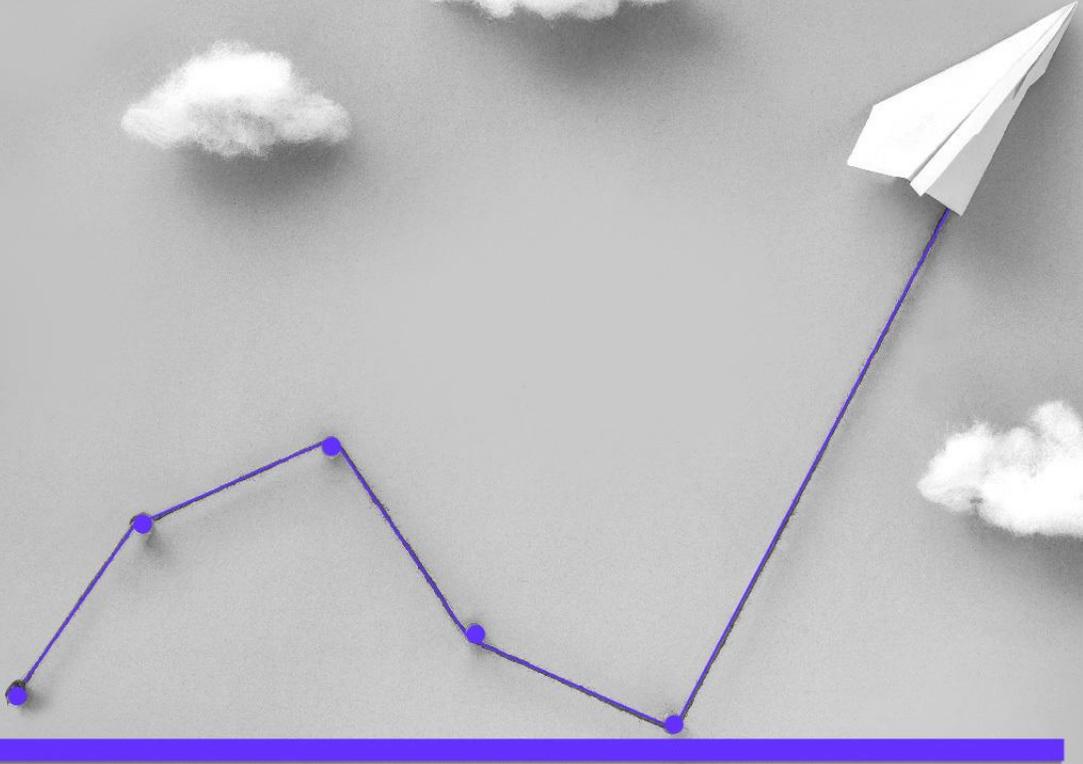


TRENDS & TIDES

India's retail inflation rises to
3.21% YoY
in February 2026



Inflation picks up to 3.21% in Feb'26, driven by higher food inflation

Inflation in the 'personal care' segment remains elevated on account of higher gold and silver jewellery prices

Division Name	Weight	% YoY		Contribution	
		Jan-26	Feb-26	Jan-26	Feb-26
Food & Beverages	36.8	2.1%	3.4%	0.8%	1.2%
Intoxicants	3.0	2.9%	3.5%	0.1%	0.1%
Clothing and Footwear	6.4	3.0%	2.8%	0.2%	0.2%
Housing, Water, Electricity & Fuels	17.7	1.5%	1.5%	0.3%	0.3%
Household Equipment and Maintenance	4.5	1.4%	1.4%	0.1%	0.1%
Health	6.1	2.2%	1.9%	0.1%	0.1%
Transport	8.8	0.1%	0.0%	0.0%	0.0%
Information & Communciation	3.6	0.2%	0.2%	0.0%	0.0%
Recreation	1.5	2.3%	2.2%	0.0%	0.0%
Education	3.3	3.3%	3.3%	0.1%	0.1%
Restaurants & Accomodation	3.3	2.9%	2.7%	0.1%	0.1%
Personal Care	5.0	19.1%	19.7%	1.0%	1.0%
Headline CPI	100.0	2.74%	3.21%	2.74%	3.21%

Rise in food inflation driven by 'vegetables & pulses' category

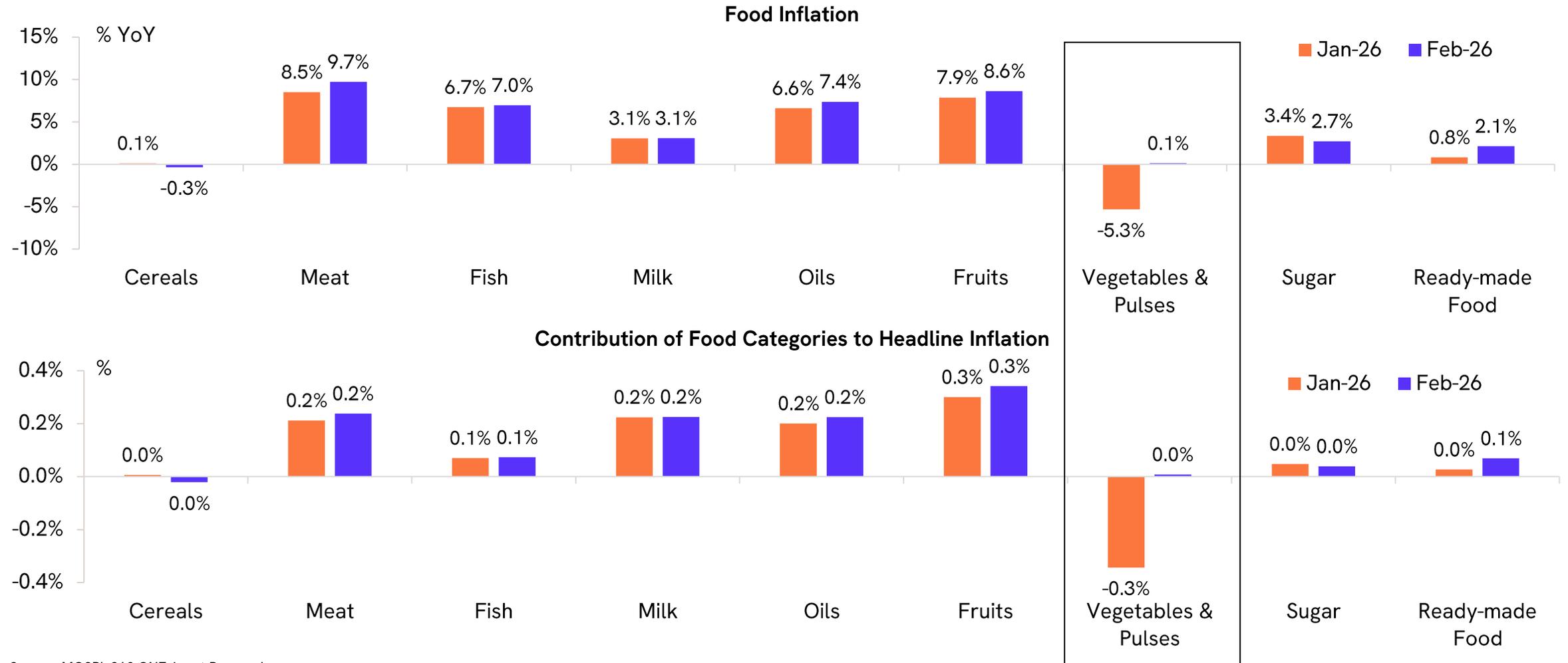
Inflation in most segments remains broadly contained

Person care impacted by steep increase in gold and silver prices

Source: MOSPI, 360 ONE Asset Research

Increase in contribution from 'vegetables & pulses' drives inflation higher

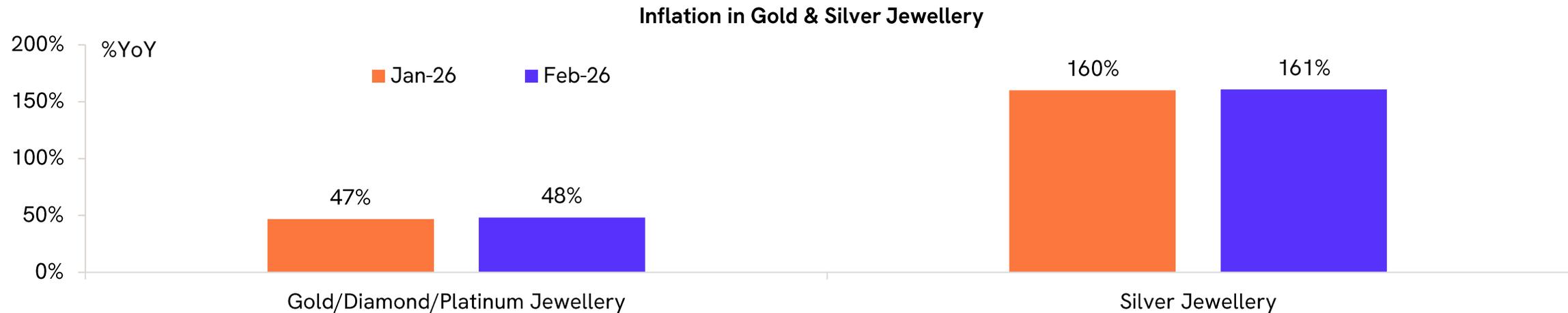
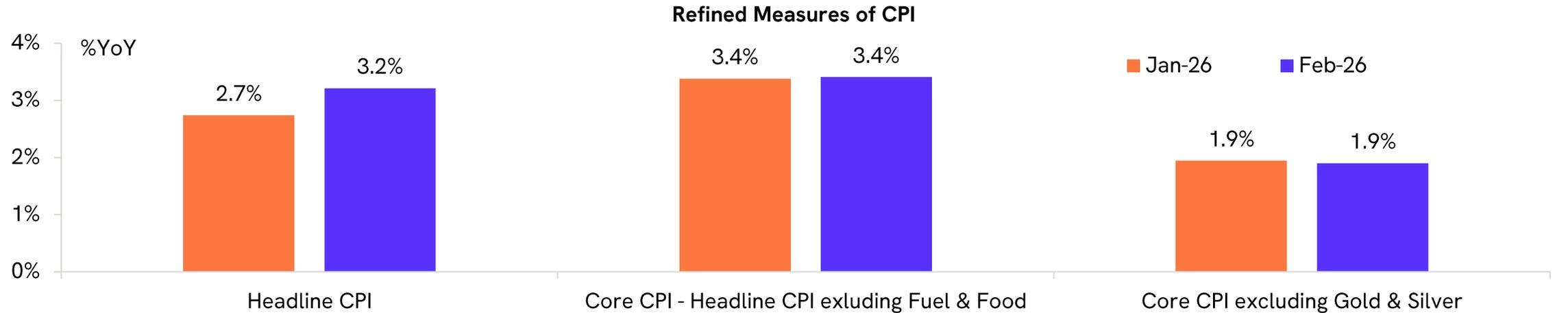
Meat, fish, oils and fruits witness elevated inflation



Source: MOSPI, 360 ONE Asset Research

Core CPI remains flat at 3.4%; core ex gold & silver is also flat at 1.9%

Persistently high jewellery inflation is pushing up headline CPI

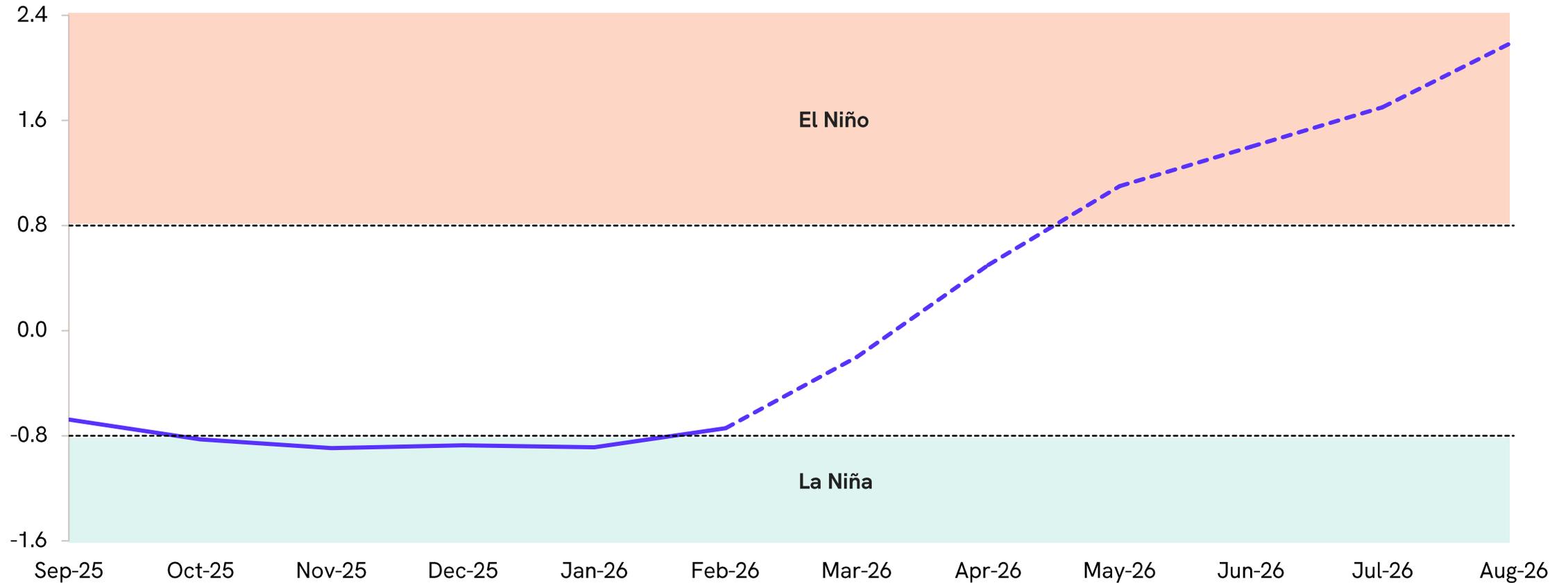


Source: MOSPI, 360 ONE Asset Research

The emergence of El Niño may weaken monsoon

Hence, it poses upside risks to food inflation if kharif crop sowing and production are impacted

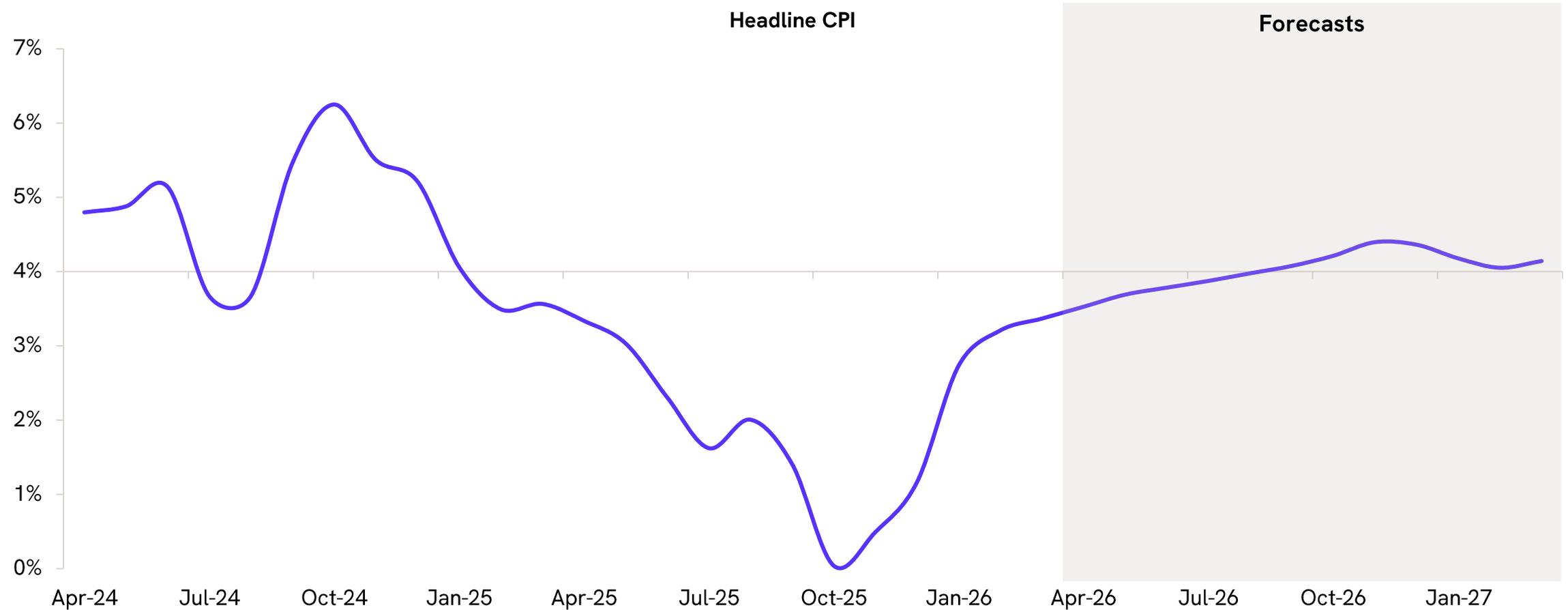
Relative Niño 3.4 Index (°C)



Source: Australian Bureau of Meteorology, 360 ONE Asset Research

We currently expect inflation to remain anchored around 4% in FY27

However, there are significant upside risks to these projections if crude oil prices remain high and are passed on to consumers



Source: CMIE, Bloomberg, 360 ONE Asset Research

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