

WPI inflation at 13-month high

April's increase mainly on account of spike in food and fuel prices

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India's wholesale inflation, measured by the Wholesale Price Index (WPI), rose sharply to a 13-month high in April, reaching 1.26 per cent from 0.53 per cent in March. As a result, WPI-based inflation remained in positive territory for the sixth consecutive month after staying in the deflationary zone for the major part of the previous financial year (2023-24). In April last year, wholesale inflation stood at minus 0.79 per cent.

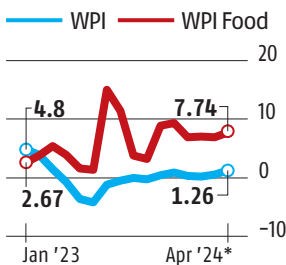
Data released by the Ministry of Commerce and Industry on Tuesday showed that the uptick in factory gate inflation during April was primarily driven by spikes in the prices of food articles and fuel, among other factors.

Within food articles, pressure on factory gate prices mainly built up due to an acceleration in the prices of onions (59.7 per cent), vegetables (23.6 per cent), potatoes (71.9 per cent), and paddy (12.03 per cent).

Meanwhile, the prices of cereals (8.7 per cent) and pulses (16.6 per cent) decelerated during the month but remained elevated. On the

SHARP RISE

Inflation in % (Y-o-Y)



*Provisional

Source: Ministry of Commerce & Industry

other hand, price rises of fruit (minus 1.78 per cent) and protein-rich items like eggs, meat (0.88 per cent), and milk (4.3 per cent) provided some relief during the month.

The prices of manufactured products, which have a weighting of 64.2 per cent in the index, remained in deflation (minus 0.42 per cent) for the fourteenth consecutive month in April, led by continuing contraction in the prices of textiles (minus 1.24 per cent), paper (minus 6.93 per cent), chemicals (minus 3.61 per cent), metals (minus 3.65 per cent), among others.

However, the prices of manufactured food products (1.25 per cent) accelerated during the month.