

# WPI inflation eased to 0.13% in September

HIMANSHI BHARDWAJ

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India's wholesale price index (WPI) inflation eased to 0.13 per cent in September, down from a 4-month high of 0.52 per cent in August, according to the data released by the Ministry of Commerce and Industry on Tuesday.

This moderation was led by a fall in the prices of primary articles (-3.32 per cent) and continued deflationary trend in the fuel and power segment.

The easing in wholesale inflation came a day after India's retail inflation hit a 99-month low of 1.54 per cent, supported by a favourable base effect and a decline in food prices.

According to the WPI data, deflation in primary food articles deepened in September at -5.22 per cent, led by a sharp decrease in the prices of vegetable (-24.41 per cent), pulses (-17.19 per cent), potato (-42.24 per cent), and

onions (-63.79 per cent). However, prices of milk, and protein rich items like eggs, meat and fish accelerated in September from the previous month.

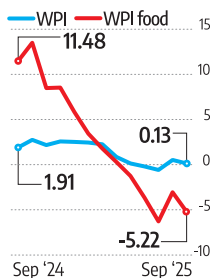
Rajani Sinha, chief economist at CareEdge Ratings said, "Looking ahead, food inflation is expected to stay moderate, supported by healthy agricultural activity and a favourable base." However, she cautioned that risks remain from the late withdrawal of the monsoon and heavy rains in certain regions.

"Additionally, the rationalisation of goods and services tax (GST) rates is expected to positively influence the overall inflation environment. For FY26, we project WPI inflation to average around 0.1 per cent", she added.

Data also showed that inflation in manufactured products, carrying a weightage of over 64 per cent in the index, eased to 2.33 per cent in September from 2.55 per cent a month earlier.

## Cooling down

Y-o-Y %



Source: DPIIT