

Food prices push WPI inflation to 4-mth high in Oct

Hits 2.36% due to surge in vegetable costs

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India's Wholesale Price Index (WPI)-based inflation increased in October to a four-month high of 2.36 per cent from 1.84 per cent in September, primarily on the back of a spike in the prices of food items, particularly vegetables.

The latest WPI data comes days after Consumer Price Index (CPI) data showed retail inflation hit a 14-month high of 6.2 per cent, also spurred by a spike in food prices.

Inflation in wholesale food prices increased to 13.54 per cent during the month as compared to 11.53 per

cent in September, data released by the Ministry of Commerce and Industry on Thursday showed. As per the data, inflation for other major sub-indices like manufactured products also witnessed a slight acceleration. Meanwhile, prices of fuel and power contracted further during the month.

The spike in food articles was led by acceleration witnessed in the prices of potato (78.73 per cent), vegetables (63.04 per cent), wheat (8.04 per cent) and fruits (13.55 per cent). While the prices of onion decelerated during the month, yet it remained in double digits (39.25 per cent).

Meanwhile, the prices of other

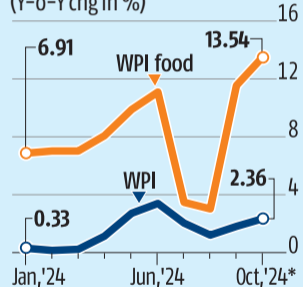


*Sep & Oct figures are provisional
Source: Ministry of Commerce & Industry

food items like cereals (7.91 per cent), paddy (7.47 per cent), pulses (9.74 per cent), and milk (3 per cent) also witnessed slight deceleration

INFLATION PRINT

(Y-o-Y chg in %)



during the month. Besides, manufactured products, which have a weight of 64.2 per cent in the index, also saw an increase in inflation to

1.5 per cent in October from 1 per cent in the preceding month. This was led by an acceleration in the prices of manufactured food products (7.77 per cent), vegetable oils (20.16 per cent), and beverages (2.13 per cent). Prices of other manufactured products like tobacco (1.15 per cent), textiles (0.89 per cent), apparel (1.25 per cent), and pharmaceuticals (0.42 per cent) among others decelerated during the month.

Factory gate prices of fuel and power (-5.79 per cent) further contracted in October as the prices for high-speed diesel (-6.23 per cent) and petrol prices (-7.35 per cent) remained in contraction. Meanwhile, the prices of cooking gas (2.57 per cent) also decelerated sharply.