



CONSUMER PRICE INDEX - OCTOBER 2021

CPI Base Year 2012

Particulars (%)	Oct'21	Sept'21	Oct'20
Food and beverages	167.7	164	164.7
Cereals & products	147.4	146.6	146.8
Meat and fish	204.6	204	191
Milk & ,milk products	158.7	158.4	153.8
Fruits	155.7	156.7	148.4
Vegetables	185.3	162.3	230
Pulses & products	165.3	164.1	156.8
Pan, tobacco, intoxicants	121.9	119.7	115.7
Clothing and footwear	169.3	168.8	161.8
Housing	163.6	162.1	158
Fuel and light	164.2	162.6	143.6
Miscellaneous	161	160	150.7
GENERAL INDEX	165.5	163.2	158.4
CPI	4.48%	4.35%	

Highlights

- In October'21, CPI was at 4.48% compared with 4.35% in the previous month driven by food and fuel prices. Core CPI, has moved upwards to 6.1% from 5.9%.

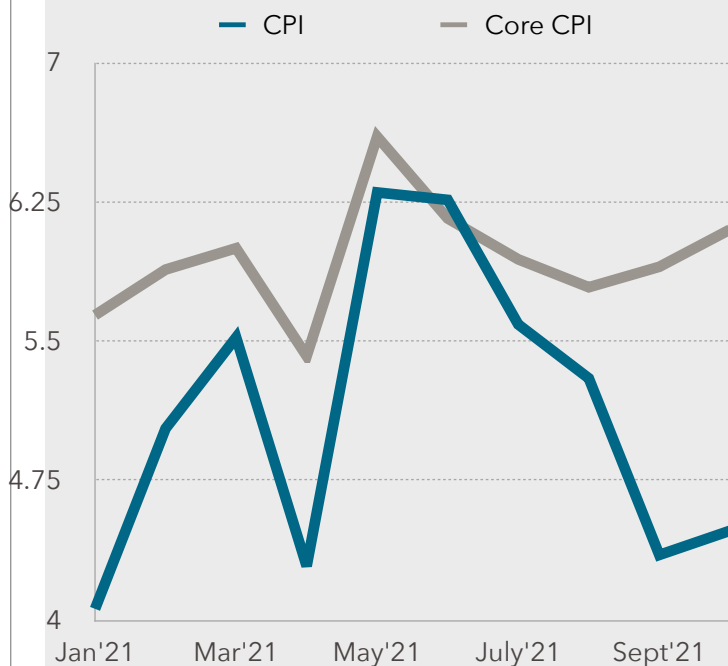
- Fuel and light prices rose 14.35% from a year earlier in October, versus 13.63% expansion in September. Crude oil prices, India's costliest import, rose for a second month in October. Brent crude, a global marker for prices, closed 7.5% higher last month and hit a three-year high of \$86.70 a barrel during the month.

- Food and beverages increased by 1.8% YoY. Within which Oils and fats saw a 33.5% rise from a year ago period amid lower production. Prices of vegetables increased by 14% MoM an 19% on a yearly basis. Prices of fruits saw a 0.64% decline MoM vs an increase of 4.92% YoY. The price rise in pulses was 8.75% YoY.

- Clothing and footwear rose 7.53% on year. Housing saw a 3.58% increase YoY.

- Housing grew by 3.4% YoY.

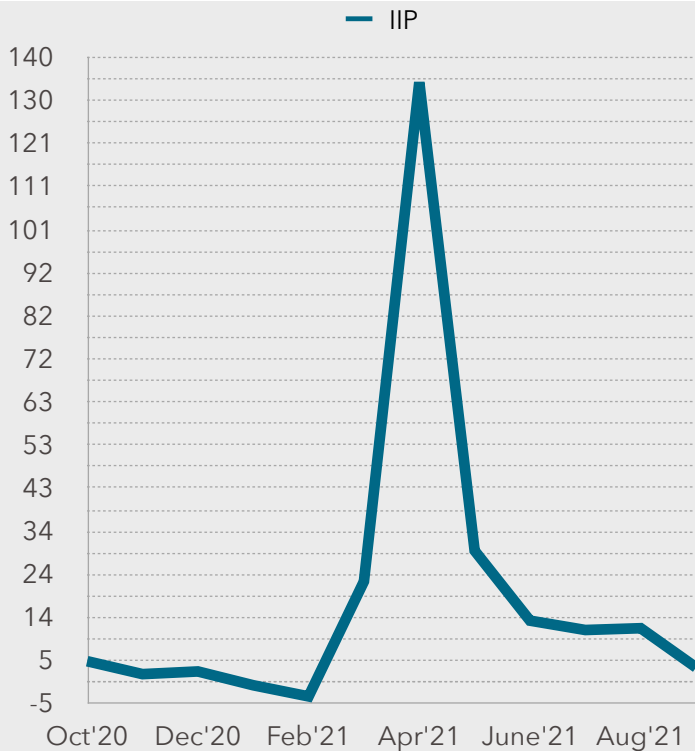
- The miscellaneous segment increased by 6.83% YoY due to resumption in economic activities.



Outlook

- Prices of fuel and edible oils in the global markets and supply chain bottlenecks remain a concern going forward. Service sector inflation is likely to remain elevated as vaccination rates improve. We expect inflation to remain on the upside as the base effect diminishes.

- Monetary tightening in the policy stance and repo rate hike is expected only after Q1, Q2 (Feb-April) as RBI needs to gauge market indicators post December.



Industrial output in September rose 3.1%, the pace sharply slowing from a revised 12.03% expansion in the previous month, even as improved vaccination coverage and lower coronavirus caseloads boosted economic activities.

Manufacturing output (78% of output) rose 2.7% in September vs 9.7%. Mining production rose 8.6%, as compared with a 23.6% increase previously.

Electricity output expanded 0.9% in September, slower than 16% expansion in the previous month.

Capital goods output rose 1.3% on year in September, primary goods production rose 4.6%. Output of intermediate goods increased 4.9% on year against a 10.3% rise in August.

Consumer durable goods output fell 2% from a year earlier in September, while consumer non-durables production contracted 0.5% in the same month.

Infrastructure goods output expanded 7.4% on year.

Sources: Reserve Bank of India, Reuters.

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