RBI MPC Meeting August 2026 Highlights: Repo rate unchanged at 5.25%, GDP growth outlook revised up to 6.7%, says governor Sanjay Malhotra

THE TIMES OF INDIA | Aug 05, 2026, 14:51:01 IST

RBI MPC Meeting August 2026 Live Updates: RBI governor Sanjay Malhotra-led Monetary Policy Committee (MPC) announced its decision to keep repo rate unchanged at 5.25%. RBI's three-day MPC meeting commenced on Monday. Markets and experts widely expected the central bank to leave the benchmark repo rate unchanged. A change in repo rate has a direct impact on the EMIs borrowers pay for their loans.

With global uncertainties persisting and inflationary pressures remaining elevated, most economists expected the six-member rate-setting panel to maintain a cautious stance despite the resilience shown by the Indian economy.

Track TOI's live coverage of the RBI policy decision, governor Sanjay Malhotra's announcements and what they mean for the economy, markets and your EMIs.

12:53 (IST) Aug 05

RBI MPC Meeting Live: 'Cautious but steady hand amid an increasingly unsettled global backdrop'

"Today's MPC outcome reflects a cautious but steady hand amid an increasingly unsettled global backdrop. The MPC's unanimous decision to hold the repo rate at 5.25% and retain the neutral stance was in line with expectations, and a clear signal that policy continuity is the most prudent course until clearer disinflation cues emerge. Importantly, inflation remains well within the RBI's 2 to 6% tolerance band. Headline CPI has edged above the 4% central target, printing 4.4 percent in June and projected at 5% for 2026-27, with the trajectory expected to peak at 5.9% in the third quarter. The RBI has rightly characterised this as a supply-side story led by food and fuel, with core inflation, which excludes food and fuel, staying moderate at a projected 4.3%. On growth, the resilience is notable, with real GDP projected at 6.7% for the year and a strong 7.3% forecasted for the first quarter of 2027-28. The monsoon, oil prices, and trade policy remain the key variables to watch into October," says Rajeev Sharan, Head of Research, Brickwork Ratings.