

November'25 WPI y/y down to -0.32% yet up sequentially from Oct lows

- **WPI inflation** remained negative in November 2025 at -0.32%, compared with -1.21% in October and 2.16% a year ago. The print was marginally higher than our projection (-0.55%) and consensus (-0.6%) due to weaker-than-expected moderation in food prices, especially vegetables. Food inflation stood at -2.59%, while core inflation edged up to 1.8% from 1.6% in October; fuel inflation remained negative at -3.24%. A favourable base effect kept headline and food inflation subdued, while a low core base last year lifted core WPI this November.
- **Food WPI** remained deflationary at -2.59% y/y in November, improving from -5.01% in October, supported by a broad-based firming in prices and a high base of 8.84% in November 2024. Most food categories recorded m/m increases, with declines limited to edible oils, other manufactured food, and pulses. Vegetable prices rose sharply by 13.72% m/m, while y/y inflation moderated to -20.23% from -34.97%, additionally, pulses, spices, cereals, and fruits all remaining in negative territory.
- **Fuel WPI** declined for the 16th consecutive month in November 2025, driven by moderation in crude, mineral oils, and electricity prices, partly offset by a marginal uptick in coal inflation. Fuel inflation stood at -3.24% y/y in November versus -3.37% in October, amid continued pressure on global oil prices due to ample supply and subdued demand.
- **Within WPI sub-segments**, food and fuel remained in deflation, while core inflation firmed up. **Core WPI** (excluding food and fuel) rose to 1.80% y/y in November from 1.60% in October, with all sub-components registering increases, led by minerals inflation at 10.42% y/y. On a monthly basis, core WPI rebounded to 0.26% in November from -0.32% in October, as textiles, wearing apparels, paper & paper products, machinery & equipment and other manufacturing segments recorded increase m/m.
- **For FY26**, our WPI inflation projection remains flat. However, we believe WPI has bottomed out and is likely to trend higher going forward, averaging around 0.50% in Q4 FY26 compared with -0.55% in Q3. Going ahead, unseasonal winter rains, global commodity price trends, and geopolitical developments—especially tariff-related uncertainties—warrant close monitoring.

Chart 1. Nov'25 WPI retraces from the recent low made in Oct yet stayed in negative zone; % y/y

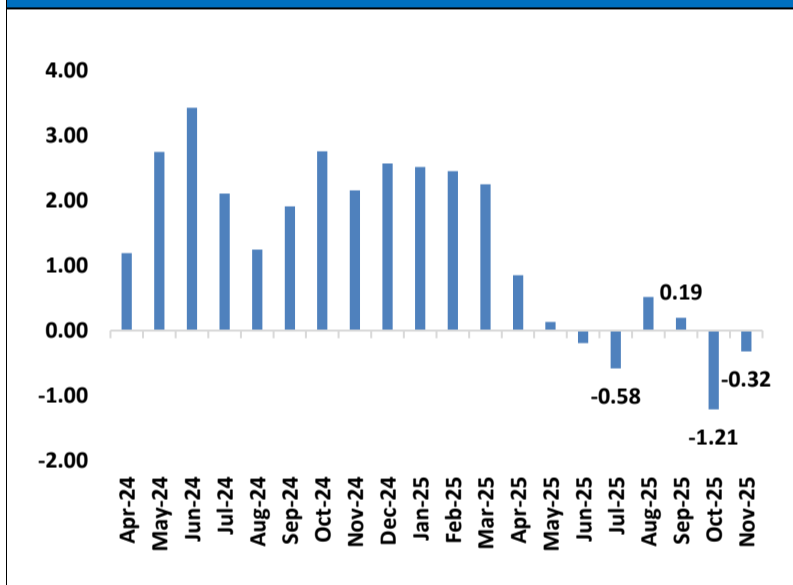
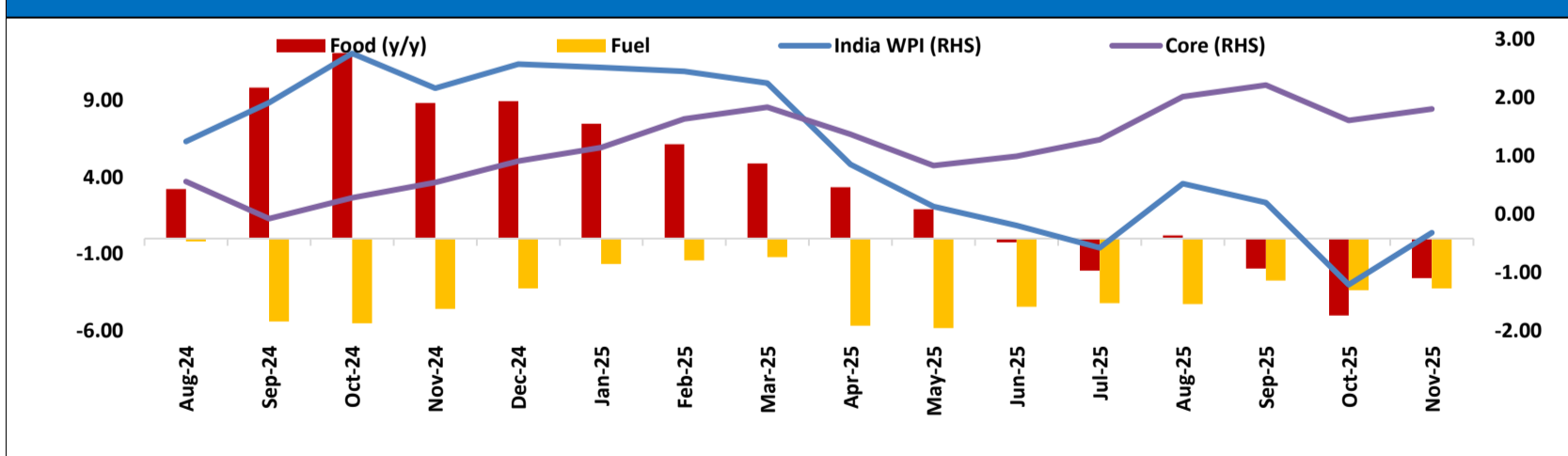


Chart 2. Core WPI inches up in Nov'25

% y/y	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Core WPI	1.28	2.01	2.21	1.60	1.80
Basic Metals	-2.56	-0.51	0.00	-1.58	-1.23
Chemicals & Chemical Products	0.29	0.37	0.37	0.37	0.07
Textiles	0.00	1.32	1.77	1.91	1.91
Fabricated Metal Products	0.15	0.29	0.51	1.48	0.52
Non-Metallic minerals (cement etc)	2.62	3.08	2.07	1.99	0.61
Other manufacturing	27.96	30.79	32.25	28.30	30.96

Chart 3. All segments of WPI inch up in Nov'25 though food and fuel WPI continue to stay in negative zone; % y/y



% y/y	India WPI	Food	Fuel	Core
Dec-24	2.57	8.95	-3.25	0.91
Jan-25	2.51	7.48	-1.67	1.14
Feb-25	2.45	6.16	-1.42	1.63
Mar-25	2.25	4.89	-1.21	1.83
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	-2.09	-4.21	1.28
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	-0.32	-2.59	-3.24	1.80

Source: Ministry of Commerce & Industry, CEIC and UBI Research

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