

# Macro Insights

12<sup>th</sup> May 2026

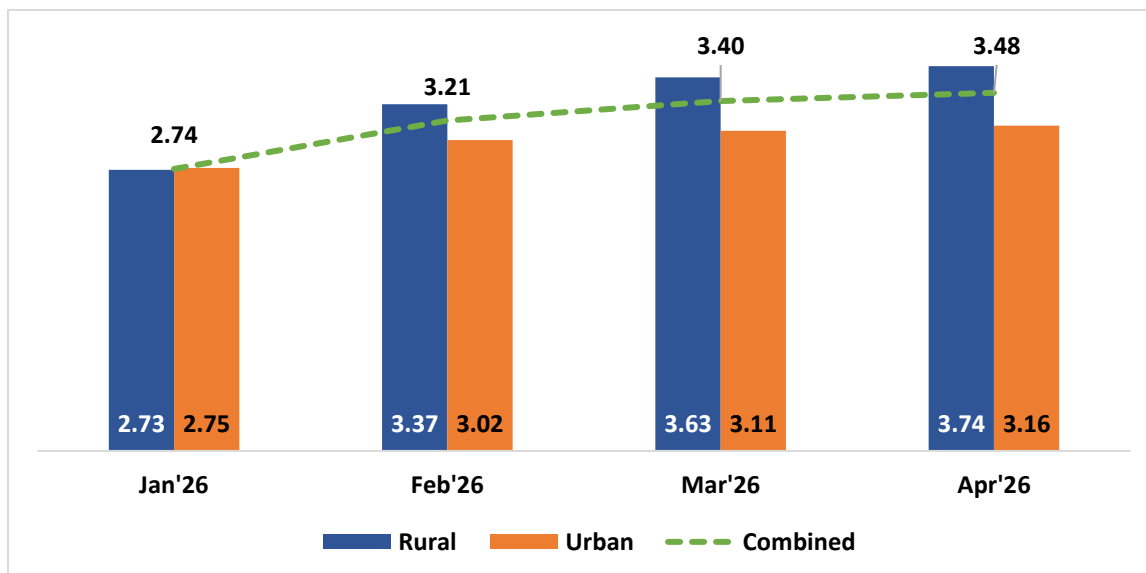
## CPI inflation shows marginal uptick in April'26

India's consumer inflation **rose to 3.48% in April'26**, marginally up from 3.40% in March'26

### Highlights:

- ☞ Rural Inflation has increased to 3.74% in April'26 as compared to 3.63% in the previous month, while Urban inflation has increased to 3.16% as compared to 3.11% for the same period.
- ☞ Food Inflation has accelerated to 4.20% in April'26 as compared to 3.87% for March'26.
- ☞ Housing inflation rate for the month of April'26 is 2.15% and the corresponding inflation rates for rural and urban are 2.65% and 1.96% respectively.
- ☞ Top 5 items which recorded highest inflation in the month of April'26 are Silver, Coconut, Gold/Diamond/Platinum Jewelry, Tomato and Cauliflower.
- ☞ Top five States (having more than 50 lakhs population as per Census 2011) with highest inflation in April'26 are Telangana, Andhra Pradesh, Tamil Nadu, Karnataka and Rajasthan.

Consumer Price Index (YoY% Change)



**National Level Division Wise Inflation Rate (%)**

Sectors	Mar'26	Apr'26
Personal Care, Social Protection and miscellaneous goods & services	18.65%	17.66%
Pan, Tobacco & intoxicants	4.23%	4.76%
Restaurant & accommodation	2.88%	4.20%
Food & Beverages	3.71%	4.01%
Education Services	3.30%	3.15%
Clothing & Footwear	2.75%	2.80%
Recreation, sports culture	2.28%	2.11%
Housing, water, electricity, gas & other fuels	1.97%	1.71%
Health	1.75%	1.64%
Furnishing, Household equipment	1.39%	1.61%
Information & Communication	0.33%	0.50%
Transport	0.00%	-0.01%

**Views & Outlook:**

- The headline CPI inflation rose slightly to 3.48% in April 2026 from 3.40% in March 2026, driven by higher food prices.
- Food inflation grew to 4.20% in April'26 as compared to 3.87% in the previous month.
- India's April '26 consumer inflation rose significantly less than expected, as the government absorbed most of the oil and gas price shock from transmitting to the retail fuel prices and second round effects are yet subdued, with transport prices remaining flat.
- Restaurant and Accommodation services became dearer as inflation in the segment rose to 4.20% in April'26, compared to 2.88% in the previous month, primarily due to shortage of LPG.
- One of the sharpest increases was recorded in the personal care and miscellaneous category, which saw inflation soar to 17.66%. This category includes Jewellery, Insurance, Grooming products and services and Lifestyle-related expenses.
- India's retail inflation has now increased continuously for four straight months. While headline inflation remains within the Reserve Bank of India's tolerance band, the latest data indicates that inflationary pressures are steadily building across several segments of the economy.
- Going forward, persistently elevated energy prices due to the West Asia conflict, depreciating rupee and possible El Niño conditions pose an upside risk to inflation.
- If the conflict persists and crude supply remains disrupted, the RBI may face a difficult trade-off between supporting growth and containing inflation. In this scenario, RBI is expected to maintain status quo on rates.

**Disclaimer:** The opinion/information expressed/compiled in this note is of Bank's Research team and does not reflect opinion of the Bank or its Management or any of its subsidiaries. The contents can be reproduced with proper acknowledgement to the original source/authorities publishing such information. Bank does not take any responsibility for the facts/ figures represented in the note and shall not be held liable for the same in any manner whatsoever.

**For any feedback or valuable suggestions:** Reach us at [eicsmead@pnb.bank.in](mailto:eicsmead@pnb.bank.in)

Follow our Official Page

[www.pnb.bank.in](http://www.pnb.bank.in)

