

Wholesale Price Index (WPI Inflation):

Inflation, as measured by the Wholesale Price Index, stood at 13.56% in December against 14.23% in November 2021. At 13.56%, the latest wholesale inflation print is 67 basis points lower than November 2021's 14.23%, which is the highest in the current WPI series. India's wholesale inflation eased from its record high as a fall in prices of manufactured products, fuel and power offset costlier vegetables. WPI Inflation declined 0.35% over the previous month in December 2021. WPI inflation printed in double digits for the ninth consecutive month, easing only modestly in December 2021 from November's high. Core-WPI inflation easing to a six-month low of 11.0% in December 2021.

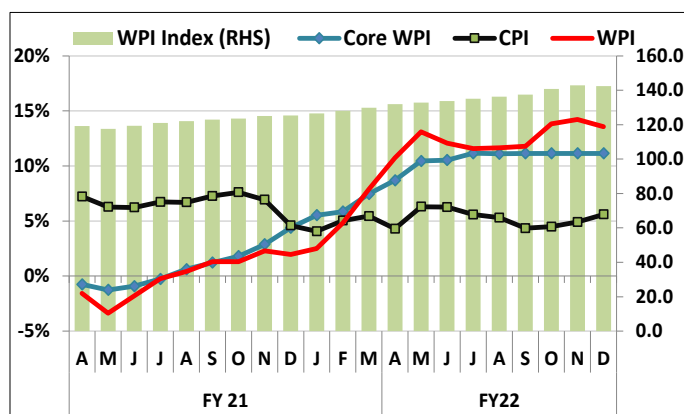
- Inflation in manufactured products—the largest component of the index—stood at 10.62% in December after rising to 12.87% in October and 11.92% in November.
- Inflation in primary articles hardened to 13.38% in December from 7.38% in October and 10.34% in November.
- Inflation in food articles was at 9.56% against 4.9% in the previous month.
- Vegetable's inflation stood at 31.56% compared with 3.9% in November.
- Inflation in non-food articles was at 19% against 13.8% in November.
- The decline in WPI inflation in December 2021 was driven by a fall in prices of fuel items, with wholesale fuel and power inflation climbing down to 32.30% from 39.81% in November 2021.

Consumer Price Index (CPI Inflation):

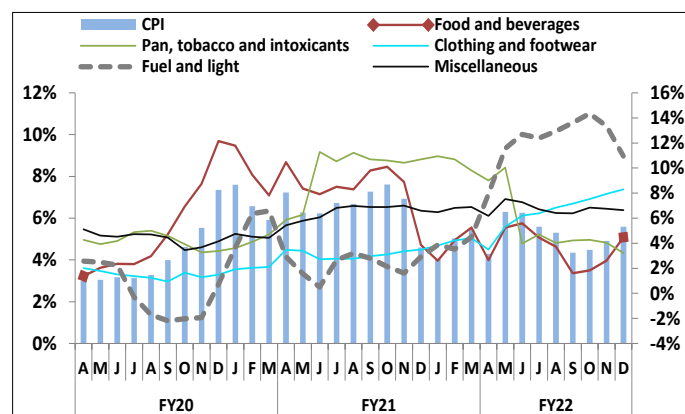
Consumer Price Index inflation stood at 5.59% in December, compared with 4.91% in November. The latest Consumer Price Index (CPI) inflation print is 68 basis points higher than the November 2021 level of 4.91 percent. The CPI has remained within the RBI's tolerance level for the sixth consecutive month. Core inflation, excluding food and fuel, eased to 6.19% from a five-month high of 6.21% in November. Retail inflation picked up in December, led by a continued rise in vegetable prices. The Reserve Bank of India had forecast CPI inflation would average 5.1 percent in October-December 2021. In December 2021, inflation rose even as the general index of the CPI fell to 166.1 from 166.7 in November 2021, indicating the presence of an unfavorable base effect.

Fuel and light inflation moderated to 10.95%. It had risen to 13.35% in November 2021 from 14.35% in October. Inflation in the food and beverages basket stood at 4.47%, up from 2.60% in November. Clothing and footwear inflation was at 8.3% compared with 7.9% in the previous month. Housing inflation stood at 3.6%, compared with 3.7% in November. Inflation in transport and communication was at 9.7%, compared with 10% in November.

WPI Inflation



CPI Inflation



Wholesale Price Index (WPI) – Dec 2021

Y-O-Y Growth (%)	Weights	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Dec-20
All Commodities	100	11.57%	11.64%	11.80%	13.83%	14.23%	13.56%	1.95%
Primary Articles	22.62	6.34%	5.93%	5.98%	7.38%	10.34%	13.38%	-0.60%
Fuel & Power	13.15	27.01%	28.15%	29.49%	38.61%	39.81%	32.30%	-6.10%
Manufactured	64.23	11.46%	11.56%	11.57%	12.87%	11.92%	10.62%	4.49%
Primary Articles								
Food	15.26	0.12%	-0.80%	-2.55%	0.06%	4.88%	9.56%	-0.92%
Non-Food	4.12	22.94%	28.69%	29.48%	18.41%	13.77%	18.99%	2.99%
Minerals	0.83	12.55%	7.16%	30.79%	16.57%	20.90%	3.77%	16.67%
Fuel & Power								
Coal	2.14	0.87%	1.03%	1.03%	1.98%	3.08%	3.07%	0.40%
Mineral oils	7.95	53.70%	52.68%	51.74%	70.05%	79.90%	62.64%	-11.17%
Electricity	3.06	-2.77%	2.90%	10.83%	10.83%	-0.60%	-0.17%	-0.85%
Manufactured Products								
Basic metals	9.65	29.09%	27.61%	27.36%	32.14%	29.06%	22.19%	11.78%
Food Products	9.12	13.06%	12.73%	12.86%	12.81%	10.25%	8.75%	5.11%
Chemicals	6.47	11.56%	12.23%	12.92%	14.98%	14.72%	14.37%	3.01%
Motor vehicles, Trailers	4.97	3.41%	3.66%	3.21%	4.51%	4.50%	4.65%	2.69%
Textiles	7.32	15.85%	17.35%	17.34%	17.42%	17.38%	16.79%	2.67%
Machinery	4.79	5.58%	5.19%	6.16%	5.43%	6.06%	5.41%	1.42%
CPI - Combined								
		5.59%	5.30%	4.35%	4.48%	4.91%	5.59%	4.59%