

# WPI inflation hits 42-month high of 8.3% in April as fuel prices surge

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With the rise in fuel prices, wholesale inflation, based on the Wholesale Price Index (WPI), surged to a 42-month high of 8.3 per cent in April, the government reported on Thursday. The rate stood at 3.88 per cent in March.

“The positive rate of inflation in April is primarily due to the increase in prices of mineral oils, crude petroleum & natural gas, basic metals, other manufactured products, and non-food articles, etc.,” a statement from the Ministry of Commerce and Industry said.

According to the data, WPI-based inflation in the fuel and power segment jumped to 24.71 per cent in April from 1.05 per cent in March. In crude petroleum, inflation hit 88.06 per cent in April, compared to 51.5 per cent in the previous month. The sharp rise in WPI inflation reflects the impact of the West Asia crisis and the effective blockade of the Strait of Hormuz, through which the majority of India's crude oil is imported.

## FUEL & POWER

In the fuel and power basket, inflation in LPG was 10.92 per cent in April, as against (-) 1.54 per cent in March, while in petrol it reached 32.40 per cent, compared to 2.50 per cent in the previous month. In high-speed diesel, inflation

## Wholesale inflation

(All figures in %)

Head	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26
All commodities	-0.13	0.96	1.68	2.26	3.88	8.30
Primary articles	-2.53	0.21	2.27	3.21	6.36	9.17
Fuel & power	-2.33	-2.31	-4.01	-3.85	1.05	24.71
Manufactured products	1.47	2.03	2.58	3.13	3.39	4.62

Source: Commerce & Industry Ministry

was 25.19 per cent in April, against 3.26 per cent in March.

Despite a 50 per cent spike in global crude oil prices, the government has so far kept fuel pump and household LPG rates stable to shield households from the impact of rising retail prices for petrol, diesel, and LPG. However, prices for commercial LPG cylinders have been increased.

Inflation in food articles was 1.98 per cent in April, compared to 1.90 per cent in March. In non-food articles, inflation rose to 12.18 per cent in April from 11.5 per cent in the previous month, according to data released by the Ministry of Commerce and Industry.

Commenting on the numbers, Rahul Agrawal, Senior Economist at ICRA, said the sizeable jump in WPI inflation across some segments between March 2026 and April 2026 suggests that the former may be revised upwards when the final numbers for the month are released in June.

Looking ahead, food prices have hardened in early May

relative to April levels, in line with normal seasonal trends, which is likely to further push up the y-o-y WPI-food inflation print in the current month.

This, along with the continued pass-through of elevated energy and commodity prices and the depreciation of the rupee against the dollar is expected to push the WPI print for May above 9 per cent.

## HIGHER ENERGY PRICES

With the sharp increase in WPI inflation in April 2026, the wedge between the CPI and WPI prints widened to a 44-month high of 482 bps, up from a relatively mild 47 bps in March 2026, amid a faster transmission of rising energy and commodity prices into the former category *vis-à-vis* the latter.

“This reinforces our expectation that CPI inflation would cross 4 per cent in May. Nevertheless, the MPC may remain on hold in the June policy review given the lack of visibility regarding the duration of the West Asia conflict and the transience of the current price shock,” said Agrawal.