

Inflation Update

Consumer Price Index based inflation eased to 6.77% in October

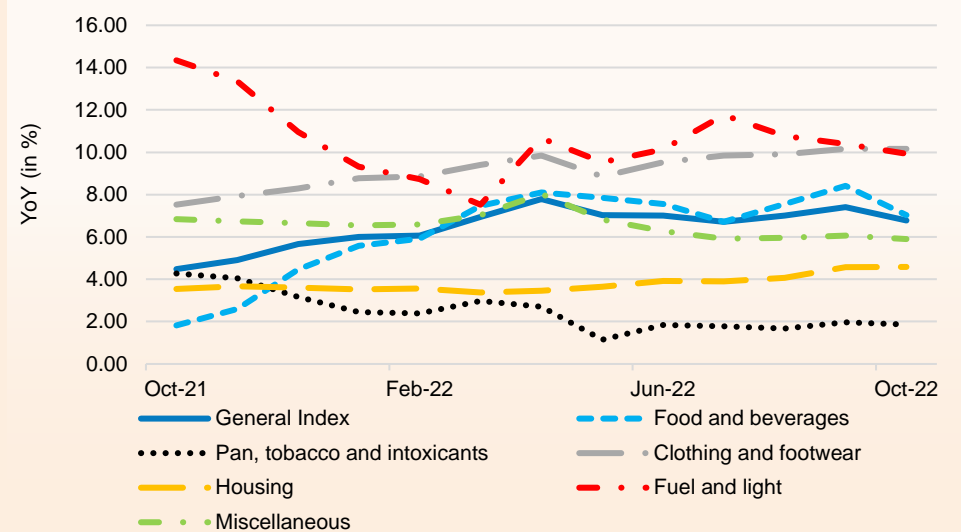
- Government data showed that Consumer Price Index based inflation slowed to 6.77% in Oct 2022 from 7.41% in the previous month but accelerated from 4.48% in Oct 2021.
- Retail inflation thus stayed above the upper tolerance level of the Reserve Bank of India's retail inflation target of 6% for the tenth consecutive month.
- The Consumer Food Price Index increased at a slower pace to 7.01% in Oct 2022 from 8.60% in the previous month but accelerated from 0.85% in the same month of the previous year.
- Inflation for food and beverages slowed to 7.04% in Oct 2022 from 8.41% in the previous month but faster than 1.82% in the same month of the previous year.
- Under food and beverages, retail inflation pushed up majorly due to Cereals and products, Milk and products and vegetables, which jumped to 12.08%, 7.69% and 7.77% in Oct 2022 from 0.41%, 3.19% and -19.43% in Oct 2021, respectively. However, inflation for oils and fats contracted to 2.15% in Oct 2022 from rise of 33.57% in Oct 2021.
- Inflation for clothing and footwear went up to 10.16% in Oct 2022 from 7.53% in the same month of the previous year. Inflation for clothing and footwear has gone up consistently during sixteen out of eighteen months.
- Inflation for fuel and light eased to 9.93% in Oct 2022 from 10.39% in the previous month and 14.35% in the same month of the previous year.
- Inflation for the 'miscellaneous' group, which accounts for 28.32% of the CPI and includes services, eased to 5.90% in Oct 2022 from 6.06% in the previous month and 6.83% in Oct 2021.
- Among states, the highest inflation rate of 8.82% was recorded by Telangana, followed by Andhra Pradesh and Haryana for which inflation stood at 7.93% and 7.79%, respectively. On the other hand, the lowest inflation rate of 2.99% was seen in Delhi.

Trend of Retail Inflation



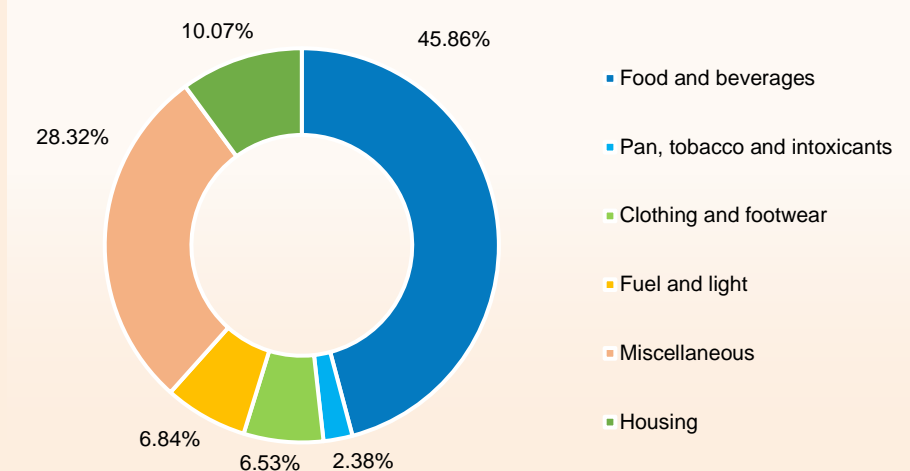
Source: Refinitiv

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 (%)	
				Oct-22	Oct-21	Oct-22	Oct-21	Oct-22	Oct-21	Oct-22	Oct-21
1		General Index (All Groups)	100	6.77%	4.48%	6.77	4.48	0.80%	1.41%	0.80	1.41
		Food and beverages	45.86	7.04%	1.82%	3.23	0.84	0.96%	2.26%	0.44	1.03
	1.1.01	Cereals and products	9.67	12.08%	0.41%	1.17	0.04	1.04%	0.55%	0.10	0.05
	1.1.02	Meat and fish	3.61	3.08%	7.12%	0.11	0.26	0.81%	0.29%	0.03	0.01
	1.1.03	Egg	0.43	-0.18%	-1.38%	0.00	-0.01	0.71%	-0.93%	0.00	0.00
	1.1.04	Milk and products	6.61	7.69%	3.19%	0.51	0.21	0.71%	0.19%	0.05	0.01
	1.1.05	Oils and fats	3.56	-2.15%	33.57%	-0.08	1.19	-1.17%	1.38%	-0.04	0.05
	1.1.06	Fruits	2.89	5.20%	4.92%	0.15	0.14	-1.15%	-0.64%	-0.03	-0.02
	1.1.07	Vegetables	6.04	7.77%	-19.43%	0.47	-1.17	4.12%	14.17%	0.25	0.86
	1.1.08	Pulses and products	2.38	2.78%	5.36%	0.07	0.13	0.41%	0.67%	0.01	0.02
	1.1.09	Sugar and Confectionery	1.36	0.00%	5.36%	0.00	0.07	0.25%	1.84%	0.00	0.02
	1.1.10	Spices	2.50	18.02%	4.64%	0.45	0.12	1.27%	0.30%	0.03	0.01
	1.2.11	Non-alcoholic beverages	1.26	4.11%	11.40%	0.05	0.14	0.30%	0.31%	0.00	0.00
	1.1.12	Prepared meals, snacks, sweets etc.	5.55	7.84%	6.65%	0.44	0.37	0.53%	0.46%	0.03	0.03
2		Pan, tobacco and intoxicants	2.38	1.87%	4.27%	0.04	0.10	0.20%	0.31%	0.00	0.01
3		Clothing and footwear	6.53	10.16%	7.53%	0.66	0.49	0.61%	0.61%	0.04	0.04
	3.1.01	Clothing	5.58	9.78%	7.39%	0.55	0.41	0.55%	0.67%	0.03	0.04
	3.1.02	Footwear	0.95	12.16%	7.87%	0.12	0.07	0.57%	0.64%	0.01	0.01
4		Housing	10.07	4.58%	3.54%	0.46	0.36	0.94%	0.93%	0.10	0.09
5		Fuel and light	6.84	9.93%	14.35%	0.68	0.98	0.56%	0.98%	0.04	0.07
6		Miscellaneous	28.32	5.90%	6.83%	1.67	1.94	0.47%	0.63%	0.13	0.18
	6.1.01	Household goods and services	3.8	7.58%	6.17%	0.29	0.23	0.53%	0.57%	0.02	0.02
	6.1.02	Health	5.89	5.68%	7.57%	0.33	0.45	0.51%	0.42%	0.03	0.02
	6.1.03	Transport and communication	8.59	4.62%	10.90%	0.40	0.94	0.37%	1.10%	0.03	0.09
	6.1.04	Recreation and amusement	1.68	6.05%	6.87%	0.10	0.12	0.36%	0.57%	0.01	0.01
	6.1.05	Education	4.46	5.80%	3.34%	0.26	0.15	0.17%	0.12%	0.01	0.01
	6.1.06	Personal care and effects	3.89	7.03%	2.49%	0.27	0.10	0.70%	0.50%	0.03	0.02

Source: Refinitiv