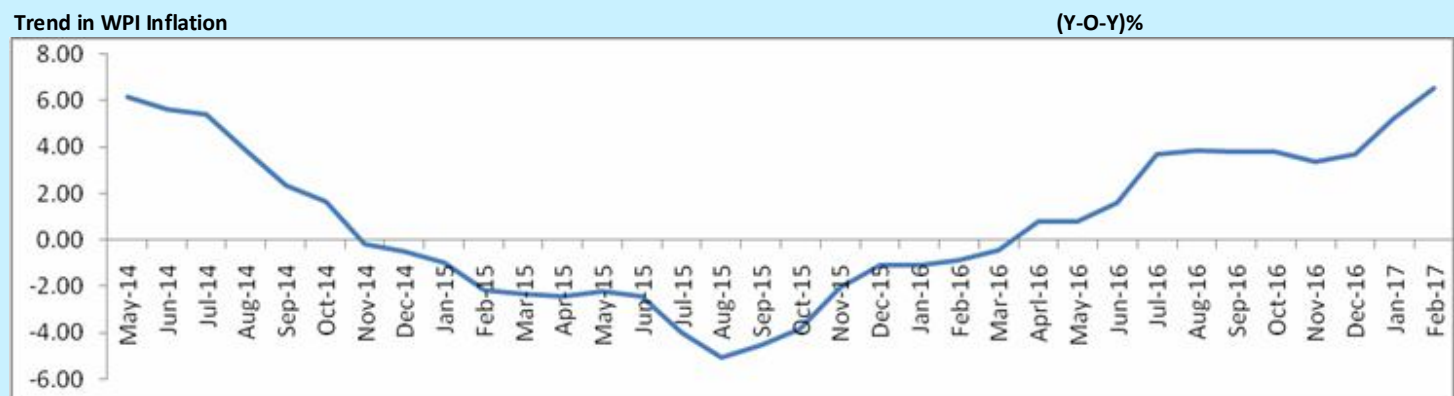


February 2017 WPI inflation stands at 6.55%

The WPI inflation stands at 6.55% in February 2017 compared to 5.25% in January 2017, 3.68% in December 2016, 3.38% in November 2016, 3.79% in October 2016 and 3.80% in September 2016. The increase in WPI inflation in the month of February 2017 is attributed to increase in the prices of cereals (6.09%), fruits (7.14%), fibers (19.45%), minerals (31.03), fuel and power (21.02) and liquefied petroleum gas (4.32%) etc.

Driven by the increase in the prices of cereals, fruits, fibers, minerals fuel and power and liquefied petroleum gas, WPI inflation stands at 6.55% in February 2017 as compared to 5.25% in January 2017. The index for this major group rose by 0.9 % to 258.1 (provisional) from 255.7 (provisional) for the previous month.



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

WPI inflation in select commodities

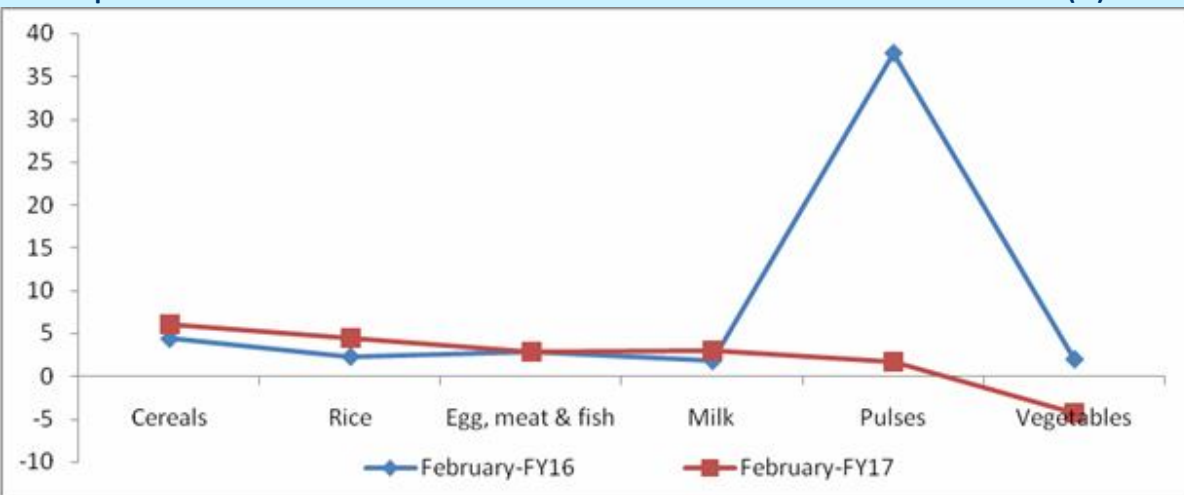
Commodity	WPI Inflation Y-o-Y % growth		
	December'16	January'17	February'17
1 All Commodities	3.68	5.25	6.55
2 Primary Articles	0.90	1.27	5.00
3 Food Articles	-0.77	-0.56	2.69
4 Cereals	9.67	5.94	6.09
5 Vegetables	-34.89	-32.32	-8.05
6 Non-food Articles	0.54	1.98	6.53
7 Fuel & Power	8.65	18.14	21.02
8 Petrol	8.52	15.66	16.72
9 Manufactured Products	3.81	3.99	3.66
10 Sugar	28.10	22.83	21.22
11 Edible oils	5.60	6.25	5.70
12 Cement & Lime	-0.06	0.46	1.62

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 5.82% compared to a build up rate of -1.14% 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 3.99% (weight 64.97%)

The WPI inflation for manufactured products stands at 3.66% for February 2017 as against 3.99% for the month of January 2017. The index for this major group rose by 0.5 % to 158.8 (provisional) from 158.0 (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 2.69% (Weight 14.34%)

Food inflation for the month of stands at 2.69% in February 2017 as against -0.56% in January 2017. The index for 'Food Articles' group rose by 0.1 % to 267.5 (provisional) from 267.2 (provisional) for the previous month due to higher price of fruits & vegetables (5%), jowar and poultry chicken (2% each) and rice, bajra, fish-inland, ragi and beef & buffalo meat (1% each). However, the price of gram (14%), arhar (7%), condiments & spices (6%), urad (5%), tea and masur (3% each), egg, moong and maize (2% each) and wheat and coffee (1% each) declined.

Non-food articles inflation at 6.53% (weight 4.26%)

Non-food articles inflation for the month of February 2017 stands at 6.53% as against 1.98% in January 2017. The index for 'Non-Food Articles' group rose by 1.5 % to 234.8 (provisional) from 231.3 (provisional) for the previous month due to higher price of flowers (13%), copra (coconut) (9%), raw rubber (8%), raw silk (4%), raw cotton (3%), gingelly seed (2%) and coir fibre, fodder, safflower (kardi seed), niger seed and cotton seed (1% each). However, the price of linseed, rape & mustard seed, soyabean and mesta (2% each) and sunflower, raw wool, groundnut seed, hides (raw) and castor seed (1% each) declined.

Fuel & power inflation stands at 21.02% (weight 14.91%)

Fuel & power inflation for the month of February 2017 stands at 21.02% as against 18.14% in January 2017. The index for this major group rose by 1.3 % to 203.8 (provisional) from 201.2 (provisional) for the previous month due to higher price of coking coal (15%), aviation turbine fuel (3%), bitumen (2%) and kerosene, high speed diesel, LPG and lignite (1% each). However, the price of furnace oil (1%) declined.

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

Warm regards,

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