Eaglewood Capital

INDIA URBAN FOOD-BASKET INDEX

October 25th, 2025

Eaglewood Research Desk

Key Insights

- Our India Urban Food-Basket inched up to ₹984 (+0.5% w/w) while protein prices continued their gradual correction and vegetables remained slightly firm, indicating that household-level inflationary pressure is contained and the mid-month moderation has largely stabilised.

- Domestic supply conditions remain favourable: Kharif sowing has exceeded seasonal norms, buffer stocks are ample at 9.65 million tonnes, reservoir levels are near full capacity, and cumulative rainfall supports irrigation for the upcoming Rabi season, reducing the risk of abrupt staple price shocks.

- Market volatility climbed slightly to 51.63 (above the long-term average of 49.8), reflecting orderly price discovery across cities rather than renewed inflationary stress, while easing costs in pulses, dairy, and chicken underscore a broad-based disinflationary trend.

- Domestic moderation allows the RBI to maintain a neutral stance, with a mild accommodative bias. External risks, including rupee softness and global energy prices, warrant caution, but steady urban consumption and stable supply chains support continued household affordability and investor confidence.

Weekly Index Pulse

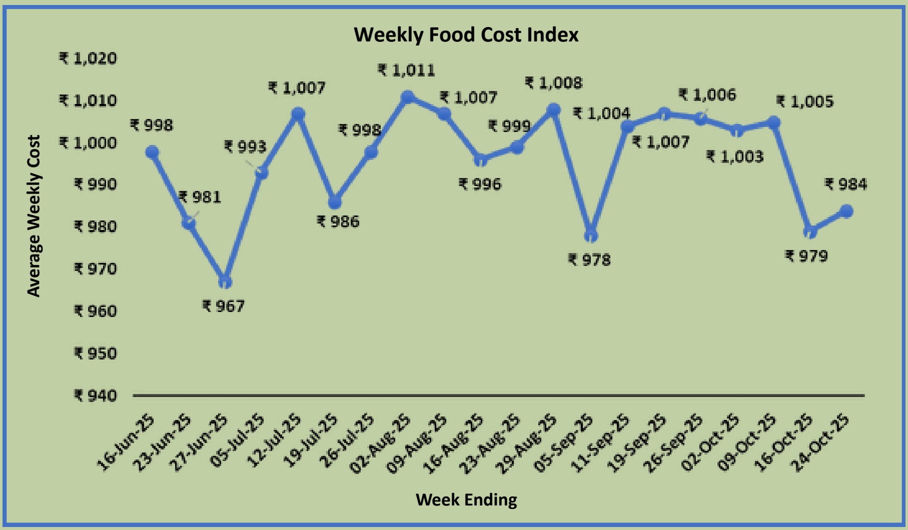
The week ending October 24 saw our proprietary India Urban Food-Basket Index inch up to ₹984, a 0.5 per cent rise from the previous week's ₹979. The mild increase follows the sharp moderation observed mid-month, indicating that price movements across perishables have begun to stabilise rather than unwind further. Protein prices continued their gradual correction, ensuring that household-level inflationary pressure remains broadly contained despite firmer vegetables.

The volatility reading climbed to 51.63, slightly above the long-term average of 49.8. The shift reflects ongoing price discovery across cities as supply pipelines adapt unevenly to the post-monsoon operating environment. The pattern — a marginally higher index alongside elevated but orderly volatility — points to an active market recalibration rather than a renewed inflation pulse.

Affordability strengthened modestly to 1.48 per cent, extending the improvement seen last week. The cumulative relief from softer dairy, pulses and poultry continues to outweigh the firmness in tomatoes and potatoes, supporting household purchasing power as urban food budgets stabilise.

For consumers, the picture looks encouraging. Grocery bills are not whiplashing from week to week, and the incremental price rise remains manageable. Policymakers may interpret the data as a constructive but still delicate improvement, with perishables supply continuity remaining essential to sustain affordability gains. Investors can read the combination of stable demand, easing protein costs and disciplined pricing as indicative of resilient consumption fundamentals across urban centres.

In short, the latest readings point to stabilisation rather than a renewed squeeze: prices have steadied, volatility reflects healthy market adjustment, and affordability continues to edge up — yet maintaining this equilibrium will depend on how smoothly post-monsoon supplies transition into the early winter demand cycle.



Average 10-item basket prices across 21 cities from 16-Jun-25 to 16-Oct-25

Catalysts In Motion

This week's food-basket readings suggest a cautiously mixed picture, with selective pressures emerging alongside pockets of relief.

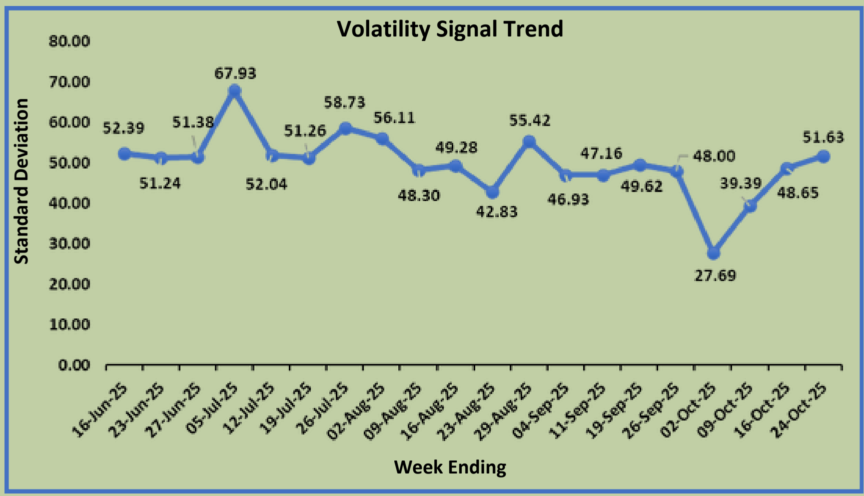
Vegetables showed signs of stabilization. Tomatoes and potatoes firmed up, while onions remained steady, and secondary staples such as ginger and garlic recorded minimal movement. The moderation across perishables reflects normalizing supply flows from key growing belts, easing previous volatility and providing a sense of calm in the staples segment.

Pulses extended a gradual correction, with chana dal and masoor dal continuing to ease gradually. Improved arrivals from producing regions, coupled with disciplined trading sentiment, have supported this easing, reinforcing pulses as a reliable source of relief in household baskets.

Animal proteins and dairy displayed divergent trends. Chicken prices continued to ease, while eggs registered moderate gains, reflecting ongoing supply-demand recalibrations. Milk remained stable, providing a steady anchor for household protein expenses amid these selective shifts. The combined dynamics underscore the uneven nature of protein inflation, shaped by supply flows and market responsiveness.

Edible oils witnessed easing input costs as refiners continued to pivot toward cheaper alternatives, helping temper inflationary pressures across the segment. While geopolitical developments, such as Reliance Industries' temporary halt to Russian oil imports, have attracted attention, spot-market sourcing and diversified procurement have contained any near-term impact on domestic prices.

As mentioned in our last report, India's Wholesale Price Index (WPI) for food moderated sharply to 0.13% in September, down from 0.52% in August (four month high), reflecting improved upstream supply conditions. Lower input and logistics costs have translated into softer effective prices, signalling a positive outlook for stability in household food expenditures.



Volatility trend across 21 cities from 16-Jun-25 to 16-Oct-25

Signals From The Ground

India's food-supply fundamentals remain robust, underpinned by healthy Kharif output, improving sowing conditions, and ample water availability. Despite localized disruptions from excessive rainfall in some eastern regions, national-level indicators suggest supply-side conditions are well-positioned to support urban food-price stability through late October.

- **Kharif Sowing and Crop Prospects:** Cumulative Kharif acreage has expanded modestly compared to last year, with total sown area now exceeding 112 million hectares. Major crops—including wheat, paddy, maize, sugarcane, and pulses—have all recorded growth, while urad (black gram) cultivation has edged higher. Sowing of key vegetables is progressing smoothly, with onion, potato, and tomato acreage all showing healthy expansion, reflecting well-aligned sowing targets and favourable soil moisture conditions.

- **Market Arrivals:** Agmarknet data point to healthy inflows of rice, pulses, and oilseeds into wholesale markets, reinforcing the cushion available for urban retail prices and contributing to broader food-price stability.

- **Buffer Stock Management:** Latest data from the Central Food Grains Storage Portal indicate that national grain inventories remain comfortably above buffer norms, with a stock position of ·9.65 million tonnes across 15,100 depots nationwide. Coverage now spans all 19 DCP states and 452 districts, reflecting near-complete reporting and distribution readiness. With total storage capacity exceeding 8.3 crore tonnes, the system is well equipped to manage supply flows efficiently.

- **Water Reserves:** Live storage across India's 161 major reservoirs stands at over 180 billion cubic metres, well above the normal storage of 140 BCM for this period. This represents near-full capacity and ensures ample irrigation support for ongoing and upcoming Rabi sowing, providing a strong agronomic backdrop for sustained crop production.

- **Rainfall and Irrigation Conditions:** Cumulative monsoon rainfall has reached near-normal levels, with central and southern India recording surpluses that have helped sustain groundwater recharge and reservoir levels. Continued rainfall in eastern and northeastern states may temporarily affect late harvesting and transport, but overall abundant rainfall and robust reservoir levels ensure a secure supply environment.

Forward Outlook

Urban households are likely to see a broadly stable food-price environment in the coming weeks, supported by strong domestic supply fundamentals. Cumulative Kharif sowing has exceeded seasonal norms, reservoir levels remain near full capacity and buffer stocks are well above target, providing near-full irrigation support for the upcoming Rabi season. These factors underpin supply security and suggest that moderation in vegetables, pulses, and dairy prices is likely to persist.

The rupee, trading at ₹87.82/USD, has received support from active interventions by the Reserve Bank of India, including $7.7 billion in net currency sales to counter depreciation, reflecting a deliberate policy stance to manage currency pressures.Brent crude held steady at $66 per barrel, keeping input costs for edible oils and logistics contained. Meanwhile, bullion demand has cooled after the festival season, easing pressure on gold and silver supplies and reducing the risk of price spillovers into urban markets. Collectively, these developments help limit upstream cost shocks, which in turn stabilise household grocery bills and support the trends captured in the India Urban Food-Basket Index.

Merchandise exports continue moderate growth, while large cross-border financial deals signal robust capital mobility. These developments point to a cautiously constructive environment for investors, where resilient domestic consumption underpins economic stability even as global uncertainties persist.

The coming week is expected to reflect a careful balance between resilient domestic supply and lingering global uncertainties. Households are likely to continue experiencing relief in staple prices, supported by strong distribution networks and adequate inventories. Policymakers will need to maintain seamless logistics and supply continuity to preserve these gains. For investors, steady urban consumption and firm market fundamentals offer a constructive backdrop, even as global headwinds call for measured optimism. How these dynamics evolve will determine whether the present stability can extend into the early Rabi season, underscoring the importance of closely tracking the interplay between supply, demand, and external pressures in the weeks ahead.

Key Implications

This week's data reaffirms a phase of measured stability, reinforcing the case for policy continuity. The basket's marginal rise to ₹984, alongside steady gains in affordability, suggests that household-level inflationary pressure remains contained. With domestic supply conditions still favourable—supported by ample stocks, strong Kharif output, and easing wholesale inputs—the broader disinflationary trend appears intact, allowing the policy stance to remain steady in the near term.

Even so, the external backdrop tempers the scope for early easing. Persistent rupee softness and uncertainty across global energy and freight markets continue to present latent risks, warranting caution against front-loaded adjustments. The Reserve Bank is therefore likely to maintain its current pause, balancing the comfort from domestic moderation with vigilance on imported cost pressures.

On balance, the policy environment leans neutral with a mild accommodative bias. Should this equilibrium hold through the Rabi transition and external price pressures remain subdued, scope for a calibrated rate reduction could emerge in the first half of the following calendar year. Until then, stability—both in rates and inflation—remains the operative stance.

Methodology and Scope

Each week, we record the retail prices of ten everyday food items – from two kilos of onions to a dozen eggs, across 21 major Indian cities. By fixing these quantities and sourcing prices from the Blinkit app, we obtain a consistent benchmark of what urban families pay at checkout. Since food items comprise roughly 45% of India's CPI basket, even small swings in prices for these staples can reverberate through inflation metrics and influence the RBI's policy decisions.

By publishing this index weekly, we capture price inflections driven by factors like monsoon disruptions, supply bottlenecks, or currency swings well before they appear in official monthly CPI data. This week's update integrates the Aug 23 price point into our July series, producing precise week-over-week variances for more reliable trend analysis. We also monitor exchange rates and global oil prices—key non-food factors accounting for the remaining 55% of the CPI, ensuring our inflation assessment is exhaustive.

Appendix

This Urban Food-Basket Index tracks weekly changes in the prices of 10 common food items to provide early signals on inflation. The basket was formulated using standard quantities that an average household might purchase. Prices are collected from 21 cities nationwide via the Blinkit grocery app, using consistent product SKUs for each item.

A simple average across these cities is then calculated to yield the national basket cost. Week-on-week movements in the index (starting with a base measurement on June 16, 2025) are analyzed to identify emerging price trends and potential inflation risks.

Cities	Tomato (1Kg)		
	Price	Qty	Std. Price
Delhi	28	500	56
Lucknow	35	500	70
Jaipur	34	500	68
Kanpur	34	500	68
Varanasi	32	500	64
Bangalore	22	500	44
Chennai	31	500	62
Hyderabad	21	500	42
Kochi	25	500	50
Kolkata	36	500	72
Patna	40	500	80
Bhubaneshwar	23	500	46
Ranchi	26	500	52
Mumbai	23	500	46
Ahmedabad	25	500	50
Surat	25	500	50
Pune	22	500	44
Vadodara	24	500	48
Indore	28	500	56
Raipur	32	500	64
Jabalpur	32	500	64

Cities	Onion (2Kg)		
	Price	Qty	Std. Price
Delhi	34	1000	68
Lucknow	30	1000	60
Jaipur	30	1000	60
Kanpur	28	1000	56
Varanasi	31	1000	62
Bangalore	28	1000	56
Chennai	30	1000	60
Hyderabad	30	1000	60
Kochi	33	1000	66
Kolkata	33	1000	66
Patna	33	1000	66
Bhubaneshwar	28	1000	56
Ranchi	30	1000	60
Mumbai	23	1000	46
Ahmedabad	26	1000	52
Surat	22	1000	44
Pune	23	1000	46
Vadodara	27	1000	54
Indore	20	1000	40
Raipur	28	1000	56
Jabalpur	27	1000	54

Cities	Potato (1kg)		
	Price	Qty	Std. Price
Delhi	33	1000	33
Lucknow	29	1000	29
Jaipur	30	1000	30
Kanpur	28	1000	28
Varanasi	30	1000	30
Bangalore	38	1000	38
Chennai	43	1000	43
Hyderabad	44	1000	44
Kochi	46	1000	46
Kolkata	69	1000	69
Patna	31	1000	31
Bhubaneshwar	23	1000	23
Ranchi	29	1000	29
Mumbai	36	1000	36
Ahmedabad	46	1000	46
Surat	38	1000	38
Pune	39	1000	39
Vadodara	45	1000	45
Indore	27	1000	27
Raipur	32	1000	32
Jabalpur	31	1000	31

Cities	Garlic (200gm.)		
	Price	Qty	Std. Price
Delhi	31	200	31
Lucknow	35	200	35
Jaipur	29	200	29
Kanpur	30	200	30
Varanasi	29	200	29
Bangalore	19	100	38
Chennai	33	200	33
Hyderabad	38	200	38
Kochi	24	100	48
Kolkata	29	200	29
Patna	45	200	45
Bhubaneshwar	33	200	33
Ranchi	29	200	29
Mumbai	38	200	38
Ahmedabad	34	200	34
Surat	49	200	49
Pune	38	200	38
Vadodara	31	200	31
Indore	25	200	25
Raipur	23	100	46
Jabalpur	17	100	34

Cities	Ginger (200gm.)		
	Price	Qty	Std. Price
Delhi	37	200	37
Lucknow	35	200	35
Jaipur	28	200	28
Kanpur	30	200	30
Varanasi	30	200	30
Bangalore	32	200	32
Chennai	26	200	26
Hyderabad	29	200	29
Kochi	28	200	28
Kolkata	40	200	40
Patna	35	200	35
Bhubaneshwar	31	200	31
Ranchi	27	200	27
Mumbai	23	200	23
Ahmedabad	32	200	32
Surat	31	200	31
Pune	24	200	24
Vadodara	31	200	31
Indore	29	200	29
Raipur	33	200	33
Jabalpur	28	200	28

Cities	Chicken (1kg)		
	Price	Qty	Std. Price
Delhi	179	450	398
Lucknow	184	450	409
Jaipur	195	500	390
Kanpur	184	500	368
Varanasi	181	500	362
Bangalore	165	450	367
Chennai	140	450	311
Hyderabad	140	450	311
Kochi	152	450	338
Kolkata	165	450	367
Patna	189	500	378
Bhubaneshwar	195	500	390
Ranchi	185	500	370
Mumbai	175	500	350
Ahmedabad	165	500	330
Surat	169	450	376
Pune	144	450	320
Vadodara	141	450	313
Indore	159	450	353
Raipur	207	500	414
Jabalpur	189	500	378

Cities	Eggs (15 Qty.)		
	Price	Qty	Std. Price
Delhi	92	10	138
Lucknow	87	10	131
Jaipur	132	10	198
Kanpur	96	10	144
Varanasi	132	10	198
Bangalore	92	10	138
Chennai	104	12	156
Hyderabad	119	10	179
Kochi	122	15	183
Kolkata	109	12	164
Patna	106	12	159
Bhubaneshwar	125	10	188
Ranchi	108	12	162
Mumbai	95	10	143
Ahmedabad	108	12	162
Surat	86	10	129
Pune	107	12	161
Vadodara	110	12	165
Indore	99	10	149
Raipur	91	10	137
Jabalpur	133	12	200

Cities	Milk (2 Ltrs)		
	Price	Qty	Std. Price
Delhi	30	500	120
Lucknow	29	500	116
Jaipur	27	500	108
Kanpur	29	500	116
Varanasi	29	500	116
Bangalore	27	500	108
Chennai	22	500	88
Hyderabad	29	500	116
Kochi	27	450	120
Kolkata	30	500	120
Patna	29	450	129
Bhubaneshwar	30	500	120
Ranchi	30	500	120
Mumbai	29	500	116
Ahmedabad	29	500	116
Surat	28	500	112
Pune	29	500	116
Vadodara	29	500	116
Indore	28	500	112
Raipur	28	500	112
Jabalpur	28	500	112

Cities	Chana Dal (500gm)		
	Price	Qty	Std. Price
Delhi	57	500	57
Lucknow	58	500	58
Jaipur	59	500	59
Kanpur	71	500	71
Varanasi	71	500	71
Bangalore	58	500	58
Chennai	58	500	58
Hyderabad	57	500	57
Kochi	62	500	62
Kolkata	58	500	58
Patna	71	500	71
Bhubaneshwar	71	500	71
Ranchi	71	500	71
Mumbai	59	500	59
Ahmedabad	58	500	58
Surat	65	500	65
Pune	58	500	58
Vadodara	69	500	69
Indore	75	500	75
Raipur	68	500	68
Jabalpur	70	500	70

Cities	Masoor Dal (500gm)		
	Price	Qty	Std. Price
Delhi	59	500	59
Lucknow	60	500	60
Jaipur	58	500	58
Kanpur	73	500	73
Varanasi	73	500	73
Bangalore	66	500	66
Chennai	63	500	63
Hyderabad	63	500	63
Kochi	65	500	65
Kolkata	73	500	73
Patna	75	500	75
Bhubaneshwar	71	500	71
Ranchi	71	500	71
Mumbai	60	500	60
Ahmedabad	61	500	61
Surat	74	500	74
Pune	59	500	59
Vadodara	75	500	75
Indore	72	500	72
Raipur	73	500	73
Jabalpur	73	500	73

Source:Blinkit

National Average	
16-Jun-25	₹ 998
23-Jun-25	₹ 981
27-Jun-25	₹ 967
05-Jul-25	₹ 993
12-Jul-25	₹ 1,007
19-Jul-25	₹ 986
26-Jul-25	₹ 998
02-Aug-25	₹ 1,011
09-Aug-25	₹ 1,007
16-Aug-25	₹ 996
23-Aug-25	₹ 999
29-Aug-25	₹ 1,008
05-Sep-25	₹ 978
11-Sep-25	₹ 1,004
19-Sep-25	₹ 1,007
26-Sep-25	₹ 1,006
02-Oct-25	₹ 1,003
09-Oct-25	₹ 1,005
16-Oct-25	₹ 979
24-Oct-25	₹ 984

Volatility	
16-Jun-25	52.39
23-Jun-25	51.24
27-Jun-25	51.38
05-Jul-25	67.93
12-Jul-25	52.04
19-Jul-25	51.26
26-Jul-25	58.73
02-Aug-25	56.11
09-Aug-25	48.30
16-Aug-25	49.28
23-Aug-25	42.83
29-Aug-25	55.42
04-Sep-25	46.93
11-Sep-25	47.16
19-Sep-25	49.62
26-Sep-25	48.00
02-Oct-25	27.69
09-Oct-25	39.39
16-Oct-25	48.65
24-Oct-25	51.63

Affordability %	
16-Jun-25	1.50%
23-Jun-25	1.47%
27-Jun-25	1.45%
05-Jul-25	1.49%
12-Jul-25	1.51%
19-Jul-25	1.48%
26-Jul-25	1.50%
02-Aug-25	1.52%
09-Aug-25	1.51%
16-Aug-25	1.50%
23-Aug-25	1.50%
29-Aug-25	1.51%
05-Sep-25	1.46%
11-Sep-25	1.51%
19-Sep-25	1.51%
26-Sep-25	1.51%
02-Oct-25	1.51%
09-Oct-25	1.51%
16-Oct-25	1.47%
24-Oct-25	1.48%

Average Price of Items

Food Item	16-Jun-25	23-Jun-25	27-Jun-25	05-Jul-25	12-Jul-25	19-Jul-25	26-Jul-25	02-Aug-25
Tomato (1kg)	₹ 58	₹ 56	₹ 58	₹ 62	₹ 66	₹ 61	₹ 75	₹ 87
Onion (2kg)	₹ 61	₹ 61	₹ 61	₹ 63	₹ 65	₹ 66	₹ 64	₹ 62
Potato (1kg)	₹ 33	₹ 32	₹ 32	₹ 33	₹ 34	₹ 34	₹ 33	₹ 33
Ginger (200gm.)	₹ 22	₹ 20	₹ 20	₹ 21	₹ 21	₹ 21	₹ 22	₹ 24
Garlic (200gm.)	₹ 39	₹ 39	₹ 39	₹ 39	₹ 39	₹ 38	₹ 39	₹ 38
Chicken (1kg)	₹ 365	₹ 360	₹ 352	₹ 360	₹ 373	₹ 362	₹ 365	₹ 366
Eggs (15Qty.)	₹ 160	₹ 159	₹ 152	₹ 154	₹ 156	₹ 152	₹ 148	₹ 147
Milk (2ltr.)	₹ 122	₹ 115	₹ 115	₹ 123	₹ 115	₹ 113	₹ 113	₹ 114
Chana Dal (500gm.)	₹ 65	₹ 65	₹ 65	₹ 66	₹ 67	₹ 65	₹ 65	₹ 66
Masoor Dal (500gm.)	₹ 73	₹ 74	₹ 73	₹ 72	₹ 73	₹ 74	₹ 74	₹ 73

Average Price of Items

Food Item	09-Aug-25	16-Aug-25	23-Aug-25	29-Aug-25	05-Sep-25	11-Sep-25	19-Sep-25	26-Sep-25
Tomato (1kg)	₹ 83	₹ 85	₹ 86	₹ 74	₹ 63	₹ 54	₹ 50	₹ 54
Onion (2kg)	₹ 61	₹ 62	₹ 65	₹ 67	₹ 63	₹ 62	₹ 60	₹ 62
Potato (1kg)	₹ 33	₹ 33	₹ 34	₹ 33	₹ 34	₹ 34	₹ 34	₹ 34
Ginger (200gm.)	₹ 26	₹ 28	₹ 30	₹ 31	₹ 30	₹ 30	₹ 30	₹ 30
Garlic (200gm.)	₹ 39	₹ 40	₹ 38	₹ 38	₹ 38	₹ 38	₹ 35	₹ 38
Chicken (1kg)	₹ 368	₹ 352	₹ 350	₹ 367	₹ 352	₹ 376	₹ 355	₹ 376
Eggs (15Qty.)	₹ 146	₹ 146	₹ 146	₹ 148	₹ 148	₹ 153	₹ 144	₹ 153
Milk (2ltr.)	₹ 114	₹ 112	₹ 112	₹ 112	₹ 113	₹ 116	₹ 115	₹ 115
Chana Dal (500gm.)	₹ 63	₹ 65	₹ 65	₹ 66	₹ 64	₹ 67	₹ 68	₹ 67
Masoor Dal (500gm.)	₹ 73	₹ 73	₹ 73	₹ 74	₹ 73	₹ 73	₹ 73	₹ 73

Average Price of Items

Food Item	02-Oct-25	09-Oct-25	16-Oct-25	24-Oct-25				
Tomato (1kg)	₹ 54	₹ 57	₹ 52	₹ 57				
Onion (2kg)	₹ 62	₹ 62	₹ 57	₹ 57				
Potato (1kg)	₹ 34	₹ 35	₹ 34	₹ 37				
Ginger (200gm.)	₹ 28	₹ 31	₹ 30	₹ 30				
Garlic (200gm.)	₹ 38	₹ 40	₹ 35	₹ 35				
Chicken (1kg)	₹ 379	₹ 377	₹ 367	₹ 362				
Eggs (15Qty.)	₹ 153	₹ 122	₹ 157	₹ 161				
Milk (2ltr.)	₹ 114	₹ 115	₹ 115	₹ 115				
Chana Dal (500gm.)	₹ 62	₹ 68	₹ 65	₹ 64				
Masoor Dal (500gm.)	₹ 71	₹ 72	₹ 68	₹ 67				