

## Macro Insights

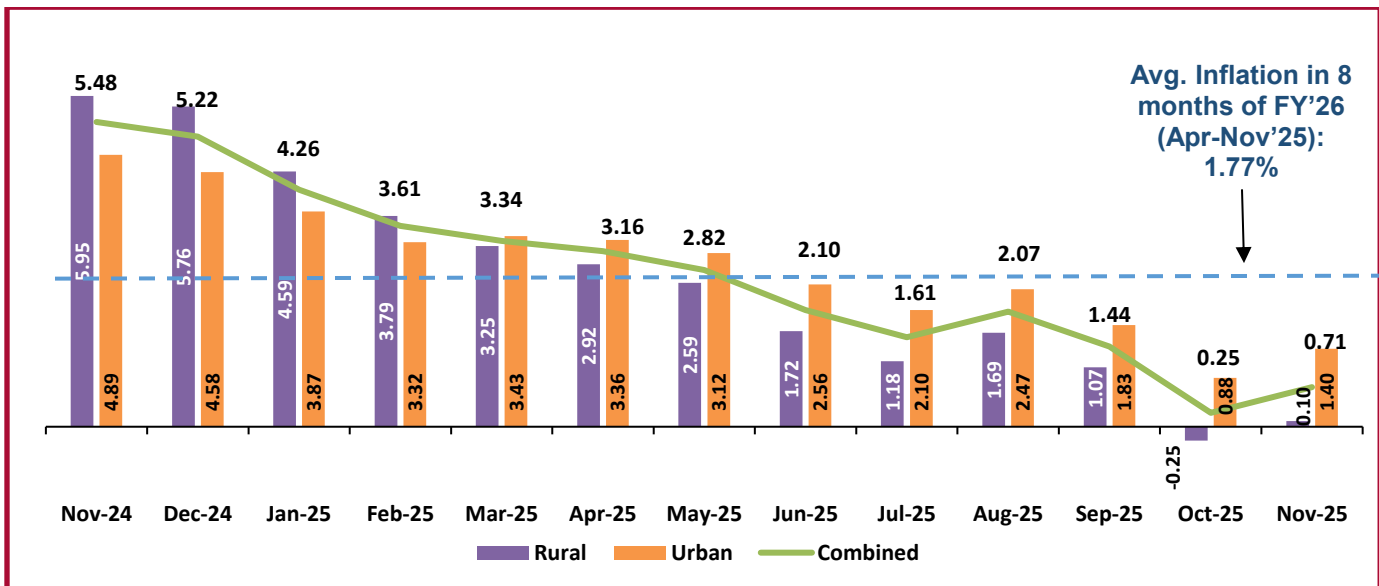
### CPI inflation rises marginally in November'25

Retail inflation, increased marginally to 0.71% in November 2025, a 46-basis point rise from the decadal low inflation rate of 0.25% in October'2025. The inflation moderated significantly as compared to 5.48% in November 2024.

### Highlights:

- Urban inflation stood at 1.40%, while rural area inflation is at 0.10% in November'2025, both reflecting increase from the previous month.
- Core inflation (excl. food and fuel & light) decreased further to 4.34% in November 2025 from 4.40% in October 2025.
- Increase in headline inflation and food inflation during the month of November'2025 is mainly attributed to increase in prices of Vegetables, Egg, Meat and Fish, Spices and Fuel and light.

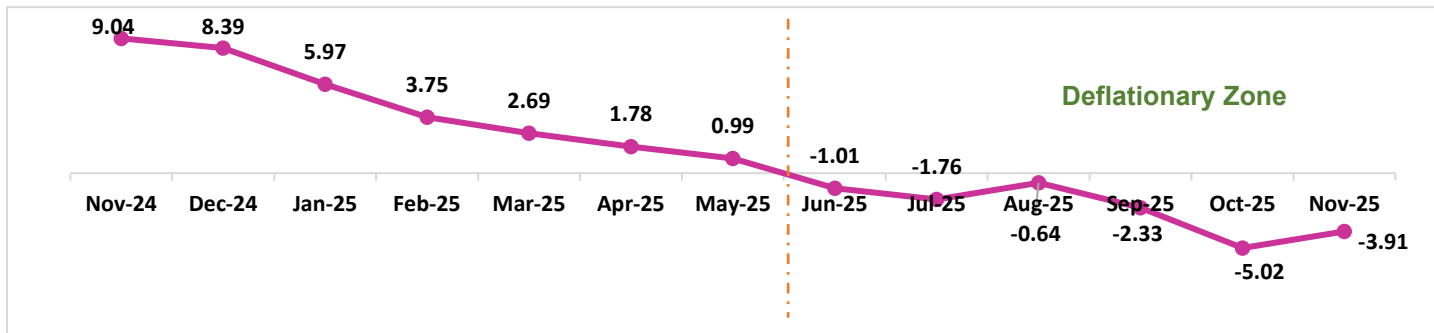
Chart: Consumer Price Index



Components of CPI (YoY% Change)

	CPI	Food & Beverages	Pan, Tobacco & Intoxicants	Clothing & Footwear	Housing	Fuel & Light	Miscellaneous
Weight	100	45.86	2.38	6.53	10.07	6.84	28.32
Nov-24	5.48	8.20	2.35	2.75	2.87	-1.83	4.26
Jul-25	1.61	-0.84	2.45	2.50	3.17	2.67	5.01
Aug-25	2.07	0.05	2.49	2.33	3.09	2.32	5.05
Sep-25	1.44	-1.37	2.73	2.28	2.98	1.98	5.35
Oct-25	0.25	-3.72	2.92	1.70	2.96	1.98	5.71
Nov-25	0.71	-2.78	2.96	1.49	2.95	2.32	5.64

### Food Inflation (YoY% Change)



### Views and Analysis:

- The inflation in November'2025 increased marginally due to rise in prices of Pan Tobacco & Intoxicants and Fuel & Light.
- Food inflation remained negative, at -3.91% in November'25 rising from -5.02% in October'25. Notably, vegetable prices experienced a disinflation rate of -22.2%, pulses and related products registered -15.86%, and spices recorded -2.89%, collectively contributing to the overall decline in food inflation.
- Inflation at 0.71% is still below the lower tolerance threshold of 2% of RBI.
- Core inflation (CPI headline excluding food and fuel) remained largely contained despite continued price pressures exerted by precious metals.
- Food supply prospects have improved on the back of higher kharif production, healthy rabi sowing, adequate reservoir levels and conducive soil moisture. Barring some metals, international commodity prices are likely to moderate going forward. Further, the effect of GST rate rationalization on prices continues to play out. Though, depreciation of rupee against dollar may lead to imported inflation.
- Inflation is expected to remain near the lower tolerance threshold of the RBI in the current financial year. RBI has projected CPI inflation for 2025-26 at 2.0% with Q3 at 0.6%. The December's inflation is expected to be between 0.75 – 0.90%.

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