

Tuesday, 23 June 2026

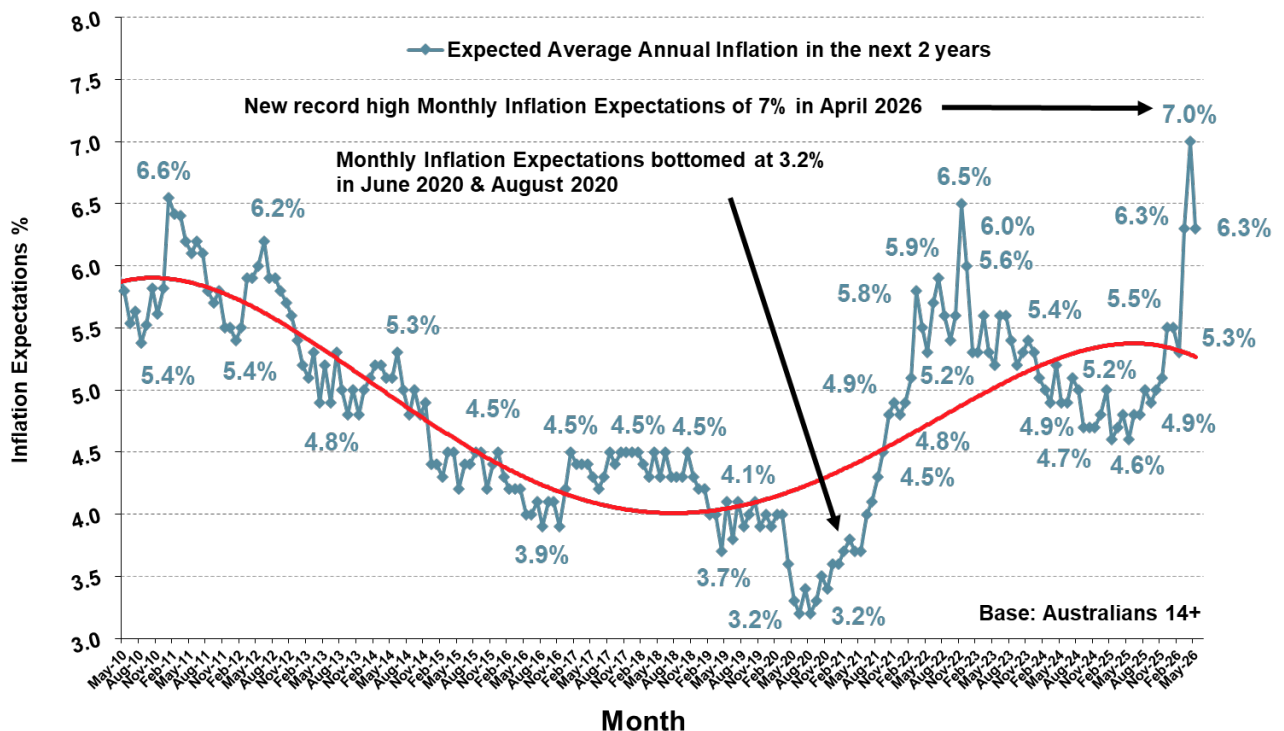
## ANZ-Roy Morgan Inflation Expectations were at 5.8% in late June – down 0.5% points from the month of May

The weekly ANZ-Roy Morgan Inflation Expectations declined sharply in the month of May and have continued this downward trend so far during June and are at 5.8% for the week of June 15-21, 2026, down 0.5% points from the month of May.

The latest weekly reading is now below the average for Inflation Expectations over the first 24 weeks of 2026 of 6.1%. A look at monthly Inflation Expectations for May 2026 shows the measure at 6.3% for the month – down 0.7% points from the prior month of April, returning to its level in March, also 6.3%.

Inflation Expectations spiked to a record weekly high of 7.3% (March 23-29, 2026) and record monthly high of 7% for April 2026 following the United States and Israel attack on Iran but have dropped significantly over the last two months as a ceasefire was called in the conflict. In addition, the latest information on weekly Inflation Expectations is available to view each week in the [Roy Morgan Weekly Update video on YouTube](#).

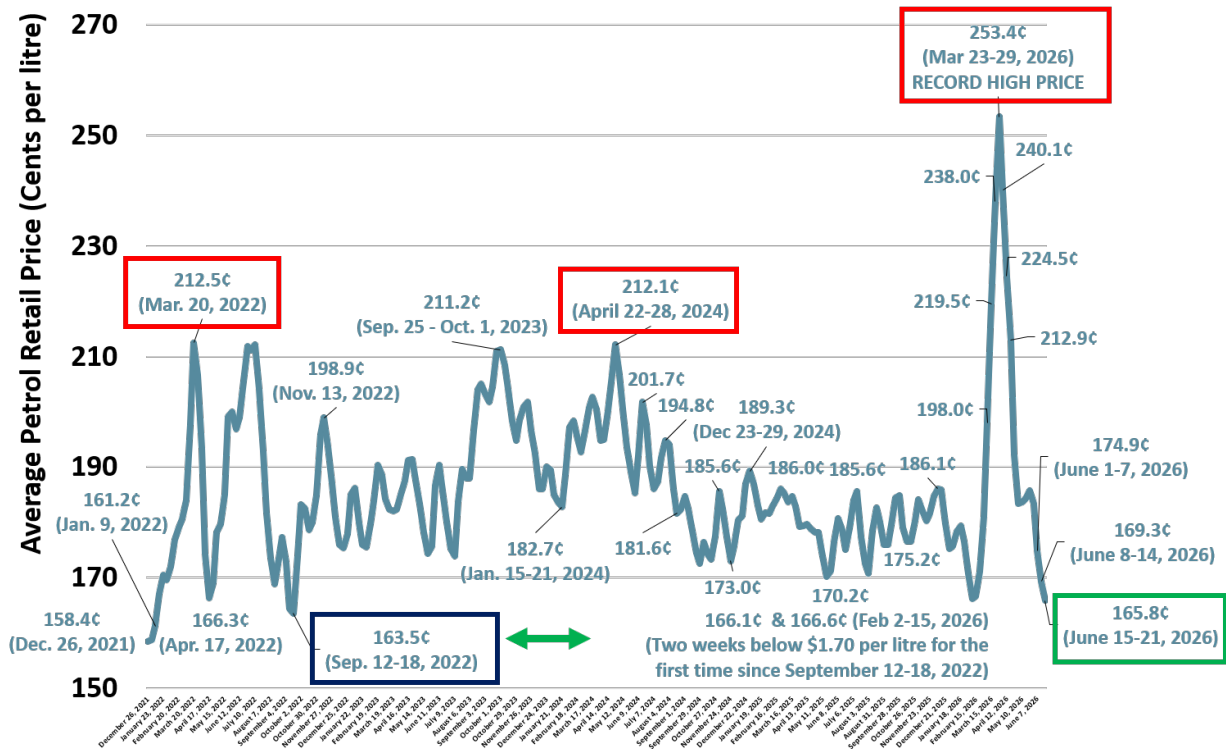
### Monthly Inflation Expectations Index long-term trend – Expected Annual Inflation in next 2 years



Since May ended, average retail petrol prices have dropped even further during June and are now at \$1.66 per litre in late June, the equal lowest price for nearly four years since September 2022.

The Albanese Government's decision to cut the fuel excise in half, cutting the tax by over 26 cents per litre, at the end of March clearly helped to lower the price of petrol significantly during the months of April, May, and June, although the full cut to the excise is due to finish at the end of the month of June.

**Australian average retail petrol prices (cents per litre) weekly: 2021 – 2026**



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 4.2% for the year to April 2026](#) is now significantly above the Reserve Bank's preferred target range of 2-3% over the course of the economic cycle. Official estimates of inflation have more than doubled since [June 2025 \(1.9%\)](#).

The increase in official estimates of inflation led to the Reserve Bank's decision to commence a cycle of increases by raising interest rates at its first three meetings of 2026 in February (+0.25%), March (+0.25%), and May (+0.25% to 4.35%), but left interest rates unchanged at their most recent meeting in mid-June.

**The next ABS Monthly CPI estimate for May 2026 is due to be released on Wednesday.**

**Inflation Expectations were highest in Tasmania and Queensland for the fourth straight month**

A look at Monthly Inflation Expectations on a State-based level for May shows decreases in all six States as Inflation Expectations eased after peaking during March and April.

Inflation Expectations were highest in Queensland, down 0.5% points to 7.0%, just ahead of Tasmania at 6.8%, down 1% point from a month ago.

Inflation Expectations in Western Australia eased 0.2% points to 6.6%, and in South Australia were down 0.4% points to 6.2%. Inflation Expectations plunged in the two largest States of Victoria, down 0.7% points to 6.1%, and by 0.9% points to 6.0% in New South Wales – which now has the lowest Inflation Expectations.

Inflation Expectations in Country Areas dropped 0.3% points to 7% in May, and in Capital Cities dropped by 0.8% points to 6%.

**Roy Morgan CEO Michele Levine says Inflation Expectations have subsided significantly since reaching a record high of 7.3% in late March and dropped to 6.3% for the month of May, and are now down at 5.8% in late June – down 1.5% points from late March:**

*“ANZ-Roy Morgan Inflation Expectations in Australia increased sharply after the United States and Israel attacked Iran on the last day of February, increasing 1% point in the month of March to 6.3%, and up a further 0.7% points to a record monthly high of 7% for April.*

*“However, Inflation Expectations have declined since peaking in late March and April. Inflation Expectations for the month of May were at 6.3% (down 0.7% points from a month ago), and the latest weekly rating is now 5.8% in late June – down 1.5% points from the peak in late March.*

*“Inflation Expectations dropped after the Albanese Government cut the fuel excise in half in the first week of April, and average retail petrol prices in late June are now at \$1.66 per litre, down by over 85 cents (-41.3%) since reaching a peak in late March at a record high of \$2.53 per litre.*

*“The cut to the fuel excise is set to be partly wound back at the end of June and ended fully by early August – which will lead to higher petrol prices in the weeks and months ahead.*

*“Even before the conflict in the Middle East, official estimates of inflation were increasing, from a low of 1.9% in June 2025, up to 3.7% in February 2026, and a high of 4.6% in March 2026. The good news is that since peaking in late March, official inflation eased in [April 2026 to 4.2%](#), reflecting the rapid falls in energy prices as the ceasefire in the Middle East took hold.*

*“The rise in inflationary pressures in the broader economy since the middle of last year led to the Reserve Bank’s decision to raise interest rates by +0.25% in early February, by +0.25% in mid-March, and by another +0.25% to 4.35% in early May – wiping out last year’s rate cuts.*

*“The sharp fall in Inflation Expectations since late March, down by 1.5% points to 5.8% this week, shows that concerns about inflation are moderating and the pressure on the Reserve Bank to raise interest rates again has declined.*

*“These factors no doubt contributed to the Reserve Bank’s decision to leave interest rates unchanged at 4.35% at their most recent meeting in mid-June.”*

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 June 2016 – May 2026 and includes interviews with 4,104 Australians aged 14+ in May 2026.

**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 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](#).

**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 – 2026)**

<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	5.1	5.5	<b>4.9</b>
<b>2026</b>	<b>5.5</b>	<b>5.3</b>	<b>6.3</b>	<b>7.0</b>	<b>6.3</b>								<b>6.1</b>
<b>Monthly Average</b>	<b>4.8</b>	<b>4.8</b>	<b>5.0</b>	<b>5.0</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>4.9</b>

**Overall: Roy Morgan Inflation Expectations Average: 4.8**

**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%.

**RBA – Interest rate increasing cycle (2026):****2026**

February 2026: +0.25% to 3.85%;; March 2026: +0.25% to 4.10%; May 2026: +0.25% to 4.35%.

