

Annual Inflation during 2001-02

5.5 The year 2001-02 started with an annual point to point inflation rate of 4.9 percent based on the Wholesale Price Index (WPI). More than half of this inflation rate was attributed to the fuel price increase, first in 1999-00 and then twice during 2000-01. As the year progressed, the impact of the fuel price increase evened out. The inflation rate, after hovering at a little over 5 percent till August 2001, started to decline and fell below 5 percent by September 2001. The deceleration continued through September and October, and by the beginning of November 2001, inflation fell to a record low of 2.4 percent. (Table 5.2) The latest point to point inflation rate for the week ended January 19, 2002 has declined further to 1.3 percent which is the lowest in over twenty years. The 52 week average inflation rate declined from 7.0 percent at the beginning of the year to 4.7 percent for the week ended January 19, 2002.

TABLE 5.2 Annual Rates of Inflation based on WPI and CPI (point-to-point) <i>(Per cent)</i>					
Year	Month	WPI\$	CPI	CPI	CPI
		93-94	(IW) 1982	(UNME) 84-85	(AL) 86-87
2000-01	APR	6.5	5.5	6.2	4.1
	MAY	6.3	5.0	5.8	4.0
	JUN	6.6	5.2	5.8	3.0
	JUL	6.5	5.0	5.7	2.0
	AUG	6.1	4.0	5.1	0.0
	SEP	6.5	3.5	4.8	-1.3
	OCT	7.5	2.8	5.0	-3.2
	NOV	7.6	2.7	5.3	-3.2
	DEC	8.5	3.5	5.9	-2.6
	JAN	8.7	3.2	5.9	-2.0
	FEB	8.3	3.0	5.9	-2.3
	MAR	6.4	2.5	5.6	-2.0
2001-02	APR	5.4	2.3	4.7	-2.0
	MAY	5.6	2.5	4.9	-2.3
	JUN	5.3	3.4	5.5	-1.3
	JUL	5.2	4.0	5.7	-0.3
	AUG	5.4	5.2	6.2	1.3
	SEP	4.5	4.7	5.9	1.6
	OCT	2.9	4.2	4.8	2.6
	NOV	2.5*	4.9	5.1	2.3
DEC	2.2*	5.2	5.1	3.0	

* Provisional.
\$ Average of weeks