

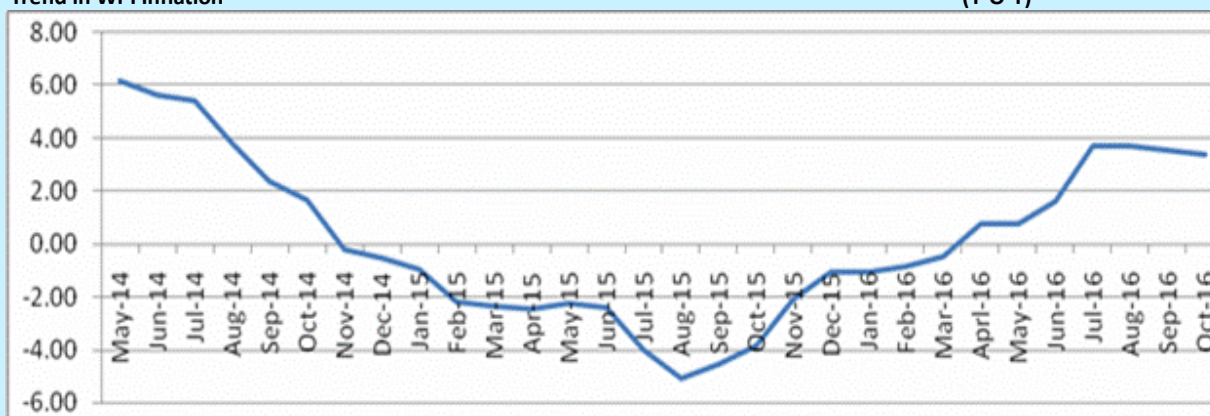
October 2016 WPI inflation stands at 3.39%

The WPI inflation stands at 3.39% in October 2016, 3.57% in September 2016, 3.85% in August 2016, 3.72% in July 2016, 2.12% in June 2016, 1.24% in May 2016 and 0.79% in April 2016. The decline in WPI inflation in the month of October 2016 is attributed to fall in the prices of rice (4.57%), wheat (6.30%), pulses (21.8%), potato (60.5%), fruits (6.4%), egg, meat and fish (6.2%).

Driven by the fall in the prices of rice, wheat, pulses, potato, fruits, egg, meat and fish, WPI inflation stands at 3.39% in October 2016 as compared to 3.57% (Y-O-Y) in September 2016. The index for this major group rose by 0.1 to 182.9 from 182.8 for the previous month.

Trend in WPI Inflation

(Y-O-Y)



Source: PHD Research Bureau, compiled from the office of the economic advisor to the Govt. of India

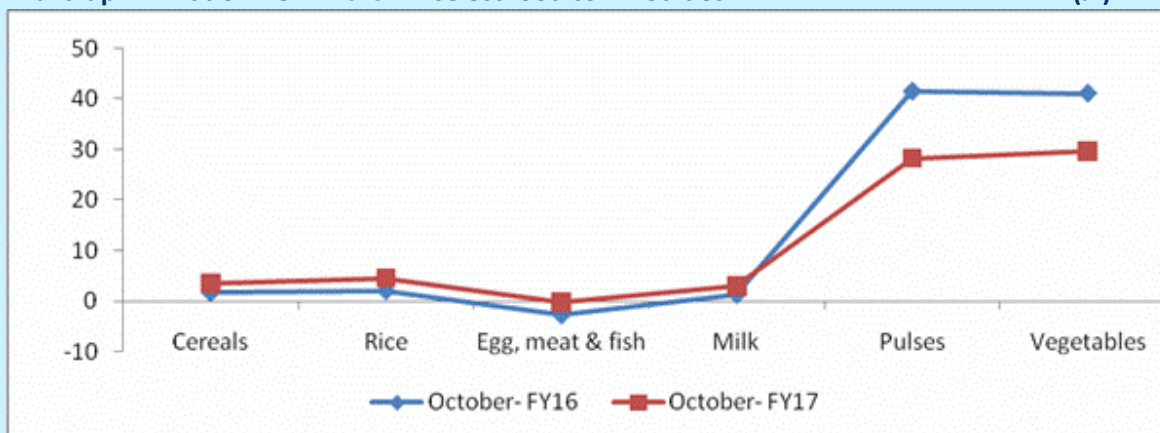
WPI inflation in select commodities

Commodity	WPI Inflation Y-o-Y % growth		
	August'16	September'16	October'16
1 All Commodities	3.85	3.57	3.39
2 Primary Articles	7.75	4.76	3.31
3 Food Articles	8.87	5.75	4.34
4 Cereals	9.51	6.84	6.13
5 Vegetables	0.23	-10.91	-9.97
6 Non-food Articles	8.72	4.49	1.13
7 Fuel & Power	1.62	5.58	6.18
8 Petrol	-8.65	1.25	3.57
9 Manufactured Products	2.48	2.48	2.67
10 Sugar	35.36	32.92	29.63
11 Edible oils	6.51	5.87	4.59
12 Cement & Lime	3.61	1.49	2.48

Source: PHD Research Bureau, compiled from the office of the Economic Advisor to the Govt. of India

Build up inflation rate in the financial year so far was 4.34% as compared to a build up rate of 0.45% in the corresponding period of the previous year.

Build up in inflation from March in select food commodities (%)

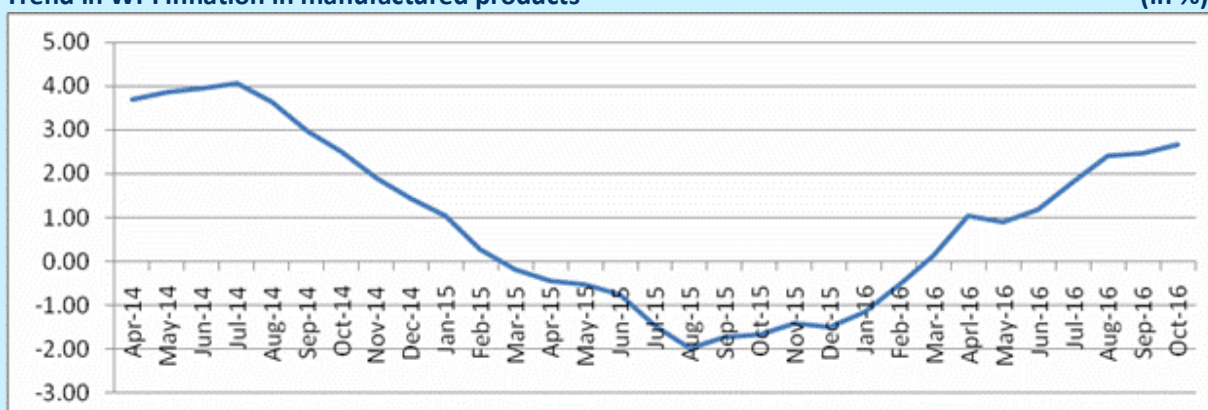


Source: PHD Research Bureau, compiled from the office of the Economic Advisor, Govt. of India

Manufacturing inflation stands at 2.67% (weight 64.97%)

The WPI inflation for manufactured products stands at 2.67% for the month of October 2016 as against 2.48% for the month of September 2016. The index for this major group rose by 0.2% to 157.4 (provisional) from 157.1 (provisional) for the previous month.

Trend in WPI inflation in manufactured products (in %)



Source: PHD Research Bureau, compiled from the office of the Economic Advisor

Food inflation at 4.34% (Weight 14.34%)

Food inflation for the month of October 2016 stands at 4.34% as against 5.75% in September 2016. The index for 'Food Articles' group declined by 0.3 percent to 278.8 (provisional) from 279.6 (provisional) for the previous month due to lower price of urad (6%), masur and fruits & vegetables (4% each), arhar, bajra, maize and mutton (3% each), jowar (2%) and moong, fish-inland and condiments & spices (1% each). However, the price of gram (18%), ragi (9%), poultry chicken (5%) and fish-marine, coffee and milk (1% each) moved up.

Non-food articles inflation at 1.13% (weight 4.26%)

Non-food articles inflation for the month of October 2016 stands at 1.13% as against 4.49% in September 2016. The index for Non-Food Articles group declined by 3.1% to 223.2 (provisional) from 230.3 (provisional) for the previous month due to lower price of soyabean (10%), groundnut seed and flowers (8% each), raw cotton (5%), guar seed and raw rubber (4% each), gingelly seed and castor seed (3% each), sunflower, hides (raw), raw silk and rape & mustard seed (2% each) and raw

wool, skins (raw), coir fibre and mesta (1% each). However, the price of fodder and linseed (2% each) and cotton seed and safflower (kardi seed) (1% each) moved up.

Fuel & power inflation stands at 6.18% (weight 14.91%)

Fuel & power inflation for the month of October 2016 stands at 6.18% as against 5.58% in September 2016. The index for this major group rose by 1.0 percent to 187.3 (provisional) from 185.4 (provisional) for the previous month due to higher price of aviation turbine fuel (4%), petrol, furnace oil and high speed diesel (2% each) and kerosene and LPG (1% each).

Please contact for any query related to this mail to Ms. Surbhi Sharma, Sr. Research Officer at surbhi@phdcci.in with a cc to Dr. S P Sharma, Chief Economist, PHD Chamber of Commerce & Industry.

Warm regards,

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