

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
OFFICE OF THE ECONOMIC ADVISER**

**Index Numbers of Wholesale Prices in India (Base: 2004-05=100)
Review for the month of December, 2011**

The official Wholesale Price Index for 'All Commodities' (Base: 2004-05 = 100) for the month December, 2011 remained unchanged at its previous month level of 156.9 (Provisional).

INFLATION

The annual rate of inflation, based on monthly WPI, stood at 7.47% (Provisional) for the month of December, 2011 (over December, 2010) as compared to 9.11% (Provisional) for the previous month and 9.45% during the corresponding month of the previous year. Build up inflation in the financial year so far was 4.95% compared to a build up of 7.12% in the corresponding period of the previous year.

Inflation for important commodities / commodity groups is indicated in Annex-1 and Annex-II.
The movement of the index for the various commodity groups is summarized below:-

PRIMARY ARTICLES (Weight 20.12%)

The index for this major group declined by 1.6 percent to 197.9 (Provisional) from 201.1 (Provisional) for the previous month. The groups and items for which the index showed variations during the month are as follows:-

The index for 'Food Articles' group declined by 3.1 percent to 190.8 (Provisional) from 196.9 (Provisional) for the previous month due to lower prices of fruits & vegetables (13%), condiments & spices (6%), urad (5%), poultry chicken (3%), tea (2%) and jowar, rice, arhar, ragi and barley (1% each). However, the prices of pork (8%), fish-marine (5%), maize (3%), bajra, egg, beef & buffalo meat, mutton and masur (2% each) and gram, coffee, wheat and milk (1% each) moved up

The index for 'Non-Food Articles' group rose by 1.3 percent to 178.6 (Provisional) from 176.3 (Provisional) for the previous month due to higher prices of gaur seed (20%), flowers (14%), linseed (8%), soyabean (6%), rape & mustard seed (5%), raw silk (4%), sunflower and raw rubber (3% each), safflower, groundnut seed and niger seed (2% each) and gingelly seed and fodder (1% each). However, the prices of cotton seed (6%), castor seed (4%), coir fibre, raw cotton and raw jute (3% each) and copra (1%) declined.

The index for 'Minerals' group rose by 2.6 percent to 318.5 (Provisional) from 310.5 (Provisional) for the previous month due to higher prices of sillimanite (50%), barytes (6%), iron ore and bauxite (4% each), dolomite and crude petroleum (3% each) and magnesite (1%). However, the prices of steatite (7%) and copper ore (4%) declined.

FUEL & POWER (Weight 14.91%)

The index for this major group rose by 0.6 percent to 172.6 (Provisional) from 171.6 (Provisional) for the previous month due to higher prices of naphtha (5%), aviation turbine fuel, light diesel oil and bitumen (4% each) and furnace oil (3%). However, the prices of petrol (3%) declined.

MANUFACTURED PRODUCTS (Weight 64.97%)

The index for this major group rose by 0.6 percent to 140.6 (Provisional) from 139.8 (Provisional) for the previous month. The groups and items for which the index showed variations during the month are as follows:-

The index for 'Food Products' group rose by 0.7 percent to 152.9 (Provisional) from 151.8 (Provisional) for the previous month due to higher prices of processed prawn (9%), canned fish (6%), salt (5%), gingelly oil (3%), sugar, mustard & rapeseed oil, groundnut oil and khandsari (2% each) and palm oil, vanaspati, soyabean oil and powder milk (1% each). However, the prices of gur (5%), oil cakes and mixed spices (3% each), tea dust (blended) and tea leaf (unblended) (2% each) and copra oil, wheat flour (atta), ghee and coffee powder (1% each) declined.

The index for 'Beverages, Tobacco & Tobacco Products' group rose by 0.2 percent to 164.0 (Provisional) from 163.6 (Provisional) for the previous month due to higher prices of rectified spirit (2%) and cigarette and bidi (1% each). However, the prices of dried tobacco (2%) and soft drinks & carbonated water (1%) declined.

The index for 'Textiles' group declined by 0.3 percent to 126.1 (Provisional) from 126.5 (Provisional) for the previous month due to lower prices of jute sacking bag, cotton yarn, gunny and hessian cloth and man made fibre (1% each). However, the prices of tyre cord fabric (3%) and cotton fabric and jute yarn (1% each) moved up.

The index for 'Wood & Wood Products' group rose by 1.1 percent to 162.9 (Provisional) from 161.2 (Provisional) for the previous month due to higher prices of plywood & fibre board (2%).

The index for 'Paper & Paper Products' group declined by 0.3 percent to 132.2 (Provisional) from 132.6 (Provisional) for the previous month due to lower prices of paper for printing / poster and printing and writing paper (1% each). However, the prices of card board (1%) moved up.

The index for 'Leather & Leather Products' group rose by 1.2 percent to 131.5 (Provisional) from 129.9 (Provisional) for the previous month due to higher prices of leather garments & jackets (3%) and leather footwear and leathers (1% each).

The index for 'Chemicals & Chemical Products' group rose by 1.0 percent to 136.4 (Provisional) from 135.0 (Provisional) for the previous month due to higher prices of di ammonium phosphate (5%), paints (4%), rubber chemicals (3%), pigment & pigment intermediates and ammonium sulphate (2% each) and turpentine oil, urea, polymers, lacquer & varnishes, pesticides, thermocol, washing soap, organic manure, dye & dye intermediates and basic organic chemicals (1% each). However, the prices of synthetic resin (1%) declined.

The index for 'Non-Metallic Mineral Products' group rose by 2.0 percent to 155.7 (Provisional) from 152.6 (Provisional) for the previous month due to higher prices of grey cement (4%) and bricks & tiles (1%). However, the prices of slag cement (3%) declined.

The index for 'Basic Metals, Alloys & Metal Products' group rose by 0.9 percent to 159.5 (Provisional) from 158.1 (Provisional) for the previous month due to higher prices of gold & gold ornaments (4%), sponge iron and pencil ingots (3% each), furniture and slab (2% each) and steel rods, silver, utensils (other than aluminium), iron castings, pipes/tubes/rods/strips, steel castings, brass, aluminium and wire rods (1% each). However, the prices of gp/gc sheets and metal containers (1% each) declined.

The index for 'Transport, Equipment & Parts' group rose by 0.1 percent to 125.3 (Provisional) from 125.2 (Provisional) for the previous month due to higher prices of trolleys/tanker, gear boxes & parts and wheels & parts (1% each).

FINAL INDEX FOR THE MONTH OF OCTOBER, 2011 (BASE YEAR: 2004-05=100)

For the month of October, 2011 the final Wholesale Price Index for 'All Commodities' (Base: 2004-05=100) stood at 157.0 as compared to 156.2 (Provisional) and annual rate of inflation based on final index stood at 9.87 percent as compared to 9.73 percent (Provisional) reported on 14.11.2011.

Next date of press release: 14/02/2012 for the month of January, 2012.
Office of Economic Adviser, Ministry of Commerce & Industry, New Delhi,

Wholesale Price Index and Rates of Inflation (Base Year: 2004-05=100)

Month of December, 2011

Commodities/Major Groups/Groups/Sub-Groups	Weight	WPI Dec., 2011	Latest month over month		Build up from March		Year on year	
			2010-11	2011-12	2010-11	2011-12	2010-11	2011-12
ALL COMMODITIES	100.00000	156.9	1.53	0.00	7.12	4.95	9.45	7.47
PRIMARY ARTICLES	20.11815	197.9	3.62	-1.59	15.73	5.15	18.37	3.07
Food Articles	14.33709	190.8	4.41	-3.10	15.77	6.59	15.07	0.74
Cereals	3.37323	175.9	0.52	0.00	3.66	2.09	1.59	1.91
Rice	1.79348	173.8	0.47	-0.86	4.78	4.07	4.01	1.58
Wheat	1.11595	166.7	0.35	0.60	0.29	-3.70	-4.15	-3.81
Pulses	0.71662	212.7	0.00	-0.23	-5.88	11.36	-11.74	13.62
Vegetables	1.73553	158.3	27.11	-25.29	82.20	10.47	33.61	-34.18
Potato	0.20150	110.7	10.86	-22.04	62.71	3.55	-28.57	-35.45
Onion	0.17794	185.6	36.54	-17.80	173.96	3.63	74.98	-60.45
Fruits	2.10717	174.0	-1.42	0.23	9.55	-5.69	17.28	9.09
Milk	3.23818	198.4	0.45	0.56	6.88	13.63	18.34	11.02
Egg, Meat & Fish	2.41384	219.5	1.71	1.71	14.00	12.33	19.42	11.88
Non-Food Articles	4.25756	178.6	3.04	1.30	17.10	-6.69	25.45	1.48
Fibres	0.87737	203.8	7.16	-2.35	45.67	-28.14	47.13	-7.41
Oil Seeds	1.78051	157.0	2.38	1.82	4.19	3.97	3.28	10.64
Minerals	1.52350	318.5	-0.72	2.58	12.82	19.38	30.58	21.89
FUEL & POWER	14.91021	172.6	1.08	0.58	7.21	9.52	11.26	14.91
Liquefied petroleum gas	0.91468	147.3	0.00	0.00	14.99	14.27	14.99	14.27
Petrol	1.09015	177.7	3.00	-2.84	14.60	12.04	21.68	20.39
High speed diesel	4.67020	167.8	0.00	0.00	6.22	9.24	14.71	9.24
MANUFACTURED PRODUCTS	64.97164	140.6	0.85	0.57	3.72	3.69	5.39	7.41
Food Products	9.97396	152.9	1.41	0.72	1.76	5.38	1.41	6.03
Sugar	1.73731	180.3	3.66	2.21	-5.88	5.75	-6.95	4.34
Edible Oils	3.04293	136.5	1.16	1.11	7.37	5.98	5.61	11.52
Beverages, Tobacco & Tobacco Product	1.76247	164.0	0.28	0.24	2.04	6.15	5.69	13.18
Cotton Textiles	2.60526	138.7	3.54	-0.14	13.34	-10.34	18.22	5.32
Man Made Textiles	2.20573	119.1	1.15	-0.50	5.44	-2.46	11.40	4.20
Wood & Wood Products	0.58744	162.9	0.13	1.05	1.78	7.38	2.12	9.33
Paper & Paper Products	2.03350	132.2	-0.08	-0.30	5.19	2.08	4.58	5.17
Leather & Leather Products	0.83509	131.5	0.00	1.23	0.31	4.78	-1.39	2.90
Rubber & Plastic Products	2.98697	133.2	0.71	0.00	6.07	0.15	7.77	4.39
Chemicals & Chemical Products	12.01770	136.4	0.73	1.04	3.16	5.49	4.99	9.82
Non-Metallic Mineral Products	2.55597	155.7	-0.14	2.03	0.42	4.99	3.01	8.43
Cement & Lime	1.38646	160.8	-0.20	3.54	-2.05	4.62	1.09	8.58
Basic Metals Alloys & Metal Product	10.74785	159.5	0.93	0.89	6.33	7.55	9.20	12.96
Iron & Semis	1.56301	156.8	0.80	1.75	1.78	11.76	9.37	24.44
Machinery & Machine Tools	8.93148	125.4	0.58	0.00	2.01	1.70	3.48	2.87
Transport Equipment & Parts	5.21282	125.3	0.17	0.08	1.52	2.37	2.74	4.50

Trend of Rate of Inflation for some important items during last six months

Commodities/Major Groups/Groups/Sub-Groups	Weight (%)	Rate of Inflation for the last six months					
		Dec-11	Nov-11	Oct-11	Sep-11	Aug-11	July-11
ALL COMMODITIES	100.00	7.47	9.11	9.87	10.00	9.78	9.36
PRIMARY ARTICLES	20.12	3.07	8.53	10.96	12.22	12.46	11.47
Food Articles	14.34	0.74	8.54	10.17	9.62	9.62	8.19
Cereals	3.37	1.91	2.45	4.32	4.13	5.16	5.20
Rice	1.79	1.58	2.94	4.51	4.02	5.17	2.41
Wheat	1.12	-3.81	-4.05	-1.72	-2.74	-2.09	1.79
Pulses	0.72	13.62	13.89	10.25	2.90	-4.26	-7.48
Vegetables	1.74	-34.18	12.00	15.68	14.41	13.17	7.79
Potato	0.20	-35.45	-8.21	1.04	14.29	16.13	7.03
Onion	0.18	-60.45	-34.30	-16.92	25.78	48.63	27.15
Fruits	2.11	9.09	7.29	11.27	15.65	23.35	14.82
Milk	3.24	11.02	10.91	11.12	10.28	9.41	10.77
Egg, Meat & Fish	2.41	11.88	11.87	12.43	11.88	10.42	9.56
Non-Food Articles	4.26	1.48	3.22	7.41	14.57	18.21	15.77
Fibres	0.88	-7.41	1.61	11.21	23.76	36.91	29.66
Oil Seeds	1.78	10.64	11.26	10.28	14.75	16.55	13.93
Minerals	1.52	21.89	17.97	22.67	26.09	21.54	25.84
FUEL & POWER	14.91	14.91	15.48	14.79	14.02	12.91	12.04
Liquefied petroleum gas	0.91	14.27	14.27	14.27	14.27	14.74	14.58
Petrol	1.09	20.39	27.63	27.90	26.29	23.23	23.23
High speed diesel	4.67	9.24	9.24	9.32	9.32	9.32	9.32
MANUFACTURED PRODUCTS	64.97	7.41	7.70	8.05	8.00	7.87	7.73
Food Products	9.97	6.03	6.75	7.66	8.05	8.41	8.13
Sugar	1.74	4.34	5.82	7.31	7.38	6.28	3.96
Edible Oils	3.04	11.52	11.57	12.93	13.87	14.72	14.76
Beverages, Tobacco & Tobacco Product	1.76	13.18	13.22	12.66	13.57	13.51	12.60
Cotton Textiles	2.61	5.32	9.20	11.28	12.47	14.80	18.88
Man Made Textiles	2.21	4.20	5.93	7.17	7.59	5.33	7.16
Wood & Wood Products	0.59	9.33	8.33	8.81	8.38	8.64	9.61
Paper & Paper Products	2.03	5.17	5.41	5.41	5.33	4.86	6.40
Leather & Leather Products	0.84	2.90	1.64	2.03	1.09	0.62	1.01
Rubber & Plastic Products	2.99	4.39	5.13	6.80	7.41	7.92	7.76
Chemicals & Chemical Products	12.02	9.82	9.49	9.92	8.96	8.48	8.68
Non-Metallic Mineral Products	2.56	8.43	6.12	6.07	4.95	3.89	3.51
Cement & Lime	1.39	8.58	4.65	4.03	1.53	0.33	-0.26
Basic Metals Alloys & Metal Product	10.75	12.96	13.01	12.09	12.02	12.07	10.64
Iron & Semis	1.56	24.44	23.28	21.91	22.34	21.90	19.40
Machinery & Machine Tools	8.93	2.87	3.47	3.55	3.39	3.15	3.07
Transport Equipment & Parts	5.21	4.50	4.59	4.43	4.61	4.44	3.16