



Recent Macroeconomic Developments October 2024

- 1. CPI Inflation increases to 5.4% in September 2024**
- 2. IIP stands at (-)0.1% in August 2024**
- 3. WPI inflation stands at 1.8% in September 2024**

1. CPI Inflation increases to 5.4% in September 2024

The Consumer Price Index (CPI) inflation increased to 5.49% in September 2024 as compared with 3.65% in August 2024. The increase in CPI inflation is majorly caused by an increase in the inflation rate of Food and Beverages (from 5.3% in August 2024 to 8.4% in September 2024), and Fuel and Light (from -5.3% in August 2024 to -1.4% in September 2024).

The rural CPI inflation has increased to 5.87% in September 2024 from 4.16% in August 2024. The urban CPI inflation increased to 5.05% in September 2024 as compared with 3.14% in August 2024.

All India sequential inflation rates (%) based on CPI (General) and CFPI: September 2024 over August 2024							
		September 2024 (Provisional)			August 2024		
		Rural	Urban	Combd	Rural	Urban	Combd
Inflation	CPI (General)	5.87	5.05	5.49	4.16	3.14	3.65
	CFPI	9.08	9.56	9.24	6.02	4.99	5.66

Source: PHD Research Bureau, compiled from MoSPI

The combined Year-on-Year (Y-o-Y) growth in rural CPI inflation in September 2024 is 5.87% as compared with 5.33% in September 2023. The combined Year-on-Year (Y-o-Y) growth in urban CPI inflation in September 2024 is 5.05%

compared to 4.65% in September 2023.

All India year-on-year inflation rates (%) based on CPI (General) and CFPI: September 2024 over September 2023							
		September 2024 (Provisional)			September 2023		
		Rural	Urban	Combd	Rural	Urban	Combd
Inflation	CPI (General)	5.87	5.05	5.49	5.33	4.65	5.02
	CFPI	9.08	9.56	9.24	6.71	6.35	6.62

Source: PHD Research Bureau, compiled from MoSPI

The all-India CPI and year-on-year inflation (%) for **September 2024** for rural, urban, and combined are given as follows:

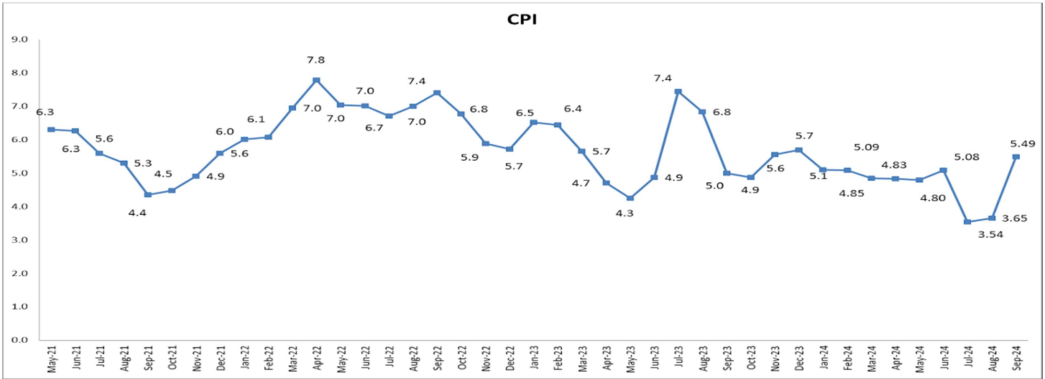
All India Consumer Price Indices and year-on-year Inflation rates (%) for September 2024 (Provisional)						
Category	Rural		Urban		Combined	
	September 2024 Index	Inflation Rate (%)	September 2024 Index	Inflation Rate (%)	September 2024 Index	Inflation Rate (%)
Food and Beverages	202.1	8.25	209.5	8.55	204.8	8.36
Pan, tobacco and intoxicants	206.9	2.32	213.3	2.94	208.6	2.51
Clothing and Footwear	197.6	2.54	186.5	2.92	193.2	2.71
Housing	-	-	181.1	2.78	181.1	2.78
Fuel and Light	181.0	-0.33	169.8	-3.25	176.8	-1.39
Miscellaneous	189.0	4.07	180.8	4.09	185.0	4.05

General Index (All Groups)	196.7	5.87	191.4	5.05	194.2	5.49
----------------------------	-------	------	-------	------	-------	------

Source: PHD Research Bureau, compiled from MoSPI (Housing CPI inflation for rural not calculated) by MoSPI

The long-term trend in the CPI inflation (%) since May 2021 is depicted in Figure 1. India observed a decline in its CPI Inflation from May 2021 (6.3%) till September 2021 (4.3%) after which it increased. It reached its peak in April 2022 of 7.8% after which the values of CPI inflation observed a decline thereafter reaching 7.4% in July 2023 and the value of CPI inflation in August 2023 was 6.8%. Presently the value stands at 5.49%.

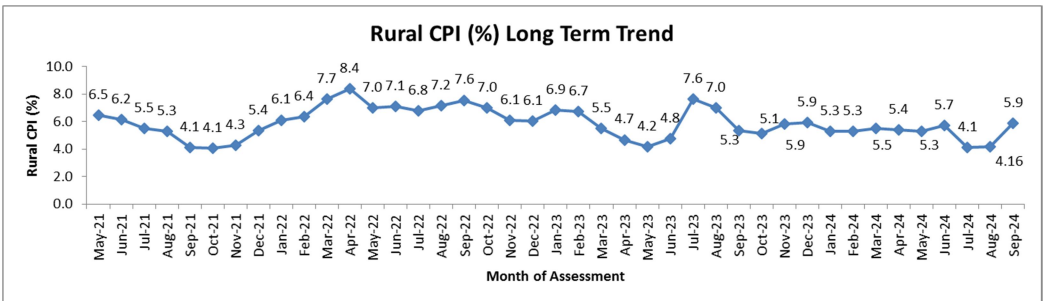
Figure 1: Long-term trend in the CPI inflation (%)



Source: PHD Research Bureau, compiled from MoSPI

The long-term trend in Rural CPI inflation (%) as observed from May 2021 is depicted in Figure 2. India observed a decline in the Rural CPI from May 2021 (6.5%) to 4.1% in September 2021. The rural CPI rose from November 2021 and reached its peak value of 8.4% in April 2022 thereafter declining and observing a minimum of 4.2% in May 2023. Rural inflation presently stands at 5.87%.

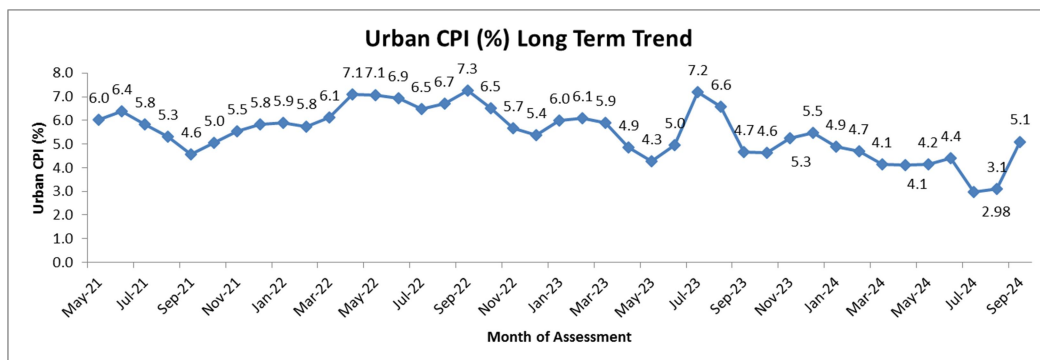
Figure 2: Long-term trend in the Rural CPI inflation (%)



Source: PHD Research Bureau, compiled from MoSPI

The long-term trend in urban CPI (%) from May 2021 is depicted in Figure 3. The Urban CPI started declining from 6.4% in June 2021 to 4.6% in September 2021. The urban CPI rose again and reached 7.1% in April 2022 and attained a maximum of 7.3% in September 2022. The urban CPI increased to 7.2% in July 2023 and declined to 6.5% in August 2023. Presently, the value stands at 5.05% in September 2024.

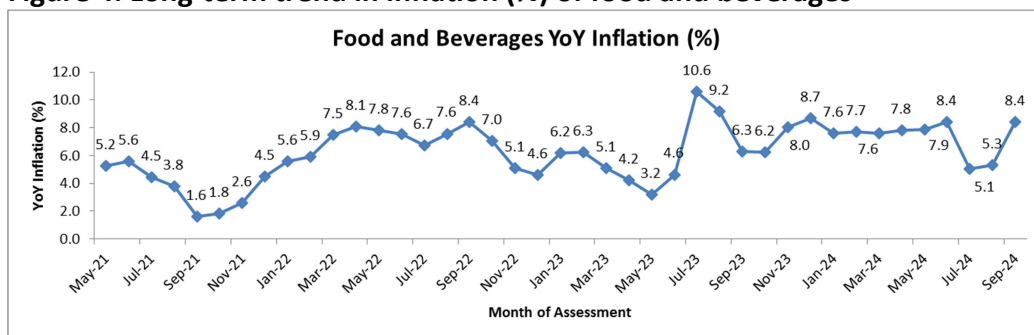
Figure 3: Long-term trend in the Urban CPI inflation (%)



Source: PHD Research Bureau, compiled from MoSPI

The long-term trend in the inflation of food and beverages as observed from May 2021 is depicted in Figure 4. The YoY inflation declined from 5.6% in June 2021 to its minimum value of 1.6% in September 2021 after which it started increasing. It reached its maximum value of 8.4% in September 2022 after declining to 4.6% in December 2022. The YoY inflation value rose again to reach 10.5% in July 2023. Presently, the value stands at 8.36% in September 2024.

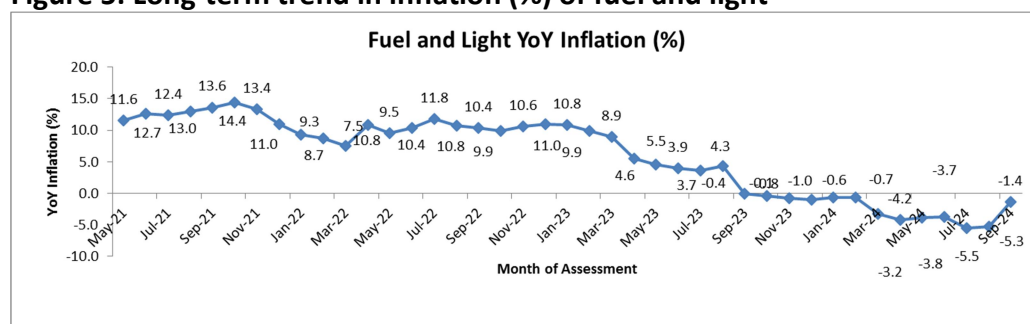
Figure 4: Long-term trend in inflation (%) of food and beverages



Source: PHD Research Bureau, compiled from MoSPI

The long-term trend of inflation of Fuel and Light as observed from May 2021 is depicted in Figure 5. The value rose to 14.4% in October 2021 after rising from 7.9% in April 2021. It declined thereafter, reaching a value of 7.5% in March 2022. The value rose again in August 2023 to 4.3% from 3.6% in the previous month, after which it kept declining. Presently, the September 2024 value of inflation of fuel and light is -1.39%.

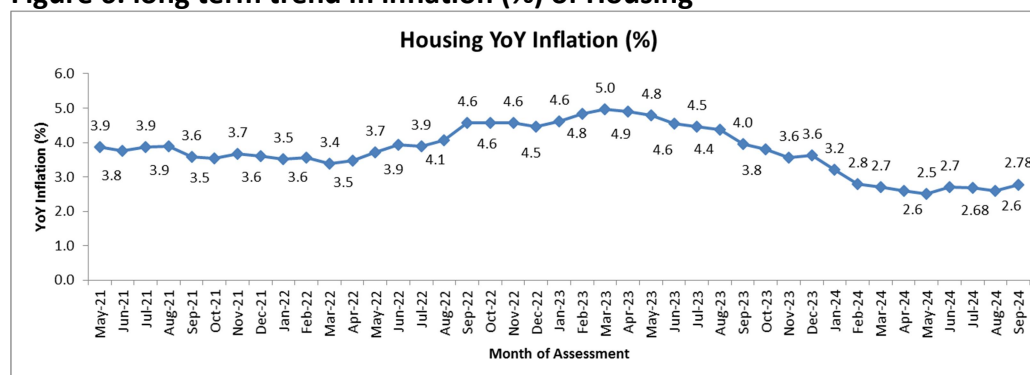
Figure 5: Long-term trend in inflation (%) of fuel and light



Source: PHD Research Bureau, compiled from MoSPI

The long-term trend in YoY inflation of housing is depicted in Figure 6. The values have remained fairly constant, observing a growth to 4.6% in September 2022 and reaching a maximum value of 5% in March 2023. The value declined slightly in September 2023 to 3.9%. Presently, September 2024 saw the housing inflation value to 2.78%.

Figure 6: long term trend in inflation (%) of Housing



Source: PHD Research Bureau, compiled from MoSPI

Annexure

Month	CPI (%)	Rural CPI (%)	Urban CPI (%)	Food and Beverages (%)	Fuel and Light (%)	Housing (%)
May-21	6.3	6.5	6.0	5.2	11.6	3.9
Jun-21	6.3	6.2	6.4	5.6	12.7	3.8
Jul-21	5.6	5.5	5.8	4.5	12.4	3.9
Aug-21	5.3	5.3	5.3	3.8	13.0	3.9

Sep-21	4.4	4.1	4.6	1.6	13.6	3.6
Oct-21	4.5	4.1	5.0	1.8	14.4	3.5
Nov-21	4.9	4.3	5.5	2.6	13.4	3.7
Dec-21	5.6	5.4	5.8	4.5	11.0	3.6
Jan-22	6.0	6.1	5.9	5.6	9.3	3.5
Feb-22	6.1	6.4	5.8	5.9	8.7	3.6
Mar-22	7.0	7.7	6.1	7.5	7.5	3.4
Apr-22	7.8	8.4	7.1	8.1	10.8	3.5
May-22	7.0	7.0	7.1	7.8	9.5	3.7
Jun-22	7.0	7.1	6.9	7.6	10.4	3.9
Jul-22	6.7	6.8	6.5	6.7	11.8	3.9
Aug-22	7.0	7.2	6.7	7.6	10.8	4.1
Sep-22	7.4	7.6	7.3	8.4	10.4	4.6
Oct-22	6.8	7.0	6.5	7.0	9.9	4.6
Nov-22	5.9	6.1	5.7	5.1	10.6	4.6
Dec-22	5.7	6.1	5.4	4.6	11.0	4.5
Jan-23	6.5	6.9	6.0	6.2	10.8	4.6
Feb-23	6.4	6.7	6.1	6.3	9.9	4.8
Mar-23	5.7	5.5	5.9	5.1	8.9	5.0
Apr-	4.7	4.7	4.9	4.2	5.5	4.9

23						
May-23	4.3	4.2	4.3	3.2	4.6	4.8
June-23	4.8	4.7	4.9	4.6	3.9	4.6
July-23	7.4	7.6	7.4	10.6	3.7	4.5
Aug-23	6.83	7.02	6.59	9.19	4.31	4.38
Sep-23	5.00	5.33	4.65	6.3	-0.11	3.95
Oct-23	4.87	5.12	4.62	6.24	-0.39	3.8
Nov-23	5.55	5.85	5.26	8.02	-0.77	3.55
Dec-23	5.7	5.9	5.5	8.7	-1.0	3.6
Jan-24	5.1	5.3	4.9	7.6	-0.6	3.2
Feb-24	5.09	5.3	4.7	7.7	-0.7	2.8
Mar-24	4.8	5.4	4.1	7.6	-3.2	2.7
Apr-24	4.83	5.4	4.1	7.8	-4.2	2.6
May-24	4.80	5.3	4.2	7.9	-3.8	2.6
June-24	5.08	5.7	4.4	8.4	-3.7	2.7
July-24	3.54	4.1	2.98	5.1	-5.5	2.68
Aug-24	3.65	4.16	3.14	5.3	-5.3	2.6
Sep-24	5.49	5.9	5.1	8.4	-1.4	2.78

Source: PHD Research Bureau, compiled from MoSPI

The Consumer Price Index (CPI) inflation increased to 5.49% in September 2024 as compared with 3.65% in August 2024. The rural CPI inflation has increased to 5.87% in September 2024 from 4.16% in August 2024. The urban CPI inflation increased to 5.05% in September 2024 as compared with 3.14% in August 2024. The increase in CPI inflation is majorly caused by an increase in the inflation rate of Food and Beverages (from 5.3% in August 2024 to 8.4% in September 2024), and Fuel and Light (from -5.3% in August 2024 to -1.4% in September 2024).

2. IIP stands at (-)0.1% in August 2024

Growth in industry output, as measured in terms of IIP, for the month of August 2024 stands at (-)0.1%. The growth rates of the three sectors, Mining, Manufacturing and Electricity for the month of August 2024 are (-)4.3%, 1%, and (-)3.7% respectively.

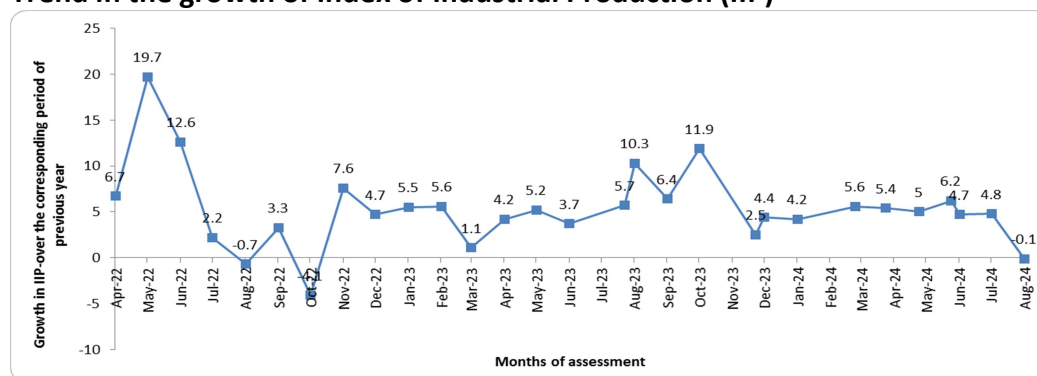
Index of Industrial Production (Sectoral): Growth over the corresponding period of the previous year (%)

	Weight in IIP	Apr-Mar 2022-23	Apr-Mar 2023-234	May 2024	June 2024	July 2024	August 2024	Apr-August 2024-25
Overall IIP	100	5.2	5.9	6.2	4.2	4.8	-0.1	4.2
Manufacturing	77.63	4.7	5.5	5.0	2.6	4.6	1.0	3.6
Mining	14.37	5.8	7.5	6.6	10.3	3.7	-4.3	4.8
Electricity	7.99	8.9	7.1	13.7	8.6	7.9	-3.7	7.1

Source: PHD Research Bureau, compiled from MOSPI

The trend in IIP shows that in 2023-24, the highest growth in IIP is in the month of October 2023 at 11.9%.

Trend in the growth of Index of Industrial Production (IIP)



Source: PHD Research Bureau, compiled from MOSPI

In August 2024, the highest growth was registered in Consumer goods at 5.2%. Intermediate goods grew at 3% in August 2024. Whereas, Infrastructure/Construction Goods grew at 1.9% in August 2024.

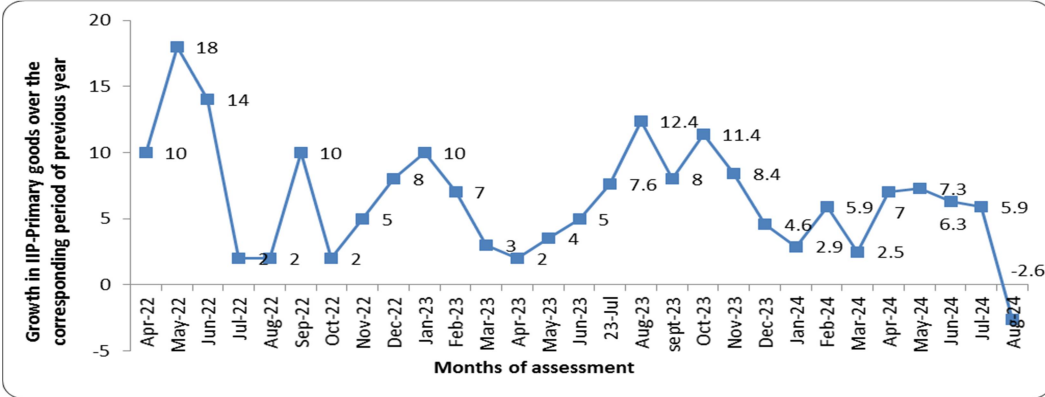
Index of Industrial Production- Use Based (%)

	Weight in IIP	April-Mar 2022-23	April-Mar 2023-24	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024
Primary Goods	34.04	7.5	6.1	2.5	7.0	7.3	6.3	5.9	-2.6
Capital Goods	8.22	13.1	6.2	6.1	2.7	2.9	3.8	11.8	0.7

Intermediate Goods	17.22	3.8	5.2	5.1	3.2	3.9	3.0	6.4	3.0
Infrastructure/ Construction Goods	12.33	8.4	9.7	6.9	8.0	6.3	7.1	4.6	1.9
Consumer Durables	12.83	0.6	3.6	9.5	10.0	12.6	8.7	8.3	5.2
Consumer non-durables	15.32	0.7	4.1	4.9	-2.5	2.5	-1.5	-4.3	-4.5

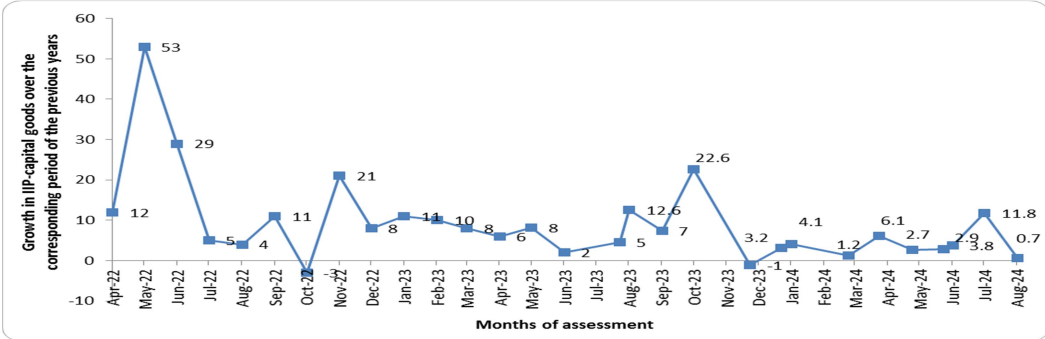
Source: PHD Research Bureau, Compiled from MOSPI

Growth in IIP-Primary Goods



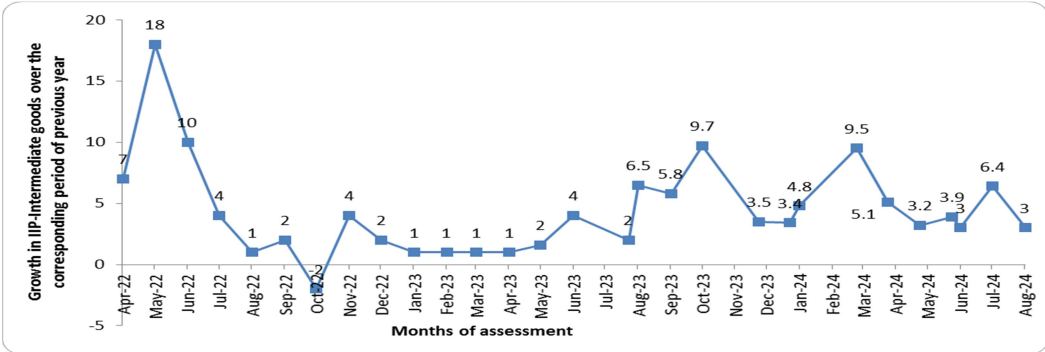
Source: PHD Research Bureau, Compiled from MOSPI

Growth in IIP- Capital Goods



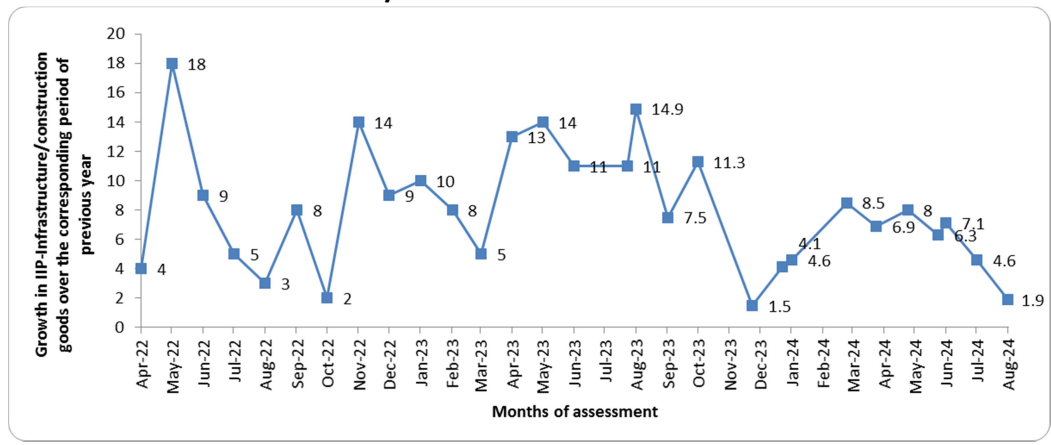
Source: PHD Research Bureau, Compiled from MOSPI

Growth in IIP- Intermediate Goods



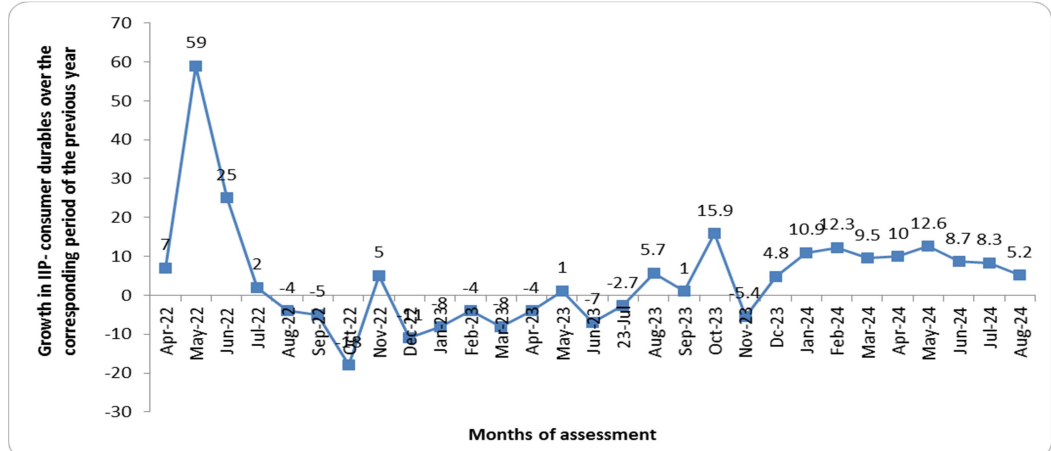
Source: PHD Research Bureau, Compiled from MOSPI

Growth in IIP- Infrastructure/construction Goods



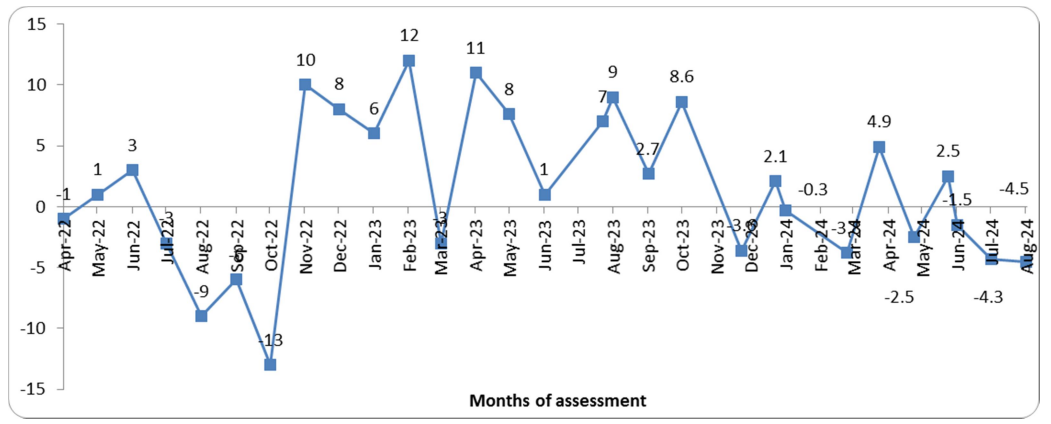
Source: PHD Research Bureau, Compiled from MOSPI

Growth in IIP- Consumer Durable



Source: PHD Research Bureau, Compiled from MOSPI

Growth in IIP-Consumer non durable



Source: PHD Research Bureau, Compiled from MOSPI

Annexure

Growth in Index of Industrial Production (IIP)

Months	IIP	Manufacturing	Mining	Electricity
Dec-22	4.7	3.1	10	10.4
Jan-23	5.5	4.0	8.8	12.7
Feb-23	5.6	5.3	4.6	8.2
Mar-23	1.1	0.5	6.8	-1.6
Apr-23	4.2	5.1	5	(-)1.13
May-23	5.7	5.7	6.4	0.9
June-23	4.0	3.1	7.6	4.2
July-23	6.2	4.6	10.7	8.0
Aug-23	10.9	9.3	12.3	15.3
Sept-23	6.4	4.5	11.5	9.9
Oct-23	11.9	10.4	13.1	20.4
Nov-23	2.5	1.2	6.8	5.8
Dec-23	4.4	3.9	5.1	1.2
Jan-24	4.2	3.2	5.9	5.6
Feb-24	5.6	5.0	8.0	7.5
Mar-24	5.4	5.2	1.2	8.6
Apr-24	5.0	3.9	6.7	10.2
May-24	6.2	5.0	6.6	13.7
Jun-24	4.7	3.2	10.3	8.6
Jul-24	4.7	4.4	3.8	7.9
Aug-24	-0.1	1.0	-4.3	-3.7

Growth in IIP-Use-Based Industries

Months	Primary	Capital	Intermediate	Infrastructure/construction Goods	Consumer durables	Consumer Non-durables
--------	---------	---------	--------------	-----------------------------------	-------------------	-----------------------

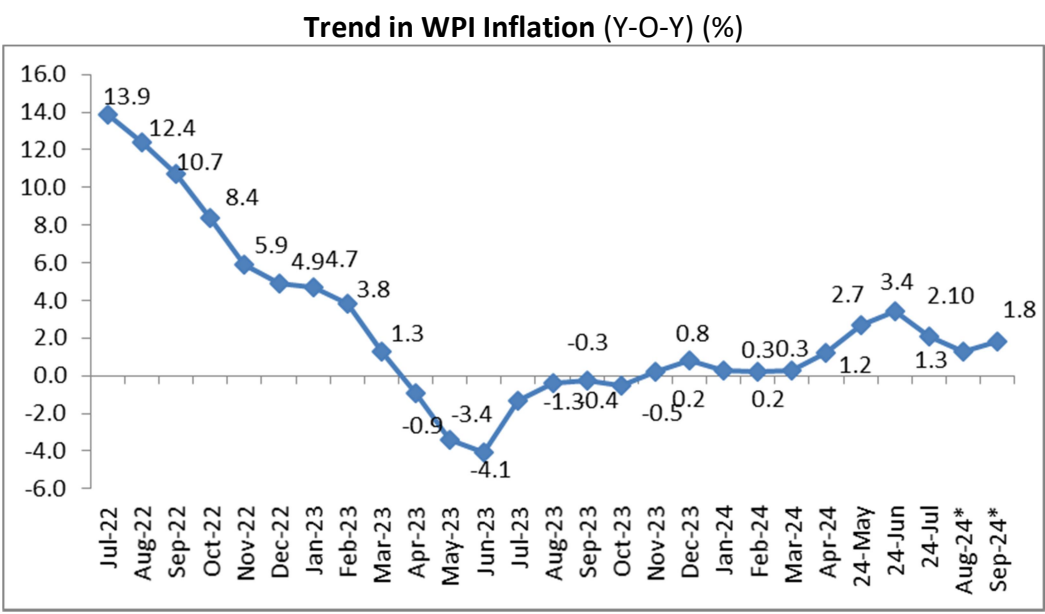
Dec-22	8	8	2	9	-11	8
Jan-23	10	11	1	10	-8	6
Feb-23	7	10	1	8	-4	12
Mar-23	3	8	1	5	-8	-3
Apr-23	2	6	1	13	-4	11
May-23	4	8	2	14	1	8
June-23	5	2	4	11	-7	1
July-23	8	5	2	11	-3	7
Aug-23	12.4	12.6	6.5	14.9	5.7	9
Sept-23	8.0	7.4	5.8	7.5	1.0	2.7
Oct-23	11.4	22.6	9.7	11.3	15.9	8.6
Nov-23	8.4	-1.1	3.5	1.5	-5.4	-3.6
Dec-23	4.6	3.2	3.4	4.1	4.8	2.1
Jan-24	2.9	4.1	4.8	4.6	10.9	-0.3
Feb-24	5.9	1.2	9.5	8.5	12.3	-3.8
Mar-24	2.5	6.1	5.1	6.9	9.5	4.9

Apr-24	7.0	2.7	3.2	8.0	10.0	-2.5
May-24	7.3	2.9	3.9	6.9	12.6	2.5
Jun-24	6.3	3.8	3	7.1	8.7	-1.5
Jul-24	5.9	11.8	6.4	4.6	8.3	-4.3
Aug-24	-2.6	0.7	3.0	1.9	5.2	-4.5

Source: PHD Research Bureau, Compiled from MOSPI

3. WPI inflation stands at 1.8% in September 2024

The annual rate of inflation based on the All India Wholesale Price Index (WPI) number is 1.84% (Provisional) for the month of September 2024 (over September 2023). Positive rate of inflation in September, 2024 is primarily due to increase in prices of food articles, food products, other manufacturing, manufacture of motor vehicles, trailers & semi-trailers, manufacture of machinery & equipment, etc.



Source: PHD Research Bureau, PHDCCI, compiled from the office of the Economic Advisor, Government of India (Note: Figures are rounded off)

*Provisional

WPI inflation in Select Commodities (Base year: 2011-12)

S. No.	Commodity	WPI Inflation Y-o-Y % growth			
		July-24	Aug-24*	Sep-24*	Change in September 2024 as Compared to Previous Month
1	All Commodities	2.10	1.31	1.84	↑
2	Primary Articles	3.18	2.42	6.59	↑
3	Food Articles	3.50	3.11	11.53	↑
4	Cereals	8.96	8.44	8.08	↓
5	Vegetables	-8.59	-10.01	48.73	↑
6	Non-food Articles	-1.85	-2.08	-1.64	↑
7	Crude Petroleum & Natural gas	9.12	1.77	-13.04	↓
8	Fuel & Power	1.93	-0.67	-4.05	↓
9	Petrol	-0.64	-4.23	-7.47	↓
10	Manufactured Products	1.58	1.22	1.00	↓

Source: PHD Research Bureau, PHDCCI, compiled from the Office of the Economic Advisor, Government of India (Note: Figures are rounded off)

*Provisional

Please contact us for any query related to this mail at Dr. Mansi Vinaik, Deputy Secretary at mansi.vinaik@phdcci.in, and Ms. Mansi Nautiyal, Research Associate at mansi.nautiyal@phdcci.in, with a cc to Dr. S P Sharma, Chief Economist | DSG at spsharma@phdcci.in, PHD Chamber of Commerce & Industry.



Warm Regards,

Dr S P Sharma

Chief Economist | DSG

PHD Chamber of Commerce and Industry

PHD House, 4/2 Siri Institutional Area
August Kranti Marg, New Delhi-110016, India
Tel: +91 49545454
Fax: +91 11 26855450
Email: spsharma@phdcci.in
Website: www.phdcci.in

Follow us on



"Voice of Industry & Trade"



PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel. : +91-11-2686 3801-04, 49545454, 49545400
Fax : +91-11-2685 5450, 49545451 • E-mail : phdcci@phdcci.in • Website : www.phdcci.in, CIN: U74899DL1951GAP001947

Connect with us:

