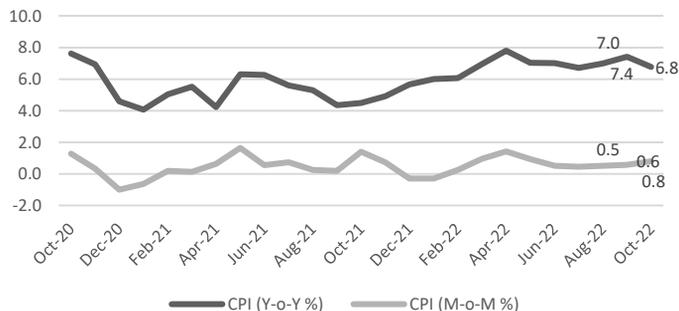
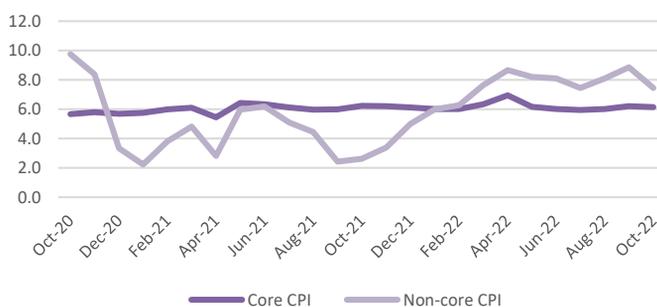


### CPI inflation moderates to 6.8% in October 2022

Consumer Price Index: Y-o-Y & M-o-M Growth (in %)



Trend in Core & Non-core CPI (Y-o-Y in %)



Month	Weight	Oct-21	Jul-22	Aug-22	Sep-22	Oct-22
<b>General Index</b>	<b>100.0</b>	<b>4.5</b>	6.7	7.0	7.4	<b>6.8</b>
<b>Food &amp; beverages</b>	<b>45.9</b>	<b>1.8</b>	6.7	7.6	8.4	<b>7.0</b>
<b>Pan, tobacco &amp; intoxicants</b>	<b>2.4</b>	<b>4.3</b>	1.8	1.7	2.0	<b>1.9</b>
<b>Clothing &amp; footwear</b>	<b>6.5</b>	<b>7.5</b>	9.9	9.9	10.2	<b>10.2</b>
<b>Housing</b>	<b>10.1</b>	<b>3.5</b>	3.9	4.1	4.6	<b>4.6</b>
<b>Fuel &amp; light</b>	<b>6.8</b>	<b>14.4</b>	11.8	10.8	10.4	<b>9.9</b>
<b>Miscellaneous</b>	<b>28.3</b>	<b>6.8</b>	5.9	6.0	6.1	<b>5.9</b>

Source: MoSPI, CMIE

■The CPI based retail inflation witnessed a moderation in October 2022, with the inflation rate reported at 6.8 percent, 0.6 points lower than the September 2022 reading of 7.4 percent. A moderation in price levels was noted across the sub-categories of food & beverages, pan, tobacco & intoxicants, fuel & light, and miscellaneous segments. The food and beverages segment reported a y-o-y growth in prices by 7.0 percent in October 2022, lower than the September 2022 reading of 8.4 percent. Inflation in the fuel & light sub-segment fell from a level of 10.4 percent y-o-y in September 2022 to 9.9 percent in October 2022, while that in the miscellaneous segment declined to 5.9 percent in October 2022 from 6.1 percent recorded in the previous month. Inflation in the sub-segments of housing and clothing & footwear remained constant at 4.6 percent and 10.2 percent, respectively.

■The moderation in food segment prices was largely supported by moderating vegetable and edible oil segments. Vegetable prices witnessed a lower growth at 7.8 percent y-o-y in October 2022, vis-à-vis 18.2 percent growth recorded in the previous month mainly due to improved supplies as well as a fall in fuel prices. Among vegetables, prices of potato, leafy vegetables, tomato, and brinjal moderated substantially, while onion prices noted a contraction. Prices in the oils & fats sub-segment witnessed continued moderation and in fact declined by 2.2 percent y-o-y in October 2022, compared to a 0.4 percent growth in prices witnessed in September 2022. In the oils & fats subcategory, there was a substantial decline in the prices of mustard oil, coconut oil and refined oil. Ever since Indonesia lifted the ban on its palm oil exports in late May 2022, domestic prices of edible oils have eased as India is the world's biggest palm oil importer.

■Nonetheless, cereals & products witnessed an increase in inflation, from 11.5 percent recorded in September 2022 to 12.1 percent in October 2022. This was mainly driven by wheat and rice prices. According to reports, kharif paddy arrivals declined to an 18-year low during 1-20 October 2022 due to rain and lower yields in key paddy growing regions of Haryana and Punjab. Retail prices of wheat and wheat flour (atta) also surged due to low supplies which is unlikely to moderate until the next crop season in March-April 2023.

CPI – Key Sub-segment of Food (% Y-o-Y Growth)

Month	Food	Cereals and products	Egg, fish and meat	Milk and products	Oils and fats	Fruits	Vegetables	Pulses and products	Sugar and condiments	Spices
<b>Weight</b>	<b>39.1</b>	<b>9.7</b>	<b>4.0</b>	<b>6.6</b>	<b>3.6</b>	<b>2.9</b>	<b>6.0</b>	<b>2.4</b>	<b>1.4</b>	<b>2.5</b>
<b>Oct-21</b>	<b>0.9</b>	<b>0.4</b>	<b>6.3</b>	<b>3.2</b>	<b>33.6</b>	<b>4.9</b>	<b>-19.4</b>	<b>5.4</b>	<b>5.4</b>	<b>4.6</b>
<b>Jul-22</b>	6.7	6.9	2.4	5.8	7.5	6.3	10.9	0.2	4.8	12.9
<b>Aug-22</b>	7.6	9.6	0.5	6.4	4.6	7.4	13.3	2.6	4.5	14.9
<b>Sep-22</b>	8.6	11.5	2.2	7.1	0.4	5.7	18.2	3.1	1.6	16.9
<b>Oct-22</b>	<b>7.0</b>	<b>12.1</b>	<b>2.8</b>	<b>7.7</b>	<b>-2.2</b>	<b>5.2</b>	<b>7.8</b>	<b>2.8</b>	<b>0.0</b>	<b>18.0</b>

Source: MoSPI, CMIE

# Fact Sheet – Consumer Price Index

## November 2022

### Major Item-wise Breakdown of Constituents of Food (% Y-o-Y)

	Weight	Oct-21	Jul-22	Aug-22	Sep-22	Oct-22
<b>Cereals and products</b>	9.67	0.4	6.9	9.6	11.5	12.1
Rice - other sources	4.38	0.1	4.3	6.9	9.2	10.2
Wheat/ atta - other sources	2.56	0.3	11.7	15.7	17.4	17.6
<b>Oils and fats</b>	3.56	33.6	7.5	4.6	0.4	-2.2
Mustard oil	1.33	47.5	5.0	0.8	-5.3	-10.0
Coconut oil	0.08	3.4	-16.8	-16.9	-16.1	-18.2
Refined oil [sunflower, soyabean, saffola, etc.]	1.26	39.1	11.5	7.5	2.4	0.7
<b>Vegetables</b>	6.04	-19.4	10.9	13.3	18.2	7.8
Potato	0.98	-47.5	33.8	40.3	43.1	34.6
Onion	0.64	-23.5	-20.5	-18.5	-15.7	-26.8
Palak/other leafy vegetables	0.44	0.0	16.8	19.8	22.2	13.7
Tomato	0.57	-8.4	44.2	16.6	53.5	13.9
Brinjal	0.37	-0.8	7.2	14.6	15.6	3.8

Source: CMIE

### Global Food Prices: FAO

FAO Food Price Index: Y-o-Y Growth (in %)							FAO Food Price Index: M-o-M Growth (in %)						
Month	Food Price Index	Meat	Dairy	Cereals	Oils	Sugar	Month	Food Price Index	Meat	Dairy	Cereals	Oils	Sugar
Oct-21	31.4	22.0	16.3	22.4	73.6	40.6	Oct-21	3.1	-0.6	2.8	3.2	9.6	-1.8
Nov-21	28.2	20.6	19.6	23.2	51.4	37.3	Nov-21	1.6	0.5	3.7	3.1	-0.2	0.9
Dec-21	23.1	17.1	18.1	20.7	36.1	33.6	Dec-21	-1.2	-1.3	2.4	-0.7	-3.3	-3.1
Jan-22	19.4	16.9	19.2	12.5	33.9	19.7	Jan-22	1.4	1.0	2.8	0.1	4.2	-3.2
Feb-22	21.2	16.5	25.2	15.2	36.8	10.3	Feb-22	4.2	1.5	6.7	3.3	8.5	-1.9
Mar-22	34.0	18.4	24.2	37.3	58.1	22.6	Mar-22	13.1	4.8	3.0	17.1	24.8	6.7
Apr-22	29.8	16.8	23.2	34.4	46.5	21.6	Apr-22	-0.8	2.2	0.6	-0.3	-5.7	3.1
May-22	23.4	14.4	19.0	29.8	31.1	12.7	May-22	-0.2	0.8	-1.7	2.3	-3.5	-1.0
Jun-22	23.5	13.8	25.2	27.6	34.3	8.9	Jun-22	-2.1	2.5	4.2	-4.1	-7.6	-2.6
Jul-22	12.9	8.7	25.5	16.6	8.6	3.0	Jul-22	-9.1	-1.5	-2.5	-11.5	-20.3	-3.8
Aug-22	7.5	6.8	23.4	11.6	-1.5	-8.4	Aug-22	-2.1	-2.4	-2.1	-1.1	-3.3	-2.1
Sep-22	5.2	6.5	20.7	11.4	-9.5	-9.5	Sep-22	-1.2	-0.9	-0.5	1.6	-6.6	-0.7
Oct-22	2.0	5.8	15.4	11.1	-18.8	-8.5	Oct-22	-0.1	-1.4	-1.7	3.0	-1.6	-0.6

Source: FAO & FICCI Calculations

■ As per FAO's latest Food Price Index for, global food prices are witnessing a moderation, both on a sequential basis as well as on a y-o-y basis. However, a moderating trend in the prices of other commodities is being offset by an increase in the prices of cereals. Recent expansion in the Cereal Price Index has nearly offset a fall in the indices for vegetable oils, dairy, meat, and sugar. Cereal prices continue to witness double-digit y-o-y growth and have recently exhibited a rise on a sequential basis as well. World wheat prices are rising mainly on account of continued uncertainties related to the Black Sea shipments and tighter supplies in the USA. International prices of coarse grains are being driven by maize, underpinned by lower production prospects in EU and USA, along with dry planting conditions in Argentina. According to FAO, world cereal stocks are expected to contract by 2.0 percent below opening levels by the end of 2023 to reach 841 million tonnes, which is approximately 7.3 million tonnes lower than FAO's previous forecast, mainly due to expectations of lower inventories in Ukraine, India, and the United States.

# Fact Sheet – Consumer Price Index

## November 2022

Consumer Price Index: Rural & Urban (YoY in %)



State-wise Inflation Rates (over 6%)

State	Inflation Rate (% YoY)
Andhra Pradesh	8.0
Assam	6.2
Chhattisgarh	6.2
Gujarat	7.3
Haryana	8.4
Jharkhand	7.0
Kerala	6.5
Madhya Pradesh	7.7
Maharashtra	6.9
Odisha	7.0
Rajasthan	6.8
Tamil Nadu	7.4
Telangana	9.5
Uttar Pradesh	6.8
Uttarakhand	6.4
West Bengal	8.7

Source: MoSPI, CMIE

### Comments

The fall in consumer prices witnessed in October will have to be closely watched. Food inflation, although showing signs of moderation, remains above the comfort zone. Foodgrain production is witnessing shocks from adverse weather conditions/volatile geopolitical environment and uncertainty on that account remains on fore. The Reserve Bank of India is likely to maintain a cautious stance in the forthcoming monetary policy announcement in December 2022. In fact, in the latest round of FICCI's Economic Outlook Survey (October 2022), the participants estimated a rate hike of about 35 bps in December 2022.