

FICCI Comments on Inflation data

NEW DELHI, January 14, 2013. The Wholesale Price Index data released today indicates a marginal decline in the inflation rate to 7.18% for November 2012 from 7.24% in the previous month. More importantly, the October 2012 inflation rate has been revised downwards to 7.32%.

“The decline in inflation for the second straight month should provide the RBI some comfort for a rate cut on January 29, the day on which the credit policy will be announced”, said **Mrs. Naina Lal Kidwai, President of FICCI**. “Additionally, even though the current account deficit remains large, the rupee is likely to remain range-bound thus impacting the imported inflation favorably”, Mrs. Kidwai added.

“The persistence of CPI at higher levels should be viewed in the light of the fact that food articles have a disproportionately higher weight in CPI. With core inflation touching 4.2%, a 33-month low, it is imperative at this juncture to infuse confidence in industry by triggering the growth impulses,” the **FICCI President** said.

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