

RBI MPC Policy: Central bank continues to tilt in favour of growth versus inflation, say experts

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The Reserve Bank of India's (RBI) Monetary Policy Committee decided to keep MPC rates unchanged for the seventh time straight and continued with an accommodative stance, citing the need to support ongoing growth recovery amid continued uncertainty and global financial market volatility. at its bi-monthly policy.

RBI Governor Shaktikanta Das said that the MPC has decided to leave repo rate unchanged continue with the accommodative stance as long as necessary to support growth.

Rating Firms

Dr M Govinda Rao, Chief Economic Advisor, Brickwork Ratings

Inflation outlook of 5.7 percent is certainly a high projection on the back of prevailing uncertainty over crude oil prices and rising cost of import of edible oils which hold key for future price movements. The better monsoon outlook may moderate food inflation though the increase in edible oil prices and transportation cost arising from elevated prices of petroleum products pose risks. Overall, we could expect a better clarity on future guidance on growth and inflation outlook in the October MPC meeting