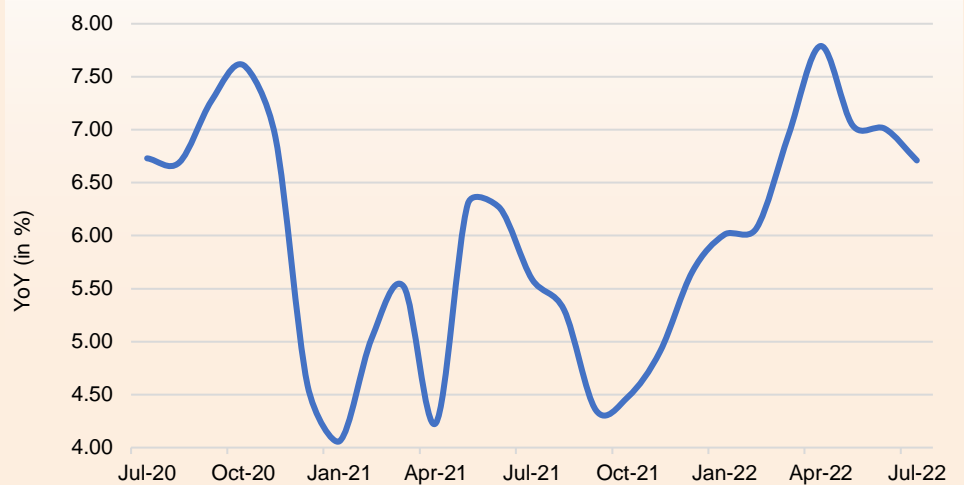


## Inflation Update

### Consumer Price Index based inflation eases to 6.71% in July

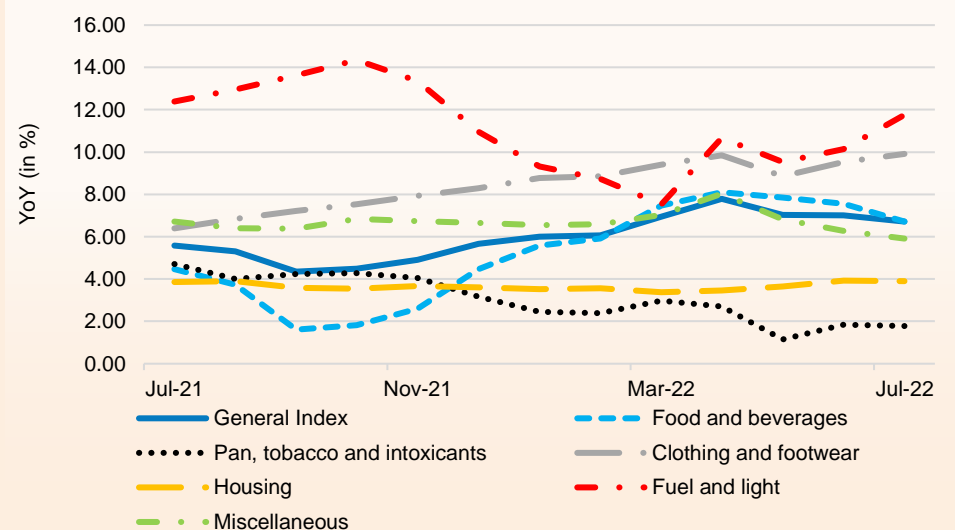
- Government data showed that Consumer Price Index based inflation eased for the third consecutive month to 6.71% in Jul 2022 from 7.01% in the previous month. Inflation for Jul 2021 was at 5.59%.
- The Consumer Food Price Index also slowed to 6.75% in Jul 2022 from 7.75% in the previous month but remained higher than 3.96% in the same month of the previous year.
- Retail inflation thus stayed above the upper tolerance level of the Reserve Bank of India's retail inflation target of 6% for the seventh consecutive month.
- Inflation for food and beverages slowed for the third straight month to 6.71% in Jul 2022 from 7.56% in the previous month but was higher than 4.46% in the same month of the previous year.
- Under food and beverages retail inflation was maximum for spices for which inflation stood at 12.89% followed by vegetables and prepared meals, snacks, sweets etc. for which inflation stood at 10.90% and 7.55% respectively.
- Inflation for clothing and footwear accelerated to 9.91% in Jul 2022 from 9.52% in the previous month and 6.39% in the same month of the previous year. Inflation for clothing and footwear has gone up consistently for the past twelve months, barring May month of 2022.
- Inflation for fuel and light also went up to 11.76% in Jul 2022 from 10.14% in the previous month but slower than 12.38% 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 5.91% in Jul 2022 from 6.28% in Jun 2022.
- Among states, the highest inflation rate of 8.58% was recorded by Telangana, followed by Assam and Gujarat for which inflation stood at 7.91% and 7.85% respectively. On the other hand, the lowest inflation rate of 4.13% was seen in Delhi.

#### Trend of Retail Inflation



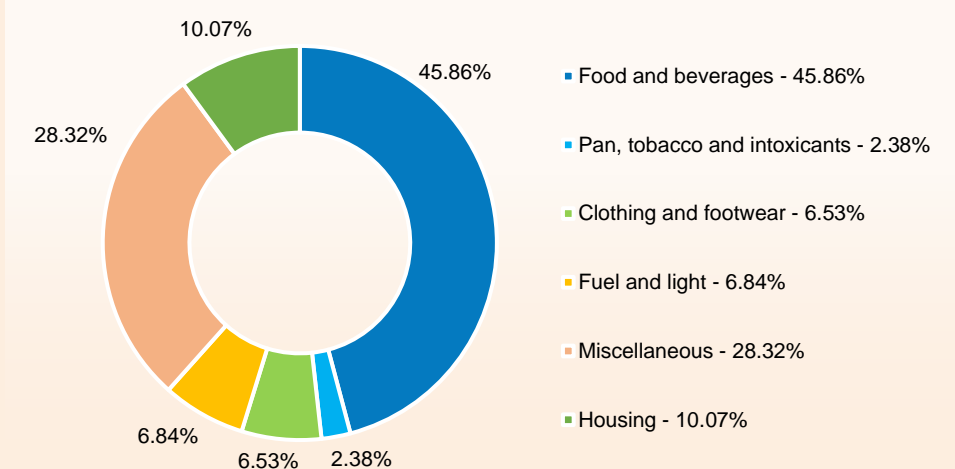
Source: Refinitiv

#### 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 (%)	
				Jul-22	Jul-21	Jul-22	Jul-21	Jul-22	Jul-21	Jul-22	Jul-21
<b>1</b>		<b>General Index (All Groups)</b>	<b>100</b>	<b>6.71%</b>	<b>5.59%</b>	<b>6.71</b>	<b>5.59</b>	<b>0.46%</b>	<b>0.74%</b>	<b>0.46</b>	<b>0.74</b>
		<b>Food and beverages</b>	<b>45.86</b>	<b>6.71%</b>	<b>4.46%</b>	<b>3.08</b>	<b>2.04</b>	<b>0.06%</b>	<b>0.86%</b>	<b>0.03</b>	<b>0.39</b>
	1.1.01	Cereals and products	9.67	6.90%	-1.68%	0.67	-0.16	0.97%	-0.20%	0.09	-0.02
	1.1.02	Meat and fish	3.61	3.00%	8.33%	0.11	0.30	-2.92%	2.38%	-0.11	0.09
	1.1.03	Egg	0.43	-3.84%	20.82%	-0.02	0.09	2.58%	0.83%	0.01	0.00
	1.1.04	Milk and products	6.61	5.84%	2.74%	0.39	0.18	0.54%	0.83%	0.04	0.06
	1.1.05	Oils and fats	3.56	7.52%	32.53%	0.27	1.16	-2.54%	-0.87%	-0.09	-0.03
	1.1.06	Fruits	2.89	6.41%	8.98%	0.19	0.26	2.77%	-0.43%	0.08	-0.01
	1.1.07	Vegetables	6.04	10.90%	-7.80%	0.66	-0.47	-0.11%	5.66%	-0.01	0.34
	1.1.08	Pulses and products	2.38	0.18%	9.04%	0.00	0.22	0.00%	-1.20%	0.00	-0.03
	1.1.09	Sugar and Confectionery	1.36	4.80%	-0.52%	0.07	-0.01	0.08%	-0.52%	0.00	-0.01
	1.1.10	Spices	2.50	12.89%	5.19%	0.32	0.13	1.55%	-0.12%	0.04	0.00
	1.2.11	Non-alcoholic beverages	1.26	4.66%	14.44%	0.06	0.18	0.30%	0.56%	0.00	0.01
	1.1.12	Prepared meals, snacks, sweets etc.	5.55	7.55%	6.10%	0.42	0.34	0.71%	-0.12%	0.04	-0.01
<b>2</b>		<b>Pan, tobacco and intoxicants</b>	<b>2.38</b>	<b>1.78%</b>	<b>4.71%</b>	<b>0.04</b>	<b>0.11</b>	<b>0.15%</b>	<b>0.21%</b>	<b>0.00</b>	<b>0.00</b>
<b>3</b>		<b>Clothing and footwear</b>	<b>6.53</b>	<b>9.91%</b>	<b>6.39%</b>	<b>0.65</b>	<b>0.42</b>	<b>0.80%</b>	<b>0.44%</b>	<b>0.05</b>	<b>0.03</b>
	3.1.01	Clothing	5.58	9.52%	6.34%	0.53	0.35	0.68%	0.37%	0.04	0.02
	3.1.02	Footwear	0.95	11.89%	6.76%	0.11	0.06	0.82%	0.86%	0.01	0.01
<b>4</b>		<b>Housing</b>	<b>10.07</b>	<b>3.90%</b>	<b>3.86%</b>	<b>0.39</b>	<b>0.39</b>	<b>0.60%</b>	<b>0.62%</b>	<b>0.06</b>	<b>0.06</b>
<b>5</b>		<b>Fuel and light</b>	<b>6.84</b>	<b>11.76%</b>	<b>12.38%</b>	<b>0.80</b>	<b>0.85</b>	<b>2.05%</b>	<b>0.56%</b>	<b>0.14</b>	<b>0.04</b>
<b>6</b>		<b>Miscellaneous</b>	<b>28.32</b>	<b>5.91%</b>	<b>6.71%</b>	<b>1.67</b>	<b>1.90</b>	<b>0.54%</b>	<b>0.89%</b>	<b>0.15</b>	<b>0.25</b>
	6.1.01	Household goods and services	3.8	7.45%	4.99%	0.28	0.19	0.60%	0.65%	0.02	0.02
	6.1.02	Health	5.89	5.45%	7.74%	0.32	0.46	0.40%	0.42%	0.02	0.02
	6.1.03	Transport and communication	8.59	5.55%	10.54%	0.48	0.91	0.31%	1.59%	0.03	0.14
	6.1.04	Recreation and amusement	1.68	7.08%	6.37%	0.12	0.11	0.30%	0.26%	0.01	0.00
	6.1.05	Education	4.46	5.02%	2.97%	0.22	0.13	1.42%	0.93%	0.06	0.04
	6.1.06	Personal care and effects	3.89	6.00%	3.76%	0.23	0.15	0.18%	0.82%	0.01	0.03

Source: Refinitiv