

RBI MPC Highlights: RBI projects retail inflation for fiscal ending March 2022 at 5.3 %

Updated: Oct 08 2021, 13:09 ist

The RBI left the repo rate unchanged at 4% for the 8th straight time. Economic activity is picking up the RBI Governor said.

Experts expect accommodative stance

Experts are of the view that the central bank will maintain the status quo on policy rates for the eighth time in a row. The policy repo rate or the short-term lending rate is currently at 4 per cent, and the reverse repo rate is 3.35 per cent.

M Govinda Rao, Chief Economic Advisor of Brickwork Ratings, said with the consumer price inflation easing from 5.59 per cent in July to 5.3 per cent in August, improved supply situation on the back of the pandemic-led restrictions being relaxed, and capacity utilisation still in the recovery mode, there is no immediate pressure on the MPC to either alter interest rates or change the accommodative stance.