INFLATION MONITOR

JULY 13, 2026

Economic Analysis and Research Department

Energy inflation in June moderated in the euro area (flash estimate) and Greece, contributing to an easing of headline inflation pressures. Over the past month, improved energy supply prospects lowered market-based inflation expectations in both the euro area and the United States. Markets price in somewhat higher policy rates in the United States, while expectations for the ECB policy path remained broadly unchanged, with one rate hike, vis-à-vis present levels, expected until the end of 2026; however recent Middle East tensions have slightly increased the likelihood of a further ECB rate hike by early 2027.

- ***HICP inflation*** *in June declined to 2.8% in the euro area (flash estimate) and to 3.9% in Greece. Inflation in the US increased in May to 4.2%.*
- *Although energy prices increased faster than any other sub-component of the HICP in the first six months of 2026 in both Greece and the euro area,* ***services inflation remains the main contributor of HICP inflation*** *(contributing 2.1 p.p. and 1.5 p.p. respectively) followed by energy and unprocessed food inflation.*
- ***Crude oil prices had*** *moved lower over the last month due to recovering flows through the Straits of Hormuz, although oil prices have recently rebounded modestly due to the latest renewed tensions in the Middle East. Gas prices rose due to intensified competition for LNG cargoes and Europe's acceleration of storage rebuilding.*
- ***Market-based indicators reflect expectations for disinflation in both the euro area and the US;*** *this movement is underlined by the expectation for a normalization of the energy supply as well as the affirmation of the Fed's decisiveness on the price stability goal. Market-based inflation expectations, in both the EA and the US, moved lower mainly in the short-term horizon.*
- ***The expected policy rate path in the EA remained broadly unchanged, with one rate hike, vis-à-vis present levels, expected until the end of 2026; however, the likelihood for a further rate hike has risen after the recent recurrence of tensions in the Middle East. For the US, expectations for more tightening strengthened against one month ago, after the new Fed Chair underlined Fed's strong commitment to the price stability goal.***
    - *After ECB's rate hike in June, markets expect a 25-bps rate hike by end-2026, vis-à-vis present levels, while one more by 2027:Q1 is now seen as more likely than before the renewed recent tensions in the Middle East.*
    - *Market-based expectations for US policy rates were revised somewhat upwards, with a 25-bps hike by end-2026 priced in as the most likely scenario. A second one by mid-2027 is also considered possible.*

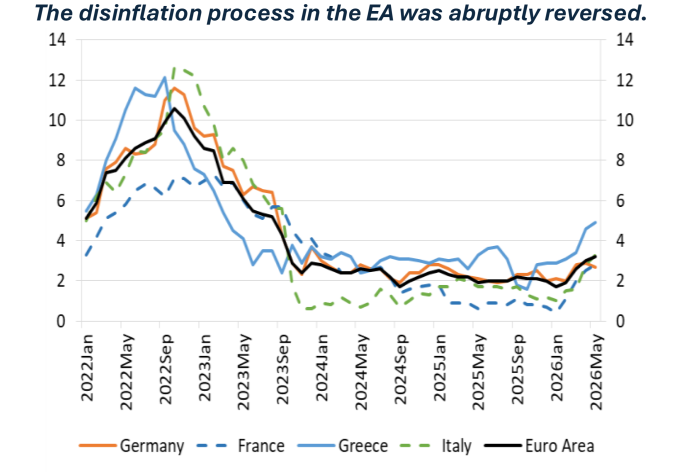
Section 1: HICP inflation developments

- ***Inflation in the euro area declined to 2.8% in June, after three months of increases. The decrease in headline HICP inflation was broad-based, with around half of the contribution stemming from energy inflation (due to a notable fall in oil prices following the agreement between the US and Iran) and the rest from food and services inflation. As regards services inflation, the decline may reflect an easing in travel-related services (especially transportation by air) for which price dynamics were elevated in May due to a surge in jet fuel prices (which have visibly eased in June) and a holiday-related tourism boost in May. Core inflation fell to 2.4% in June 2026 from 2.6% in May, due to the above mentioned fall in services inflation.***
- ***In Greece headline inflation followed an upward path in the first five months of 2026 but declined in June to 3.9%, standing on average at 3.8% in the first half of 2026. The decline in inflation in June is attributed to lower energy inflation (mainly due to lower crude oil prices) and lower services inflation. Core inflation slowed down significantly in June in line with the corresponding slowdown in services inflation, as a result of declines in inflation in accommodation, air transport and rents.***

HICP Headline inflation for selected euro area countries

(annual % changes)

The disinflation process in the EA was abruptly reversed.

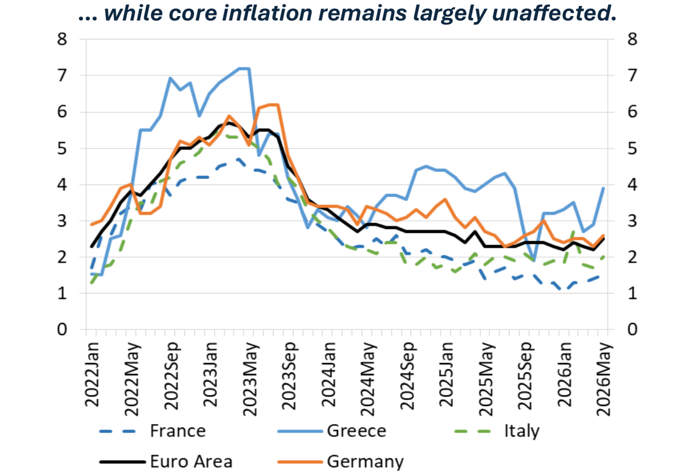


Source: Eurostat. Latest observation: June 2026.

Core inflation for selected euro area countries (HICP excluding energy & food)

(annual % changes)

... while core inflation remains largely unaffected.

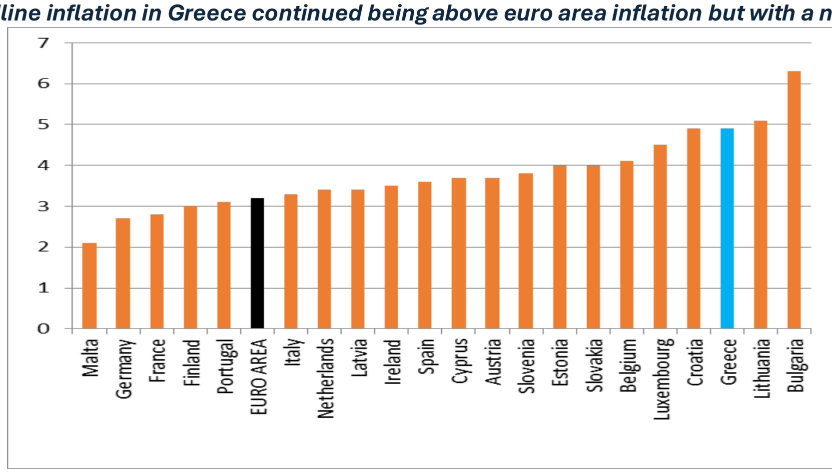


Source: Eurostat. Latest observation: June 2026.

HICP Headline inflation for the euro area countries – June 2026

(annual % changes)

In June 2026, headline inflation in Greece continued being above euro area inflation but with a narrower differential.



Source: Eurostat.

Price developments in the euro area and Greece

(annual % changes)

Both headline and core inflation in Greece continue exceeding those of the EA. The headline inflation differential narrowed in June 2026 compared to May 2026.

EURO AREA	2026 weights (%)	2023	2024	2025	2025		2026		2026					
					Q3	Q4	Q1	Q2	Jan	Feb	Mar	Apr	May	June
Harmonised Index of Consumer Prices (HICP)														
Overall index	**100.00**	**5.4**	**2.4**	**2.1**	**2.1**	**2.1**	**2.0**	**3.0**	**1.7**	**1.9**	**2.6**	**3.0**	**3.2**	**2.8**
Goods	53.31	5.7	1.1	1.0	1.2	0.9	1.0	2.8	0.4	0.7	2.0	3.1	3.0	2.4
Processed food (including alcohol and tobacco)	13.83	11.4	3.2	2.6	2.8	2.3	1.8	1.2	2.0	1.8	1.7	1.6	1.1	1.0
Unprocessed food	5.15	9.5	2.1	3.4	4.2	3.0	4.3	4.0	4.2	4.6	4.2	4.6	4.0	3.2
Non-energy industrial goods	25.28	5.0	0.8	0.6	0.7	0.5	0.5	0.8	0.4	0.7	0.5	0.8	0.9	0.9
Energy	9.05	-2.0	-2.2	-1.4	-1.6	-1.1	-0.7	10.1	-4.0	-3.1	5.1	10.8	10.8	8.7
Services	46.69	4.9	4.0	3.4	3.2	3.4	3.3	3.2	3.2	3.4	3.2	3.0	3.5	3.2
Core Inflation (HICP less energy, food, alcohol and tobacco)	**71.98**	**4.9**	**2.8**	**2.4**	**2.3**	**2.4**	**2.3**	**2.4**	**2.2**	**2.4**	**2.3**	**2.2**	**2.6**	**2.4**
GREECE														
Harmonised Index of Consumer Prices (HICP)														
Overall index	**100.00**	**4.2**	**3.0**	**2.9**	**2.9**	**2.4**	**3.1**	**4.4**	**2.9**	**3.1**	**3.4**	**4.6**	**4.9**	**3.9**
Goods	51.19	3.8	1.7	1.1	1.2	1.0	2.2	4.2	1.7	2.1	3.0	5.2	4.1	3.3
Processed food (including alcohol and tobacco)	14.98	9.4	2.6	0.1	0.2	0.5	0.4	0.6	0.9	0.0	0.3	0.8	0.4	0.6
Unprocessed food	8.45	10.7	3.2	5.8	6.5	7.2	10.9	6.9	10.2	12.5	9.9	9.2	6.5	5.1
Non-energy industrial goods	19.75	6.4	1.7	0.7	0.9	-0.2	1.1	-0.1	1.3	1.8	0.2	0.4	-0.5	-0.1
Energy	8.02	-13.4	-1.4	-0.7	-1.6	-1.4	-0.1	18.7	-4.4	-3.4	7.7	21.6	20.0	14.7
Services	48.81	4.5	4.4	4.8	4.5	4.0	4.0	4.7	4.1	4.3	3.8	3.9	5.7	4.5
Core Inflation (HICP less energy, food, alcohol and tobacco)	**68.56**	**5.3**	**3.6**	**3.6**	**3.6**	**2.8**	**3.2**	**3.3**	**3.3**	**3.5**	**2.7**	**2.9**	**3.9**	**3.2**

Sources: Eurostat, ELSTAT and BoG calculations.

Price developments in the energy component of the Greek HICP and its subcomponents

(annual % changes)

Energy inflation increased significantly in the period March-May 2026 due to the war in the Middle East that drove up energy commodity prices. But it eased in June thanks to declines in the annual rates of motor fuel and electricity, albeit remaining elevated.

GREECE	2026 weights (%)	2023	2024	2025	2025		2026		2026					
					Q3	Q4	Q1	Q2	Jan	Feb	Mar	Apr	May	June
Harmonised Index of Consumer Prices (HICP)														
Overall HICP index	**100.00**	**4.2**	**3.0**	**2.9**	**2.9**	**2.4**	**3.1**	**4.4**	**2.9**	**3.1**	**3.4**	**4.6**	**4.9**	**3.9**
ENERGY	**8.31**	-13.4	-1.4	-0.7	-1.6	-1.4	-0.1	18.7	-4.4	-3.4	7.7	21.6	20.0	14.7
Electricity	**2.80**	-15.0	0.5	7.6	7.2	1.7	2.6	7.3	2.4	3.0	2.4	14.0	5.9	2.8
Natural gas through networks	**0.31**	-49.3	-17	8.1	-2.8	-13.3	-23.4	21.5	-25.8	-19.3	-25.2	19.3	21.0	24.6
Liquefied hydrocarbons	**0.07**	7.6	-0.3	-1.8	-1.6	-1.1	0.3	2.2	0.3	-0.9	1.5	3.0	2.9	0.6
Liquid fuels	**1.03**	-11.8	1.6	-8.9	-12.9	-3.4	2.2	53.2	-9.5	-7.7	24.6	53.2	53.2	53.2
Solid fuels	**0.21**	21.2	0.4	-2.2	-2.6	1.0	1.0	2.5	1.2	0.5	1.2	2.7	2.6	2.2
Fuels for personal transport equipment	**3.60**	-7.8	-2.7	-4.4	-3.8	-1.5	0.1	18.0	-5.6	-4.9	11.2	19.3	22.1	12.8

Sources: ELSTAT and Bank of Greece computations.

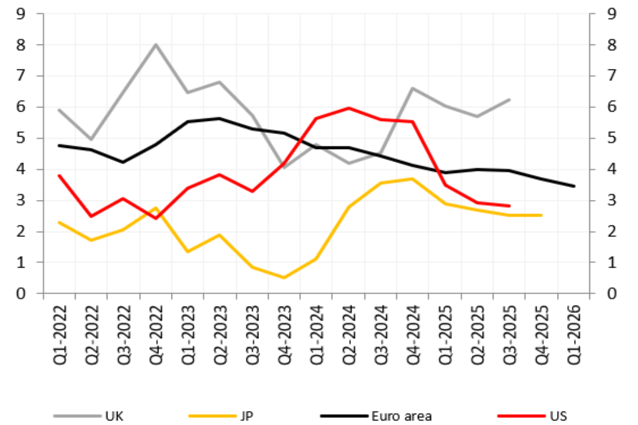
Section 2: Labour market developments

- ***The growth of compensation per employee has continued to moderate, although in several advanced economies, country-specific factors resulted to increases during the first quarter of 2026.***
- ***Despite easing from earlier peaks, labour-market tightness and resilient wage dynamics continue to contribute to persistent services inflation, while the pass-through of recent energy shocks to wage dynamics appears limited.***

Compensation per employee – major regions globally

(y-o-y % change; sa)

Growth in compensation per employee continued easing or stabilising across the major advanced economies (except the UK) during early 2026, although the degree of moderation differs across countries.

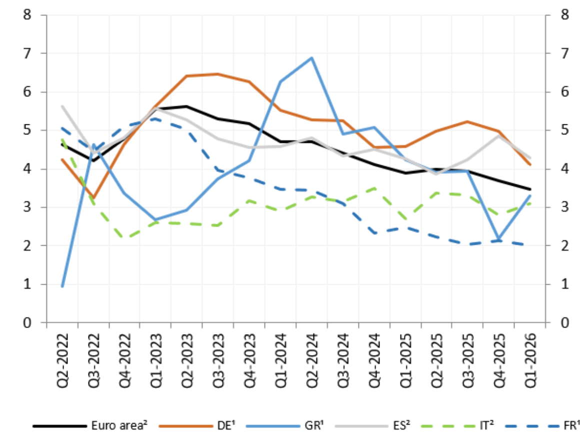


Sources: OECD and ECB. Latest observation: 2026:Q1 for the EA, 2025:Q4 for Japan, 2025:Q3 for the US and the UK.

Compensation per employee – selected euro area countries

(y-o-y % change; sa)

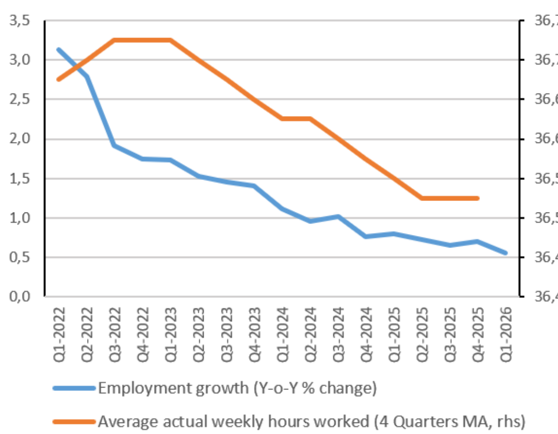
In the first quarter of 2026, compensation per employee growth continued to moderate across the euro area, although Greece and Italy recorded increases.



Sources: ECB. Latest observation: 2026:Q1.
Note: [1] data are not calendar adjusted, [2] data are calendar adjusted

Employment and hours worked – euro area

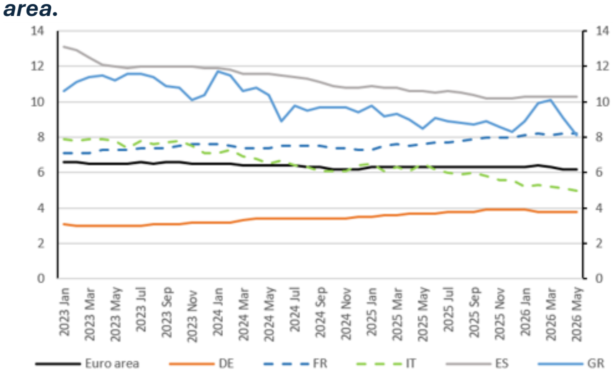
Employment growth is on an easing path, amid concerns over weakening growth prospects.



Source: Eurostat. Latest observation: 2026:Q1 for employment growth, 2025:Q4 for average actual weekly hours worked.

Unemployment rate – selected euro area countries (%)

In May 2026, the EA unemployment rate remained unchanged at 6.2%, while Greece's declined further to 8.1% (-1pp). However, significant cross-country differences in unemployment rates persist across the euro area.



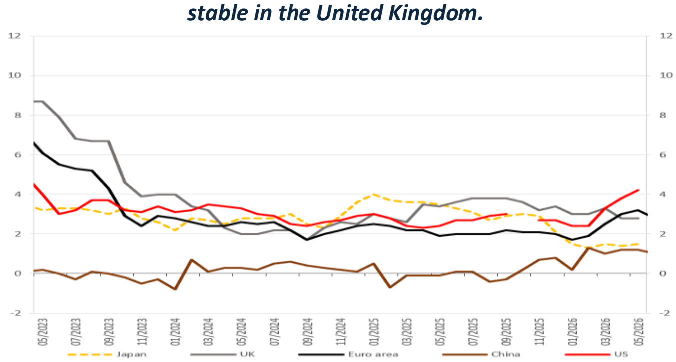
Source: Eurostat. Latest observation: May 2026.

Section 3: Global prices

- ***Crude oil prices moved lower over the past month as supply flows through the Strait of Hormuz improved, although prices have recently rebounded modestly due to renewed tensions in the Middle East. Meanwhile gas prices rose due to intensified competition for LNG cargoes as Europe accelerated storage rebuilding ahead of winter. Industrial metals prices decreased on weaker industrial demand, and agricultural commodity prices moved higher amid rising input costs and concerns about adverse weather developments.***
- ***For over two years, transportation costs have remained elevated due to Houthi attacks on vessels in the Red Sea, which prompted several containership companies to suspend transit through the area, and recently due to fuel costs. The war in the Middle East had heavily affected traffic in the Strait of Hormuz, despite the recent improvement following the June 2026 USA-Iran Memorandum of Understanding.***

Headline consumer price inflation
(annual % change)

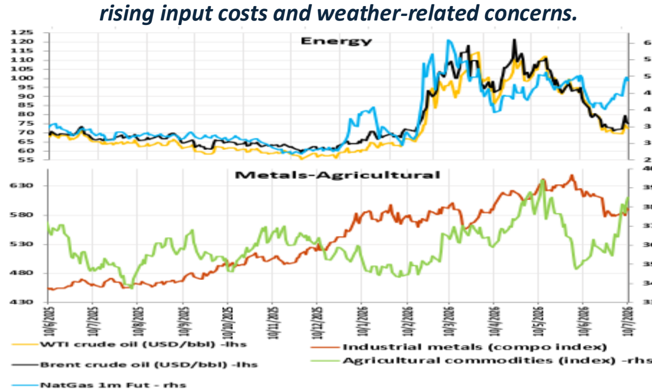
In June 2026, inflation eased in the euro area and China. In May, inflation rose in the United States and Japan, while remaining stable in the United Kingdom.



Sources: OECD, Eurostat, UK ONS. Latest observation: June 2026 for the EA and China, May 2026 for the remaining economies.

Daily commodity prices

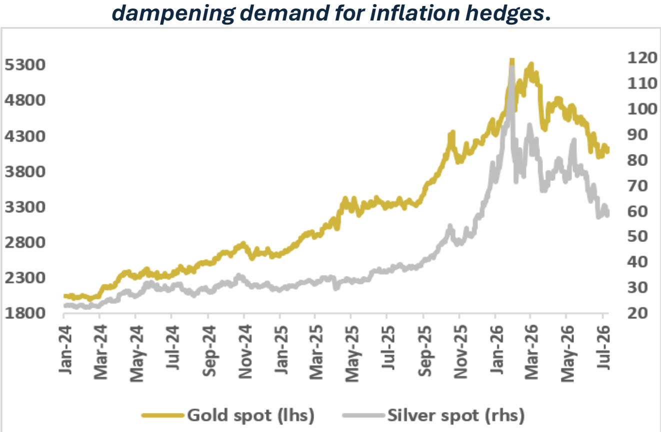
Crude oil prices had fallen but have recently rebounded modestly, gas prices rose on storage demand, industrial metals declined due to weaker demand, and agricultural commodities increased amid rising input costs and weather-related concerns.



Source: LSEG. Latest observation: 10.7.2026.
Note: S&P Goldman Sachs Commodity future price indices for crude oil, gas, industrial metals and agricultural commodities.

Gold and silver

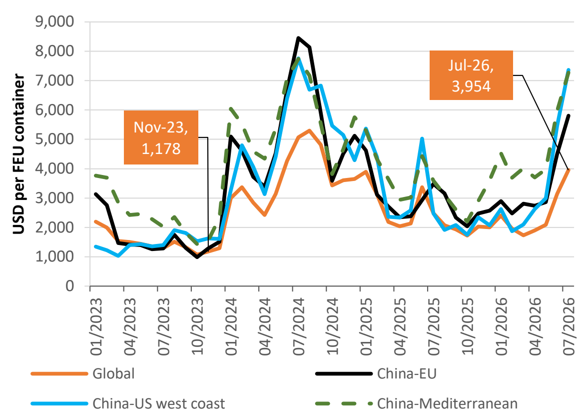
Gold and silver prices were volatile and moved lower over the last month, as easing geopolitical risk reduced demand for safe-haven assets and as the generally lower level of energy prices contributed to moderating inflation concerns, dampening demand for inflation hedges.



Source: LSEG. Latest observation: 10.7.2026.
Notes: Spot prices of gold and silver in USD per troy ounce.

Containers transportation cost – Freightos Index

Global sea transportation costs are currently recording increases due to higher fuel prices.



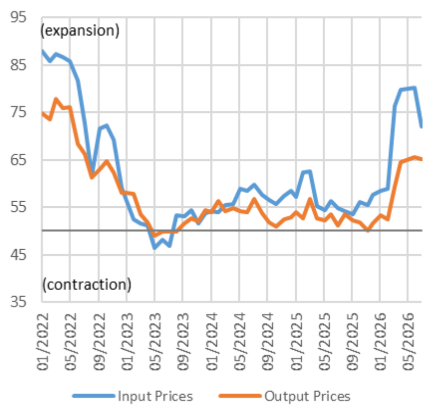
Sources: Freightos and LSEG. Latest observation: 10.07.2026.
Notes: Freightos Baltic Indices reflect the ocean container transport spot freight rates (port to port) for a standard forty-foot container (FEU). Monthly average of daily data.

Section 4: Leading price indicators for the Greek economy

- ***According to the June PMI, input price inflation in manufacturing eased to its lowest level in four months but remained elevated, reflecting higher raw material, transportation and energy prices. Output prices also increased at a softer pace, although it was still the second-highest reading since July 2022.***
- ***Selling price expectations declined in June in all sectors except for industry.***

PMI input and output prices in Greek manufacturing

In June 2026, both input and output price inflation, despite some softening, continued rising at a marked pace...

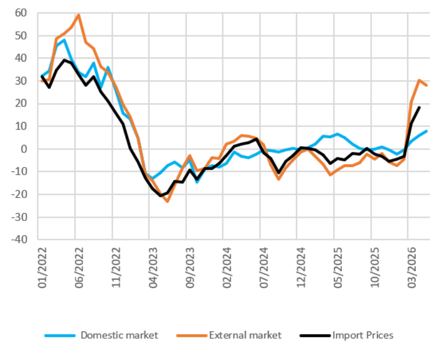


Source: S&P Global. Latest observation: June 2026.

Producer Price Index and import prices in Greece

(annual % change)

...while producer prices started diverging again.

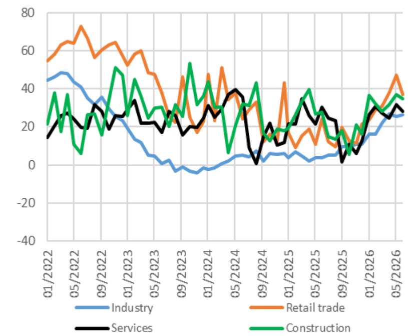


Source: ELSTAT. Latest observation: May 2026.

Selling price expectations in business sectors in Greece

(for the next 3 months)

Selling price expectations declined in all sectors except for industry in June 2026.



Source: European Commission. Latest observation: June 2026.

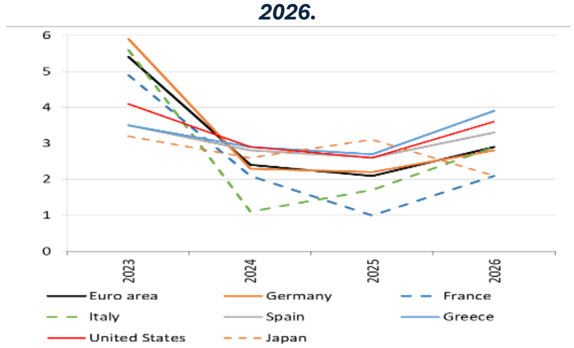
Note: Data is obtained from the closed-ended question about selling price expectations over the next 3 months. The chart shows the net balances i.e. the share of firms' managers expecting higher selling prices minus the share of them expecting lower prices.

Section 5: Inflation expectations

<u>Professional forecasters' inflation expectations</u>: The failure to reach an agreement resulted to another upwards revision of inflation expectations according to the Consensus Forecasts released in June. The revision was particularly pronounced for Greece (0.6 and 0.4. b.p for 2026-7). For 2026 expectations are at 2.9% and for US at 3.4% respectively, and for the EA in 2027.

Inflation expectations

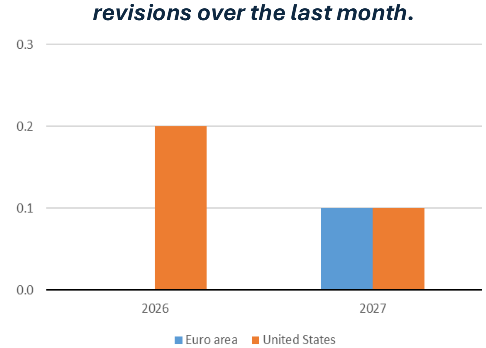
Inflation is expected to be impacted positively, mainly in 2026.



Source: Consensus Forecasts (June 2026).

Inflation expectations' revision

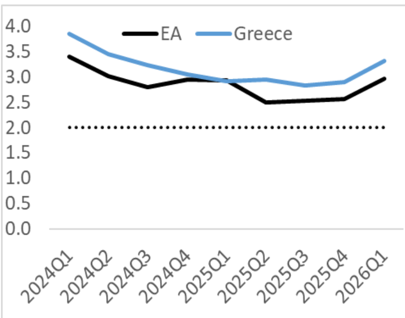
Failure to reach an agreement resulted to further upward revisions over the last month.



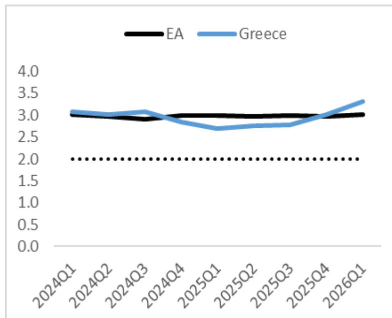
Source: Consensus Forecasts (June 2026).

- ***Firms' inflation expectations**: Firms' median one year ahead inflation expectations in Greece increased to 3.3% in 2026 Q1 from 2.9% in 2025 Q4 and in the euro area to 3% from 2.6% over the same period. Three years ahead expectations increased in Greece to 3.3% in 2026 Q1 from 3% in 2025 Q4 whereas in the euro area were unchanged at 3%. Firms' median five years ahead inflation expectations in Greece increased to 3.3% in 2026 Q1 from 3% in the previous quarter whereas in the euro area to remained unchanged at 3%.*

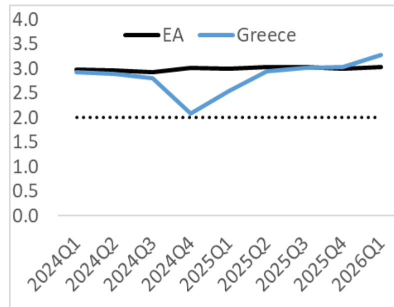
Inflation expectations 12 months ahead



Inflation expectations 3 years ahead



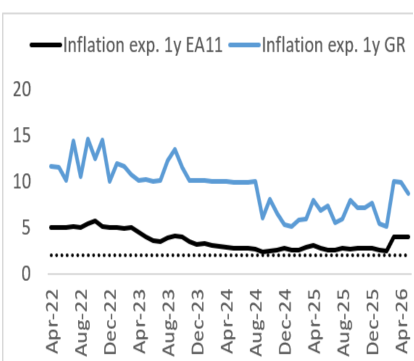
Inflation expectations 5 years ahead



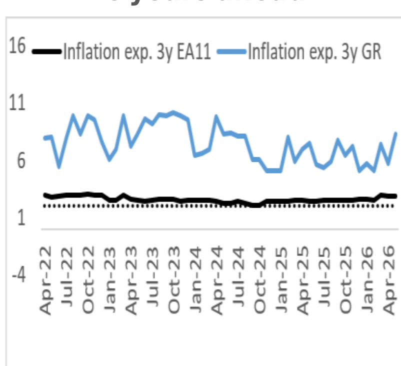
Source: ECB Survey on the Access to Finance of Enterprises (SAFE).
Note: Survey weighted median. Median is computed by linear interpolation of the mid-distribution function. The statistics are computed after trimming the data at the country-specific 1st and 99th percentiles. The data included in the chart refers to questions 31_a, 31_b and 31_c of the survey regarding firms' inflation expectations one year ahead, three years ahead and five years ahead. All enterprises in the sample are included. The chart refers to survey rounds 30 to 38 (2024Q1 to 2026Q1).

***Consumers' inflation expectations**: The ECB's Consumer Expectations Survey (CES) shows that in May the median inflation expectations over the next 12 months decreased in Greece to 8.7% from 9.9% in April whereas in the euro area were unchanged at 4%. Median inflation expectations three years ahead increased in Greece to 8.3% from 5.7% in the previous month whereas in the euro area were unchanged at 2.9%. Median five years ahead inflation expectations were broadly unchanged in Greece and in the euro area at 5.1% and 2.4%, respectively.*

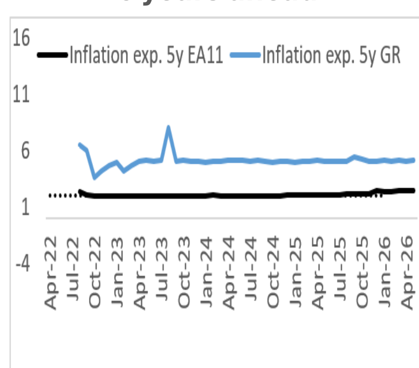
Inflation expectations 12 months ahead



Inflation expectations 3 years ahead



Inflation expectations 5 years ahead



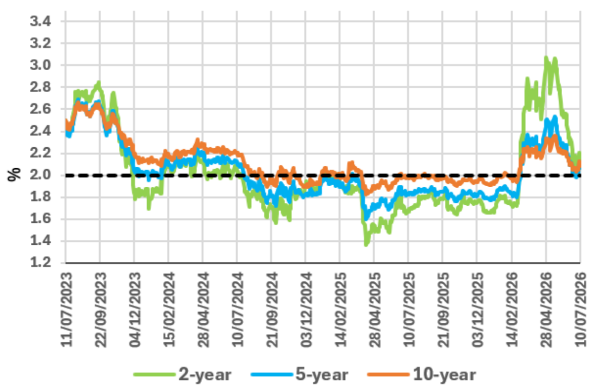
Source: ECB Consumer Expectations Survey (CES).
Note: Using weighted data. Median short-term, medium-term and long-term inflation expectations are obtained from the open-ended question about individuals' expectations of changes in prices in general over the next 12 months, between 2 and 3 years between 4 and 5 years, respectively. The sample period is from April 2022 to May 2026. Long-term inflation expectations are available since August 2022.

Market-based inflation expectations:

- ***Market-based expectations for the EA and US inflation fell considerably over the short-term horizon, reflecting expectations for a disinflationary process, supported by an anticipated normalization of energy supply and Fed's firm decisiveness to tame inflation under the new Fed chair*** *(on 10.7.2026 vs. 11.6.2026: 2-year: EA: 2.14% -42 bps, US: 2.25% -33 bps).*
- ***Market-based inflation expectations at medium- and long-term horizons also declined in both the EA and the US, though the adjustment was more pronounced in the EA*** *(on 10.7.2026 vs. 11.6.2026, 5-year horizon: EA: 2.07%, -21 bps; US: 2.34%, -6 bps; 10-year: EA: 2.08%, -12 bps; US: 2.32%, -3 bps).*
- ***As inflation compensation declined against the backdrop of lower oil prices, real yields in the EA and the US rose across horizons over the past month, particularly at the short-end*** *(on 10.7.2026 vs 11.6.2026: EA-2y: 0.40%, +39 bps, EA-5y: 0.56%, +22 bps, EA-10y: 0.77%, +13 bps; US-2y: 1.96%, +47 bps, US-5y: 1.98%; +18 bps, US-10y: 2.25%: +14 bps).*

Euro-area market-based inflation expectations

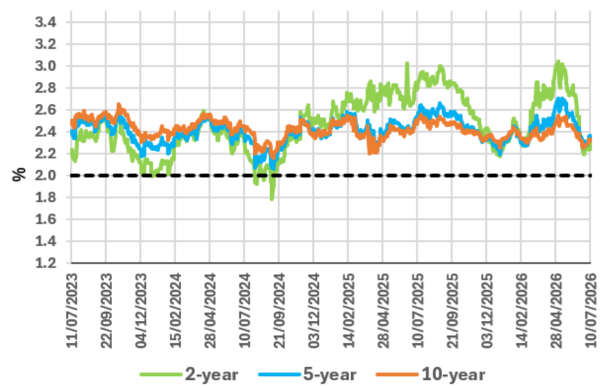
Euro-area market-based inflation expectations moved significantly lower over the past month to about pre-war levels.



Sources: LSEG, Bank of Greece. Latest observation: 10.7.2026.
Note: The chart illustrates daily Euro inflation-linked swap rates for 2-year (green line), 5-year (blue line) and 10 year (orange line) horizons.

US market-based inflation expectations

US market-based inflation expectations retreated across horizons, particularly at the short-end.

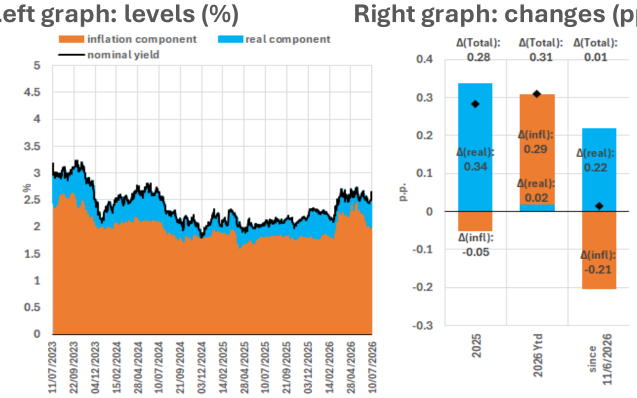


Sources: LSEG, Bank of Greece. Latest observation: 10.7.2026.
Note: The chart illustrates daily US Dollar inflation-linked swap rates for 2-year (green line), 5-year (blue line) and 10-year (orange line) horizons.

EA 5y-yields' inflation and real components

As the energy shock is seen as dissipating, EA market-based indicators of inflation expectations over a 5-year horizon fell and real yields rose.

Left graph: levels (%) **Right graph: changes (pp)**

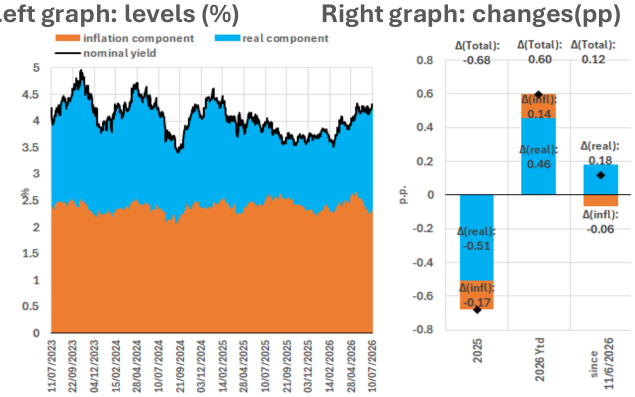


Sources: LSEG, Bank of Greece. Latest observation: 10.7.2026.
Note: The chart shows the decomposition of the 5-year Euro OIS rate (black line) into its real (blue bars) and inflation-linked (orange bars) components. The inflation component is the 5-year Euro inflation-linked swap rate and the real component is the difference between the 5-year Euro OIS rate and the 5-year Euro inflation-linked swap rate.

US 5y-yields' inflation and real components

US market-based indicators of inflation expectations over a 5-year horizon also fell somewhat in the past month. Real yields rose over the past month.

Left graph: levels (%) **Right graph: changes(pp)**



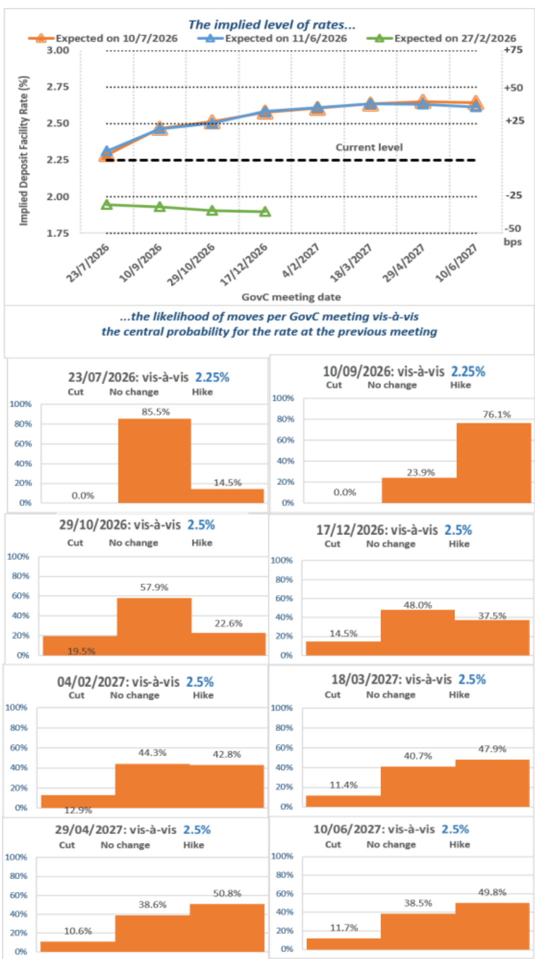
Sources: LSEG, Bank of Greece. Latest observation: 10.7.2026.
Note: The chart shows the decomposition of the 5-year US Treasury bond yield (black line) into its real (blue bars) and inflation-linked (orange bars) components. The inflation component is the 5-year US Dollar inflation-linked swap rate and the real component is the difference between the 5-year US Treasury bond yield and the 5-year US Dollar inflation-linked swap rate.

Section 6: Policy interest rates expectations

- ***Following the ECB's 25-bps rate hike in June, markets expect the ECB to continue raising its policy rates. Compared to one month ago, expectations were broadly unchanged, while remaining significantly above pre-war levels; a 25-bps rate hike vis-à-vis current levels is expected by end-2026, while in the last days of the period under review the probability of another rate hike by the ECB by 2027:Q1 rose somewhat due to the renewed tensions in the Middle East.***
- ***After the new Fed Chair K. Warsh underlined the Fed's strong commitment to the price stability goal, market pricing shifted somewhat upwards relative to one month ago. A 25-bps rate hike by the Fed, until end-2026, is seen as highly likely; after that, a second hike in the first half of 2027 is considered possible.***

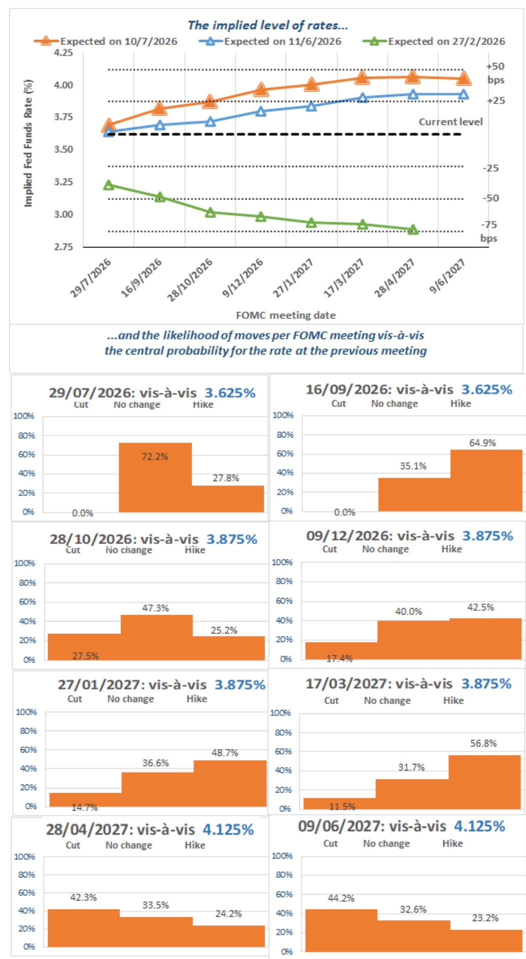
Short-term rates in the euro area

The market-implied rate path in the EA remained broadly unchanged vs one month ago. The ECB is now expected to proceed to a 25 bps rate hike vis-à-vis current levels by end-2026, while another further 25-bps hike by 2027:Q1 is seen as possible.



Short-term rates in the US

The market-implied Fed rate path increased somewhat relative to one month ago, with a rate hike expected by end-2026, after which a second hike is considered possible by mid-2027.



Sources: LSEG. Latest observation: 10.7.2026.

Notes: Upper charts: The orange line shows the most recent expectation about the level of the policy rate (ECB: Deposit Facility Rate, Fed: Fed funds rate), as implied by the OIS rates' yield curve (ECB) or the pricing in futures contracts (Fed) for each meeting from today until April 2027. The blue line shows the expectation one month ago. The horizontal axis shows the date of each meeting. The dashed lines show the present level of the policy rate and its expected level given the market's view about upcoming rate moves by the ECB (charts in the left) or the Fed (charts on the right). **Lower charts:** The bars show the level of likelihood (i.e. implied probabilities) for the event of a rate move (from left to right: cut, no change, hike). The graphs correspond to monetary policy meetings (GovC for the ECB and FOMC for the Fed) during 2026 and 2027. The probabilities for each move are calculated as the sum of the probabilities for rates lower, equal or higher, respectively, vis-à-vis the central probability for the rate at the previous meeting as inferred by the latest OIS yield curve (ECB) or futures contracts for different delivery dates (Fed).

Section 7: Eurosystem's latest published inflation projections (June 2026)

In the projections, energy commodity prices follow the technical assumptions based on the Futures markets (cut-off date 21 May 2026).

Euro area

- ***Headline HICP inflation is set to increase to 3.4% in the third quarter of 2026 and remain above 3% until early next year, driven by a surge in energy inflation as a result of the Middle East crisis. Due to developments in the energy component, headline HICP inflation is expected to fall abruptly to 2.3% in the second quarter of 2027 and to hover around 2% for the remainder of the projection horizon.***
- ***In annual terms, headline HICP inflation will average 3% in 2026 and ease to 2.3% and 2.0% in 2027 and 2028, respectively.***
- ***Decreases in energy commodity prices as embedded in futures prices and large downward base effects imply that energy inflation would decline and turn notably negative in 2027, before ticking up in 2028, due to the introduction of the EU Emissions Trading System 2 (ETS2).***
- ***The energy price shock is expected to feed through gradually to non-energy inflation. HICP inflation excluding energy and food (HICPX) is projected to stay elevated in the course of 2026 and 2027 before moderating thereafter. The impact of the energy shock on HICPX is tempered by only limited inflation compensation effects on wages, by the past appreciation of the euro, and by ongoing import penetration from China.***

Greece

- ***Headline HICP inflation is projected to climb to 3.8% in 2026 from 2.9% in 2025, reflecting higher energy prices and the persistence of services inflation, mainly due to expected increases in wages and rents, as well as pressures from high tourism demand.***
- ***Inflation is projected to moderate over the rest of the forecast period, largely driven by an assumed moderation in energy commodity prices. In 2027, inflation is projected to decline to 2.6%, while in 2028 to reach 2.3%.***
- ***Energy inflation is expected to climb to 11.1% reflecting strong energy commodity price increases and to decelerate at 1.0% in 2027 due to strong downward base effects and the assumed easing of energy commodity prices. The incorporation of ETS2 is expected to fuel energy inflation to 2.4% in 2028.***
- ***Core inflation (HICP excluding energy and food) will stand at 3.0% in 2026 as the services component shows strong persistence. It is expected to decline to 2.5% by 2027 and continue its downward trend to 2.3% in 2028.***

Macroeconomic projections, June 2026

	Euro area			Greece		
	HICP	HICP ex energy and food	HICP energy	HICP	HICP ex energy and food	HICP energy
	Rate of change			Rate of change		
2026	3.0	2.5	8.4	3.8	3.0	11.0
2027	2.3	2.5	-1.3	2.6	2.5	1.0
2028	2.0	2.2	-0.1	2.3	2.3	2.4

Table of news and statements on inflation (period: 16/6/2026-8/7/2026)

Statements by central bankers and other officials

- ***17.6.2026: Fed Chair K. Warsh at June 16-17, 2026 FOMC press conference:*** *"We recognize that inflation has been running well ahead of the Fed's long-stated inflation goal of 2 percent that's been going on for more than five years. Persistently high prices are a burden for the American people. But the recent past need not be prologue. I am pleased to report that members of the FOMC are unambiguous and unanimous: This Committee will deliver price stability. [...]"*

- ***28.6.2026: BIS Annual Economic Report 2026:*** *"The energy shock has been substantial, and its effects may propagate through supply chains. [...] The central question is whether these initial price increases will broaden and persist, as during 2021-23. [...] Given that it will take several quarters to purge the imbalances in oil physical markets, further volatility in energy prices could arise. In turn, inflation expectations could de-anchor more quickly than in the past".*

- ***1.7.2026: Fed Chair K. Warsh at ECB Forum on Central Banking in Sintra, Portugal:*** *"If there were people in household or the business sector, in the financial markets, who thought that this central bank was going to be comfortable with an inflation objective above 2%, well, I guess they'd be disappointed. [...] We've been an independent central bank for a very long time. We're going to be an independent central bank at this moment, and you're going to see no changes on that."*

- ***2.7.2026: ECB President C. Lagarde's interview with Les Échos:*** *"[...] We are confident that we made the right choice [raising key interest rates on 11 June]. As early as April, a large majority of Governing Council members were already prepared to take a decision. But at that point we still didn't have all the necessary information. All the data we have received since then have confirmed our analysis. We are facing an external supply shock that is currently spreading to the rest of the economy and whose indirect effects we can already see. We are also keeping a close eye on the risk of second-round effects, even though they have not yet materialised."*

Data releases

Date	Announcement	Actual	Expected*	Actual vs Expected	Previous reading
16 June 2026	United States Import Prices (%ΔYoY May)	6.7%		--	4.2%
17 June 2026	EA HICP (%ΔYoY May Final)	3.2%	3.2%	0.0%	3.2%
17 June 2026	EA HICP ex. Food, Energy Alc. & Tob. (%ΔYoY May)	2.6%	2.5%	0.1%	2.5%
19 June 2026	Germany PPI (%ΔYoY May)	2.2%	2.5%	-0.3%	1.7%
25 June 2026	United States Core PCE (%ΔYoY May)	3.4%	3.4%	0.0%	3.3%
25 June 2026	United States PCE (%ΔYoY May)	4.1%	4.1%	0.0%	3.8%
30 June 2026	Germany Import Prices (%ΔYoY May)	6.8%	6.5%	0.3%	5.3%
30 June 2026	France HICP (%ΔYoY Jun Preliminary)	2.0%	2.3%	-0.3%	2.8%
30 June 2026	France CPI (%ΔYoY Jun Preliminary)	1.8%	2.1%	-0.3%	2.4%
30 June 2026	France PPI (%ΔYoY May)	3.0%		--	2.1%
30 June 2026	Germany CPI (%ΔYoY Jun Preliminary)	2.3%	2.6%	-0.3%	2.6%
30 June 2026	Germany HICP (%ΔYoY Jun Preliminary)	2.4%	2.5%	-0.1%	2.7%
30 June 2026	Italy PPI (%ΔYoY May)	7.3%		--	6.8%
30 June 2026	Italy CPI (%ΔYoY Jun Preliminary)	3.0%	3.1%		3.2%
30 June 2026	Italy HICP (%ΔYoY Jun Preliminary)	3.1%	3.2%		3.2%
1 July 2026	EA HICP (%ΔYoY Jun Flash)	2.8%	3.0%	-0.2%	3.2%
1 July 2026	EA HICP ex. Food, Energy Alc. & Tob. (%ΔYoY Jun)	2.4%	2.5%	-0.1%	2.6%
6 July 2026	EA PPI (%ΔYoY May)	5.9%	5.7%	0.2%	4.9%
9 July 2026	Greece CPI (%ΔYoY Jun)	4.4%		--	5.2%
9 July 2026	Greece HICP (%ΔYoY Jun)	3.9%		--	4.9%
10 July 2026	France CPI (%ΔYoY Jun Final)	1.8%	1.8%	0.0%	1.8%
10 July 2026	France HICP (%ΔYoY Jun Final)	2.0%	2.0%	0.0%	2.0%
10 July 2026	Germany CPI (%ΔYoY Jun Final)	2.3%	2.3%	0.0%	2.3%
10 July 2026	Germany HICP (%ΔYoY Jun Final)	2.4%	2.4%	0.0%	2.4%

*Source: LSEG. *Expected figures are based on opinion polls among financial sector experts.*

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