

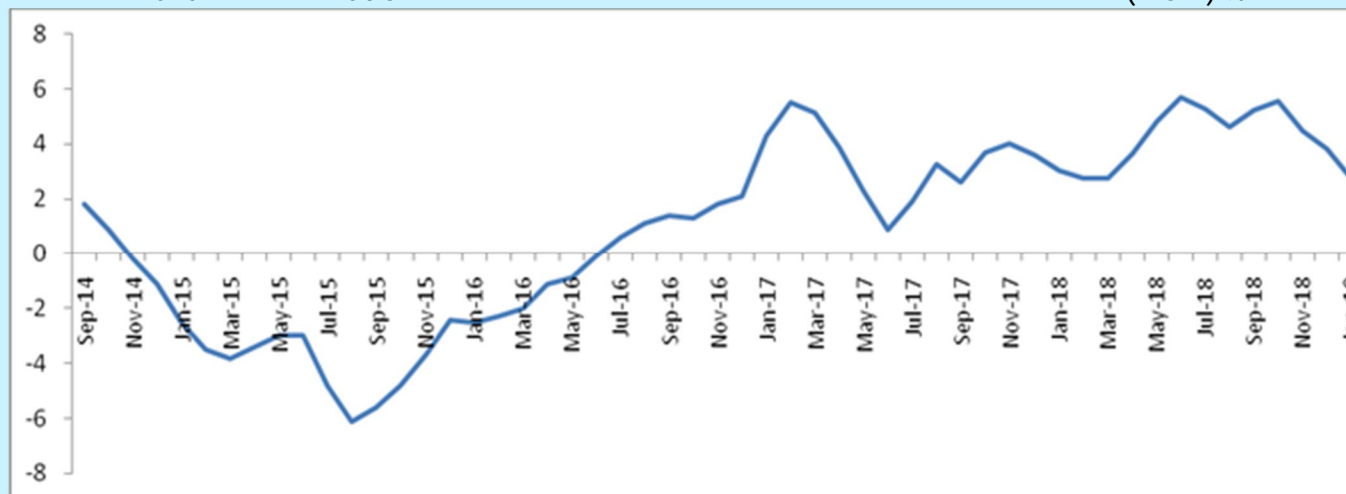
January 2019 WPI inflation falls to 2.8%

The WPI inflation falls to 2.8% in January 2019 from 3.8% in December 2018, 4.5% in November 2018, 5.5% in October 2018, 5.2% in September 2018 and 4.6% in August 2018. The fall in WPI inflation in the month of January 2019 is attributed to fall in the prices of Potato (26.3%), Crude Petroleum (-1.8%) and LPG (-7.5%).

Due to fall in the prices of Potato, Crude Petroleum and LPG, WPI inflation stands at 2.8% in January 2019 as compared to 3.8% in December 2018. The official Wholesale Price Index for 'All Commodities' (Base: 2011-12=100) for the month of January, 2019 declined by 0.7% to 119.2 (provisional) from 120.1 (provisional) for the previous month.

Trend in WPI Inflation

(Y-O-Y) %



Source: PHD Research Bureau, compiled from the office of the Economic Advisor to the Govt. of India

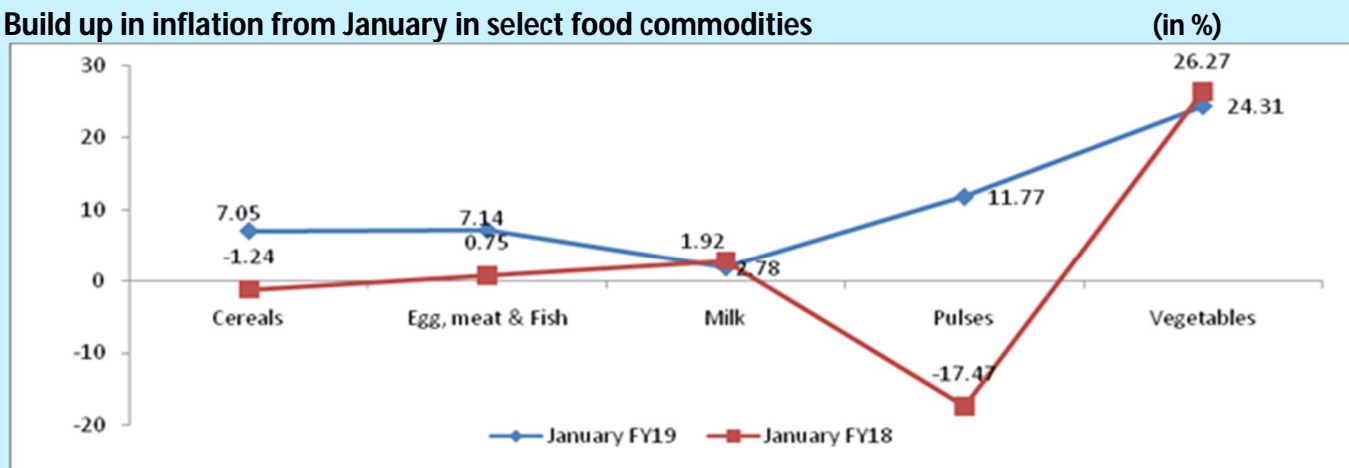
WPI inflation in select commodities (Base year: 2011-12)

| Commodity | | WPI Inflation Y-o-Y % growth | | |
|-----------|-----------------------|------------------------------|----------|---------|
| | | Nov'18 | Dec'18 | Jan'19 |
| 1 | All Commodities | 4.47 | 3.80 | 2.76 |
| 2 | Primary Articles | 0.59 | 2.28 | 3.54 |
| 3 | Food Articles | (-)3.24 | (-)0.07 | 2.34 |
| 4 | Cereals | 7.16 | 7.59 | 7.95 |
| 5 | Vegetables | (-)26.71 | (-)17.55 | (-)4.21 |
| 6 | Non-food Articles | 6.40 | 4.45 | 4.06 |
| 7 | Fuel & Power | 15.54 | 8.38 | 1.85 |
| 8 | Petrol | 12.06 | 1.57 | (-)3.35 |
| 9 | Manufactured Products | 4.21 | 3.59 | 2.61 |
| 10 | Sugar | (-)11.40 | (-)9.42 | 5.8 |

Source: PHD Research Bureau, compiled from the office of the Economic Advisor to the Govt. of India

Build up inflation rate in the financial year so far was 2.5% compared to a build up rate of 2.5% in the corresponding period of the previous year.

Build up in inflation from January in select food commodities

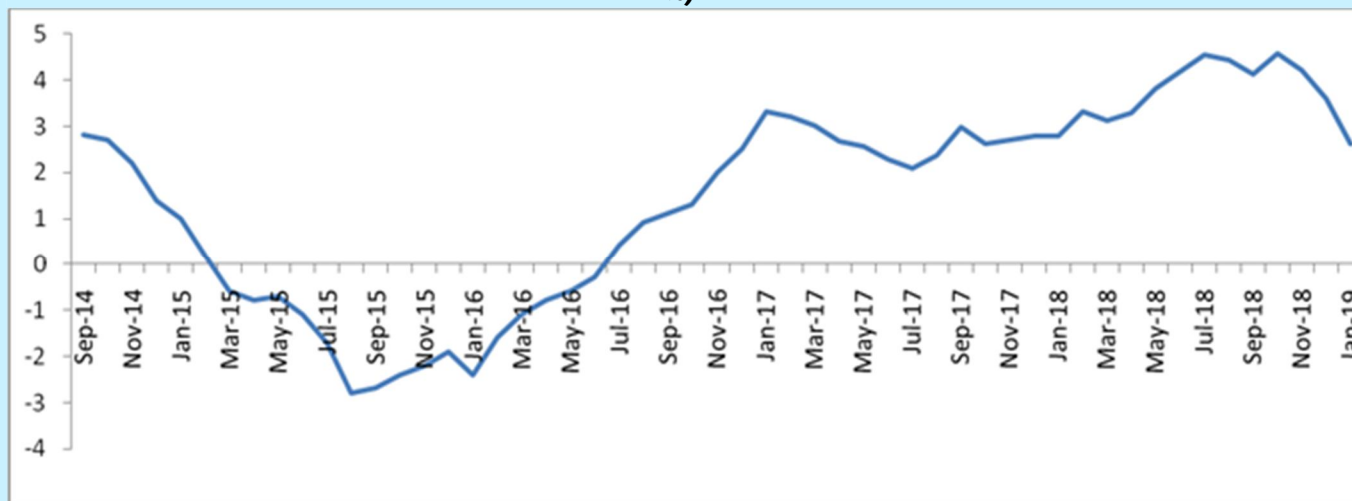


Source: PHD Research Bureau, compiled from the office of the Economic Advisor to the Govt. of India

Manufacturing inflation stands at 2.6% (weight 64.23 %)

The WPI inflation for manufactured products stands 2.6% for January 2019 as against 3.6% for December 2018. The index for this major group declined to 117.9 (provisional) in January 2019.

Trend in WPI inflation in manufactured products (in %)



Source: PHD Research Bureau, compiled from the office of the Economic Advisor to the Govt. of India

Food inflation stands at 2.3% (Weight 15.26%)

The food articles inflation stands 2.3% in January 2019 as compared to (-)0.1% in December 2018. The index for 'Food Articles' group rose by 0.1% to 144.1 (provisional) from 144.0 (provisional) for the previous month due to higher price of betel leaves (13%), maize and fish-marine (6% each), ragi (5%), bajra and egg (4% each), coffee, arhar and barley (3% each), moong and masur (2% each) and wheat, pork, poultry chicken, jowar and gram (1%each).

Fuel & power inflation stands at 1.9% (weight 13.15%)

The index for this major group declined by 4.1% to 99.3 (provisional) from 103.5 (provisional) for the

previous month. The groups and items which showed variations during the month are as follows:-

The index for 'Coal' group rose by 0.2% to 123.6 (provisional) from 123.4 (provisional) for the previous month due to higher price of coking coal (1%). The index for 'Mineral Oils' group declined by 6.7% to 88.4 (provisional) from 94.7 (provisional) for the previous month due to lower price of ATF and furnace oil (16% each), bitumen (15%), LPG (14%), naphtha (8%), kerosene (5%), petrol and HSD (4% each). However, the price of petroleum coke (1%) moved up. The index for 'Electricity' group declined by 1.5% to 110.7 (provisional) from 112.4 (provisional) for the previous month due to lower price of electricity (2%).

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