

Macro Insights

15th April 2025

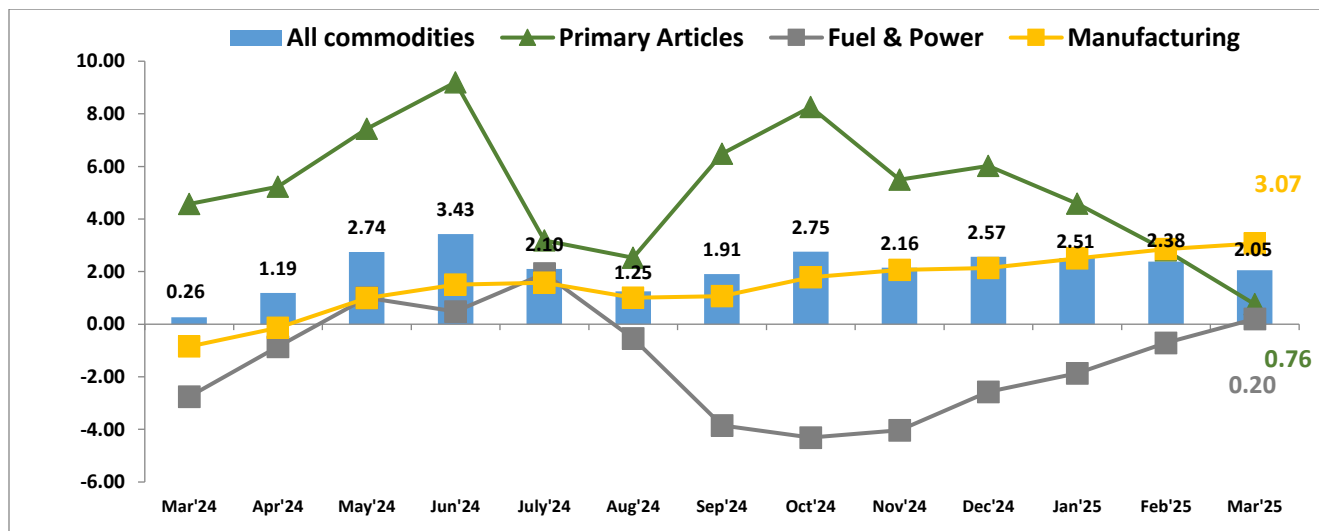
WPI inflation slows down to 2.05% in March 2025

The wholesale inflation measured by WPI records growth of 2.05 per cent (provisional) in March 2025 on a YoY basis, compared to 2.38 per cent in February 2025. It was significantly higher than 0.26 per cent recorded in March 2024.

Highlights:

- The decline in WPI growth rate was driven by **Primary Articles** from 2.81% in Feb'25 to 0.76% in Mar'25.
- Inflation in food articles dropped significantly to 1.57 per cent in March'25 as compared to 3.38 per cent in February'25.
- Under the **food articles** category, the deceleration was observed in vegetable which showed (-) 15.88 per cent in March'25 from (-) of 5.80 per cent in February'25.
- Petrol prices** growth remained in negative territory since June'24.

Trend of Wholesale Price Index (%)



Components of WPI

WPI Inflation YoY (%)	Primary Articles		Fuel & Power		Manufactured Products		Food Articles (Part of Primary Articles)		All Commodities	
Weights	22.62%		13.15%		64.23%		15.26%		100%	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
December	5.73	6.02	-1.39	-2.57	-0.78	2.14	9.32	8.53	0.86	2.57
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
January	4.07	4.58	-0.45	-1.87	-1.20	2.65	6.91	5.88	0.33	2.51
February	4.55	2.81	-1.71	-0.71	-1.27	2.86	7.07	3.38	0.20	2.38
March	4.57	0.76	-2.75	0.20	-0.85	3.07	7.05	1.57	0.26	2.05

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

Key Takeaways:

- The lower WPI reflects improved vegetable output and softening supply-side pressures.
- The RBI recently cut the repo rate for the second time in the Calendar Year 2025 but global scenario and weather uncertainty pose upside risk to the Inflationary conditions going forward. However, the fall in crude oil prices add some positive outlook to the inflation situation going forward.
- As per market expectations, WPI is anticipated to be in the range of 2.00%-2.50% in coming two months.

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