

14<sup>th</sup> February 2022

**Index Numbers of Wholesale Price in India for the month of January, 2022 (Base Year: 2011-12) released**

**Wholesale Price Index based Inflation maintains declining trend**

The annual rate of inflation is 12.96% (Provisional) for the month of January, 2022 (over January, 2021), which is a continuous decline from 14.87% in November, 2021 and 13.56% in December, 2021. The high rate of inflation in January, 2022 is primarily due to rise in prices of mineral oils, crude petroleum & natural gas, basic metals, chemicals and chemical products, food articles etc. as compared the corresponding month of the previous year.

The Office of the Economic Adviser, Department for Promotion of Industry and Internal Trade (DPIIT) released index numbers of wholesale price in India (Base Year: 2011-12) for the month of January, 2022 (Provisional) and for the month of November, 2021 (Final). The provisional figures of Wholesale Price Index (WPI) are released on 14<sup>th</sup> of every month (or next working day) with a time lag of two weeks of the reference month and compiled with data received from institutional sources and selected manufacturing units across the country. After 10 weeks, the index is finalized and final figures are released and then frozen thereafter.

The annual change in the components of WPI index and inflation in the last three months is given below.

<b>Index Numbers &amp; Annual Rate of Inflation (Y-o-Y in %) *</b>							
<b>All Commodities/Major Groups</b>	<b>Weight (%)</b>	<b>Nov-21 (F)</b>		<b>Dec-21 (P)</b>		<b>Jan-22 (P)</b>	
		<b>Index</b>	<b>Inflation</b>	<b>Index</b>	<b>Inflation</b>	<b>Index</b>	<b>Inflation</b>
All Commodities	100.0	143.7	14.87	142.4	13.56	142.9	12.96
I Primary Articles	22.6	168.4	10.21	167.8	13.38	165.0	13.87
II Fuel & Power	13.2	136.0	44.37	128.2	32.30	133.2	32.27
III Manufactured Products	64.2	136.6	12.34	136.4	10.62	137.1	9.42
Food Index	24.4	170.6	6.83	169.0	9.24	166.3	9.55

*Note: P: Provisional, F: Final, \* Annual rate of WPI inflation calculated over the corresponding month of previous year*

The month over month change in WPI index for the month of January, 2022 stood at 0.35 % as compared to December, 2021. The monthly change in WPI index for last six-month is summarized below:

Month Over Month (M-o-M in %) change in WPI Index#							
All Commodities/Major Groups	Weight	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21 (P)	Jan-22 (P)
All Commodities	100	0.89	0.88	2.40	2.13	-0.90	0.35
I. Primary Articles	22.62	0.71	1.48	3.36	3.31	-0.36	-1.67
II. Fuel & Power	13.15	2.34	0.93	5.88	7.94	-5.74	3.90
III. Manufactured Products	64.23	0.68	0.60	1.42	0.52	-0.15	0.51
Food Index	24.38	0.44	1.25	2.84	2.34	-0.94	-1.60

*Note: P: Provisional, # Monthly rate of change, based on month over month (M-o-M) WPI calculated over the preceding month*

### Month over Month Change in Major Groups of WPI:

- i. **Primary Articles (Weight 22.62%):-** The index for this major group declined by (-1.67%) to 165.0 (provisional) in January, 2022 from 167.8 (provisional) for the month of December, 2021. Prices of Minerals (11.08%) and Non-food Articles (0.37%) increased in January, 2022 as compared to December, 2021. Prices of Food Articles (-2.61%) and Crude Petroleum & Natural Gas (-5.11%) declined in January, 2022 as compared to December, 2021.
- ii. **Fuel & Power (Weight 13.15%):-** The index for this major group increased by (3.90%) to 133.2 (provisional) in January, 2022 from 128.2 (provisional) for the month of December, 2021. Prices of Electricity (15.94%) and Mineral Oils (0.83%) increased in January, 2022 as compared to December, 2021. Prices of coal remain unchanged.
- iii. **Manufactured Products (Weight 64.23%):-** The index for this major group increased by (0.51%) to 137.1 (provisional) in January, 2022 from 136.4 (provisional) for the month of December, 2021. Out of the 22 NIC two-digit groups for manufactured products, 18 groups that have witnessed increase in prices while 3 groups have witnessed decrease in prices in January, 2022 as compared to December, 2021. The increase in prices is mainly contributed by basic metals; motor vehicles, trailers and semi-trailers; machinery and equipment; textiles; and chemicals and chemical products. Some of the groups that have witnessed decrease in prices are manufacture of wood and of products of wood and cork; tobacco products; and pharmaceuticals, medicinal chemical and botanical products. While the Manufacture of beverages remain unchanged in January, 2022 as compared to December, 2021.

**WPI food index (Weight 24.38%):** The Food Index consisting of 'Food Articles' from Primary Articles group and 'Food Product' from Manufactured Products group have decreased from

169.0 in December, 2021 to 166.3 in January, 2022. The rate of inflation based on WPI Food Index increased marginally from 9.24% in December, 2021 to 9.55% in January, 2022.

**Final index for the month of November 2021 (Base Year: 2011-12=100):** For the month of November, 2021 the final Wholesale Price Index and inflation rate for 'All Commodities' (Base: 2011-12=100) stood at 143.7 and 14.87% respectively.

**Response Rate:** The WPI for January, 2022 have been compiled at a weighted response rate **75.4 percent**, while the final figure for November, 2021 is based on the weighted response rate of **94.0 percent**. The Provisional figures of WPI will undergo revision as per the final revision policy of WPI.

(Source: PIB, GoI)