

BRICS SUMMIT 2026

Consensus without convergence: implications for India's economy, sectors and credit ratings

BRICS



September 2026

Contents

01	Key takeaways The five calls and where the summit bites	2
02	The summit in context A large bloc, thinly integrated; India's import relationship	4
03	Discussions, decisions and action items The main outcome, decision tracker and milestones	6
04	Macroeconomic implications for India Transmission channels, oil and scenarios	8
05	Sectoral implications Sector heatmap, pressure points and opportunities	10
06	The credit rating lens Rating sensitivities and the BWR credit watchlist	11
07	The BWR view: beyond the headlines Five readings, action points and chairship scorecard	12
08	Disclaimer	14

Key takeaways

A divided bloc still agreed on a single text.

The 18th BRICS Summit met in New Delhi on 12-13 September 2026. Its main outcome was agreement itself: all eleven members signed a single declaration, four months after their foreign ministers had failed to agree even a joint statement because of the war in West Asia. The price of that agreement was general wording. The text calls for restraint and criticises unilateral tariffs, but it names no country.

The summit is a signal; oil and the rupee move credit today.

The declaration is a political document, not a treaty, so it changes nothing by itself. For lenders and investors, what matters is what was already under way in summit week: crude above USD 100 a barrel, the rupee near 96 to the dollar, wholesale inflation near 10% and a larger trade deficit with the bloc. The summit shapes the medium term; these forces shape credit now. Table 1 sets out our five main calls.¹

Table 1:

Five calls from the New Delhi summit

1	Signal, not shock. No rating actions follow from the declaration. Credit transmission runs through oil, the rupee and trade flows.
2	Oil, which the summit could not address, is the main near-term risk. Driven by the West Asia conflict, not by summit decisions, Brent futures near USD 108 puts energy-intensive and import-heavy sectors under margin and working-capital pressure through H2 FY27.
3	De-dollarisation is a plumbing project, not a currency project. Leaders backed payment interoperability and local-currency settlement, not a common currency. India's lopsided trade limits rupee invoicing.
4	The sleeper paragraph for credit markets is about MSMEs. New principles on data-led credit assessment for export-oriented MSMEs, and a study of BRICS invoice discounting, point to changes lenders and rating agencies should prepare for.
5	Blended finance is where BRICS could move ratings. Guarantee pilots, NDB local-currency lending and PPP de-risking could lower project funding costs, once they reach priced transactions.

Source: BWR Research

Geopolitics drives near-term pain; summit initiatives shape medium-term gains.

Near-term pressure on energy users and exporters comes from the conflict and from tariffs, not from summit decisions. The summit's own initiatives, in clean energy, infrastructure, medicines and finance, work on a horizon of one to three years and depend on delivery (Table 2; the full heatmap is in "Sectoral implications").

Table 2:

Near-term pressure from the geopolitical backdrop; medium-term openings from summit initiatives

PRESSURE FROM THE MARKET BACKDROP (0-6 MONTHS)	OPPORTUNITY FROM SUMMIT INITIATIVES (1-3 YEARS)
▼ Oil marketing companies and airlines: West Asia conflict keeps crude above USD 100; limited retail pass-through	▲ Renewables, grids and storage: smart grid and storage principles; solar PV roadmap
▼ Chemicals and fertilisers: imported feedstock and gas costs, wide WPI-CPI gap	▲ Infrastructure and PPPs: guarantee pilots, PPP de-risking report, NDB lending
▼ Shipping and logistics: war-risk premiums and Gulf route disruption from the conflict	▲ Pharmaceuticals: proposed extension of regulatory cooperation to all members
▼ Textile and engineering exporters: unilateral tariffs; summit criticism brings no market access	▲ Banks, NBFCs and insurers: MSME credit principles; Risk Lab at GIFT City

Note: the left column reflects conflict- and tariff-driven market conditions in summit week, not summit decisions; the right column reflects specific summit outcomes, whose benefits depend on delivery. Source: BWR Research

¹ "BRICS Summit 2026: The Legal Status of the New Delhi Declaration", *Diplomacy and Law*, September 2026.

The summit at a glance.

Box 1 records the basic facts of the summit and the market conditions around it.²

Box 1:

The 18th BRICS Summit at a glance

DATES AND VENUE	12-13 September 2026, Bharat Mandapam, New Delhi
CHAIR	India, its fourth BRICS chairship; hosted by Prime Minister Narendra Modi
THEME	Building for Resilience, Innovation, Cooperation and Sustainability
PARTICIPANTS	Eleven members as counted by India's chairship (Saudi Arabia sent its foreign minister), partner countries and outreach invitees; leaders included Xi Jinping, Vladimir Putin and Masoud Pezeshkian
OUTCOME DOCUMENT	New Delhi Declaration, adopted by consensus on 12 September 2026
YEAR OF WORK	More than 400 meetings and engagements across 30 Indian cities
MARKET BACKDROP	Brent futures near USD 108 a barrel (physical Brent USD 130.80); rupee at 95.73 per US dollar (FBIL, 11 September); August CPI inflation 4.82%

Source: Prime Minister's Office; Al Jazeera; Trading Economics; US EIA; FBIL; MoSPI

² Prime Minister's Office, *BRICS New Delhi Declaration: Building for Resilience, Innovation, Cooperation and Sustainability*, Government of India, New Delhi, 12 September 2026, paras 1-6; Al Jazeera Staff, "BRICS meets in India: What's on the agenda, why it matters", *Al Jazeera*, 12 September 2026; Al Jazeera Staff, "What are the key takeaways?", op. cit.

The summit in context

BRICS turned 20 with rival interests inside the bloc.

A larger and less cohesive bloc at twenty

India chaired BRICS for the fourth time, under the theme “Building for Resilience, Innovation, Cooperation and Sustainability”, and held more than 400 meetings in 30 cities during the year. Twenty years on, the bloc is larger and more divided: it now includes countries on opposite sides of active conflicts, such as Iran and the UAE. The setting was difficult, with war in West Asia, US tariffs on several members, and Xi Jinping in India for the first time in seven years as relations slowly thaw. Prime Minister Modi urged the Global South to become a “rule-shaper” rather than a rule-taker.³

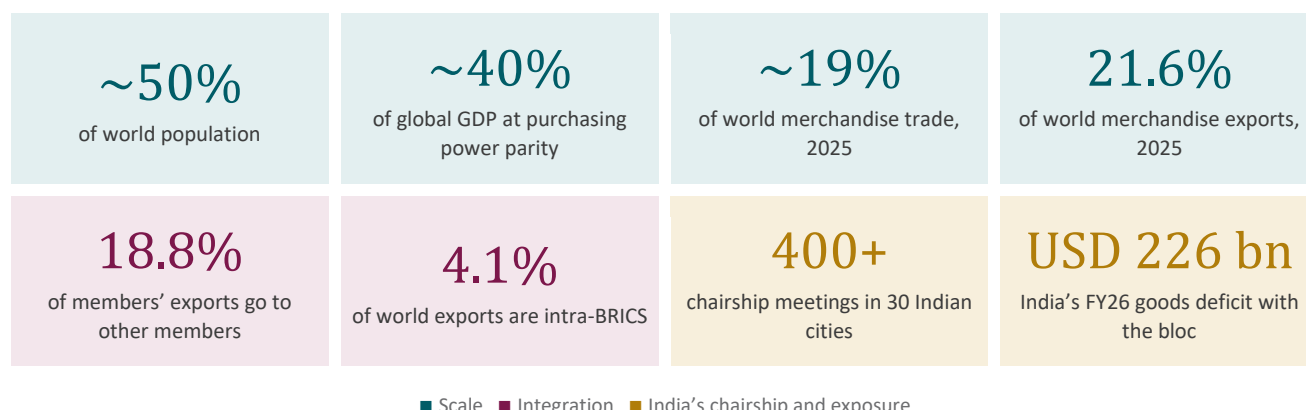
The bloc is vast, yet members trade relatively little with each other.

Big in scale, thin in integration

Members are home to about half the world’s people and produce some 40% of global output at purchasing power parity, but they account for only about a fifth of world merchandise trade. They also trade surprisingly little with each other: in 2025 they sent 18.8% of their exports to other members, equal to just 4.1% of world exports, while buying 29.5% of their imports from each other, mostly from China. Scale without integration is the best guide to what summit decisions can realistically deliver.

Infographic 1:

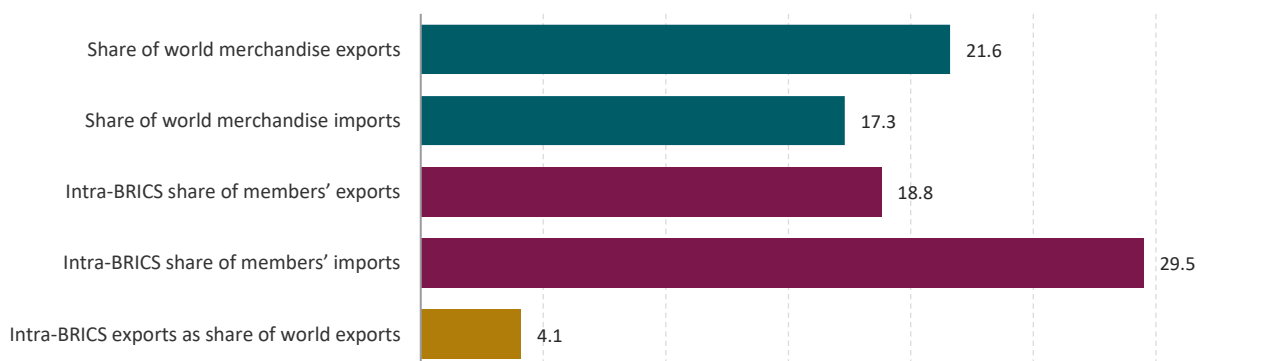
BRICS at twenty: scale versus integration



Source: IMF World Economic Outlook, as reported by the BRICS Brasil 2025 presidency; Business Today; Global Trade Research Initiative; Prime Minister's Office; BWR Research

Figure 1:

BRICS in world trade versus trade within the bloc, 2025 (%)



Source: Global Trade Research Initiative analysis as reported by The Wire; BWR Research

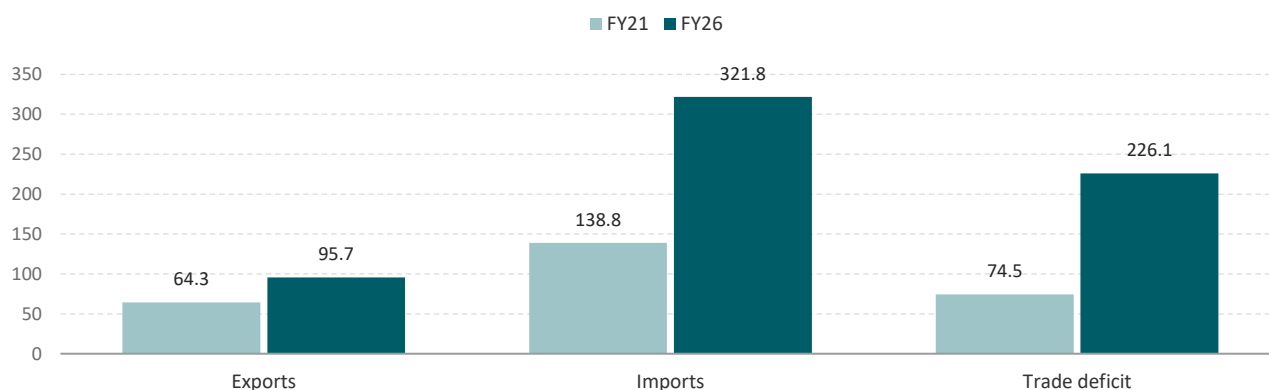
³ Prime Minister's Office, op. cit., paras 1, 5-6; Al Jazeera Staff, “BRICS meets in India”, op. cit.; Al Jazeera Staff, “What are the key takeaways?”, op. cit.; Reuters, “China's Xi lands in Delhi for BRICS summit and talks with Modi”, ARY News, 12 September 2026.

India's stake: mainly an import relationship

India's BRICS trade doubled in five years; imports grew far faster.

India's goods trade with the other ten members doubled from USD 203.1 billion in FY21 to USD 417.5 billion in FY26. Exports rose 48.8% to USD 95.7 billion, but imports rose 131.8% to USD 321.8 billion. The deficit therefore tripled to USD 226.1 billion, about 68% of India's total merchandise trade deficit (Figure 2).

Figure 2:
India's merchandise trade with other BRICS members (USD billion)

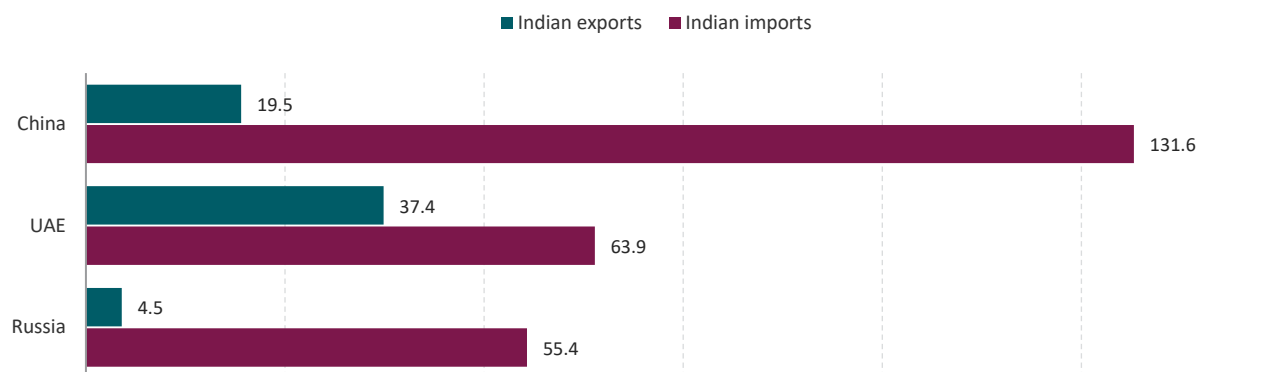


Source: Ministry of Commerce, Government of India; BWR Research

China, Russia and the UAE drive the deficit; oil shocks hit fast.

China sold India USD 131.6 billion of goods in FY26, against USD 19.5 billion of Indian exports. Imports from Russia, mainly crude oil, rose more than tenfold to USD 55.4 billion. Even the UAE, India's largest export market in the bloc at USD 37.4 billion, sold India USD 63.9 billion (Figure 3). In FY26 the bloc supplied 41.5% of India's merchandise imports but took only 21.7% of its exports. India buys far more from BRICS than it sells, so when the price of what it buys rises, above all oil, the effect reaches the current account, the rupee and company margins quickly.

Figure 3:
India's exports and imports with its three largest BRICS partners, FY26 (USD billion)



Source: Ministry of Commerce, Government of India; BWR Research

Discussions, decisions and action items

The main outcome

The summit's main achievement was consensus itself.

The single most important outcome was that a divided bloc agreed on one text at all. The New Delhi Declaration runs to 140 paragraphs and was adopted unanimously on 12 September, with members on opposite sides of the war in West Asia signing the same document. For India as chair, holding the group together was the achievement. For the bloc, it showed that BRICS can still function when its members disagree.

Substance came as frameworks and studies, not binding commitments.

On substance, the summit produced frameworks rather than obligations. Of the seventeen economic outcomes we track, about half carry something concrete: adopted principles on credit assessment for small exporters and on smart grids and storage, a report on de-risking public-private partnerships, a new agri-inputs network, a logistics framework and a customs agreement ready for signature. None of them binds any member. The items that could move money, namely guarantees, payment links and cross-border invoice financing, remain pilots or studies. In short, BRICS chose plumbing over headlines: useful, slow and dependent on follow-through.

What leaders discussed

Five economic themes matter most for credit.

Of the declaration's many themes, five matter for credit: reform of the IMF, the World Bank and the WTO; the response to unilateral tariffs and sanctions; payments and development finance; energy and critical minerals; and technology, including artificial intelligence and digital public infrastructure.⁴

Restraint on conflicts; firm but unnamed criticism on trade.

On conflicts, leaders urged maximum restraint in West Asia, asked for energy to keep flowing and condemned the April 2025 terrorist attack in Jammu and Kashmir. Unlike the Rio statement of 2025, they named no party to the Iran conflict. On trade, they criticised unilateral tariffs and sanctions, opposed carbon border taxes and called for the WTO's dispute settlement system to be restored. On finance, no one proposed a common currency; existing task forces will carry on with payments, guarantees, insurance and the bloc's emergency reserve arrangement.⁵

Decision tracker

Item by item: what was delivered, and what is still intent.

Table 3 sorts the economic outcomes by status and by relevance for credit. It shows, item by item, where the summit produced a deliverable and where it produced intent.

Table 3:
Decision tracker: what leaders agreed and what it means for credit

Theme	What leaders agreed	Status	Next step	Credit relevance
IMF and World Bank	Agreed IMF quota increase to take effect promptly; realignment towards EMDEs under the 17th Review	Advocacy	IMF 17th Review	Medium
Trade rules	Concern at unilateral tariffs; restore WTO dispute settlement; oppose carbon border adjustment	Position	WTO follow-up	High
Energy security	Keep energy flowing; protect energy infrastructure; Smart Grids and Energy Storage principles	Adopted	Digital CoE for smart grids	High
Critical minerals	Resilient, diversified supply chains preserving sovereign rights	Position	Sectoral cooperation	Medium
Solar PV industry	Terms of reference and action plan for the PV Industry Working Group	Adopted	Solar PV roadmap	Medium
Cross-border payments	Task Force to continue on interoperability and local-currency settlement; no common currency	Study	Payment solutions	Medium
MSME finance	Credit Assessment Principles for export MSMEs; Jaipur Consensus to study invoice discounting	Adopted / Study	Mechanism design	High

⁴ Prime Minister's Office, op. cit.

⁵ Prime Minister's Office, op. cit., paras 20-22, 28-29, 40, 90-102, 108; Al Jazeera Staff, "What are the key takeaways?", op. cit.

Theme	What leaders agreed	Status	Next step	Credit relevance
Guarantees	BRICS Multilateral Guarantees to mobilise private capital and cut financing costs	Pilot	Pilot transactions	High
PPPs and infrastructure	Technical Report on PPP models and de-risking mechanisms	Adopted	National PPP agencies	Medium
New Development Bank	More local-currency financing; wider membership; Knowledge Portal launched	Adopted	Membership applications	Medium
Financial safety net	CRA treaty amendments for flexibility; onboarding new members	Study	Ninth CRA test run	Medium
Insurance	Insurance Resilience Centre concept; India's Risk Lab proposal at GIFT City	Study	Member discussions	Medium
Food and agri-inputs	AGRIN network agreed; Grain Exchange modalities to be discussed	Adopted / Study	Grain Exchange	Medium
Health and pharma	Extension of medical products regulatory MoU to all members encouraged; GxP White Paper	Adopted / Study	MoU extension	Medium
Customs and logistics	Customs mutual assistance agreement; Logistics Supply-Chain Framework	Adopted	National signing	Medium
AI and digital	Implement AI governance statement; proposed DPI repository	Position	Implementation	Low
Climate finance	Report on bankable climate finance; Carbon Markets Partnership MoU	Adopted	MoU implementation	Medium

Status: Adopted = principles, reports, networks or frameworks agreed; Study/Pilot = continuing work; Position/Advocacy = stance without a mechanism. Source: New Delhi Declaration; BWR Research assessment of credit relevance

Action items and milestones

Milestones over the next 12 months will test delivery.

Few of the summit's plans come with firm dates, but some upcoming events will show whether the promises translate into action. The first to watch is the RBI's policy meeting on 5-7 October, the first since inflation rose in August. After that come the first BRICS guarantee deals, a test run of the bloc's emergency fund, a meeting on finance for small businesses and a study of cross-border invoice financing. Longer-term plans run to 2030, and changes to voting power at the IMF will take longer still.

Table 4:
Action items and milestones to watch

When	Milestone	Why it matters for credit
5-7 October 2026	RBI Monetary Policy Committee meeting	First review after August CPI of 4.82% and WPI of 9.92%
October 2026	Ten years of the BRICS STI programme, event in Russia	New joint research calls
No date set	Ninth CRA test run; seventh BRICS Economic Bulletin	Readiness of the bloc's liquidity backstop
8-10 December 2026	UN Water Conference, Abu Dhabi	Water-stress financing for agriculture and utilities
Ongoing	BRICS Multilateral Guarantees pilot transactions	First test of guarantee pricing and credit enhancement
To be convened	Second BRICS SME Forum; invoice discounting study	Cross-border working capital for MSME exporters
2026-2030	GVC Action Plan; Strategy for BRICS Economic Partnership 2030	Frame for sector and supply-chain roadmaps
Next IMF cycle	17th General Review of Quotas	Emerging-market voice and access to IMF resources

Source: New Delhi Declaration; Reserve Bank of India; BWR Research

Macroeconomic implications for India

Growth is strong; inflation, oil and the rupee are the constraints.

The backdrop the summit met

Summit initiatives will reach the economy slowly. The conditions the summit met are already shaping it. Real GDP grew 7.8% in Q1 FY27, above the RBI's 7.0% estimate for the quarter. But CPI inflation rose to 4.82% in August from 4.45% in July, and wholesale inflation reached 9.92%. The RBI held the repo rate at 5.25% in August, projecting FY27 growth of 6.7% and inflation of 5.0%.⁶

Geopolitics drives the fast channels; summit initiatives drive the slow ones.

Four transmission channels

Four channels carry these forces into the economy: energy prices, trade and tariffs, payments and the rupee, and the cost of development finance. The first two are driven mainly by geopolitics, on which the summit could only comment. The last two are driven by summit initiatives. The energy channel is fast and strong; the finance channel is slow and, for now, only potential.

Infographic 2:

From drivers to default risk: the BWR transmission map

DRIVER	MACRO CHANNEL	MOST EXPOSED SECTORS	CREDIT METRICS HIT	SPEED / STRENGTH
West Asia conflict (summit urged restraint)	Crude and gas prices, current account, rupee	Oil marketing, aviation, chemicals, fertilisers, logistics	EBITDA margin, working capital, interest cover	Fast / strong
Unilateral tariffs and carbon border taxes (summit criticised)	Export demand, trade diversion, compliance costs	Textiles, engineering goods, steel, aluminium	Revenue growth, utilisation, receivables	Medium / moderate
Summit: payments and local currencies	Transaction costs, settlement and sanctions risk	Banks, exporters to Russia and Iran, commodity traders	Liquidity, counterparty and compliance risk	Slow / modest
Summit: guarantees, NDB and PPP de-risking	Cost and tenor of project capital	Roads, renewables, urban infrastructure, utilities	DSCR, refinancing risk, credit enhancement	Slow / potentially strong
Summit: MSME credit assessment and invoice discounting	Formal credit access for small exporters	MSME exporters, NBFCs, receivables platforms	Default rates, receivable cycles, pool performance	Slow / moderate

Source: BWR Research

Oil above USD 100 is the main near-term macro risk.

Energy: the channel that matters now

Brent futures rose about 20% in a month, to around USD 109 on 15 September, after attacks shut Saudi Arabia's East-West pipeline, a route that avoids the Strait of Hormuz. Physical Brent was far higher, at USD 130.80 on US EIA data, which shows how tight prompt supply has become. As a rule of thumb, BWR estimates that a sustained USD 10 rise in crude widens India's current account deficit by 0.3-0.4% of GDP and adds 20-30 basis points to inflation over a year. Wholesale inflation is now 5.1 points above retail inflation, a sign that input costs are rising faster than firms can raise their own prices.⁷

⁶ National Statistics Office, *Press Note on Quarterly Estimates of Gross Domestic Product for Q1 of 2026-27*, Ministry of Statistics and Programme Implementation, 31 August 2026; National Statistics Office, CPI release, op. cit.; Office of the Economic Adviser, DPIIT, *Wholesale Price Index for August 2026 (Provisional)*, Ministry of Commerce and Industry, 14 September 2026; Reserve Bank of India, op. cit.

⁷ Trading Economics, "Brent crude oil", ICE futures data accessed 16 September 2026; US Energy Information Administration, *Europe Brent Spot Price FOB*, daily series (FRED code DCOILBRENTU), accessed 22 September 2026; Office of the Economic Adviser, op. cit.

BRICS cannot replace Western demand; local currencies help only at the margin.

Trade, payments and development finance

Other members take only a fifth of India's exports, so criticism of tariffs does not open markets. The realistic gain is on the import side: more diverse sources of minerals, fertilisers and solar equipment. Settling trade in local currencies can trim transaction costs, but partners that sell far more to India than they buy have little use for large rupee balances. Guarantees, local-currency lending by the New Development Bank and work on de-risking public-private partnerships could lower the cost of project finance, once pilot deals are sized and priced.

Our base case keeps growth resilient but lifts inflation above 5%.

BWR scenarios for the second half of FY27

Table 6 sets out three illustrative scenarios, each anchored on the oil price. In the base case growth holds, inflation runs above the RBI's 5.0% projection and policy stays on hold. A prolonged disruption around Hormuz would spread credit stress beyond energy users. The next chapter takes these forces sector by sector.

Table 6:
Illustrative macro scenarios for H2 FY27

	Base case	Downside	Upside
Trigger	Disruption persists; pipelines and shipping partly recover	Hormuz disruption prolonged; further attacks on Gulf energy assets	Durable ceasefire; Saudi export routes restored
Brent (USD/bbl, average)	95-110	120 and above	80-90
INR per USD	94-98	Weaker than 98	92-95
CPI inflation	5.0-5.5%	Above 6%	4.3-4.8%
Real GDP growth, FY27	6.6-7.0%	6.0-6.4%	7.0% and above
Policy response	Repo on hold at 5.25%	Liquidity tightening; hike risk	Room to ease in FY28
Credit implication	Margin pressure in energy users; broad stability	Downgrade risk widens to import-heavy mid-sized issuers	Relief for OMCs, airlines, chemicals
Probability	55%	30%	15%

Source: BWR Research illustrative scenarios

Sectoral implications

Sector heatmap

Geopolitics sets near-term direction; summit initiatives set the medium term.

Near-term direction reflects the conflict-driven costs of oil, freight and currency. Medium-term direction reflects the summit's work on supply chains, standards and finance. Table 7 names the driver for each sector.

Table 7:
BWR sector heatmap: credit direction and its drivers

Sector	Driver (summit outcome where relevant)	0-6 months	1-3 years	What we watch
Oil refining and marketing	West Asia conflict: crude above USD 100	▼ Negative	► Neutral	Retail pass-through; marketing margins
Aviation	Conflict-driven jet fuel costs; summit SAF forum (medium term)	▼ Negative	► Neutral	Jet fuel prices; yields
Chemicals and petrochemicals	Conflict-driven feedstock costs	▼ Negative	► Neutral	Feedstock spreads; inventory losses
Fertilisers and agri-inputs	Gas and import costs; summit AGRIN and Grain Exchange (medium term)	▼ Negative	► Neutral	Gas and import costs; subsidy timing
Shipping and logistics	Gulf war-risk premiums; summit logistics framework (medium term)	▼ Negative	► Neutral	War-risk premiums; Gulf routes
Textiles and engineering exports	Unilateral tariffs; summit GVC Action Plan (medium term)	▼ Negative	► Neutral	Order books; receivable days
Steel and aluminium	EU carbon border adjustment (summit opposed)	► Neutral	► Neutral	EU carbon cost; export mix
Power, renewables and storage	Summit: smart grid and storage principles; solar PV roadmap	► Neutral	▲ Positive	Module sourcing concentration
Infrastructure and PPPs	Summit: guarantee pilots; PPP report; NDB lending	► Neutral	▲ Positive	Pilot size and guarantee terms
Pharmaceuticals	Summit: regulatory MoU extension; GxP White Paper	► Neutral	▲ Positive	Market access approvals
Banks and NBFCs	Summit: MSME credit principles; payments; anti-fraud	► Neutral	▲ Positive	Sanctions compliance; MSME asset quality
Insurance and reinsurance	Summit: Insurance Resilience Centre; GIFT City Risk Lab	► Neutral	▲ Positive	Reinsurance capacity and pricing
Sugar and ethanol	Summit: bioenergy; sustainable aviation fuels	► Neutral	▲ Positive	SAF policy; blending demand
Gems and jewellery	Summit: Kimberley Process chair; diamond platform	► Neutral	► Neutral	Rough diamond flows; demand

Note: 0-6 month direction reflects conflict- and tariff-driven market conditions; 1-3 year direction reflects summit initiatives, subject to delivery. Neither is an overall sector outlook. Source: BWR Research

Pressure points and opportunities

Oil marketers, airlines, chemical makers and exporters face the sharpest pressure.

Oil marketers face the largest exposure if retail fuel prices are held while crude stays above USD 100; airlines, feedstock-dependent chemical makers and Gulf-route shippers follow. Labour-intensive exporters gain little, since BRICS criticism does not change the tariffs they face in Western markets.

Clean energy, pharmaceuticals and ethanol gain from medium-term cooperation.

Smart grid, storage and solar roadmaps favour clean energy developers, although solar supply remains concentrated in one member. Wider regulatory cooperation could ease market access for generic drug makers. Support for bioenergy and sustainable aviation fuel gives India's ethanol sector, where capacity already exceeds blending demand, a possible new outlet, as explored in BWR's ethanol sector report. What all this means for rating analysis follows.⁸

⁸ *Ethanol sector in India*, September 2026, Brickwork Ratings.

The credit rating lens

The declaration binds no one; its credit impact is indirect.

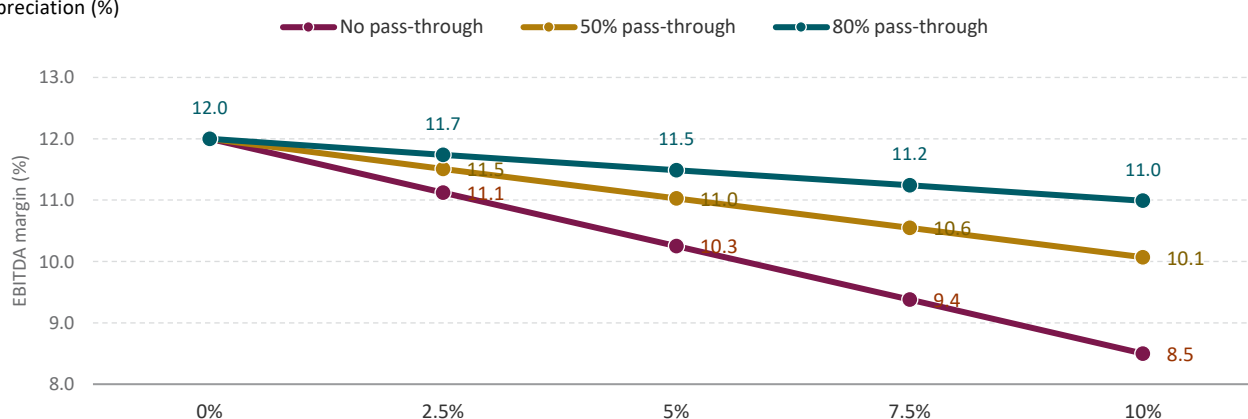
The declaration binds no one, so by itself it changes no company's operating conditions. What it shows is direction: where members will build shared infrastructure, and where divisions block joint action. India's sovereign fundamentals are unchanged. The vulnerability is external: a deficit with BRICS equal to about 68% of India's total, concentrated in energy and Chinese inputs, leaves the external account more exposed to oil than the growth numbers suggest.

Corporate rating sensitivities

Import-heavy firms with unhedged currency exposure are the most exposed.

Figure 4 stresses a hypothetical manufacturer whose imported inputs equal 35% of revenue and whose EBITDA margin is 12%. A 10% fall in the rupee cuts that margin to 8.5% if none of the extra cost is passed on, but only to about 11% if 80% is passed on. In our reviews we therefore give more weight to pricing power, hedging and working-capital buffers.

Figure 4:
Illustrative stress: EBITDA margin of an import-heavy manufacturer under rupee depreciation (%)



Assumptions: imported inputs 35% of revenue, base EBITDA margin 12%, no hedging. Source: BWR Research illustration, not a rating

MSME, invoice and guarantee initiatives could reshape rated structures.

Financial sector and structured finance

BRICS backed judging small exporters on real transaction data, such as GST returns, bank statements and invoice payments, not just audited accounts, so rating methods must be ready to test such scores. A proposed BRICS invoice financing system could create new cross-border pools of export bills, though collecting from foreign buyers and currency swings add risk. Strong multilateral guarantees could lift infrastructure bonds above the rating they would earn on their own. For banks, payments with sanctioned members raise the risk of breaching sanctions.

Seven indicators would prompt closer review of exposed portfolios.

BWR credit watchlist

Table 8 lists the thresholds that would prompt closer review; they trigger analysis, not rating actions.

Table 8:
BWR credit watchlist: indicators and review triggers

Indicator	Latest	Review trigger	Why it matters
Brent crude	Futures ~USD 108/bbl; spot USD 130.80 (15 Sep 2026)	Quarterly average above USD 100	Margins of oil marketers, airlines, chemicals; current account
INR per USD	95.73 (FBIL, 11 Sep 2026)	Sustained move weaker than 98	Unhedged foreign currency borrowers; import costs
CPI inflation	4.82% (Aug 2026)	Above 6% for two months	Policy rate outlook; household demand

Indicator	Latest	Review trigger	Why it matters
WPI minus CPI gap	5.1 pp (Aug 2026)	Above 4 pp for a quarter	Margin squeeze in B2B manufacturing
Repo rate	5.25% (Aug 2026)	Any hike or liquidity tightening	Refinancing costs and interest cover
India-BRICS trade deficit	USD 226.1 bn (FY26)	Further widening in FY27	External vulnerability; import concentration
BRICS guarantee pilots	No priced transaction yet	First priced pilot	Credit enhancement for infrastructure

Source: Trading Economics; US EIA; FBIL; MoSPI; Office of the Economic Adviser (DPIIT); Reserve Bank of India; GTRI; BWR Research

The BWR view: beyond the headlines

Five readings that deserve a second look

What the summit changes, and what it does not.

Chapter 3 described what the summit produced; this chapter asks what it changes. Table 9 tests five common readings of the summit against the trade and market data in this report. Each of them needs qualifying, and together they point the same way: the bloc will influence Indian credit through small, practical changes in finance, not through currencies or geopolitics. It will do so over years rather than quarters, which is why our near-term calls rest on oil, the rupee and domestic policy.

Table 9:
Common readings of the summit and the BWR view

COMMON READING	THE BWR VIEW
1. "BRICS is building an alternative to the dollar."	No common currency is on the table. The work is on payment links and settlement in local currencies, and its reach is limited by trade imbalances.
2. "The declaration is mainly about geopolitics."	For credit markets, the most consequential text concerns MSME credit assessment, guarantees and PPP de-risking.
3. "BRICS is a new export market for India."	The bloc takes about a fifth of India's exports but supplies more than two-fifths of its imports: a sourcing relationship.
4. "Consensus means cohesion."	Consensus came through general wording. The bloc agrees principles but struggles to act when members' interests collide.
5. "Summit outcomes will move ratings."	Not directly. Oil, the rupee and domestic policy move ratings; the summit shapes the medium-term backdrop.

Source: BWR Research

Action points for market participants

First cope with oil and rupee pressure; then prepare for BRICS initiatives.

The first priority is to withstand high oil prices and a weak rupee. Lenders and bond investors should test whether borrowers that rely on imports can cope with Brent at USD 120 and the rupee at 100 to the dollar. Companies should protect themselves against currency swings and buy inputs from more than one country. The next priority is to get ready for the summit's initiatives. Small exporters and NBFCs should keep clear digital records of sales and payments, since lenders will increasingly use these to judge creditworthiness. Infrastructure developers should talk early to the teams running the BRICS guarantee pilots. Policymakers should encourage trade in rupees with partners who both buy from and sell to India.

Table 10:
Action points for market participants

Participant	What to do now
Lenders and bond investors	Stress-test import-heavy borrowers for Brent at USD 120 and the rupee at 100; review hedging covenants and working-capital lines.
Corporates	Tighten hedging, add price-reset clauses and diversify input sourcing away from single-country dependence.
MSME exporters and NBFCs	Build data trails through GST, e-invoicing and TReDS that fit data-led credit assessment and future invoice discounting.
Infrastructure developers	Engage early with the NDB and guarantee pilots; structure projects to carry credit enhancement.
Policymakers	Push rupee invoicing where trade is two-way; advance the invoice discounting study and the GIFT City Risk Lab.

Source: BWR Research

India delivered frameworks and consensus; the deals that would move credit are pending.

Scoring India’s chairship

India's chairship delivered more on frameworks than on flows. It secured a unanimous declaration despite the Iran-UAE divide, along with new principles on MSME credit assessment, smart grids and energy storage, a PPP de-risking report and a Task Force on Growth and Development. The invoice discounting study, guarantee pilots, payment links and the GIFT City Risk Lab are still in progress. What has not yet arrived is what would move credit: priced guarantee transactions, meaningful rupee settlement volumes, better export access and a narrower trade deficit with the bloc.

Table 11:
Scorecard of India’s 2026 BRICS chairship
on economic outcomes

DELIVERED	IN PROGRESS	NOT YET DELIVERED
✓ Unanimous declaration despite the Iran-UAE divide ✓ MSME credit assessment principles ✓ Smart grid and energy storage principles ✓ PPP de-risking report and BRICS-NDB Knowledge Portal ✓ Task Force on Growth and Development	🕒 Invoice discounting mechanism study 🕒 BRICS Risk Lab at GIFT City 🕒 Multilateral guarantee pilots 🕒 Payment interoperability work 🕒 Grain Exchange modalities	✗ Priced guarantee transactions ✗ Material rupee settlement volumes ✗ Wider market access for Indian exports ✗ Collective action on conflicts ✗ A narrower trade deficit with the bloc

Source: New Delhi Declaration; BWR Research assessment

Oil and the rupee drive credit today; summit gains are still ahead.

What would change our view

India got a divided bloc to agree on one text. Three things would change our view: a lasting ceasefire that reopens Gulf oil routes and eases oil prices, a first real BRICS guarantee deal on sound terms, and a steady rise in India's exports to the bloc so that trade in rupees works both ways. Until then, the summit shows where future opportunities lie, while oil prices and the rupee decide Indian credit conditions.

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The editorial deadline for this study was 15th September 2026.

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