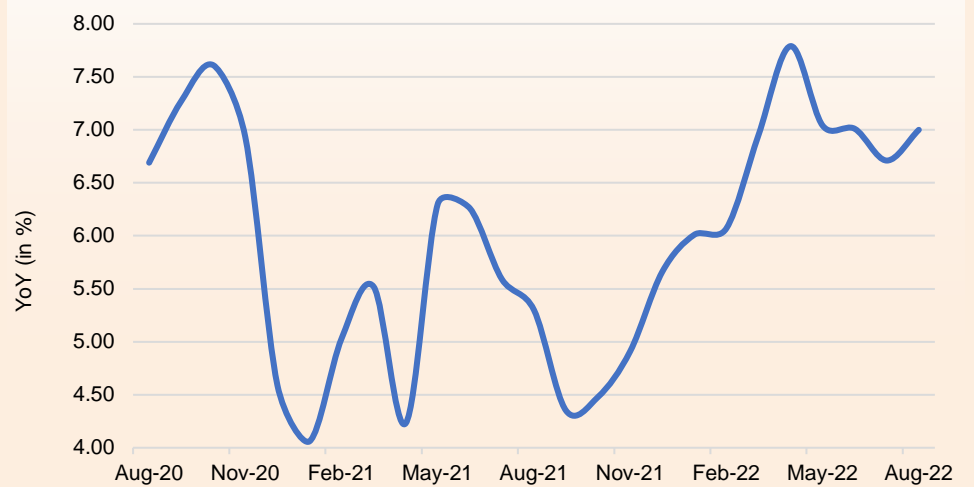


Inflation Update

Consumer Price Index based inflation accelerated to 7.00% in August

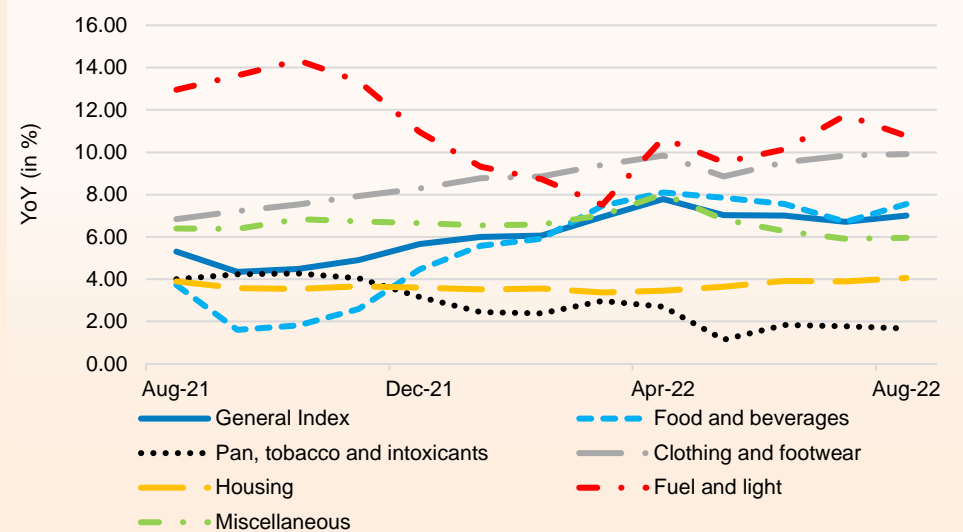
- Government data showed that Consumer Price Index based inflation accelerated to 7.00% in Aug 2022 from 6.71% in the previous month and 5.30% in Aug 2021. Inflation rose at faster pace during the latest period after easing in the previous three months.
- Retail inflation thus stayed above the upper tolerance level of the Reserve Bank of India's retail inflation target of 6% for the eighth consecutive month.
- The Consumer Food Price Index also rose at a faster pace to 7.62% in Aug 2022 from 6.69% in the previous month and 3.11% in the same month of the previous year.
- Inflation for food and beverages rose faster to 7.57% in Aug 2022 from 6.71% in the previous month and 3.73% in the same month of the previous year.
- Under food and beverages retail inflation was maximum for spices for which inflation stood at 14.90% followed by vegetables and, Cereals and products for which inflation stood at 13.23% and 9.57%, respectively. However, inflation for oils and fats eased significantly to 4.62% in Aug 2022 from 33.07% in Aug 2021.
- Inflation for clothing and footwear went up to 9.91% in Aug 2022 from 9.85% in the previous month and 6.84% in the same month of the previous year. Inflation for clothing and footwear has gone up consistently during fifteen out of sixteen months.
- Inflation for fuel and light eased to 10.78% in Aug 2022 from 11.76% in the previous month and 12.95% 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 5.95% in Aug 2022 from 6.40% in Aug 2021.
- Among states, the highest inflation rate of 8.94% was recorded by West Bengal, followed by Gujarat and Telangana for which inflation stood at 8.22% and 8.11% respectively. On the other hand, the lowest inflation rate of 4.16% was seen in Delhi.

Trend of Retail Inflation



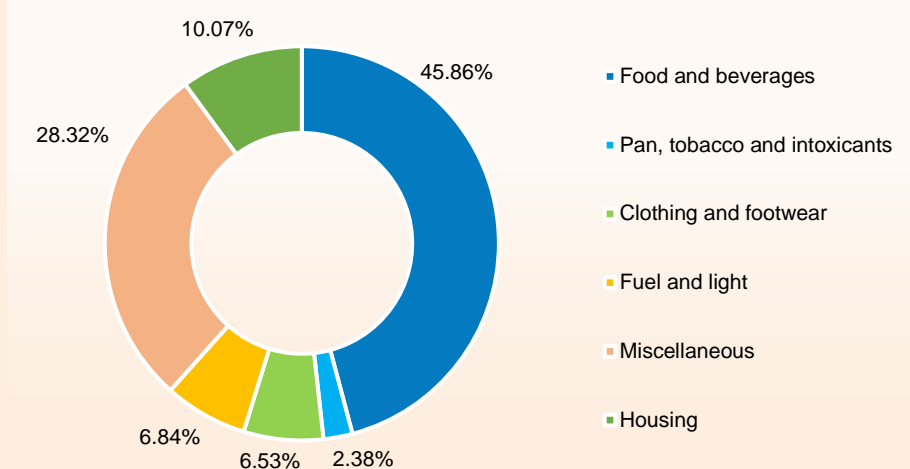
Source: Refinitiv

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 (%)	
				Aug-22	Aug-21	Aug-22	Aug-21	Aug-22	Aug-21	Aug-22	Aug-21
1		General Index (All Groups)	100	7.00%	5.30%	7.00	5.30	0.52%	0.25%	0.52	0.25
		Food and beverages	45.86	7.57%	3.73%	3.47	1.71	0.74%	-0.06%	0.34	-0.03
	1.1.01	Cereals and products	9.67	9.57%	-1.42%	0.93	-0.14	2.43%	-0.07%	0.23	-0.01
	1.1.02	Meat and fish	3.61	0.98%	9.25%	0.04	0.33	-3.10%	-1.16%	-0.11	-0.04
	1.1.03	Egg	0.43	-4.57%	16.26%	-0.02	0.07	-3.42%	-2.69%	-0.01	-0.01
	1.1.04	Milk and products	6.61	6.39%	2.86%	0.42	0.19	0.90%	0.32%	0.06	0.02
	1.1.05	Oils and fats	3.56	4.62%	33.07%	0.16	1.18	-1.74%	0.99%	-0.06	0.04
	1.1.06	Fruits	2.89	7.39%	6.69%	0.21	0.19	-0.75%	-1.77%	-0.02	-0.05
	1.1.07	Vegetables	6.04	13.23%	-11.73%	0.80	-0.71	2.47%	0.37%	0.15	0.02
	1.1.08	Pulses and products	2.38	2.52%	8.81%	0.06	0.21	1.70%	-0.61%	0.04	-0.01
	1.1.09	Sugar and Confectionery	1.36	4.49%	-0.60%	0.06	-0.01	0.75%	1.05%	0.01	0.01
	1.1.10	Spices	2.50	14.90%	5.12%	0.37	0.13	1.89%	0.12%	0.05	0.00
	1.2.11	Non-alcoholic beverages	1.26	4.26%	13.85%	0.05	0.17	0.24%	0.62%	0.00	0.01
	1.1.12	Prepared meals, snacks, sweets etc.	5.55	7.75%	6.14%	0.43	0.34	0.59%	0.41%	0.03	0.02
2		Pan, tobacco and intoxicants	2.38	1.67%	4.01%	0.04	0.10	0.21%	0.31%	0.00	0.01
3		Clothing and footwear	6.53	9.91%	6.84%	0.65	0.45	0.68%	0.62%	0.04	0.04
	3.1.01	Clothing	5.58	9.58%	6.78%	0.53	0.38	0.67%	0.61%	0.04	0.03
	3.1.02	Footwear	0.95	11.85%	7.00%	0.11	0.07	0.82%	0.85%	0.01	0.01
4		Housing	10.07	4.06%	3.90%	0.41	0.39	0.72%	0.56%	0.07	0.06
5		Fuel and light	6.84	10.78%	12.95%	0.74	0.89	-0.45%	0.44%	-0.03	0.03
6		Miscellaneous	28.32	5.95%	6.40%	1.69	1.81	0.42%	0.38%	0.12	0.11
	6.1.01	Household goods and services	3.8	7.53%	5.38%	0.29	0.20	0.66%	0.58%	0.02	0.02
	6.1.02	Health	5.89	5.43%	7.78%	0.32	0.46	0.40%	0.42%	0.02	0.02
	6.1.03	Transport and communication	8.59	5.20%	10.24%	0.45	0.88	0.19%	0.52%	0.02	0.04
	6.1.04	Recreation and amusement	1.68	6.92%	6.48%	0.12	0.11	0.36%	0.52%	0.01	0.01
	6.1.05	Education	4.46	5.51%	3.68%	0.25	0.16	0.53%	0.06%	0.02	0.00
	6.1.06	Personal care and effects	3.89	7.00%	1.01%	0.27	0.04	0.88%	-0.06%	0.03	0.00

Source: Refinitiv