India: Nov'25 WPI likely took a U-turn from Oct lows yet stayed in deflationary zone

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Fig 1: Table

%, y/y	India WPI	Food	Fuel	Core
Apr-25	0.85	3.34	-5.68	1.37
May-25	0.13	1.92	-5.85	0.83
Jun-25	-0.19	-0.24	-4.44	0.99
Jul-25	-0.58	-2.14	-3.84	1.20
Aug-25	0.52	0.20	-4.25	2.01
Sept-25	0.13	-2.02	-2.72	2.12
Oct-25	-1.21	-5.01	-3.37	1.60
Nov-25 (P)	**-0.55**	**-3.38**	**-3.04**	**1.78**

Source: CEIC, , Office of Economic Advisor and UBI Research

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November'25 WPI y/y likely down to -0.55% yet up sequentially from Oct lows

- **Wholesale Price Index (WPI)**, in our assessment, likely continued to stay negative in Nov 2025 at -0.55%, compared to -1.21% in October 2025 and 2.16% in November last year. Apart from the high base effect, the decline in WPI was largely driven by a continued fall in the food WPI, even as core WPI inched up during the month. Food inflation printed -3.38%, while core inflation strengthened from 1.6% in October to 1.78% in November. Fuel inflation continued to stay negative at -3.04%. The high base effect also played a role in keeping both headline and food inflation subdued, as headline WPI and food WPI in November 2024 stood at 2.16% and 8.84%, respectively. On the other hand, core inflation in November last year was 0.54%, which pushed the core WPI higher this year.

- **Food WPI** likely stayed negative at -3.38% in the month but a tad above last month's -5.01% as prices in most of the segments in food category stayed muted as compared to last year even as there was some elevation seen over last month. Statistically, a high base effect of 8.84% in Nov'24 also kept the food inflation in check this year. During the month, food inflation was likely down only in cereals and pulses while all other categories likely recorded some m/m inflation. During the month, vegetables inflation was up 6.66% m/m but sharply down to -25.18% y/y. Inflation in cereals, pulses, fruits and spices remained negative at -2.27%, -15.25%, 2.35% and -15.13% respectively.

- **Fuel WPI** likely remained in the deflationary zone for the 16th consecutive month in November 2025, reflecting a decline in crude, mineral oils and electricity segments while coal inflation likely inched up. Crude oil prices fell by 6% y/y in Nov'25. Fuel WPI is estimated to have remained negative at -3.04% y/y in Nov, compared to -3.37% in October. Global oil prices are under pressure weighed down by rising supply and weak demand.

- **Within the WPI sub-segments**, while food and fuel stay in deflation zone, core has shown an uptick. Global commodity price trends affected the latter, with higher metal prices and additionally, Rupee depreciation expected to retain the upward pressures. **Core WPI**, which excludes food and fuel, is estimated to have moved up from 1.60% y/y in October to 1.78% in November, as prices of most commodities—except precious metals—hardened during the month. All the segments within the category are likely to have registered a hike during the month led by minerals where inflation was up by 6.67% y/y. Month-on-month also, core WPI is estimated to have spiked 0.24% in November from -0.24% last month amid volatile commodity price movements.

- **A comparative analysis** of China's Producer Price Index (PPI) and India's WPI reveals a strong correlation between the two. China's PPI is estimated to remain in deflationary territory at -2.0% in November, marginally up if compared with -2.1% in October. India's WPI in Nov'25 is too expected to remain in deflationary zone at -0.55% in Nov'25, yet up from -1.21% last month.

- For FY26, our overall WPI inflation projection is tracking below 0.1% while CPI is tracking below 2% (as compared to MPC projection of 2.6%). However, it needs to be noted that WPI has bottomed out and is seen trending up from November onwards, with an avg of 0.3% seen in Q4-FY26 vs -0.7% in Q3. **Looking ahead**, unseasonal winter rains, global commodity price trends, geopolitical developments warrant close monitoring, particularly amid tariff-related uncertainties.

Fig 2: WPI likely retraced from Oct'25 lows in Nov'25 yet stays negative (%, y/y)

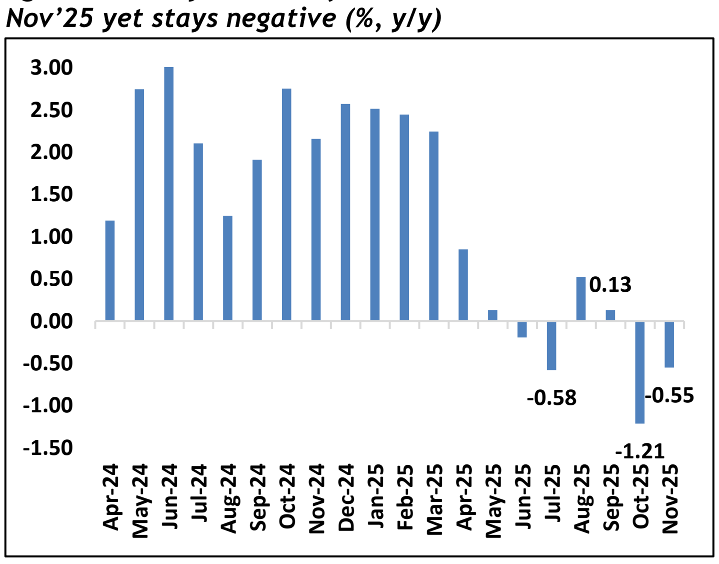


Fig 3: India WPI likely inched up in Nov'25 while China PPI is expected to go up only marginally (%, y/y)

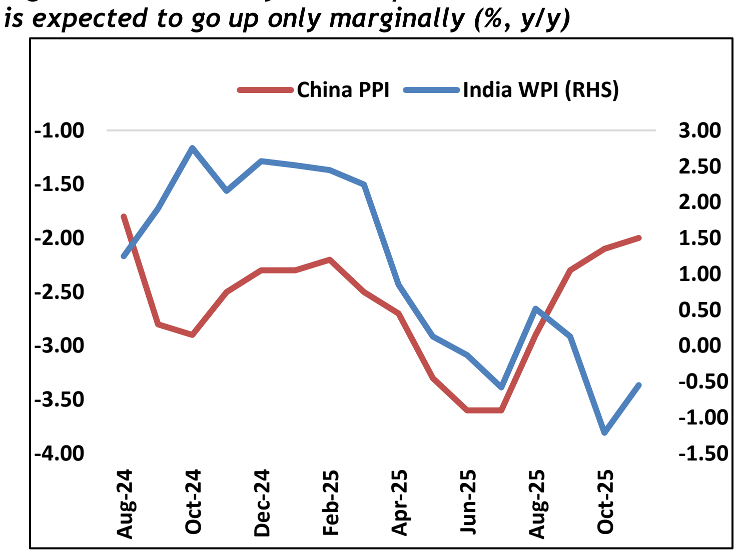
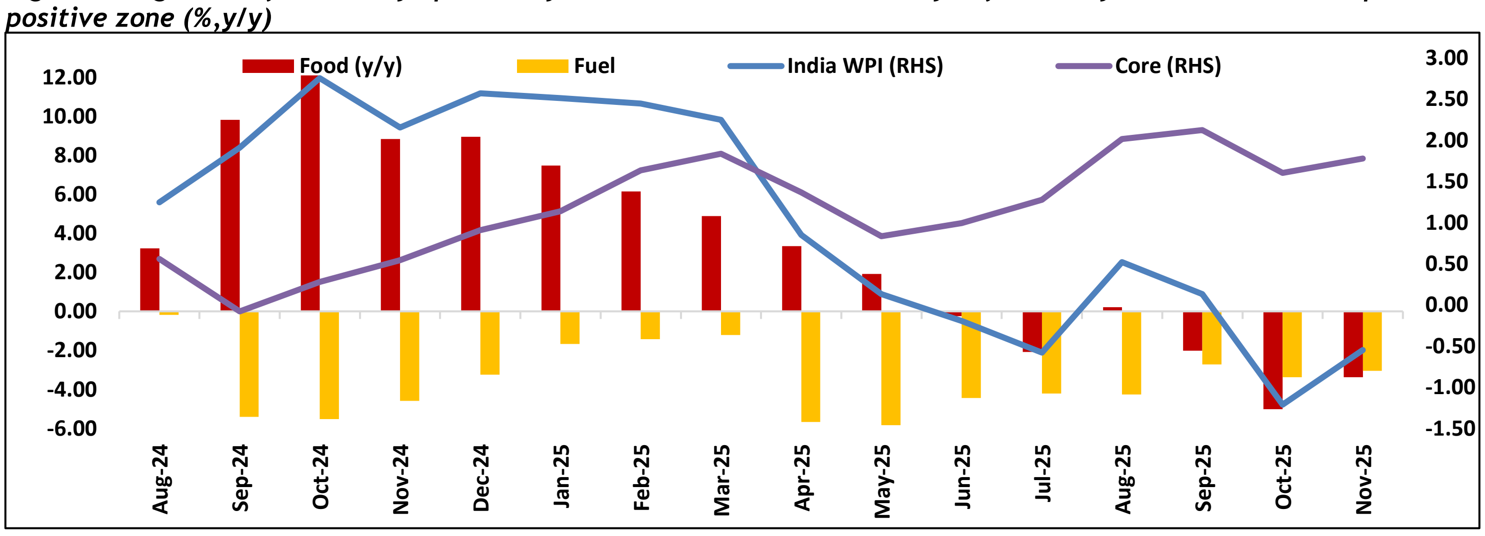


Fig 4: All segments of WPI likely up in Nov yet Food WPI and Fuel WPI stay deflationary while core moves up in positive zone (%,y/y)



Source: CEIC, , Office of Economic Advisor and UBI Research
Note: figures for Nov'25 India WPI are our projections, Nov'25 China PPI is market estimate

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