

Tuesday, 6 January 2026

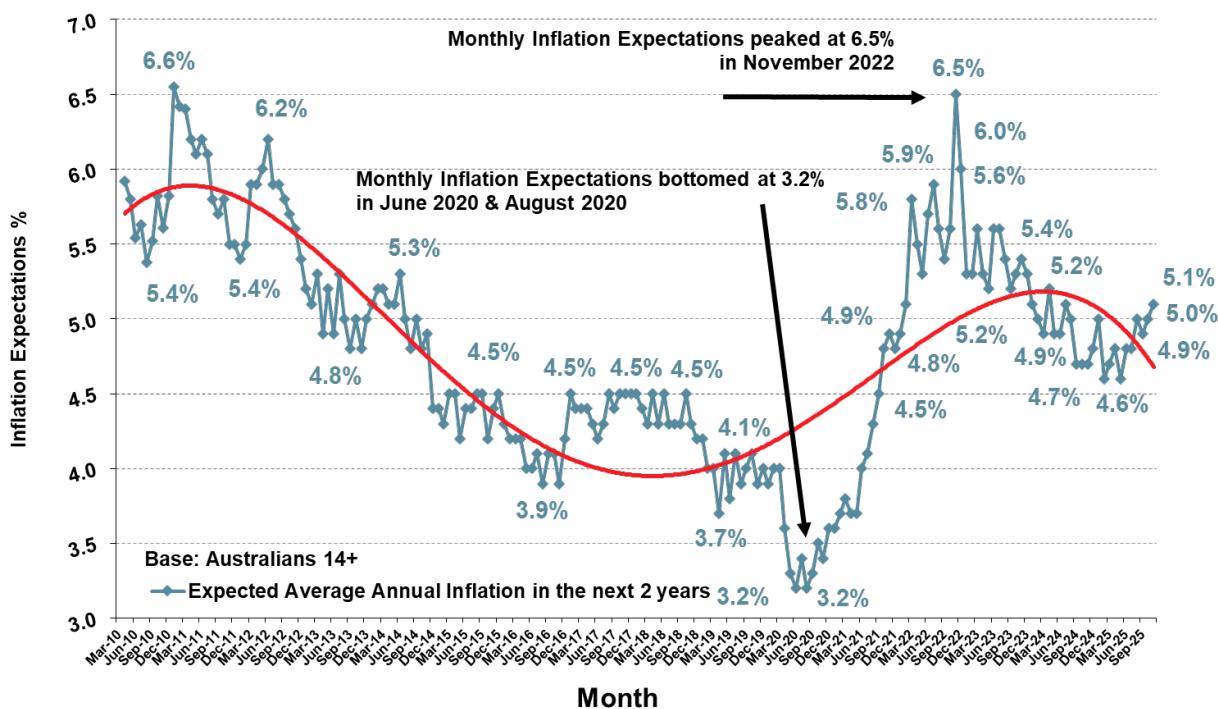
## ANZ-Roy Morgan Inflation Expectations were at 5.6% in mid-December – up 0.3% points from the month of November

The weekly ANZ-Roy Morgan Inflation Expectations hit a two-year high at 5.6% for the week of December 8-14, 2025, up 0.3% points from the full month of November – the highest the index has been on a weekly basis for two years since December 2023.

A look at monthly Inflation Expectations for November 2025 shows the measure at 5.1% for the month – up 0.1% points from the prior month of November, but since then inflationary pressures have increased.

Looking back over the last six months, since mid-June 2025, weekly Inflation Expectations have moved in a band of 4.7% - 5.4% and averaged 5.1%. 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 – Nov. 2025).

### Average retail petrol prices increased to above \$1.80 per litre in November and December

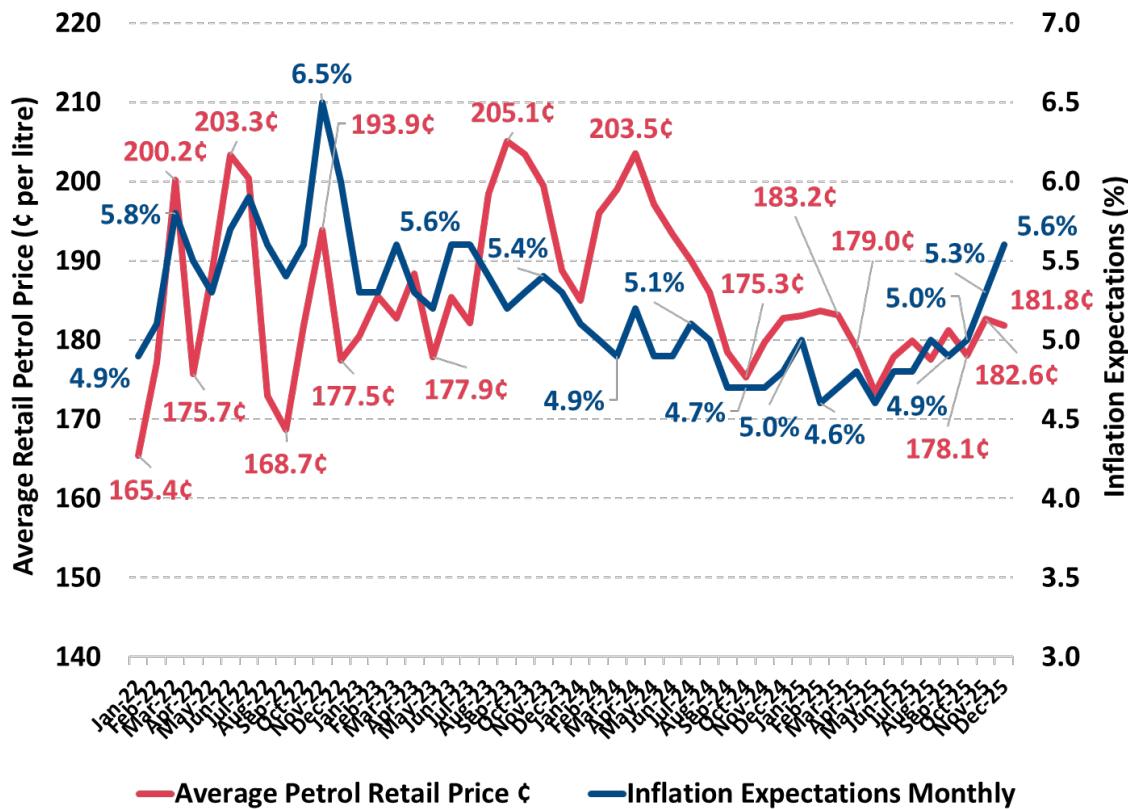
During November, average retail petrol prices increased by five cents to \$1.83 per litre – hitting their highest average price since March 2025 and remained above \$1.80 per litre in the month of December. Average retail petrol prices started the month of November at \$1.84 per litre and stayed above \$1.80 per litre for the entire month, the first time this has happened for nine months since February 2025.

Looking longer-term, average retail petrol prices have now been at, or above, \$1.70 per litre for a record 172 straight weeks, equivalent to over three years uninterrupted, since mid-September 2022.

More recently, average retail petrol prices hit near three-year lows in May but then rebounded over the last few months. This recent volatility is reflected in the weekly Inflation Expectations of Australians which have moved in a band of 0.9% between 4.7-5.6% during the six months from June - December. On a weekly level, Inflation Expectations have increased 12 times, decreased eight times, and been unchanged six times.

The reduction in petrol prices early in 2025 clearly lessened inflation pressures and was no doubt a factor for the Reserve Bank behind its decision to cut interest rates in February, May and August 2025. However, there has been renewed strength in petrol prices in the second half of 2025, and in turn inflationary pressures have re-accelerated across the economy over the last few months.

### 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 quarterly annual CPI estimate at 3.8% for the year to October 2025](#) is now clearly above the Reserve Bank's preferred target range of 2-3% over the course of the economic cycle. Office estimates of inflation have now doubled in only four months since [June 2025 \(1.9%\)](#).

The increase in official estimates of inflation led to the Reserve Bank's decision to leave interest rates unchanged for its last three meetings in October, November and December 2025. This is the first time since 2024 the Reserve Bank has left interest rates unchanged at three consecutive meetings.

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

### Inflation Expectations were highest in Tasmania and Queensland at over 5.5%

A look at Monthly Inflation Expectations on a State-based level for November shows increases around Australia in four States, but significant declines in two other States.

Inflation Expectations increased markedly in Tasmania, up 0.8% to 6.0%, and are now clearly the highest of any State, and increased in three other States including in Queensland (up 0.2% points to 5.6%), New South Wales (up 0.2% points to 5.2%) and Victoria (up 0.2% points to 5.1%).

In contrast, there were large declines in Inflation Expectations in Western Australia, down 0.6% points to 4.7%, and in South Australia, down 0.5% points to 4.6%, and now the lowest of any State.

Inflation Expectations in Country Areas increased 0.2% points to 5.4% in November, and in Capital Cities increased marginally by 0.1% points to 5.0%.

**Roy Morgan CEO Michele Levine says weekly Inflation Expectations were at a two-year high of 5.6% in mid-December, up 0.3% points from the November estimate of 5.1%, and showing the increasing inflationary pressures in the Australian economy:**

*"ANZ-Roy Morgan Inflation Expectations in Australia continued to increase in recent weeks and were at 5.6% in mid-December, up 0.3% points from the full month of November (5.1%). Inflation Expectations in the month of November were up 0.1% points from the month of October (5.0%).*

*"These results show that Inflation Expectations are on track to increase for a third consecutive month in December – the first time this has happened since March 2022 – before the Reserve Bank began its previous cycle of interest rate increases (up 4.25% from 13 interest rate increases to 4.35%).*

*"The increase in Inflation Expectations in November, and during December, is no surprise with inflationary pressures driven by energy prices a key factor. The average retail petrol price hit an eight-month high of \$1.83 in November and remained above \$1.80 in the month of December.*

*"The rise in Inflation Expectations, and average retail petrol prices, has been matched by a sustained rise in the official ABS Inflation from a low of 1.9% in June 2025, up to 2.8% in July 2025, 3.5% in September 2025, and 3.8% in October 2025 – the highest since June 2024 (3.8%).*

*"The sharp rise in inflationary pressures in the broader economy during the last four months – doubling by 1.9% points since June – led to the Reserve Bank's decision to leave interest rates unchanged at 3.6% at its last three-monthly meetings in October, November and December.*

*"Looking forward, as inflationary pressures in the economy remain continue to build, the chances are now tilted towards the Reserve Bank raising interest rates at some point during 2026, perhaps as soon as the RBA's next meeting in early February."*

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 December 2015 – November 2025 and includes interviews with 4,139 Australians aged 14+ in November 2025.

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

**Roy Morgan Enquiries**  
Office: +61 (3) 9224 5309  
[askroymorgan@roymorgan.com](mailto:askroymorgan@roymorgan.com)

#### **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)

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

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](#).

#### 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

**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%.