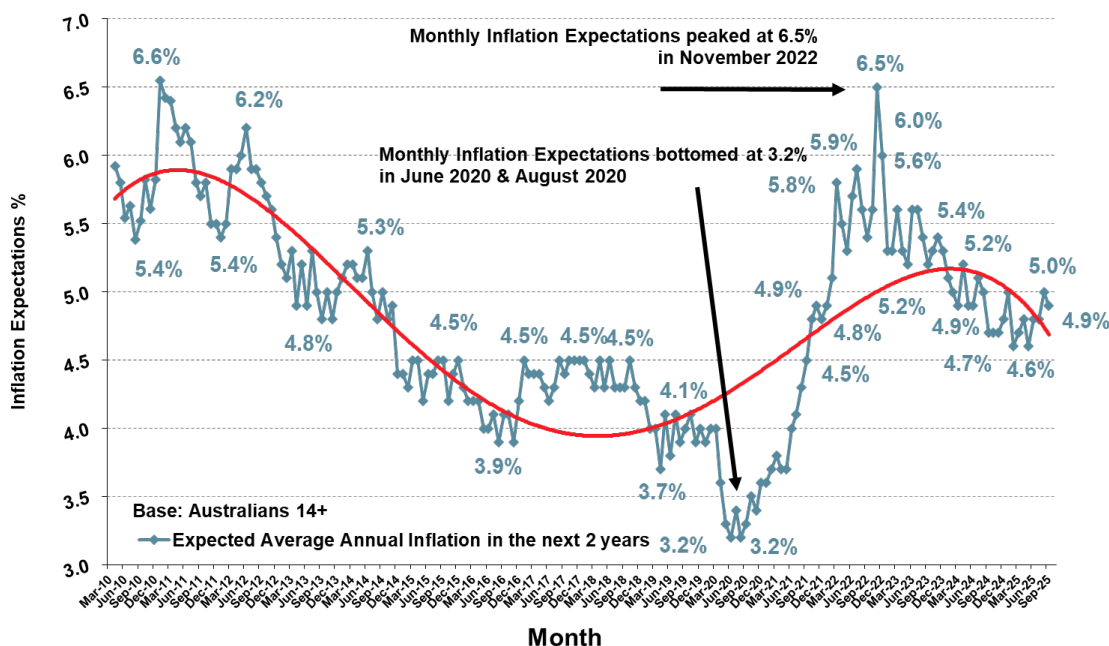
ANZ-Roy Morgan Inflation Expectations are at 4.8% in late October – down 0.1% points from the month of September

The weekly ANZ-Roy Morgan Inflation Expectations were at 4.8% for the week of October 20-26, 2025, down 0.1% points from the full month of September.

A look at monthly Inflation Expectations for September 2025 shows the measure at 4.9% for the month – down 0.1% points from the prior month of August.

Looking back over the last year, weekly Inflation Expectations have moved in a band of 4.2% - 5.2% since the start of September 2024 and averaged 4.8%. In addition, the latest information on weekly Inflation Expectations is available to view each week in the [Roy Morgan Weekly Update video on YouTube](#).

Monthly Inflation Expectations Index long-term trend – Expected Annual Inflation in next 2 years



Source: Roy Morgan Single Source: Interviewing an average of 4,900 Australians aged 14+ per month (April 2010 – Sept. 2025).

Average retail petrol prices dropped to \$1.81 per litre in September, the highest since March 2025

During September, average retail petrol prices increased by three cents per litre to \$1.81 per litre – the highest average retail petrol prices for six months since March 2025.

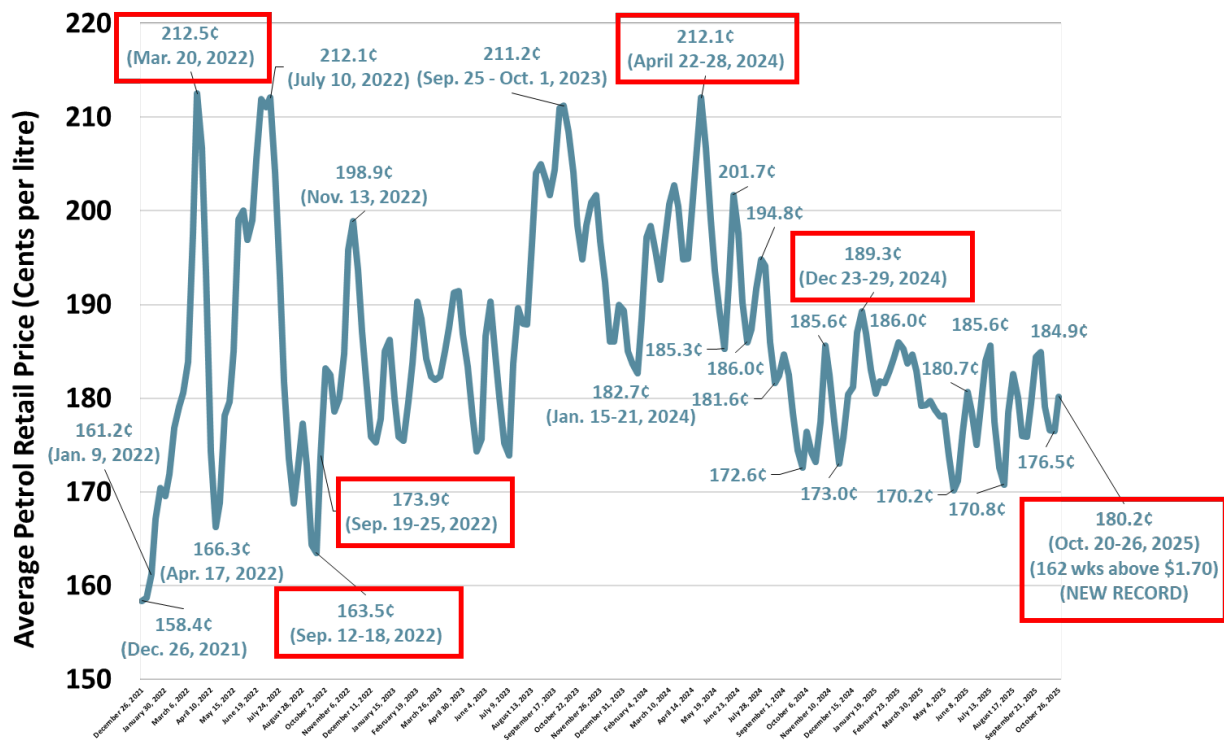
Average retail petrol prices started the month of September at \$1.76 per litre and increased throughout the month to a monthly high of \$1.85 per litre in late September. The good news is that after peaking in late September, average retail petrol prices have dropped back down during October.

Average retail petrol prices hit near three-year lows in May but then rebounded in June and July. This volatility is reflected in the weekly Inflation Expectations of Australians which have moved in a band of 0.5% between 4.7-5.2% during the last six months from May - October. On a weekly level, Inflation Expectations have increased 12 times, decreased 11 times, and been unchanged three times.

Looking longer-term, average retail petrol prices have now been at, or above, \$1.70 per litre for a record 162 straight weeks, equivalent to over three years uninterrupted, since mid-September 2022.

Looking back average retail petrol prices have now averaged \$1.85 per litre since late January 2024, but this has dropped to an average of \$1.78 per litre since mid-May 2025 over the last 25 weeks. The reduction in petrol prices this year has clearly lessened inflation pressures and was no doubt a key factor for the Reserve Bank behind its decision to cut interest rates in February, May and early August.

Australian average retail petrol prices (cents per litre) weekly: 2021 – 2025



Source: Australian Institute of Petroleum (AIP) weekly reports: <https://www.aip.com.au/pricing/weekly-prices-reports>.

The latest official [ABS monthly annual CPI estimate at 3.0% for the year to August 2025](#) is within the Reserve Bank's preferred target range of 2-3% over the course of the economic cycle. Official estimates of inflation have now been within the preferred target range for twelve months since August 2024.

The drop in official estimates of inflation led to the first cut in official interest rates for over four years by the Reserve Bank in mid-February by +0.25% to 4.1% and this was followed up in late May with another cut by +0.25% to 3.85% and again in early August by +0.25% to 3.6%.

The next ABS Monthly CPI estimate for September 2025 is due to be released this week on Wednesday.

Inflation Expectations were highest in Western Australia and Queensland at 5% plus

A look at Monthly Inflation Expectations on a State-based level for September shows mixed results with decreases in Western Australia, Queensland, New South Wales and South Australia, were unchanged in Victoria, but were up in Tasmania.

Despite decreasing in September, Inflation Expectations were highest in Western Australia at 5.1%, down 0.1% points from a month ago and Queensland at 5.0%, down 0.3% points from a month ago.

Inflation Expectations are in line with the national average in New South Wales at 4.9%, down 0.2% points from a month ago, and Tasmania at 4.9%, up 0.2% points from a month ago.

In Victoria, Inflation Expectations were unchanged at 4.8% in September and were down 0.1% points to 4.6% in South Australia, and now clearly the lowest Inflation Expectations of any State.

Inflation Expectations in Country Areas dropped slightly by 0.1% points to 5.2% in September and were also down in Capital Cities, by 0.2% points to 4.7%, reversing the previous month's increase in August.

Roy Morgan CEO Michele Levine says weekly Inflation Expectations were at 4.8% in late October, down 0.1% points from the September estimate of 4.9%:

“ANZ-Roy Morgan Inflation Expectations in Australia are down so far in October and are now at 4.8%, down 0.1% points from the full month of September (4.9%). Inflation Expectations in the month of September were down 0.1% points from a seven-month high in August (5.0%).

“However, although Inflation Expectations have now dropped in late October, the indications so far this month are that Inflation Expectations for October will have increased throughout the entire month and be in line with the six-month high in August at 5% - or even higher.

“The good news for Australians is that the official ABS inflation estimates have continued within the Reserve Bank’s preferred target range of 2-3% over the course of the economic cycle – at [3% for the year to August 2025](#). Inflation Expectations have now been within the target range for thirteen straight months since August 2024 averaging 2.4% during this period.

“The sharp reduction in inflationary pressures in the broader economy during which official annual inflation fell from 4.1% in 2023 to 2.4% in 2024 – a fall of 1.7% points – led to the Reserve Bank cutting official interest rates in February, May and early August by a total of 0.75% to 3.6%.

“The volatility in energy prices, and Inflation Expectations, in recent weeks and months shows just how sensitive Australians are to changes in the prices of essential everyday goods.”

See below for a comprehensive list of RBA interest rate changes during the time-period charted above.

The data for the Inflation Expectations series is drawn from the Roy Morgan Single Source which has interviewed an average of around 5,300 Australians aged 14+ per month over the last decade from October 2015 – September 2025 and includes interviews with 4,097 Australians aged 14+ in September 2025.

For comments and information about Roy Morgan’s Inflation Expectations data, please contact:

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About Roy Morgan

Roy Morgan is Australia’s largest independent Australian research company, with offices in each state, as well as in the U.S. and U.K. A full-service research organisation, Roy Morgan has over 80 years’ experience collecting objective, independent information on consumers.



The questions used to calculate the Monthly Roy Morgan Inflation Expectations Index.

1) Prices: “During the next 2 years, do you think that prices in general will go up, or go down, or stay where they are now?”

2a) If stay where they are now: “Do you mean that prices will go up at the same rate as now or that prices in general will not go up during the next 2 years?”

2b) If go up or go down: “By about what per cent per year do you expect prices to (go up/ go down) on average during the next 2 years?”

3) “Would that be (x%) per year, or is that the total for prices over the next 2 years?”

The Roy Morgan Inflation Expectations Index is a forward-looking indicator unlike the Consumer Price Index (CPI) and is based on continuous (weekly) measurement, and monthly reporting. The Roy Morgan Inflation Expectations Index is current and relevant.

Monthly Roy Morgan Inflation Expectations Index (2010 – 2025)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly Average
2010	n/a	n/a	n/a	5.9	5.8	5.5	5.6	5.4	5.5	5.8	5.6	5.8	5.7
2011	6.6	6.4	6.4	6.2	6.1	6.2	6.1	5.8	5.7	5.8	5.5	5.5	6.0
2012	5.4	5.5	5.9	5.9	6.0	6.2	5.9	5.9	5.8	5.7	5.6	5.4	5.8
2013	5.2	5.1	5.3	4.9	5.2	4.9	5.3	5.0	4.8	4.9	4.8	5.0	5.0
2014	5.1	5.2	5.2	5.1	5.1	5.3	5.0	4.8	5.0	4.8	4.9	4.4	5.0
2015	4.4	4.3	4.5	4.5	4.2	4.4	4.4	4.5	4.5	4.2	4.4	4.5	4.5
2016	4.3	4.2	4.2	4.2	4.0	4.0	4.1	3.9	4.1	4.1	3.9	4.2	4.1
2017	4.5	4.4	4.4	4.4	4.3	4.2	4.3	4.5	4.4	4.5	4.5	4.5	4.4
2018	4.5	4.4	4.3	4.5	4.3	4.5	4.3	4.3	4.3	4.5	4.3	4.2	4.4
2019	4.2	4.0	4.0	3.7	4.1	3.8	4.1	3.9	4.0	4.1	3.9	4.0	4.0
2020	3.9	4.0	4.0	3.6	3.3	3.2	3.4	3.2	3.3	3.5	3.4	3.6	3.5
2021	3.6	3.7	3.8	3.7	3.7	4.0	4.1	4.3	4.5	4.8	4.9	4.8	4.2
2022	4.9	5.1	5.8	5.5	5.3	5.7	5.9	5.6	5.4	5.6	6.5	6.0	5.6
2023	5.3	5.3	5.6	5.3	5.2	5.6	5.6	5.4	5.2	5.3	5.4	5.3	5.4
2024	5.1	5.0	4.9	5.2	4.9	4.9	5.1	5.0	4.7	4.7	4.7	4.8	4.9
2025	5.0	4.6	4.7	4.8	4.6	4.8	4.8	5.0	4.9				4.8
Monthly Average	4.8	4.7	4.9	4.8	4.8	4.8	4.9	4.8	4.8	4.8	4.8	4.8	4.8

Overall: Roy Morgan Inflation Expectations Average: 4.8

The Roy Morgan Consumer Confidence Report – Including Inflation Expectations

To learn more about the trends for Inflation Expectations as well as Consumer Confidence for different segments and demographics throughout the Australian community, purchase the [Roy Morgan Consumer Confidence Monthly Report](#).

RBA interest rates changes during the time-period measured: 2010-2025.**RBA – Interest rate increasing cycle (2010):****2010**

April 2010: +0.25% to 4.25%; May 2010: +0.25% to 4.75%, November 2010: +0.25% to 5%.

RBA – Interest rate cutting cycle (2011-2013, 2015-2016 & 2019-2020):**2011 – 2013**

November 2011: -0.25% to 4.5%; December 2011: -0.25% to 4.25%; May 2012: -0.5% to 3.75%;
June 2012: -0.25% to 3.5%; October 2012: -0.25% to 3.25%; December 2012: -0.25% to 3%;
May 2013: -0.25% to 2.75%; August 2013: -0.25% to 2.5%.

2014

There were no RBA interest rate changes during 2014.

2015 – 2016

February 2015: -0.25% to 2.25%; May 2015: -0.25% to 2%; May 2016: -0.25% to 1.75%;
August 2016: -0.25% to 1.5%.

2017 – 2018

There were no RBA interest rate changes during 2017-18.

2019 – 2020

June 2019: -0.25% to 1.25%; July 2019: -0.25% to 1%; October 2019: -0.25% to 0.75%;
March 4, 2020: -0.25% to 0.5%, March 20, 2020: -0.25% to 0.25% & November 6, 2020: -0.15% to 0.1%.

RBA – Interest rate increasing cycle (2022-23):**2022**

May 2022: +0.25% to 0.35%, June 2022: +0.5% to 0.85%; July 2022: +0.5% to 1.35%;
August 2022: +0.5% to 1.85%; September 2022: +0.5% to 2.35%; October 2022: +0.25% to 2.6%;
November 2022: +0.25% to 2.85% and December 2022: +0.25% to 3.1%.

2023

February 2023: +0.25% to 3.35%; March 2023: +0.25% to 3.6%; May 2023: +0.25% to 3.85%;
June 2023: +0.25% to 4.10%; November 2023: +0.25% to 4.35%.

2024

There were no RBA interest rate changes during 2024.

RBA – Interest rate cutting cycle (2025):**2025**

February 2025: -0.25% to 4.10%; May 2025: -0.25% to 3.85%; August 2025: -0.25% to 3.60%.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
50,000	±0.4	±0.4	±0.3	±0.2

