

MONTHLY BAROMETER

TRENDS IN ROAD FREIGHT PRICES IN FRANCE



FRENCH ROAD TRANSPORT PRICES REMAIN IN DECLINE

Road transport prices continued to fall in April, driven by the drop in oil prices. The decline in volumes is worrying in the longer term, as any reversal in energy prices would generate a cataclysm for carriers.

French economic activity grew by only 0.1% in the first quarter of 2025, according to INSEE estimates published on April 30. This very small increase comes in a context of budgetary restrictions and strong uncertainty for global trade.

Of course, after the 0.1% contraction in the fourth quarter of 2024, one could call this figure a rebound, but that would be ignoring the fact that many components of GDP are showing negative trends.

A very weak economy

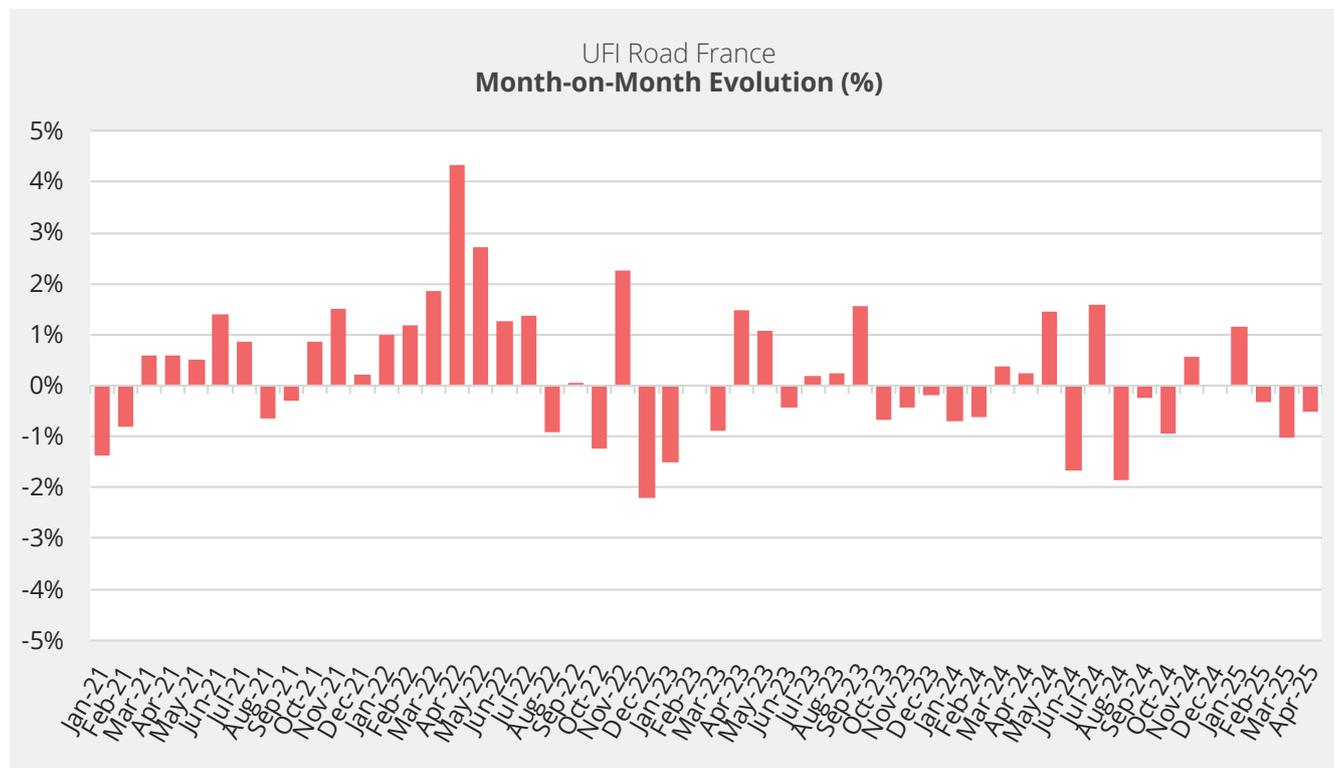
In the domestic market, household consumption has stagnated, despite the fall in inflation which is restoring purchasing power. Public spending, which had supported growth in 2024, slowed sharply (0.1%), business investment continued to decline and the construction sector plunged.

On the international scene, Donald Trump continued and even accentuated [his pressure on the global economy](#), blowing hot and cold with China, Europe and the rest of the world, particularly in the automotive sector or that of steel and aluminium. The negative impact of the trade war still lies ahead of us.

It is therefore not surprising that [the business climate in France](#) measured by INSEE remained “gloomy” in April. At 96.4, it is below its long-term average of 100, with a slight erosion in construction, down to 97, but a very pronounced decline in retail (-5 points month-on-month, to 95). The business climate, on the other hand, is rebounding significantly in industry (+3 points to 99) and more modestly in services (+1 point to 98).

A contained erosion of transport prices

This fragile situation has weighed on road transport prices in France. The decline observed since February continued, with a month-on-month drop of 0.5% in April. However, an analysis of the various parameters that make up transport prices shows that this drop is ultimately quite moderate.



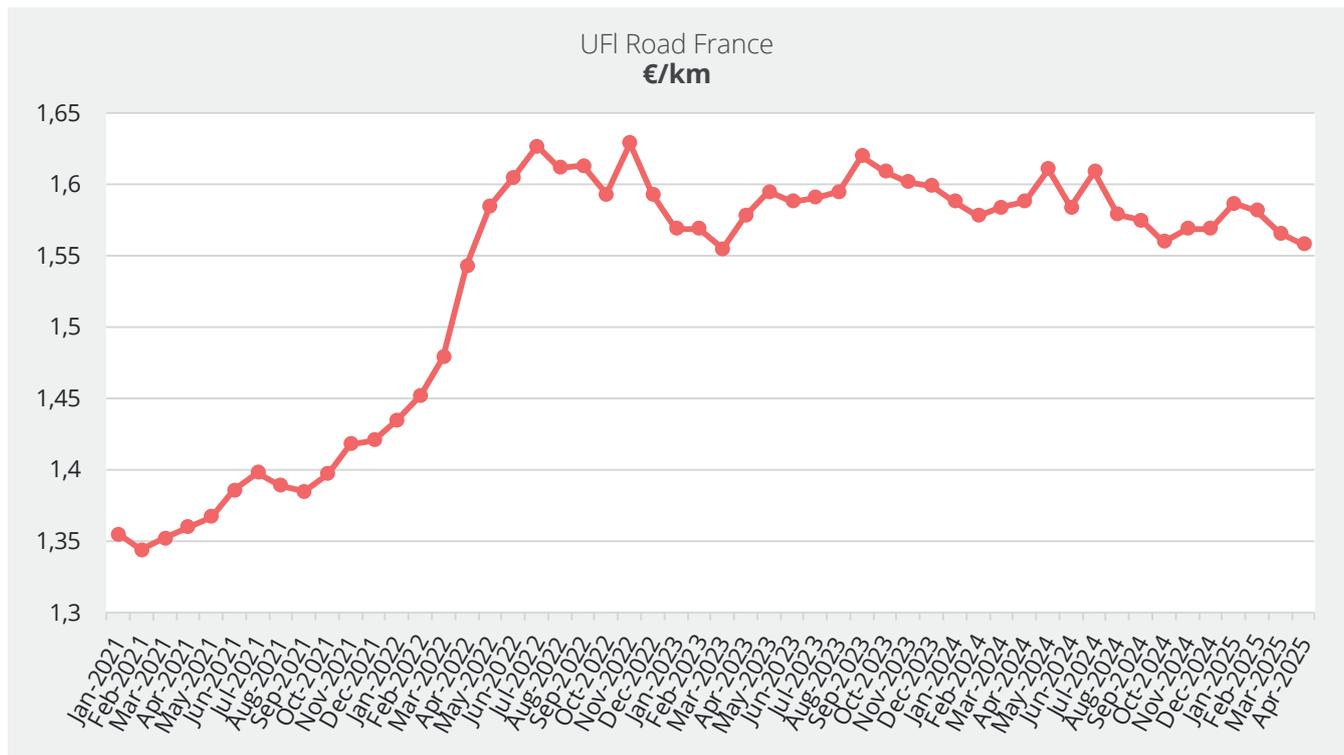
Source | [Uapply Freight Index](#) – Road France

Since the beginning of 2025, the oil market has been under significant downward pressure. This dynamic is taking place in an unstable geopolitical and commercial context, accentuated by major strategic decisions taken by members of OPEC+ (Organisation of the Petroleum Exporting Countries and their partners). Expectations of weaker growth, particularly in China and the European Union, weigh on the outlook for energy consumption. Added to this is increased volatility due to geopolitical announcements, notably the US decision to increase tariffs on imports, which has raised concerns about the impact on trade flows and industrial dynamics. Fears of a global economic slowdown have affected oil demand expectations. Accordingly, Brent prices have fluctuated mostly downwards between \$72 (early April) and \$63 (late April).

Commercial diesel decreased by 5.1% in April 2025, after falling by 4.5% in March. Its average annual downward trend (-8.1%) has a strong impact on annual variations in synthetic transport cost indices, and therefore on the final price of transport. The CNR Long Distance index fell by 1.1% this month, after a decline of 1.0% in March. Given the always somewhat delayed impact of variations in the price of diesel on the price of road transport, we see that the sums do not add up. The 0.5% decrease in April was moderate, as it did not fully reflect the impact of the drop in diesel prices.

Freight transport in France in deflation since 2023

The average price of transport per kilometre travelled in France fell slightly in April to reach €1.558, losing a little less than 1 cent over a month. The UFI Road index (Upply France Index) has remained stuck in a range between €1.550 and €1.600 since July 2024. But the signs that it might “go through the floor” are there.



Source | Upply Freight Index – Road France

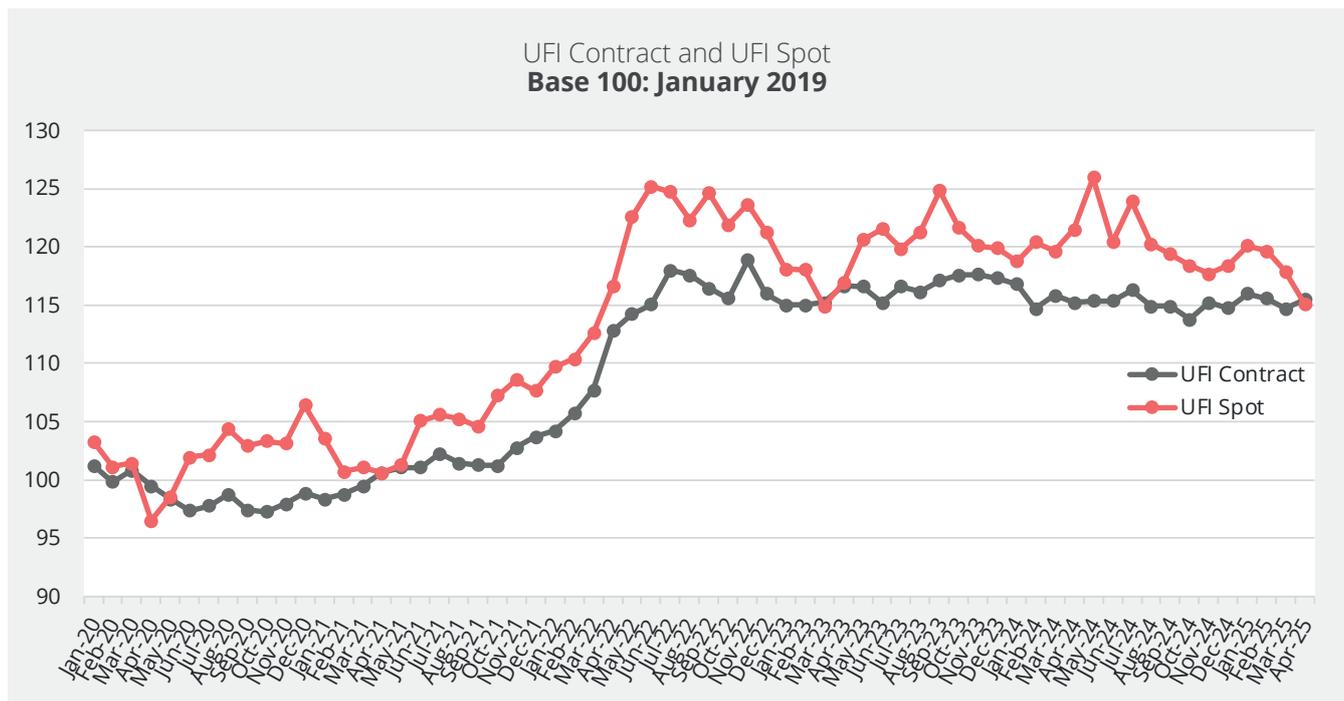
The continued decline in oil prices, linked to that in transport volumes, means that transport prices could return to the levels recorded in the first quarter of 2022, despite the hyperinflation of 2021-2022 which led to an increase in the prices of raw materials, as well as labour costs for both driving and sedentary personnel.

The slow deflation of transport prices that we have seen since the last quarter of 2023 is continuing. But care has to be taken as this may only be a trick of the eye, because the factors that weigh on rates (falling demand and falling energy prices), although powerful, ultimately only have a marginal effect. Any economic downturn could therefore blow up the transport sector.

“ Any economic downturn could therefore blow up the transport sector ”

Contract Price Index moves above Spot Index

The Spot index (benchmark for non-regular prices in France) and Contract index (benchmark for so-called regular contractual prices) moved in opposite directions in April. The Spot Index lost 2.4% while the Contract Index gained 0.7%. Such a situation has not arisen since November 2024. But this time there is a major difference: in April, the spot price index fell below the contract price index.

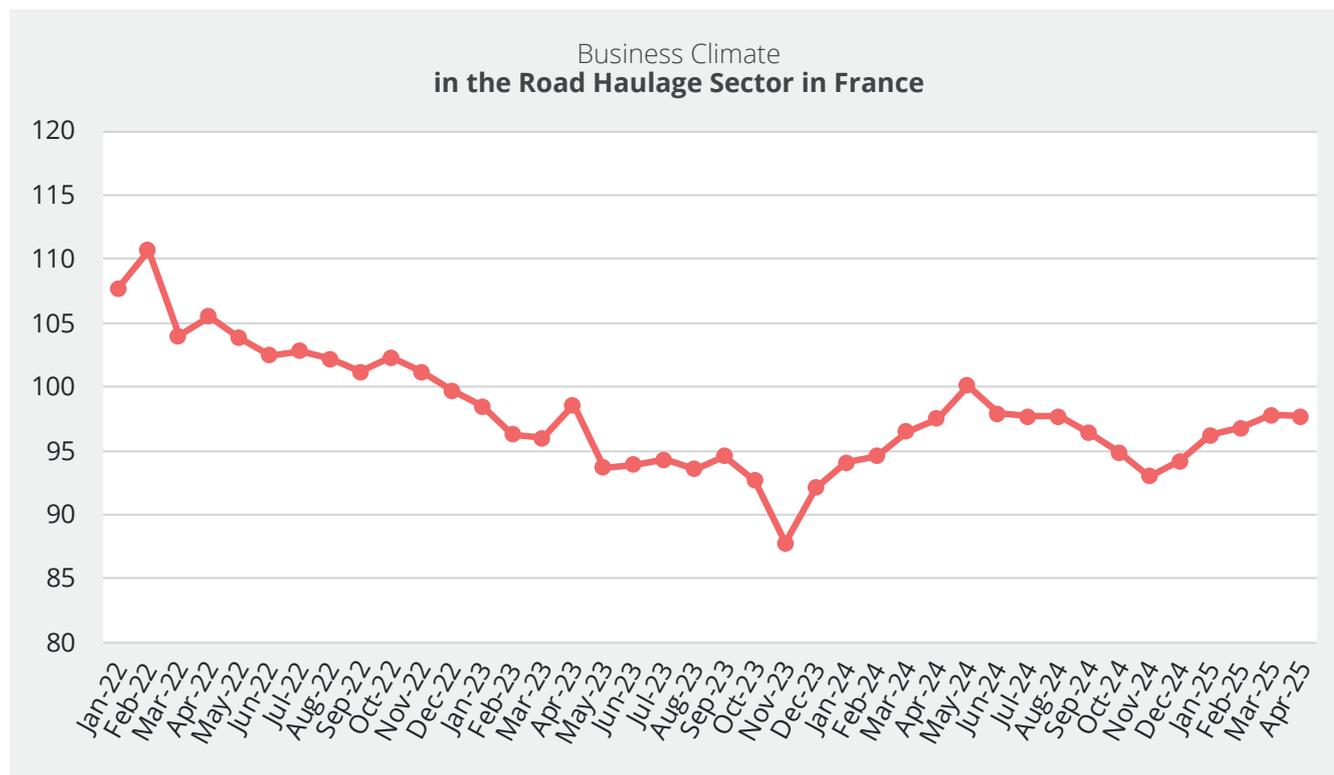


Source | [Uapply Freight Index](#) – Road France

The law of supply and demand applies directly to so-called non-regular spot flows. When supply exceeds demand, prices fall. It makes for harsh arithmetical reasoning, and this is all the more visible in the current gloomy context. And it doesn't stop at the French borders. Carriers from Central and Eastern Europe are proving to be particularly aggressive in the French market, as volumes are also lacking in other European markets. There is clearly a very strong transport offer today throughout Europe. This can only have an impact on prices.

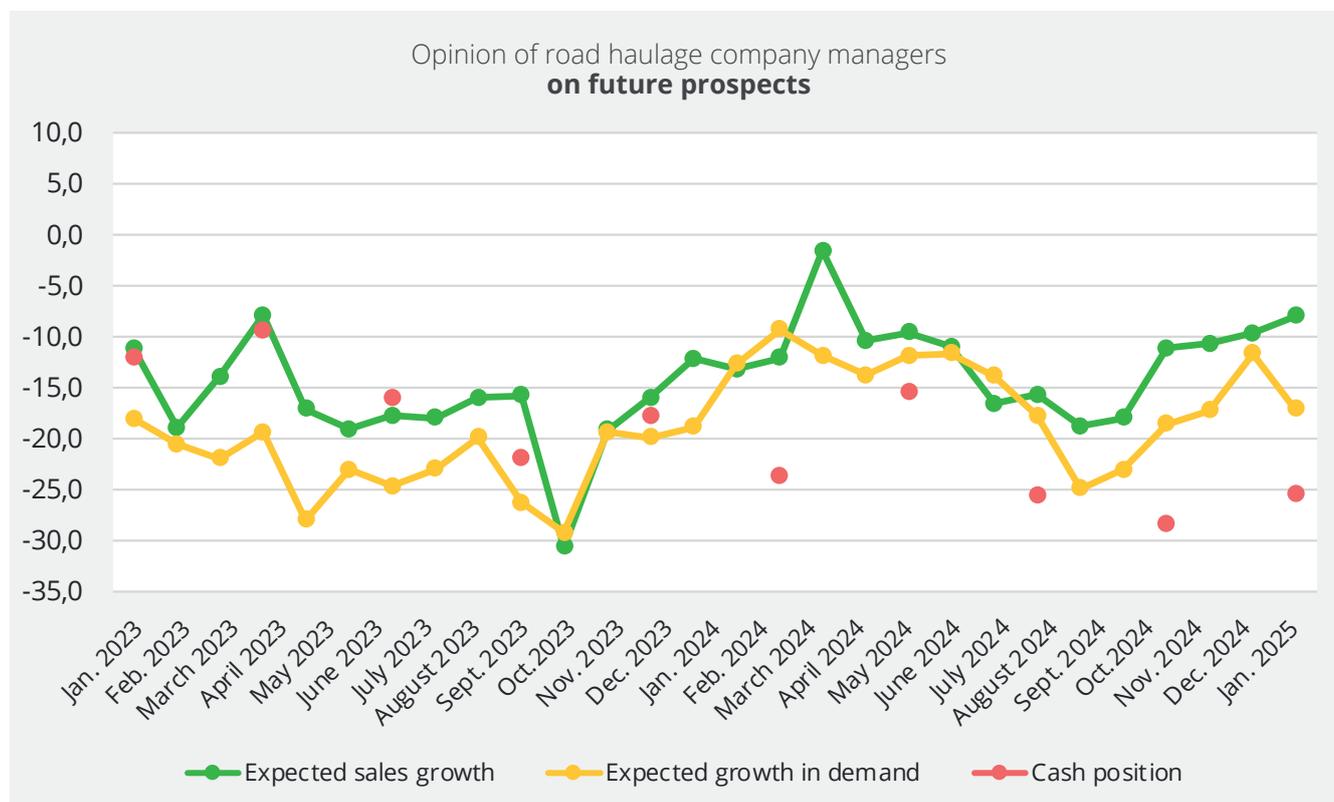
The picture painted by the FNTR in its study on the situation of road freight transport (RFT) in the first quarter of 2025 illustrates the slump and shows that economic indicators remain at an extremely low level, with no prospect of improvement in the medium term; 55% of business leaders surveyed note that activity in the first quarter of 2025 is declining and they do not foresee any improvement, at best a stabilisation.

The INSEE monthly economic survey shows that the business climate in road freight transport is stagnating below its long-term average, even if it has recovered slightly compared to the November 2024 low.



Source | INSEE monthly economic survey

Similarly, business leaders' opinion on the outlook for development has improved slightly, but remains in negative territory.



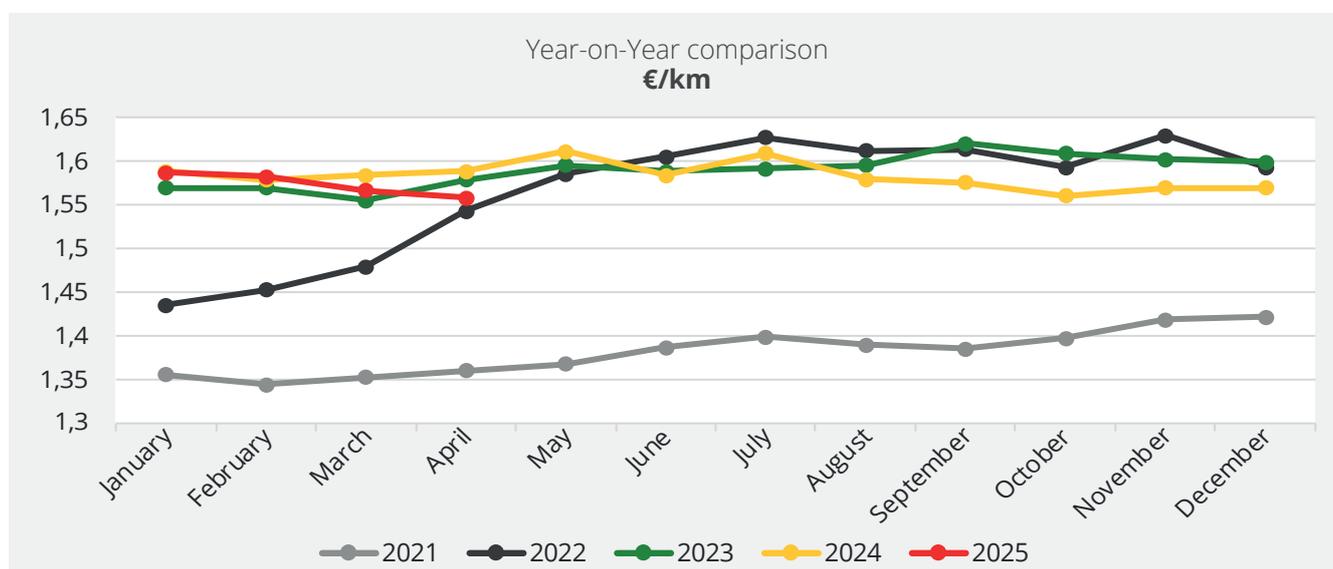
Source | INSEE monthly economic survey. The results are presented in the form of opinion balances for the questions with 3 modes "increasing", "stable" and "decreasing". A balance of opinion is the difference between the percentage of "increasing" responses and the percentage of "decreasing" responses.

The continuation of this supply-demand imbalance, after the slumps of the previous two quarters, is quite worrying. The Easter school holidays should have been synonymous with some pressure on transport capacity. But the drop in volumes has wiped out this phenomenon just as it had, in November 2024, erased the “peak season” effect.

The progression of the Contract index is, on the other hand, very surprising. The assumption that large transport buyers would play the market upwards to maintain service and capacity is not very convincing, especially during this period. Disruption of flows and differences in the kilometre modal mix seem to be more plausible explanations for this development. And above all, we will see if this trend is confirmed in the coming months.

A temporary respite

The 2025 curve is clearly oriented downwards, under the influence of the fall in oil prices. In April, it fell below 2024 and 2023 levels, and this trend is expected to continue in May.



Source | Upply Freight Index – Road France

This situation provides a respite for French carriers who, despite the difficulties, are seeing a drop in transport prices that is less rapid than that of costs. As such, year-on-year in April, the CNR Long Distance index fell by 2.3%, while transport prices fell by only 1.5%.

This is good news for carriers. This is a welcome respite because they had not necessarily managed to fully absorb the sharp increase in costs for the years 2021-2023. But the balance is extremely fragile: if a reversal occurs, cost inflation will risk jeopardising companies with weakened cash flow, in a context of great uncertainty regarding the evolution of demand.

KEY INDICATORS

Sources | Insee, CNR

INDICATORS	April 2025	March 2025	Evolution M / M-1	April 2024	Evolution over 12 months
Business climate (base 100)	96.4	96.6	-0.2%	99.3	-2.9%
CNR Commercial Diesel Index	177.44	186.93	-5.1%	204.89	-13.4%
CNR's Long Haul semi trailer truck index	161.83	163.62	-1.1%	165.71	-2.3%



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THE TECHNOLOGICAL SOLUTIONS PLATFORM THAT BOOSTS SUPPLY CHAIN ACTORS' EFFICIENCY

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