

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

**Index Numbers of Wholesale Prices in India (Base: 1993-94=100)
Review for the month of July, 2010**

The official Wholesale Price Index for 'All Commodities' (Base: 1993-94 = 100) for the month of July, 2010 rose by 1.0 percent to 262.5 (Provisional) from 259.8 (Provisional) for the previous month.

INFLATION

The annual rate of inflation, based on monthly WPI, stood at 9.97% (Provisional) for the month of July, 2010 (over July, 2009) as compared to 10.55 % (Provisional) for the previous month and -0.54% during the corresponding month of the previous year. Build up inflation in the financial year so far was 3.59% compared to a build up of 4.60% in the corresponding period of the previous year.

Inflation for important commodities / commodity groups is indicated in Annex-1.

The movement of the index for the various commodity groups is summarized below:-

2. PRIMARY ARTICLES (Weight 22.02%)

The index for this major group rose by 1.9 percent to 307.7 (Provisional) from 302.1 (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 rose by 0.9 percent to 297.9 (Provisional) from 295.2 (Provisional) for the previous month due to higher prices of maize and poultry chicken (5% each), condiments & spices (4%), mutton (3%), urad, gram, milk, eggs, fish-inland, jowar and wheat (2% each) and bajra and rice (1% each). However, the prices of moong (4%), fruits & vegetables (2%) and coffee, masur, arhar and fish-marine (1% each) declined.

The index for 'Non-Food Articles' group rose by 0.8 percent to 288.7 (Provisional) from 286.4 (Provisional) for the previous month due to higher prices of raw rubber (7%), castor seed (5%), raw silk and fodder (4% each), groundnut seed (3%), raw jute, copra and sunflower (2% each) and rape & mustard seed, gingelly seed and tobacco (1% each). However, the prices of niger seed (3%), raw cotton (2%) and linseed (1%) declined.

The index for 'Minerals' group rose by 19.2 percent to 861.8 (Provisional) from 722.7 (Provisional) for the previous month due to higher prices of iron ore (25%), magnesite (6%), steatite and fluorite (3% each) and asbestos (1%). However, the prices of manganese ore (32%), feldspar (4%) and barytes (1%) declined.

3. FUEL, POWER, LIGHT & LUBRICANTS (Weight 14.23%)

The index for this major group rose by 3.2 percent to 386.4 (Provisional) from 374.4 (Provisional) for the previous month due to higher prices of kerosene (24%), liquefied petroleum gas (8%), petrol (6%), high speed diesel oil (4%) and aviation turbine fuel (3%). However, the prices of furnace oil (2%) and naphtha and light diesel oil (1% each) declined.

4. MANUFACTURED PRODUCTS (Weight 63.75%)

The index for this major group declined by 0.1 percent to 219.2 (Provisional) from 219.5 (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 declined by 0.6 percent to 242.7 (Provisional) from 244.2 (Provisional) for the previous month due to lower prices of bran (all kinds) (6%), sugar and butter (3% each), khandsari (2%) and coffee powder and gur (1% each). However, the prices of sooji (rawa) (5%), groundnut oil and rice bran oil (4% each), imported edible oil and maida (3% each), cotton seed oil (2%) and coconut oil, atta, sugar & sweet meat confectionery, rape & mustard oil, biscuits and soyabean oil (1% each) moved up.

The index for 'Beverages Tobacco & Tobacco Products' group rose by 0.1 percent to 325.6 (Provisional) from 325.4 (Provisional) for the previous month due to higher prices of beer & alcohol (2%). However, the prices of potable country liquor (1%) declined.

The index for 'Textiles' group declined by 0.4 percent to 163.6 (Provisional) from 164.2 (Provisional) for the previous month due to lower prices of hessian cloth (14%), hessian & sacking bags (3%), other cotton yarn (2%) and polyester staple fibre and nylon filament yarn (1% each). However, the prices of texturised yarn (3%), synthetic yarn (2%) and cotton yarn-cones and cotton yarn-hanks (1% each) moved up.

The index for 'Paper & Paper Products' group declined by 0.4 percent to 207.0 (Provisional) from 207.8 (Provisional) for the previous month due to lower prices of kraft paper (2%).

The index for 'Rubber & Plastic Products' group rose by 0.1 percent to 180.8 (Provisional) from 180.7 (Provisional) for the previous month due to higher prices of plastic containers (2%) and suitcases (1%). However, the prices of pvc fitting & accessories (3%) declined.

The index for 'Chemicals & Chemical Products' group rose by 0.4 percent to 240.4 (Provisional) from 239.5 (Provisional) for the previous month due to higher prices of epoxy resins (44%), liquid chlorine (7%), liquid oral other than vitamins and synthetic resins (2% each) and syrup, urea n_content, liquid injectables other than vitamins, carbon black and resins(all kinds) (1% each). However, the prices of benzene (8%), p.v.c. resins (5%), purified terephthalic acid (pta) (4%), caustic soda (3%) and vitamin tablets, pesticides and acid (all kinds) (1% each) declined.

The index for 'Non-Metallic Mineral Products' group declined by 1.6 percent to 215.8 (Provisional) from 219.2 (Provisional) for the previous month due to lower prices of cement (2%). However, the prices of ceramic tiles (4%) moved up.

The index for 'Basic Metals Alloys & Metal Products' group declined by 0.2 percent to 285.1 (Provisional) from 285.8 (Provisional) for the previous month due to lower prices of ms bars & rounds (7%), other iron steel (6%), steel sheets, plates & strips (2%) and pipes & tubes, foundry pig iron, zinc and basic pig iron (1% each). However, the prices of lead ingots and zinc ingots (2% each) moved up.

The index for 'Machinery & Machine Tools' group rose by 0.5 percent to 179.5 (Provisional) from 178.6 (Provisional) for the previous month due to higher prices of telephone instruments (16%), ring spinning & doubling frames (10%), textile machinery parts (5%), carding machine (4%), rubber insulated cables (3%), other textile machinery, other cables, tractor components & accessories and valve (all types) (2% each) and components & accessories of switch gears, p.v.c. insulated cables, cranes, electric motors, complete engines and power driven pumps (1% each).

However, the prices of material handling equipment (6%), enamelled copper wires (3%), electrical generators (2%) and other pumps (1%) declined.

The index for 'Transport Equipment & Parts' group rose by 0.2 percent to 179.9 (Provisional) from 179.5 (Provisional) for the previous month due to higher prices of truck chassis (diesel) and motorcycles (1% each).

5. FINAL INDEX FOR THE MONTH MAY, 2010

For the month of May, 2010, the final wholesale price index for 'All Commodities' (Base:1993-94=100) stood at 260.4 as compared to 258.1 (Provisional) and annual rate of inflation based on final index stood at 11.14 percent as compared to 10.16 percent (Provisional) reported earlier vide press note dated 14/07/2010

Next date of press release: 14/09/2010 for the month of August, 2010

Office of Economic Adviser, Ministry of Commerce & Industry, New Delhi, 16/08/2010

Wholesale Price Index and Rates of Inflation

Month of July, 2010

Commodities/Major Groups/Groups/Sub-Groups	Weight	WPI July, 2010	Latest month over month		Build up from March		Year on year	
			2009-10	2010-11	2009-10	2010-11	2009-10	2010-11
All Commodities	100.00	262.5	1.57	1.04	4.60	3.59	-0.54	9.97
Primary Articles	22.03	307.7	3.04	1.85	7.86	4.84	7.64	14.94
Food Articles	15.40	297.9	4.85	0.91	10.79	4.09	14.16	10.29
Cereals	4.41	268.3	0.44	1.17	3.18	-1.36	12.46	6.17
Rice	2.45	252.3	0.68	0.60	2.24	0.40	16.89	6.28
Wheat	1.38	264.2	-0.16	1.50	1.80	-5.84	3.24	6.28
Pulses	0.60	380.1	8.16	-0.47	14.85	6.68	23.02	21.98
Vegetables	1.46	290.1	13.29	-3.11	76.44	47.03	30.60	-14.50
Potatoes	0.26	220.1	17.41	6.28	96.09	18.46	71.39	-44.41
Onions	0.09	214.7	-0.39	8.32	-19.80	-11.43	26.58	-6.85
Fruits	1.46	273.8	0.60	-0.65	-13.67	-19.30	2.33	9.52
Milk	4.37	290.9	2.20	1.86	4.50	4.83	9.51	18.06
Non-Food Articles	6.14	288.7	-1.24	0.80	5.72	2.63	-3.32	21.05
Fibres	1.52	243.2	2.16	-1.38	8.31	2.44	-8.88	14.45
Oil Seeds	2.67	269.4	-1.45	1.70	5.74	3.18	-3.54	7.50
Minerals	0.48	861.8	0.36	19.25	-16.42	25.99	-13.99	52.69
Fuel, Power, Light & Lubricants	14.23	386.4	3.24	3.21	5.33	6.80	-10.37	14.29
Liquefied Petroleum Gas	1.84	406.9	0.14	8.25	0.14	14.94	-7.42	15.30
Petrol	0.89	284.4	10.04	5.49	10.04	8.59	-11.86	15.28
High Speed Diesel Oil	2.02	552.0	6.46	3.99	6.46	6.15	-5.88	14.67
Manufactured Products	63.75	219.2	0.34	-0.14	2.94	1.76	0.10	6.15
Food Products	11.54	242.7	-0.43	-0.61	6.10	-4.34	9.69	4.12
Sugar	3.62	232.8	0.35	-2.55	12.31	-10.70	35.18	14.96
Edible Oils	2.76	175.8	-0.34	1.27	-1.29	1.33	-12.37	-0.34
Beverages, Tobacco & Tobacco Product	1.34	325.6	0.96	0.06	1.23	1.75	5.45	6.54
Cotton Textiles	4.22	210.4	0.45	0.38	3.20	4.94	3.75	18.74
Man Made Textiles	4.72	104.6	0.41	0.48	0.62	3.98	-5.41	6.84
Wood & Wood Products	0.17	272.4	0.00	0.00	2.15	6.82	0.25	14.65
Paper & Paper Products	2.04	207.0	-0.24	-0.38	0.15	1.12	2.00	1.37
Leather & Leather Products	1.02	166.6	0.00	-0.24	-0.54	1.34	-1.25	0.24
Rubber & Plastic Products	2.39	180.8	-0.24	0.06	0.90	3.26	2.49	6.98
Chemicals & Chemical Products	11.93	240.4	1.28	0.38	6.56	3.49	3.15	4.89
Non-Metallic Mineral Products	2.52	215.8	2.16	-1.55	3.80	-3.14	5.25	-4.81
Cement	1.73	211.5	0.39	-2.35	2.40	-4.86	3.96	-8.36
Basic Metals Alloys & Metal Product	8.34	285.1	-0.12	-0.24	-0.66	8.57	-15.16	11.94
Iron & Steel	3.64	343.3	0.03	-0.15	-0.66	14.20	-20.99	19.83
Machinery & Machine Tools	8.36	179.5	0.17	0.50	-0.12	0.90	-2.21	4.24
Transport Equipment & Parts	4.29	179.9	0.34	0.22	0.29	1.81	0.63	2.27