

FICCI Comments on August WPI Inflation

NEW DELHI, 14 September 2016: *“While the WPI inflation rate has edged up marginally in the month of August 2016 vis-à-vis July numbers, food prices which had been on an uptrend over the last few months indicated moderation with vegetable and fruit prices softening. This is also corroborated in the CPI numbers released earlier this week, which reported a fall in the CPI inflation rate on the back of decline in food prices. The good monsoon has been a boon and with improved sowing for major crops, prices are expected to remain range bound this fiscal. Also, the government has been examining the situation closely and should continue the measures to improve supply side management”*, said **Mr. Harshavardhan Neotia, President, FICCI.**

Mr. Neotia pointed out that the recently released IIP numbers indicate persisting weakness in the industrial sector.

He added, *“The volatile trend in IIP growth is a concern and we need to ensure a firm turnaround in this trend before it becomes more deep rooted. We look forward to an accommodating stance in the monetary policy to be announced next month”*.

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