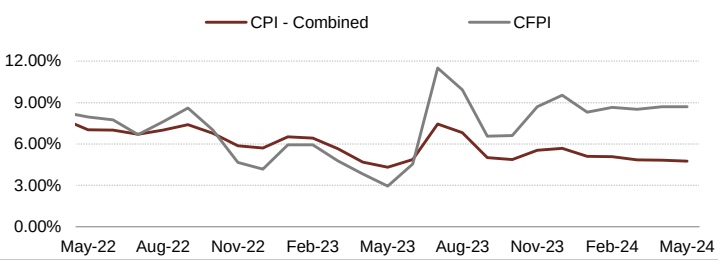
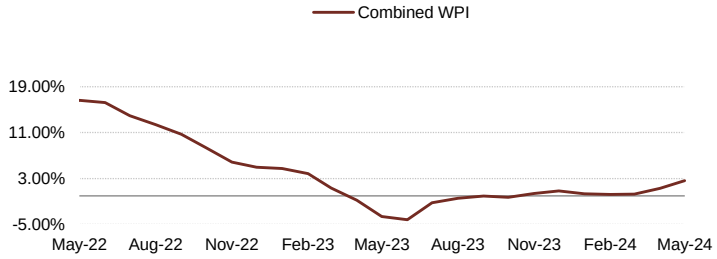
Inflation Update for May 2024

DARASHAW

CPI Inflation decreased to 4.75% YoY in May'24 from 4.83% YoY in Apr'24. **WPI Inflation increased to 2.61% YoY in May'24 from 1.26% YoY in Apr'24.**

CPI and WPI Inflation Rates





Major highlights: CPI & WPI Inflation

Consumer Price Index (CPI) inflation decreased to 4.75% YoY in May'24 from 4.83% YoY in Apr'24. The CPI remained within the RBI's target range of 2% -6% for the ninth consecutive month in May'24.

Rural inflation decreased to 4.23% in May'24 compared to 5.43% in the previous month and urban inflation increased to 4.33% in May'24 as compared to 4.11% during Apr'24.

Core CPI Inflation which excludes energy & food items marginally declined to 3.1% in May'24 compared to 3.2% in Apr'24.

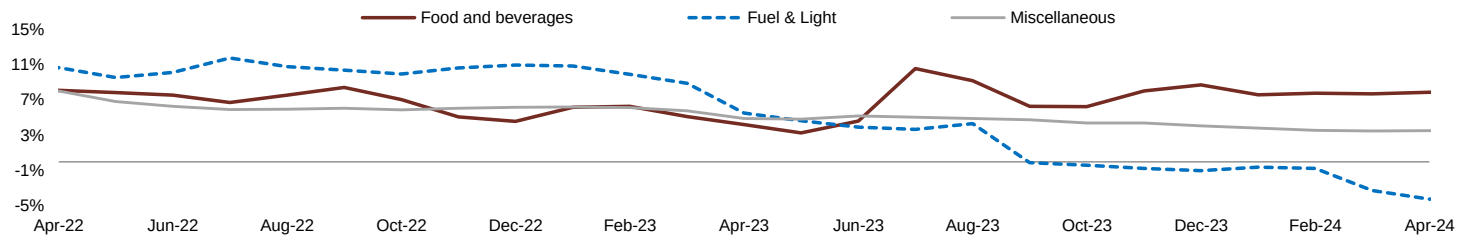
CPI food inflation decreased to 8.69% YoY in May'24 from 8.70% YoY in Apr'24. Additionally, the inflation increased for pulses & products to 17.14% in May'24 from 16.84% in Apr'24 while inflation decreased for clothing & footwear to 2.74% in May'24 from 2.85% in Apr'24. On a monthly basis, CPI inflation remained unchanged at 0.48% in May'24 compared to the prior month.

Wholesale Price Index (WPI) increased to 2.61 % YoY in May'24 from 1.26 % YoY in Apr'24. The upward movement was due to a rise in prices of food articles to 9.82% in May'24 as compared to 7.74% in Apr'24, and inflation increased for minerals to 4.28% in May'24 from -1.34% in Apr'24. Moreover, inflation in manufactured products increased to 0.78% in May'24 from -0.42% in Apr'24 amid a rise in the prices of manufactured food products.

On a monthly basis, wholesale prices decreased to 0.20% in May'24 compared to 1.06% in Apr'24.

Under the WPI food index, the rate of inflation increased to 7.40% YoY in May'24 from 5.52% YoY in Apr'24.

Primary Articles | Fuel & Power | Manufacturing



CPI Basket Inflation Rates										Average	
YOY (%)	Weight %	Oct-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	May-23	FY24	FYTD25
CPI - Combined	**100%**	**4.87%**	**5.69%**	**5.10%**	**5.09%**	**4.85%**	**4.83%**	**4.75%**	**4.31%**	**5.36%**	**4.79%**
CPI - Sub Sets											
Food and beverages	**54.18%**	6.24%	8.70%	7.58%	7.76%	7.68%	**7.87%**	**7.87%**	3.29%	7.02%	7.87%
Housing	**10.62%**	3.80%	3.63%	3.20%	2.88%	2.77%	**2.68%**	**2.56%**	4.84%	3.91%	2.62%
Fuel & Light	**7.94%**	-0.39%	-0.99%	-0.60%	-0.77%	-3.24%	**-4.24%**	**-3.83%**	4.64%	1.27%	-4.04%
Miscellaneous	**27.26%**	4.40%	4.07%	3.82%	3.57%	3.50%	**3.54%**	**3.41%**	4.84%	4.45%	3.48%

WPI Basket Inflation Rates										Average	
YOY (%)	Weight %	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	May-23	FY24	FYTD25
WPI - Combined	**100%**	**0.39%**	**0.86%**	**0.33%**	**0.20%**	**0.26%**	**1.26%**	**2.61%**	**-3.61%**	**-0.70%**	**1.94%**
WPI - Sub Sets											
Primary Articles	**22.62%**	5.16%	5.73%	4.07%	4.55%	4.57%	**5.01%**	**7.20%**	-1.90%	3.53%	6.11%
Fuel & Power	**13.15%**	-4.05%	-1.39%	-0.45%	-1.71%	-2.75%	**1.38%**	**1.35%**	-9.17%	-4.53%	1.37%
Manufacturing	**64.23%**	-0.78%	-0.78%	-1.20%	-1.27%	-0.85%	**-0.42%**	**0.78%**	-3.03%	-1.69%	0.18%

All figures are calculated with the base year 2011-12

Commodity Contribution = Yearly Percent change * Weightage of commodity in the inflation basket

Industrial Production Update for April 2024

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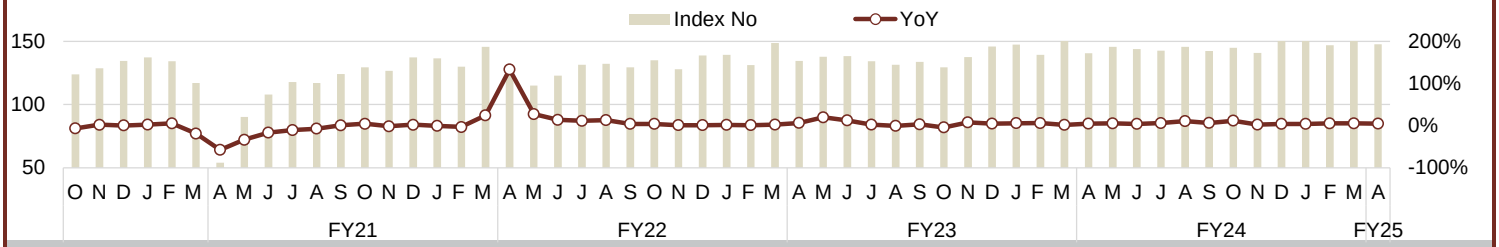
IIP increased by 4.98% YoY

Index of Industrial Production - General Index and Growth



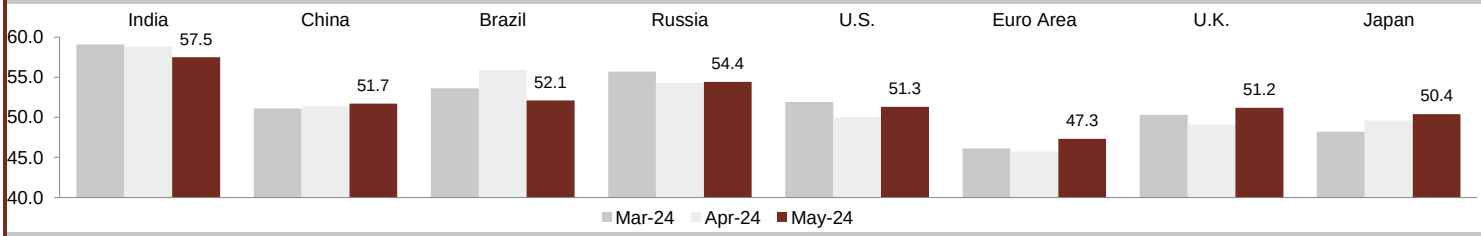
Major Highlights: Industrial Production

India's Industrial Production expanded by 4.98% YoY in Apr'24 as compared to a growth of 5.41% YoY in Mar'24. The decrease in IIP was led by a deceleration witnessed in manufacturing, as **Manufacturing output increased by 3.89% in Apr'24** as compared to a growth of 5.76%, while the **Mining output accelerated to 6.69% in Apr'24** as compared to 1.30%, while the **Electricity ouput witnessed an expansion of 10.24% in Apr'24** compared to a growth of 8.62% in Mar'24 respectively.

Five of the six use-based categories witnessed an expansion in Apr'24, on account of resilient domestic demand.

17 out of 23 manufacturing industries witnessed an expansion in Apr'24, of which the manufacture of furniture, manufacture of other transport equipment, and manufacture of wearing apparel witnessed an increase of 38.4%, 17.4% and 12.6% respectively.

Global Manufacturing PMI



Growth Rates

Average

YoY Growth (%)	Weight %	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	Apr-23	FY24	FY23
IIP (base 2011-12)	**100.00%**	**11.89%**	**2.40%**	**4.25%**	**4.14%**	**5.60%**	**5.41%**	**4.98%**	**4.61%**	**5.52%**	**5.52%**
Broad Classification	**Weight %**	**Oct-23**	**Nov-23**	**Dec-23**	**Jan-24**	**Feb-24**	**Mar-24**	**Apr-24**	**Apr-23**	**FY24**	**FY23**
Mining	**14.37%**	13.14%	7.01%	5.20%	5.88%	**8.13%**	1.30%	**6.69%**	5.15%	5.69%	5.69%
Manufacturing	**77.64%**	10.58%	1.24%	4.49%	3.57%	**4.87%**	5.76%	**3.89%**	5.47%	5.03%	5.03%
Electricity	**7.99%**	20.38%	5.76%	1.23%	5.63%	**7.53%**	8.62%	**10.24%**	-1.13%	9.22%	9.22%
Use Based Classification											
Primary Goods	**34.05%**	11.36%	8.52%	4.76%	2.87%	**5.93%**	3.03%	**7.03%**	1.94%	7.60%	7.60%
Capital Goods	**8.22%**	21.33%	-1.11%	3.60%	3.43%	**1.05%**	6.59%	**3.14%**	4.41%	14.38%	14.38%
Intermediate	**17.22%**	9.39%	3.14%	3.89%	5.27%	**8.68%**	5.52%	**3.22%**	1.67%	4.05%	4.05%
Infra/Construction Goods	**12.34%**	11.33%	1.67%	5.15%	5.54%	**8.51%**	7.43%	**7.95%**	13.43%	8.52%	8.52%
Consumer Durable Goods	**12.84%**	15.93%	-5.45%	5.33%	11.86%	**12.37%**	9.53%	**9.81%**	-2.35%	3.27%	3.27%
Consumer Non-Durable Goods	**15.33%**	8.75%	-3.26%	2.41%	-0.24%	**-3.49%**	5.29%	**-2.39%**	11.38%	0.66%	0.66%

Note: Figures for April 2024 are Quick Estimates.

Indices for the months of March 2024 incorporate updated production data.

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