

Macro Insights

15th November 2025

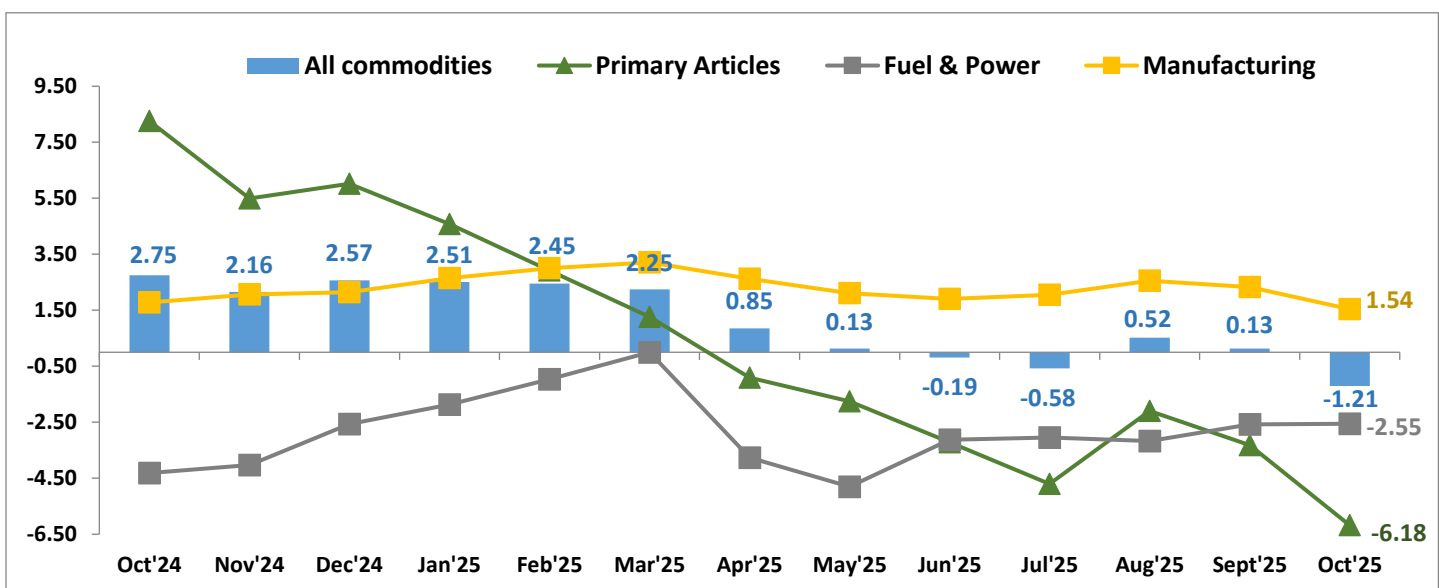
Highlights

WPI inflation moves into negative zone in October 2025

The wholesale inflation measured by WPI declined and falls into negative zone (-1.21 percent) in October 2025, marking a drop from 0.13 percent in September 2025 while it stood at 2.75 percent in October 2024.

- Food inflation, a key driver of the index, turned negative at -5.04% in October, from -1.99% in September, 0.21% in August, -2.15% in July, and -0.26% in June.
- The fall in wholesale prices in October was led by lower prices of vegetables, wheat, pulses and oilseeds. Prices of cereals also declined from the previous month.
- Overall, food articles saw prices fall by 8.31% in October against a 5.22% decline in September and a 3.06% decline in August 2025.

Trend of Wholesale Price Index (% YoY Change)



Source: Office of Economic Adviser, Ministry of Commerce & Industry

Components of WPI

WPI Inflation YoY (%)	Primary Articles		Fuel & Power		Manufactured Products		Food Group (Part of Primary Articles & Manufactured Products)		All Commodities	
Weights	22.62%		13.15%		64.23%		24.38%		100%	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
July	3.18	-4.70	1.93	-3.04	1.58	2.05	3.60	-2.10	2.10	-0.58
August	2.52	-2.10	-0.54	-3.24	1.00	2.62	3.21	0.21	1.25	0.52
September	6.48	-3.32	-3.85	-2.58	1.07	2.33	9.81	-1.99	1.91	0.13
October	8.26	-6.18	-4.31	-2.55	1.78	1.54	12.15	-5.04	2.75	-1.21

Source: Office of Economic Adviser, Ministry of Commerce & Industry

Views & Analysis

- The overall WPI index slightly decreased from 154.9 in September to 154.8 in October 2025, reflecting the tight interplay between deflationary food and fuel sectors and modest inflation in manufacturing.
- This deflationary environment is influenced by recent GST rate cuts on several mass consumption goods, easing cost pressures, alongside favourable base effects expected to keep wholesale inflation subdued in the near term.
- October 2025 WPI points to a period of mild deflation led by food and fuel prices, with manufacturing inflation dipping but remaining positive. This underscores a complex inflation dynamic requiring careful calibration of monetary and fiscal policies going forward.
- The average WPI inflation for FY2026 is expected to be marginal, in the range of 0 to 0.5%.

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