

Inflation Update

Consumer inflation touched 18-month low in April 2023

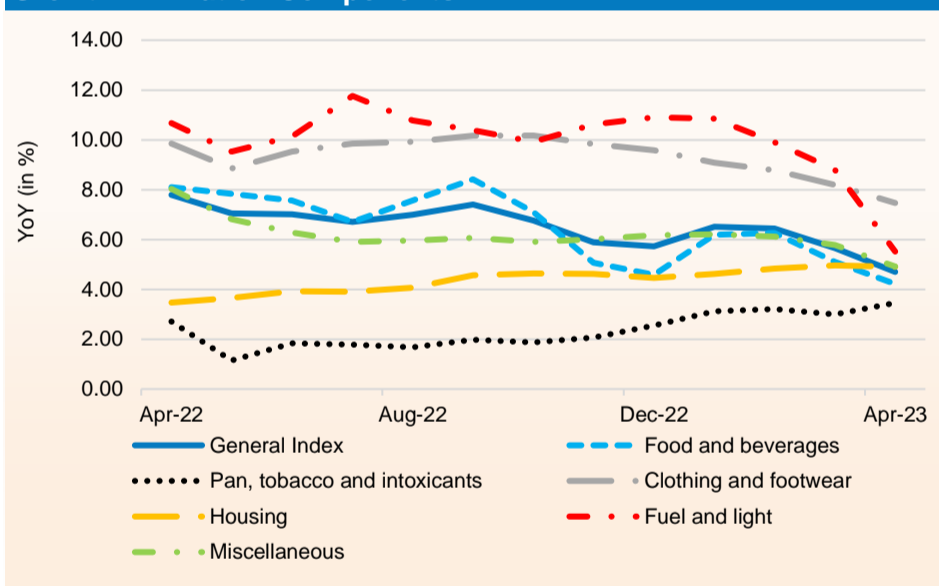
- Consumer Price Index based inflation (CPI) eased considerably to 4.70% in Apr 2023 from 5.66% in the previous month and 7.79% in Apr 2022 due to slower rise in food inflation. Inflation rate fell 18-month low during the reported period.
- Retail inflation went below the upper tolerance level of the Reserve Bank of India's retail inflation target of 6% for the second consecutive month during the reported period.
- The Consumer Food Price Index increased at a slower pace to 3.84% in Apr 2023 as compared to 4.79% rise in Mar 2023 and 8.31% in the same month of the previous year.
- Inflation for food and beverages also slowed to 4.22% during the reported period from 5.11% in Mar 2023 and 8.10% in the same month of the previous year.
- Under food and beverages, retail inflation slowed on yearly basis majorly due to oils and fats, vegetables and, meat and fish which contracted 12.33%, 6.50% and 1.23% compared with a rise of 17.28%, 15.34% and 6.97%, respectively, during the corresponding period of last year. However, inflation for spices and cereals & products surged to 17.43% and 13.67% in Apr 2023 from 10.62% and 5.96% increase, respectively in Apr 2022.
- Inflation for clothing and footwear eased to 7.47% in Apr 2023 from 9.85% in the same month of the previous year. Inflation for fuel and light also eased considerably to 5.52% in Apr 2023 from 10.67% in the same month of the previous year.
- Inflation for the 'miscellaneous' group, which accounts for 28.32% of the CPI and includes services, slowed to 4.92% in Apr 2023 from 5.77% in the previous month and 8.03% in Apr 2022.
- Among states, the highest inflation rate of 6.04% was recorded by Uttarakhand, followed by Telangana and Haryana for which inflation stood at 6.02% and 5.68%, respectively. On the other hand, the lowest inflation rate of 0.54% was seen in Chhattisgarh.

Trend of Retail Inflation



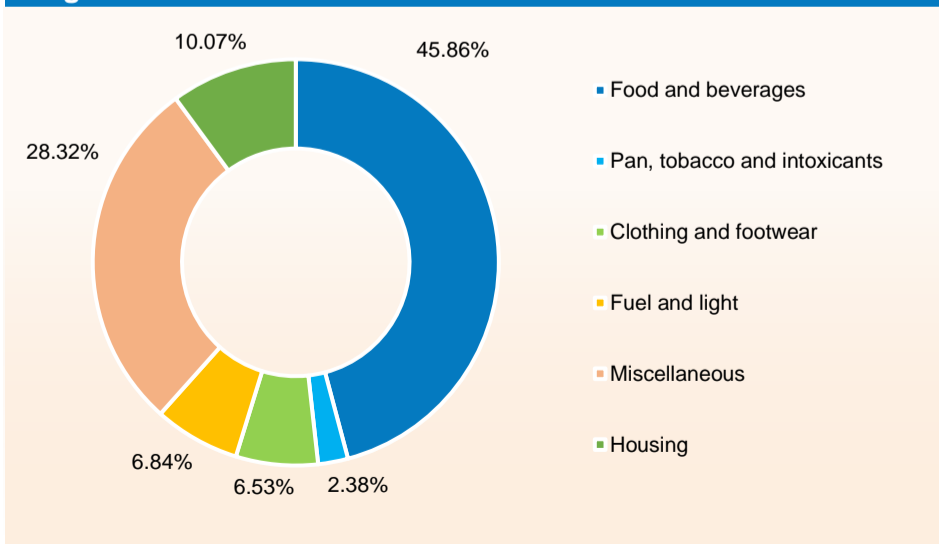
Source: Refinitiv

Growth in Inflation Components



Source: Refinitiv

Weighted Contribution in CPI



Source: Refinitiv



Sectoral Breakdown of CPI

Group Code	Sub-group Code	Inflation	Weights	Yearly Statistics				Monthly Statistics			
				Y-O-Y Growth		WC to Acceleration (%)		M-O-M % Change		WC to Acceleration (%)	
				Apr-23	Apr-22	Apr-23	Apr-22	Apr-23	Apr-22	Apr-23	Apr-22
1		General Index (All Groups)	100	4.70%	7.79%	4.70	7.79	0.51%	1.43%	0.51	1.43
		Food and beverages	45.86	4.22%	8.10%	1.93	3.72	0.56%	1.43%	0.26	0.65
	1.1.01	Cereals and products	9.67	13.67%	5.96%	1.32	0.58	-0.34%	1.06%	-0.03	0.10
	1.1.02	Meat and fish	3.61	-1.23%	6.97%	-0.04	0.25	0.72%	0.52%	0.03	0.02
	1.1.03	Egg	0.43	3.10%	-0.06%	0.01	0.00	-3.20%	-1.97%	-0.01	-0.01
	1.1.04	Milk and products	6.61	8.85%	5.47%	0.58	0.36	0.62%	1.05%	0.04	0.07
	1.1.05	Oils and fats	3.56	-12.33%	17.28%	-0.44	0.62	-2.40%	2.52%	-0.09	0.09
	1.1.06	Fruits	2.89	2.09%	4.99%	0.06	0.14	3.95%	9.52%	0.11	0.28
	1.1.07	Vegetables	6.04	-6.50%	15.34%	-0.39	0.93	1.70%	-0.42%	0.10	-0.03
	1.1.08	Pulses and products	2.38	5.28%	1.86%	0.13	0.04	1.34%	0.49%	0.03	0.01
	1.1.09	Sugar and Confectionery	1.36	1.93%	5.22%	0.03	0.07	1.08%	0.17%	0.01	0.00
	1.1.10	Spices	2.50	17.43%	10.62%	0.44	0.27	1.53%	2.20%	0.04	0.05
	1.2.11	Non-alcoholic beverages	1.26	4.09%	5.46%	0.05	0.07	0.41%	0.54%	0.01	0.01
	1.1.12	Prepared meals, snacks, sweets etc.	5.55	6.97%	7.10%	0.39	0.39	0.26%	0.89%	0.01	0.05
2		Pan, tobacco and intoxicants	2.38	3.46%	2.70%	0.08	0.06	0.55%	0.10%	0.01	0.00
3		Clothing and footwear	6.53	7.47%	9.85%	0.49	0.64	0.32%	0.99%	0.02	0.06
	3.1.01	Clothing	5.58	7.42%	9.51%	0.41	0.53	0.38%	1.05%	0.02	0.06
	3.1.02	Footwear	0.95	7.63%	12.12%	0.07	0.12	0.28%	1.15%	0.00	0.01
4		Housing	10.07	4.91%	3.47%	0.49	0.35	0.98%	1.03%	0.10	0.10
5		Fuel and light	6.84	5.52%	10.67%	0.38	0.73	-0.11%	2.99%	-0.01	0.20
6		Miscellaneous	28.32	4.92%	8.03%	1.39	2.27	0.52%	1.34%	0.15	0.38
	6.1.01	Household goods and services	3.8	6.46%	8.04%	0.25	0.31	0.23%	0.74%	0.01	0.03
	6.1.02	Health	5.89	6.32%	7.21%	0.37	0.42	0.33%	0.58%	0.02	0.03
	6.1.03	Transport and communication	8.59	1.17%	10.91%	0.10	0.94	0.18%	2.98%	0.02	0.26
	6.1.04	Recreation and amusement	1.68	3.83%	7.31%	0.06	0.12	0.23%	0.67%	0.00	0.01
	6.1.05	Education	4.46	5.69%	4.12%	0.25	0.18	0.80%	0.54%	0.04	0.02
	6.1.06	Personal care and effects	3.89	9.00%	8.62%	0.35	0.34	1.66%	0.96%	0.06	0.04

Source: Refinitiv