

Rising fuel prices push up wholesale, retail inflation



TRIBUNE NEWS SERVICE/PTI

NEW DELHI, MAY 14
Inflation based on wholesale prices touched a four-month high of 3.18% in April on increasing prices of petrol and diesel as well as fruits and vegetables.

The Wholesale Price Index (WPI) based inflation stood at 2.47% in March and 3.85% in April last year.

WPI inflation, which was on a declining trend since December 2017, accelerated in April due to an unfavourable base effect, a seasonal uptick in food prices and the pass through of rising global crude oil prices. Inflation in December was 3.58%.

According to government data released on Monday, inflation in food articles was at 0.87% in April 2018, as against a deflation of 0.29% in the preceding month. Inflation in fruits was in double digits at 19.47% in April, up from 9.26% in March.

In the 'fuel and power' basket in WPI, petrol inflation spiked to 9.45% in April from 2.55% in March while in case of diesel, it jumped to 13.01% from 6.12% in the previous month. Meanwhile, reversing the declining trend, retail inflation also moved up to 4.58% in April due to hardening in prices of cereals, meat, fish and fruits.

The inflation based on Consumer Price Index (CPI), a key data factored in by the RBI while deciding interest rate, was 4.28% in March. The inflation was at 2.99% in April last year.

Assocham said the inflation in petrol and diesel was the main worry. "Going for-

Petrol, diesel dearer

New Delhi: After a gap of 19 days, coinciding with run-up to the Karnataka elections, petrol price was on Monday hiked by 17 paise a litre and diesel by 21 paise per litre as PSU oil firms began passing on the spike witnessed in international rates to consumers. Petrol price in Delhi was hiked to Rs 74.80 per litre from Rs 74.63 while diesel rates were increased to Rs 66.14 a litre from Rs 65.93. Senior Congress leader P Chidambaram said the burden on the consumer has returned following the interval of Karnataka elections. "There we go again. More taxes on petrol and diesel, more burden on the consumer. The Karnataka election was only an interval", he said in a tweet. **TNS**

City	Petrol (₹/litre)		Diesel (₹/litre)	
	May 13	MAY 14	May 13	MAY 14
Delhi	74.63	74.80	65.93	66.14
Kolkata	77.32	77.5	68.63	68.88
Mumbai	82.48	82.65	70.20	70.43
Chennai	77.43	77.61	69.56	69.79

Source: Indian Oil
Applicable from 6:00 a.m.
GRAPHICS

ward, increasing crude oil prices and their cascading impact would be one of the key worry areas for the Indian economy", said Assocham secretary general DS Rawat.

Even more worrying is the fact that these levels are on a very high base in the same month last fiscal. Going forward, increasing crude oil prices and their cascading impact would be one of the key worry areas for Indian economy

Assocham Sec Gen DS Rawat



Inflation rises in April, may prompt RBI to harden monetary stance

Costlier fuel, food prices push wholesale price up 3.18% in April too

PNS ■ NEW DELHI

With the trend rising prices, country's retail inflation or consumers inflation rose to 4.58% in April, while at the same time, skyrocketing petrol and diesel prices as well as costlier fruits and vegetables items also pushed the wholesale prices a four-month high of 3.18% in the same period, according to Central Statistics Office (CSO) data released on Monday. This upward trend of price rise may prompt the Reserve Bank of India (RBI) to harden stance at the monetary policy review next month.

The Wholesale Price Index (WPI) based inflation too rose to 3.18% in April mainly on account of spike in fuel prices, as per inflation data released by the Government. The hardening of inflation, both retail and wholesale, comes weeks ahead of RBI's Monetary Policy Committee (MPC) meet on June 4 and 5.

Retail inflation, based on movement in Consumer Price Index (CPI), rose after declining since January on account of rise in prices of cereals, meat, fish and fruits. As per the Government data, retail inflation was 4.28% in March and 2.99% in April last year.

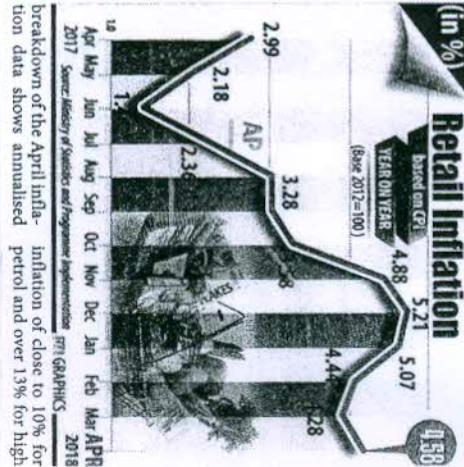
As far as wholesale inflation is concerned, it stood at 2.47% in March and 3.85% in April last year. The WPI inflation, which was on a declining trend since December 2017, accelerated in April due to an unfavourable base effect, a seasonal uptick in food prices as well as the pass through of rising global crude oil prices. Inflation in December was 3.58%.

In the fuel and power basket in WPI, petrol inflation spiked to 9.45% in April from 2.55% in March, while diesel jumped to 13.01% from 6.12% in the previous month. A global rally in crude prices pushed up domestic fuel prices, with petrol at ₹74.80 per litre and diesel at a record high of ₹66.14 a litre. The WPI inflation for February was revised upwards to 2.74% from the provisional estimate of 2.48%.

With the spike in prices, Indian industry feel that the speed diesel. "Even more worrying is the fact that these levels are on a very high base in the same month last fiscal. Going forward, increasing crude oil prices and their cascading impact would be one of the key worry areas for Indian economy," Assocham Secretary General DS Rawat said. PHD Chamber of Commerce President Anil Khattan too termed it worrisome and hoped that prices do not increase further in the coming months. However, economists said that the price rise was expected to continue over the remainder of this quarter.

The Government may prefer to wait for additional information about the level at which the monthly GST revenues stabilise after the e-way bill introduction, before reducing excise duty on fuels, said ICRA Principal Economist Aditi Nayar. "Key factors that would influence the inflation trajectory include the level at which global crude oil prices stabilise and the extent to which they are transmitted to domestic fuel prices, the early trend in the monsoon dispersion and the extent of change in MSPs," Nayar added.

According to the Government data released, inflation in food articles was at 0.87% in April 2018, as against a deflation of 0.29% in the preceding month. Deflation in vegetables was 0.89% in April, while in the previous month it was 2.70%. Inflation in fruits was in double digits at 19.47% in April, up from 9.26% in March. Inflation in fuel and power basket also rose sharply to 7.85% in April from 4.70% in March as prices of domestic fuel increased in line with rising global crude oil rates. In its first monetary policy review for the fiscal, the RBI last month maintained status quo on interest rate citing inflationary concerns. The RBI mainly takes into account retail inflation data, which is slated to be released later in the day, while formulating monetary policy. The central bank revised downward forecast for retail inflation to 4.7-5.1% for April-September and 4.4% for October-March.



Source: Ministry of Statistics and Programme Implementation, PM's GMAHQ, 2018
breakdown of the April inflation and over 13% for high petrol data shows annualised

Rise in oil prices may add to inflation woes: India Inc

FC BUREAU

New Delhi

AS inflation based on wholesale prices rose to 3.18 per cent in April, India Inc on Monday said the cascading impact of rising crude oil prices would be one of the key worry areas for India's economy going forward.

The wholesale price index (WPI) based inflation stood at 2.47 per cent in March and 3.85 per cent in April last year.

Assocham said the break down of the April inflation data shows annualised inflation of close to 10 per cent for petrol and over 13 per cent for high speed diesel. "Even more worrying is the fact that these levels are on a very high base in the same month of last financial year. Going forward, increasing crude oil prices and their cascading

impact would be one of the key worry areas for Indian economy," Assocham secretary general DS Rawat said.

PHD Chamber of Commerce president Anil Khaitan termed the rise in inflation worrisome and hoped that prices do not rise further in the coming months.

According to government data released on

Monday, inflation in food articles was at 0.87 per cent in April 2018, as against a deflation of 0.29 per cent in the preceding month. De-

flation in vegetables was 0.89 per cent in April, while in the previous month it was 2.70 per cent.

Inflation in 'fuel and power' basket rose sharply to 7.85 per cent in April from 4.70 per cent in March as prices of domestic fuel increased in line with rising global crude oil rates.

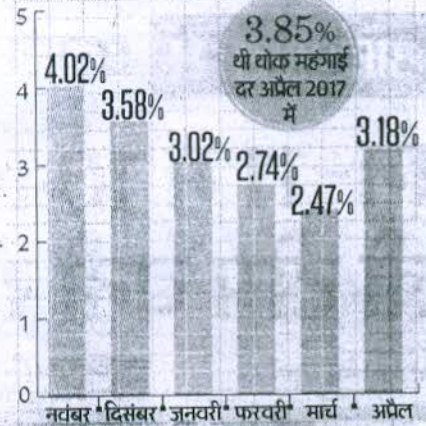
**In-
flation in
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तीन माह घटने के बाद अप्रैल में बड़ी खुदरा महंगाई

नई दिल्ली | लगातार तीन माह घटने के बाद खुदरा महंगाई दर में अप्रैल में बढ़कर 4.58% पर पहुंच गई है। उपभोक्ता मूल्य सूचकांक (सीपीआई) आधारित यह महंगाई दर मार्च में 4.28% थी। फरवरी में यह 4.44%, जनवरी में 5.07% और दिसंबर में 5.21% रही थी। दिसंबर का आंकड़ा 17 महीने में सबसे अधिक था। पिछले साल अप्रैल में खुदरा महंगाई दर 2.99% पर थी। राहत की बात यह है कि खाने-पीने की वस्तुओं की महंगाई दर में तेजी नहीं आई है। सब्जियों के दामों में भी नरमी रही। लेकिन अनाज, मांस, मछली और फलों की कीमतों में तेजी रही। कपड़े और जूते भी महंगे हो गए। केंद्रीय सांख्यिकी कार्यालय (सीएसओ) ने बताया कि प्रोटीन रिच वस्तुओं जैसे मीट और मछली की कीमतों में 3.59% बढ़ोतरी हुई। मार्च में इनके दाम 3.17% बढ़े थे।

तेल की ऊंची कीमतों से भड़क सकती है महंगाई

उद्योग जगत का मानना है कि कच्चे तेल की बढ़ती कीमतें भारतीय अर्थव्यवस्था के लिए प्रमुख चिंता का विषय है। क्रूड की कीमतों में और इजाफा हुआ तो भारत इसके विपरीत प्रभाव से अछूता नहीं रहेगा। इससे महंगाई भड़क सकती है। एसोचैम के सिक्रेटरी जनरल दीपसू यादव ने कहा कि अप्रैल में पेट्रोल एक साल पहले की तुलना में 10%



और हाईस्पीड डीजल 13% महंगा हुआ है। यह चिंताजनक है। वहीं, पीएचडी चैम्बर ऑफ कॉमर्स के प्रेसिडेंट अनिल खेतान ने महंगाई दर के आंकड़ों को चिंताजनक बताया। साथ ही उम्मीद जताई कि इस साल मॉनसून बेहतर रहने से आने वाले महीनों में महंगाई नहीं बढ़ेगी।

