

MONTHLY BAROMETER

TRENDS IN ROAD FREIGHT PRICES IN FRANCE



Transport prices stagnated

IN DECEMBER

Transport prices remained stagnant in December. The underlying trend indicates an inexorable fall in prices. Carriers are caught between the low-cost offer of foreign fleets and shippers who are lowering prices.

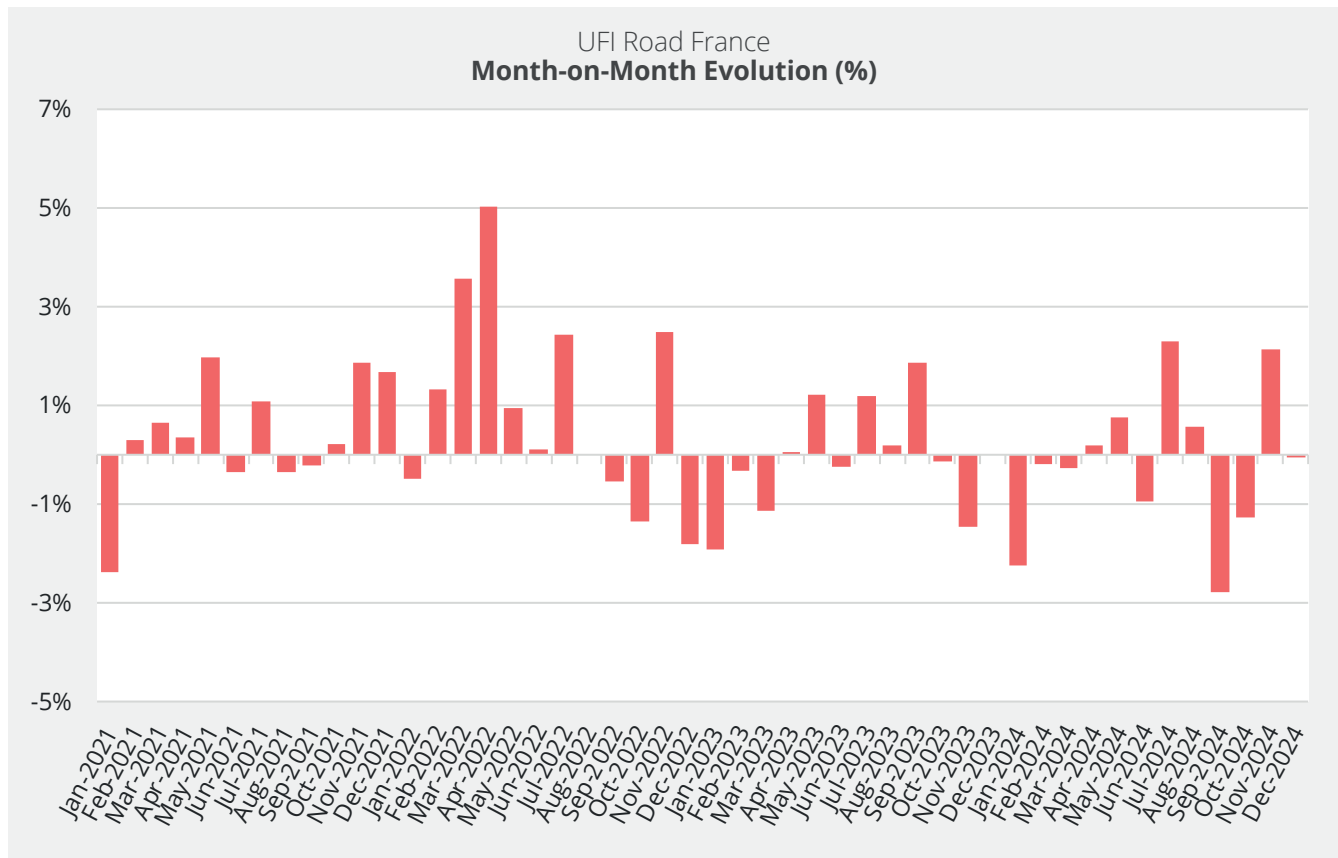
In December 2024, storm clouds continued to gather over French business. The business climate has lost ground again for the third consecutive month, sparing no sector except industry. The index stood at 94.3 in December, down 1.8 points, according to INSEE. To observe such a low figure in the past, we have to look back to July 2024, and if we go back a little further, to 2020 during the Covid-19 crisis.

We can make the link between the two low points in the business climate (July/December 2024) and the two major political crises in France that were the dissolution of the National Assembly by President Macron and the vote of no confidence for the Barnier government adopted on December 4, 2024. The first crisis disrupted the preparation phase of the 2025 budget and the second simply prevented its adoption, leaving business leaders in the greatest uncertainty. Then another 10 days passed between the appointment of François Bayrou as Prime Minister and the forming of the new government. This political instability increased the concerns of business circles, in an otherwise difficult economic context.

“ This political instability increased the concerns of business circles ”

Transport prices stable in December

Under these conditions, road transport prices in France stagnated in December, with a very slight erosion of 0.1% which brought to an end the surprising momentum seen in November.

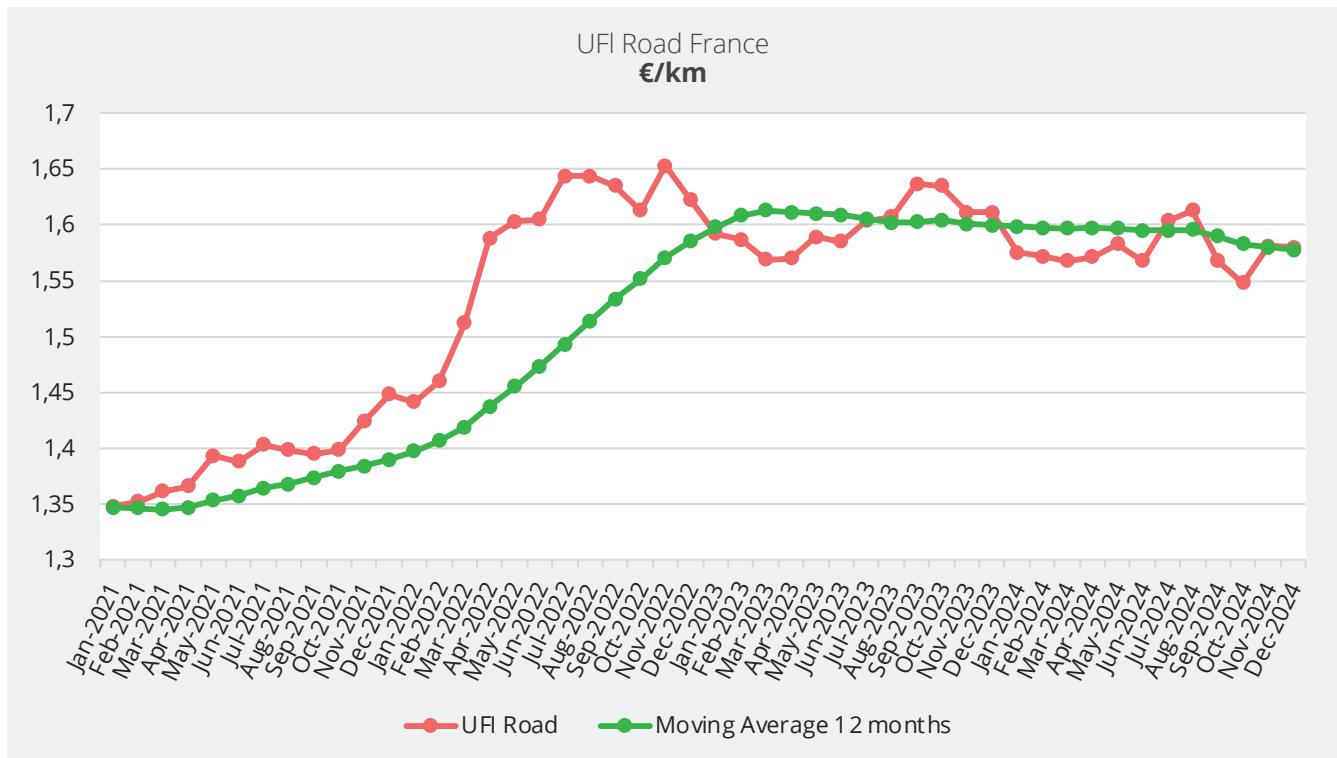


Source | [UFI Road France](#)

“ The average price of transport per kilometre travelled in France stabilised at €1.580 in December ”

However, commercial diesel prices continued to progress, recording a rise of 0.6% in this month after two consecutive rises of 1.8% in October and November. This does not seem to have affected the evolution of transport prices in France. The delayed pass-through mechanism for diesel prices appears to have been disrupted by the market’s sluggishness.

The average price of transport per kilometre travelled in France stabilised at €1.580 in December, losing a tenth of a cent over a month. In December, prices fell by 1.9% over a year, but just a little more than 0.15% above their 12-month moving average (€1.578).



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

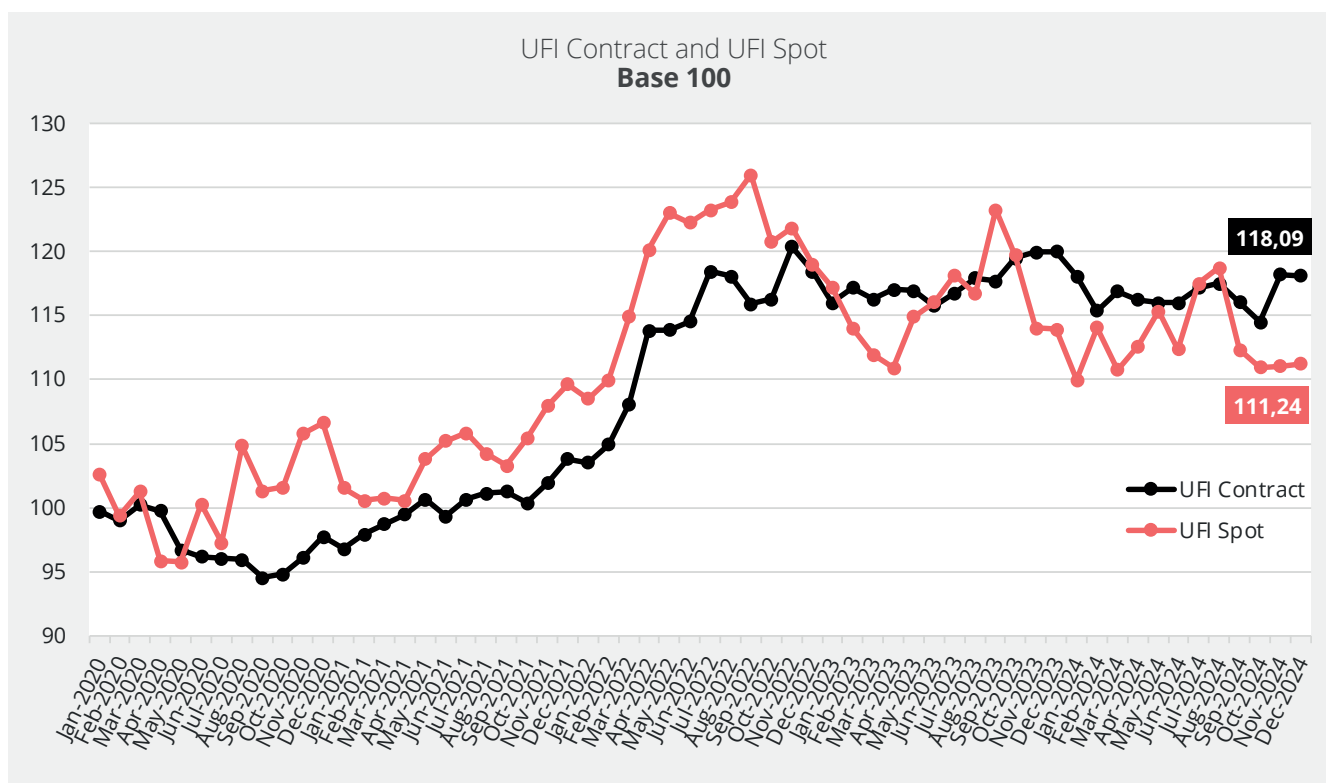
If we take into account the moving average curve, we can make two observations. The first is that the UFI curve, which represents the evolution of transport prices in France, has been oscillating around its moving average since the beginning of 2023. This therefore shows that the UFI has once again entered a phase of price stabilisation, in this period that we could call post-covid, marked by high prices which followed the very high inflation of 2021-2022.

The second observation is that the moving average is resolutely oriented downwards; it is losing approximately -0.15% every month and under these conditions, it is therefore normal that over 1 year, transport prices in France have lost -1.9%.

French carriers are being squeezed from all sides

Price stabilisation is observed both on the spot market and on the contract market. Month-on-month, the Upply Spot index fell by 0.1%, while the Contract index saw a very slight increase of 0.2%.

The SPOT index is generally a good indicator of the tension in the transport market. A sharp increase is a sign of demand exceeding supply and vice versa. In December, the variation recorded was very low, as in the two previous months, which illustrates the sluggishness of demand while this period traditionally corresponds to the high season preceding the end-of-year holidays. The year 2024 will therefore have been a very poor vintage.



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

This also reveals some pressure from competition, including from foreign fleets. In 2023, the cabotage penetration rate in France was 6.7%. Fleets from just three foreign-flagged countries accounted for more than half of the cabotage on mainland France: Poland (22%), Lithuania (20.7%) and Spain (19.4%). However, Eastern European carriers in particular have sought to turn to other markets in 2024 to try to compensate for the fall in volumes on the German market.

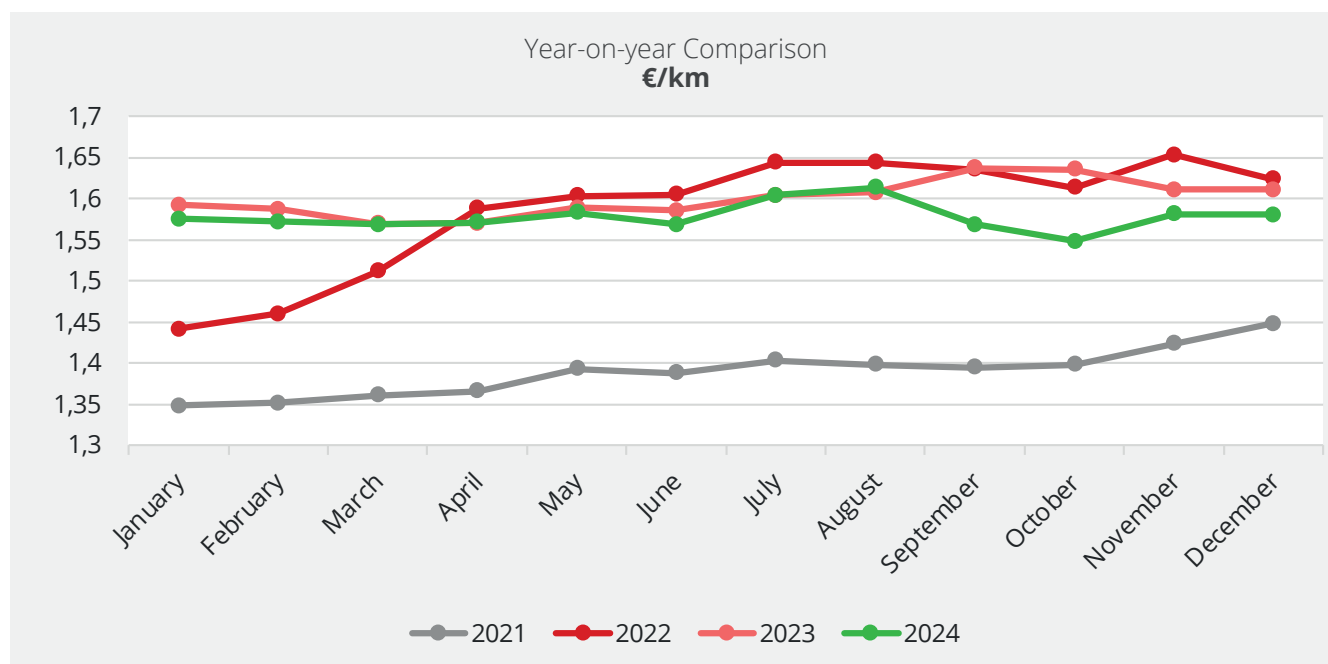
The CONTRACT index, for its part, fell by 0.1% in December after a rise of more than 3% the previous month, which was as impressive as it was unexpected. Looking at the 12-month moving average, we see that prices rose in the contract market through January 2024, then showed good resilience through August 2024, before finally giving up ground through the latter part of the year. The price decline would have been even more pronounced without the November surge.

This clearly is separated into three distinct periods after demand cooled in 2023, following the post-Covid boom of 2021-2022: a first phase during which large transport buyers sought to secure their transport capacity by accepting price increases, a second phase during which buyers hesitated to lower prices so as not to endanger their transport capacity, then a third phase during which buyers negotiated lower prices.

In December 2024, contractual prices were therefore dragged down by the reversal of the balance of power in the shipper-carrier negotiations. The movement was dampened by the rise in fuel prices, resulting in a modest decline of 0.1%. French carriers are therefore caught in a vice, surrounded by falling demand and the vigour of foreign competition.

Deterioration of carrier profitability

We had already spoken of a “quantum leap” to define the gap between the evolution curve of 2021 and those of the years 2022, 2023, and 2024. Prices began to rise sharply from October 2021, fuelled by a rebound in the post-Covid demand that continued until early 2023. Added to this was a surge in energy prices in spring 2022, following the outbreak of war in Ukraine. These two factors have generated inflation in all sectors, particularly in transport.



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

The year 2024 showed a significant drop in prices compared to 2023. The decline shows -1.9% in December and -1.4% on average over the whole year. At the same time, the CNR index of long-distance costs of an articulated unit fell by 0.9% in December year-on-year, and by 1.3% on an annual average in 2024. Outside of fuel costs, the Cost price index excluding diesel for long-distance road freight transport jumped by almost 5% on average in 2024.

This confirms that the cash flow of transport companies has deteriorated, putting many of them into difficulty. In 2025, this situation is unlikely to improve. The CNR forecasts report predicts increases of between 3.3% and 5.1% depending on the scenario, which will also strain social relations in transport companies. As part of the annual salary negotiations, the three employers’ organisations, namely the FNTR, the OTRE and the Union TLF, announced that they would not propose any salary increases in 2025, which has angered trade unions.

KEY INDICATORS

Sources | Insee, CNR

INDICATORS	December 2024	November 2024	Evolution M / M-1	December 2023	Evolution over 12 months
Business climate (base 100)	94.3	96.0	-1.8 %	98.4	-4.2 %
CNR Commercial Diesel Index	188.57	187.41	+0.6 %	202.73	-7.0 %
CNR's Long Haul semi trailer truck index	162.55	161.88	+0.4 %	163.98	-0.9 %



William Béguerie

Road Transport Expert for Upply



THE TECHNOLOGICAL SOLUTIONS PLATFORM THAT BOOSTS SUPPLY CHAIN ACTORS' EFFICIENCY

Upply, the Tech Platform serving freight transport professionals, **designs and develops digital solutions** to assist supply chain professionals in leveraging the full potential of digitalization for their business.

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