

Retail inflation slides to 9.39% in April

Falling for the second straight month, retail inflation declined sharply to 9.39% in April due to easing of prices of vegetables, edible oil and protein-based items. The Consumer Price Index (CPI) based inflation stood at 10.39% in March. The prices in the vegetables basket eased to 5.43 per cent in April from 12.16% in March.

Inflation in protein-based items -- egg, meat and fish --stood at 13.60 per cent during the month. In oils and fats segment, it was 7.52%.

The overall food and beverages segment saw an inflation of 10.61% in April as against 12.42% in March.

Among all the constituents that make the CPI, cereals recorded the highest inflation of 16.65% in April, according to data released today.

Besides, inflation in pulses stood at 10.91% and in sugar it was 10.49% on an annual basis.

The rate of price rise in clothing and footwear segment stood at 10.22 per cent during the month.

In urban areas, retail inflation declined to 9.73% in April from 10.38% in March. The CPI for rural population fell to 9.16% during the reported month from 10.33% in March.

The CPI stood at 10.91% in February, 2013.

The data for wholesale price index-based inflation is expected tomorrow. The March WPI eased to a three-year low of 5.96%, but was still higher than RBI's comfort level.

In order to accelerate economic growth, the Reserve Bank of India (RBI) earlier this month cut key interest rates by 0.25%.

"Although headline WPI inflation has eased by March, 2013 to come close to the Reserve Bank's tolerance threshold, it is important to note that food price pressures persist and supply constraints are endemic, which could lead to a generalisation of inflation...", the RBI had said.

(Source: <http://www.hindustantimes.com>)

