

Inflation based on Consumer Price movement

15. Inflation based on Consumer Price Index for Industrial Workers (CPI-IW), declined very sharply from 9.3 per cent in April 1997, to 4.7 per cent in August 1997 but rose again to 6.3 per cent in December 97 and further to a high of 9.7 per cent in January 1998 (Table 5.3). It declined marginally to 9.1 per cent in February 98 and further to 8.3 per cent in March 98. The price movement in CPI-IW reveals that during the financial year 1997-98

up to February 1998, the retail prices registered an increase of 8.8 per cent compared to 9.7 percent increase during the corresponding period of last year. An increase of 15.2 per cent, 9.3 per cent and 9.1 per cent was recorded in the retail prices of major groups of housing, pan, supari & tobacco and food respectively during Apr.-Feb.1997-98 as against 7.4 per cent, 8.3 per cent and 10.6 per cent during the corresponding period last year (Table 5.6).

TABLE 5.6
Movement of CPI(IW) — Major Commodity Groups

Major Group	Weight (%)	(Per cent Change)							
		1997-98				1996-97			
		Apr- Jun-	Jul- Sept	Oct- Dec	Apr- Feb	Apr- Jun	Jul- Sept	Oct- Dec	Apr- Feb
General	100.00	1.1	1.7	3.0	8.8	4.4	3.3	1.7	9.7
Food	57.00	0.8	1.9	3.4	9.1	6.5	3.0	2.2	10.6
Pan, supari, tobacco	3.15	4.7	0.8	1.5	9.3	2.4	2.4	2.1	8.3
Fuel & light	6.28	1.9	1.3	4.3	8.9	2.6	5.0	2.4	13.9
Housing	8.67	0.0	2.1	0.0	15.2	0.0	4.1	0.0	7.4
Clothing, bedding, footwear	8.54	1.4	0.4	1.4	4.3	1.5	1.9	-1.8	1.9
Miscellaneous group	16.36	0.0	3.6	4.0	8.3	2.0	3.2	2.5	9.5