

Wholesale Price Index (WPI)

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Inflation in the **Wholesale Price Index (WPI)** has reached a **13-month** high by 1.26% in April 2024.



[ref-telegraph India]

About the Wholesale Price Index (WPI):

- The **WPI** measures the average change in prices of commodities for bulk sale at the initial transaction stage, using **2011-2012 as the base year**.
- Coverage in **WPI** includes **Manufactured products** (64.2%, highest), **Primary Articles** (22.6%), and **Fuel and Power** (13.2%).
- Unlike the **Consumer Price Index (CPI)**, the **WPI** does not include services and has a lower weightage for food at **24.4%** compared to **CPI**.

WPI vs CPI

Wholesale Price Index (WPI) and Consumer Price Index (CPI) are two crucial metrics that help in defining the prices of the goods and services in an economy.

Consumer Price Index (CPI)

- It measures the change in the retail prices of goods and services
- CPI releases on a monthly basis.
- CPI includes both goods and services.
- It includes about eight categories of products and services.
- Base year is calendar year.
- It calculates the final stage of inflation.
- CPI is of importance to the general public

Wholesale Price Index (WPI)

- It measures change in price of goods charged by whole seller.
- WPI releases on a weekly basis
- WPI includes only goods.
- It includes primary articles, fuel & power and manufactured goods.
- Base year here is Financial Year.
- It measures inflation in the first stage
- WPI is of importance to those who keep track of wholesale prices.

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[ref-eFinance management]