

Inflation Update

Consumer Price Index based inflation accelerated to 7.41% in September

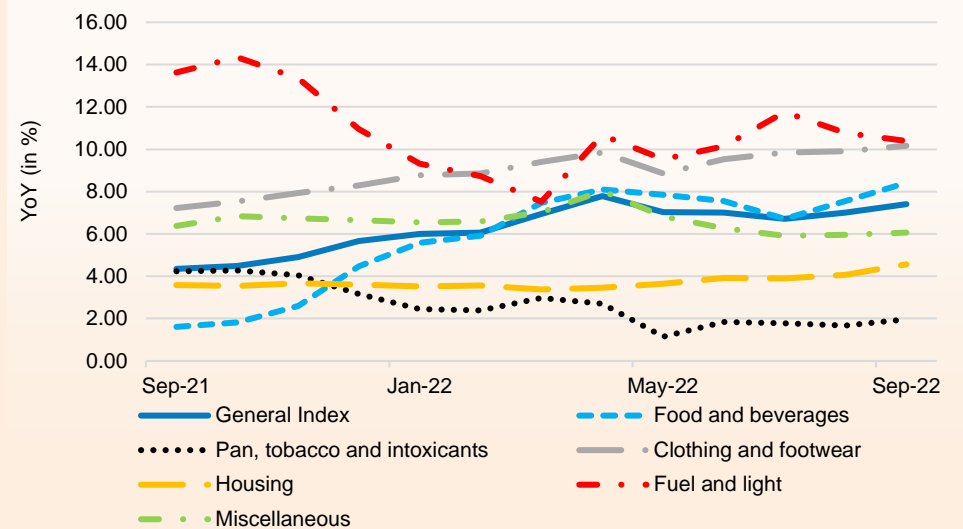
- Government data showed that Consumer Price Index based inflation accelerated to 7.41% in Sep 2022 from 7.00% in the previous month and 4.35% in Sep 2021. Inflation reached its highest level in five months during the latest period.
- Retail inflation thus stayed above the upper tolerance level of the Reserve Bank of India's retail inflation target of 6% for the ninth consecutive month.
- The Consumer Food Price Index also rose at a faster pace to 8.60% in Sep 2022 from 7.62% in the previous month and 0.68% in the same month of the previous year.
- Inflation for food and beverages rose faster to 8.41% in Sep 2022 from 7.57% in the previous month and 1.61% in the same month of the previous year.
- Under food and beverages, retail inflation pushed up majorly due to vegetables, and spices, which jumped to 18.05% and 16.88% in Sep 2022 from -22.42% and 4.84% in Sep 2021, respectively. However, inflation for oils and fats eased significantly to 0.37% in Sep 2022 from 34.19% in Sep 2021.
- Inflation for clothing and footwear went up to 10.17% in Sep 2022 from 9.91% in the previous month and 7.22% in the same month of the previous year. Inflation for clothing and footwear has gone up consistently during sixteen out of seventeen months.
- Inflation for fuel and light eased to 10.39% in Sep 2022 from 10.78% in the previous month and 13.63% 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 6.06% in Sep 2022 from 6.38% in Sep 2021.
- Among states, the highest inflation rate of 9.44% was recorded by West Bengal, followed by Telangana and Madhya Pradesh for which inflation stood at 8.67% and 8.65% respectively. On the other hand, the lowest inflation rate of 4.03% was seen in Delhi.

Trend of Retail Inflation



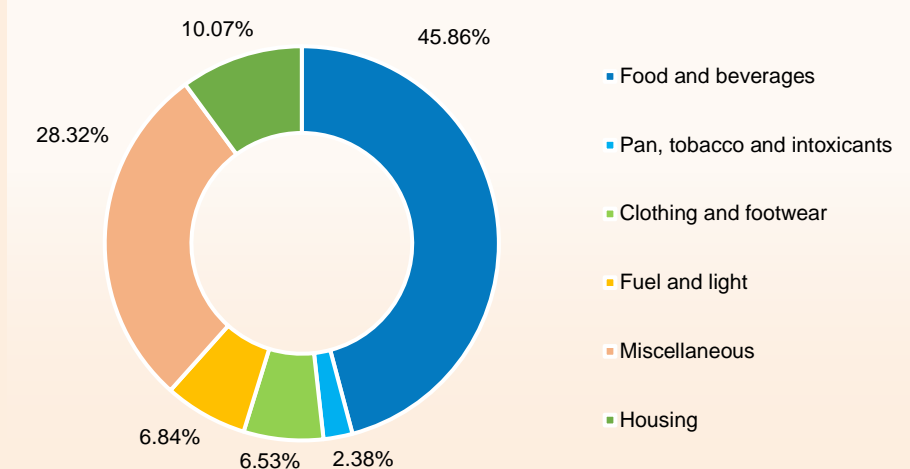
Source: Refinitiv

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 (%)	
				Sep-22	Sep-21	Sep-22	Sep-21	Sep-22	Sep-21	Sep-22	Sep-21
1		General Index (All Groups)	100	7.41%	4.35%	7.41	4.35	0.57%	0.18%	0.57	0.18
		Food and beverages	45.86	8.41%	1.61%	3.86	0.74	0.85%	0.06%	0.39	0.03
	1.1.01	Cereals and products	9.67	11.53%	-0.61%	1.11	-0.06	2.00%	0.21%	0.19	0.02
	1.1.02	Meat and fish	3.61	2.55%	7.99%	0.09	0.29	1.31%	-0.20%	0.05	-0.01
	1.1.03	Egg	0.43	-1.79%	7.06%	-0.01	0.03	0.30%	-2.54%	0.00	-0.01
	1.1.04	Milk and products	6.61	7.13%	3.13%	0.47	0.21	0.95%	0.25%	0.06	0.02
	1.1.05	Oils and fats	3.56	0.37%	34.19%	0.01	1.22	-1.92%	2.23%	-0.07	0.08
	1.1.06	Fruits	2.89	5.68%	3.64%	0.16	0.11	-4.22%	-2.67%	-0.12	-0.08
	1.1.07	Vegetables	6.04	18.05%	-22.42%	1.09	-1.35	2.62%	-1.52%	0.16	-0.09
	1.1.08	Pulses and products	2.38	3.05%	8.75%	0.07	0.21	1.14%	0.67%	0.03	0.02
	1.1.09	Sugar and Confectionery	1.36	1.59%	3.01%	0.02	0.04	0.58%	3.46%	0.01	0.05
	1.1.10	Spices	2.50	16.88%	4.84%	0.42	0.12	1.91%	0.18%	0.05	0.00
	1.2.11	Non-alcoholic beverages	1.26	4.12%	12.99%	0.05	0.16	0.36%	0.49%	0.00	0.01
	1.1.12	Prepared meals, snacks, sweets etc.	5.55	7.76%	6.56%	0.43	0.36	0.59%	0.58%	0.03	0.03
2		Pan, tobacco and intoxicants	2.38	1.98%	4.23%	0.05	0.10	0.46%	0.16%	0.01	0.00
3		Clothing and footwear	6.53	10.17%	7.22%	0.66	0.47	0.78%	0.55%	0.05	0.04
	3.1.01	Clothing	5.58	9.90%	7.09%	0.55	0.40	0.78%	0.49%	0.04	0.03
	3.1.02	Footwear	0.95	12.30%	7.40%	0.12	0.07	0.98%	0.58%	0.01	0.01
4		Housing	10.07	4.57%	3.58%	0.46	0.36	0.30%	-0.18%	0.03	-0.02
5		Fuel and light	6.84	10.39%	13.63%	0.71	0.93	0.39%	0.74%	0.03	0.05
6		Miscellaneous	28.32	6.06%	6.38%	1.72	1.81	0.35%	0.25%	0.10	0.07
	6.1.01	Household goods and services	3.8	7.68%	5.92%	0.29	0.22	0.65%	0.51%	0.02	0.02
	6.1.02	Health	5.89	5.52%	7.74%	0.33	0.46	0.51%	0.42%	0.03	0.02
	6.1.03	Transport and communication	8.59	5.39%	9.53%	0.46	0.82	0.25%	0.06%	0.02	0.01
	6.1.04	Recreation and amusement	1.68	6.28%	7.65%	0.11	0.13	0.42%	1.02%	0.01	0.02
	6.1.05	Education	4.46	5.68%	3.28%	0.25	0.15	0.41%	0.24%	0.02	0.01
	6.1.06	Personal care and effects	3.89	6.81%	1.91%	0.27	0.07	-0.18%	0.00%	-0.01	0.00

Source: Refinitiv