Macroeconomic Expectations **Survey Report**

December, 2025

NSE Cogencis

Findings of Cogencis Macroeconomic Expectations Survey — December 2025

Key Highlights

- Economists predict 25 bps repo rate cut with a 13:5 majority in favour of the move
- Policy stance to stay Neutral
- Q2FY26 GDP growth expectations rise to 7.30%; full year projections scaled up to 6.95%
- CPI inflation to reverse trajectory; reach 2.22% by March 2026
- Core inflation to hover in the range of 4.00-4.60% through FY26
- 10-year G-sec yield projected in the range of 6.30-6.60% in December 2025
- INR projections tilted towards mild depreciation in December 2025

Repo rate cut of 25 bps in the offing

Economists with a definite majority believe that the RBI's Monetary Policy Committee (MPC) has room to deliver 25 basis point (bps) rate cut in the ensuing monetary policy review scheduled for December 3-5, 2025, as CPI inflation readings continue to be softer-than-expected. Of the 18 economists who participated in NSE Cogencis Macroeconomic Expectations Survey, a majority 13 expect the MPC to reduce the repo rate by 25 basis points to 5.25%, while a minority of 5 favour a pause.

The MPC has held the repo rate at 5.5% maintaining a 'Neutral' policy stance since June 2025. While most of the survey participants believe that the MPC will continue with its current policy stance, two expect it to turn 'Accommodative', thereby signalling beginning of a gradual, data-guided easing phase.

Q2 FY26 growth overshoots projection of 7.3%

India's real GDP growth print for Q2 FY26 came in at 8.20%, surpassing the expectations of the RBI and economists by a considerable margin. The RBI had forecast the growth at 7.00%, while 18 economists who participated in NSE Cogencis Macroeconomic Expectations Survey had projected the growth to range between 6.40% and 7.70%. The median projection was 7.30%. Taking cognisance of the incoming high-frequency data points, economists had revised their projections upwards from the September 2025 median estimate of 6.55%. Yet, the official GDP statistics overshot the revised median projection of 7.3% for Q2 FY26 by nearly a percentage point.

GDP growth for FY26 projected at 6.95%

At the time of participating in the NSE Cogencis survey during November 20-27, 2025, economists believed that India's real GDP growth would range between 6.50% and 7.30% in FY26. The median projection scaled up to 6.95% from 6.55% in the preceding round as the economists factored in the stronger-than-anticipated economic momentum and consistency of domestic drivers amid external headwinds into their forecasts. However, despite these upward revisions, the Q2 growth print has surprised economists on the upside, which may prompt them to reassess their full year growth forecasts for FY26 in near future.

INDICATOR	Q2 FY26			FY26		
	Min	Median	Max	Min	Median	Max
GDP at constant prices (%)	6.40	7.30	7.70	6.50	6.95	7.30
GVA at constant prices (%)	6.30	7.20	7.40	NA	NA	NA

Inflation to reverse trajectory yet remain benign

Consumer price inflation in India dropped to 0.25% in October 2025, the lowest since 2012, driven by a fall in prices of perishables, pulses, cereals, and a broad-based decline in other food and beverages category. Nine economists shared their views on the future course of inflation. One but all believe that the disinflationary trend will likely reverse in November 2025. The inflation projections for the month range between 0.20% and 1.25%, with the median being 0.67% which is considerably higher than the October 2025 inflation print.

Economists expect inflation to gradually rise through in the remaining months of FY26 and touch 2.22% by the end of the fiscal as low base wanes off and food prices start inching up again. The headline inflation projections for March 2026 vary in the range of 1.80-3.56% but remain well below the RBI's medium term inflation target of 4%. Core inflation is projected to be relatively higher, clustered around 4.4%. Nevertheless, the overall outlook for inflation is benign.

On the wholesale front, one but all economist project inflation to remain in the negative territory for the second consecutive month in November 2025. However, the magnitude of year-on-year fall in wholesale price level is expected to alleviate to a median of -0.56%.

INDICATOR	Nov-25			FY26		
	Min	Median	Max	Min	Median	Max
CPI (%)	0.20	0.67	1.25	1.80	2.22	3.56
Core CPI (%)	4.00	4.40	4.80	4.00	4.40	4.60
WPI (%)	-1.00	-0.56	0.48	NA	NA	NA

Market Indicators

10-year G-sec yield rangebound

Yield on the 10-year benchmark G-sec remained broadly steady in November 2025, fluctuating in the range of 6.49-6.56% during the first 25 days of the month. Economists who participated in the NSE Cogencis Macroeconomic Expectations Survey anticipate the yield to remain rangebound in December 2025, varying between 6.30% and 6.60%. This is despite a widespread expectation of a 25 basis points repo rate cut in December 2025.

Economists divided on Rupee outlook

Indian Rupee tested its lowest ever valuation breaching 89/USD mark in November 2025. Strengthening of the greenback, USD 2.26 billion FPI outflows from the Indian capital market during the first 25 days of November and reported decline in forex market operations by the RBI weighted on the performance of the Indian currency unit. Economists remain divided over the near-term outlook of Rupee. Twelve survey participants chose to share their views on the performance of INR. Of these, 8 expect Rupee to depreciate further against the USD in the range of 88.7-89.6, while 4 others expect it to appreciate to 87.50-88.40 from its current level of INR 88.63 per USD.

INDICATOR	Dec-25		
	Min	Median	Max
USD/INR	87.50	88.90	89.60
10Y G-Sec Yield(%)	6.30	6.49	6.60

Outlook

A sharp and sustained moderation in inflation, benign outlook backed by projections of higher foodgrain output and disinflationary impact of GST rationalisation have opened a window for a calibrated policy easing after a gap of 6 months. The broader sentiment of economists polled by NSE Cogencis leans towards a 25 bps repo rate cut in December 2025. The policy stance, however, is expected to remain `Neutral' leaving room for a quick reversal of the monetary easing cycle, if needed, considering the external uncertainties.

Inflation is currently at more than a decadal low and is expected to remain well below the RBI's medium-term target till the end of FY26. The rapid fall in inflation in FY26 has resulted in a sharp increase in real interest rate which currently rules significantly above the RBI's estimate of India's neutral real interest rate that lies between 1.4% and 1.9%.

The uncertain environment caused by the US policy moves is weighing on the performance of the Indian financial market. Bond yields continue remain elevated notwithstanding the rapid fall in inflation, while the Indian rupee continues to depreciate dominated by the strength of the greenback. The short-term outlook on both, the 10-year G-sec yield and USD/IND currency pair, is stable as mirrored in the projections by the economists who participated in the NSE Cogencis Macroeconomic Expectations Survey.

Strong domestic fundamentals and sustained growth momentum signalled by high-frequency indicators such as PMI, GST collections and double-digit growth in aggregate profits of listed companies in Q2 have strengthened the confidence in India's near-term growth outlook despite global headwinds. Consensus forecast for Q2 FY26 real GDP growth has climbed to 7.30% from 6.55% in a span of just two months. The median growth projection for FY26 has now scaled up to 6.95%, which indicates a considerable acceleration from the 6.50% growth secured in FY25. The projections may undergo further revisions as economists factor in the higher than anticipated growth print of GDP for Q2 FY26.

Forecast for Policy Stance and Inflation

Organisation	Economist	Repo Rate Dec' 25	Policy Stances Dec' 25	CPI Nov' 25	CPI Mar' 26	Core CPI Nov' 25	Core CPI Mar' 26	WPI Nov' 25
ANZ Banking Group	Dhiraj Nim	5.25	Neutral	--	--	--	--	--
Bank of Baroda	Madan Sabnavis	5.50	Neutral	1.00-1.50	2.00-2.60	--	--	0.05-0.90
CareEdge Ratings	Rajani Sinha	5.25	Accommodative	0.60	2.10	4.00	4.10	-0.10
Corporate	Economist	5.25	Neutral	0.20	2.00	4.40	4.00	-1.00
CRISIL	Dipti Deshpande	5.25	Neutral	--	--	--	--	--
Dam Capital	Prachi Kele	5.25	Neutral	--	2.30	--	4.60	--
Economist Intelligence Unit	Sumedha Dasgupta	5.25	Neutral	--	--	4.40	--	--
Elara Capital	Garima Kapoor	5.25	Neutral	--	1.90	--	--	--
HDFC Bank	Sakshi Gupta	5.25	Neutral	0.58	2.00	4.40	4.27	--
Kotak Securities	Suvodeep Rakshit	5.25	Neutral	0.78	3.56	4.41	4.40	-0.56
L&T Finance	Chief Economist	5.25	Neutral	--	--	--	--	--
Motilal Oswal Financial Services Ltd	Radhika Piplani	5.25	Neutral	--	2.20	--	--	--
National Bank for Financing Infrastructure and Development	Sujit Kumar	5.25	Neutral	1.00	2.30	4.30	4.40	-0.50
RBL Bank	Anitha Rangan	5.50	Accommodative	0.27	3.10	4.20	4.00	--
Standard Chartered Bank	Anubhuti Sahay	5.50	Neutral	--	--	--	--	--
STCI Primary Dealer Ltd	Aditya Vyas	5.25	Neutral	0.90	2.30	4.50	4.50	-0.60
Union Bank of India	Kanika Pasricha	5.25	--	--	--	--	--	--
Yes Bank Ltd	Indranil Pan	5.50	Neutral	0.67	1.80	4.80	4.50	-0.76

** The survey was conducted between November 20-27, 2025*

Forecast for Macroeconomy

Organisation	Economist	GDP Q2FY26	GDP FY 26	GVA Q2FY26	USD / INR Dec' 25	10-Year Yield Dec' 25
ANZ Banking Group	Dhiraj Nim	7.00	6.50	7.00	88.00	--
Bank of Baroda	Madan Sabnavis	6.90-7.10	7.00-7.10	--	--	--
CareEdge Ratings	Rajani Sinha	7.20	6.90	7.30	--	6.30-6.50
Corporate	Economist	7.40	6.80	7.00	89.00	6.30
CRISIL	Dipti Deshpande	--	--	--	--	--
Dam Capital	Prachi Kele	7.50	7.30	7.20	88.70	6.48
Economist Intelligence Unit	Sumedha Dasgupta	7.20	6.80	7.00	87.50	6.53
Elara Capital	Garima Kapoor	7.30	7.00	--	--	--
HDFC Bank	Sakshi Gupta	7.20	6.80	7.10	89.00-89.50	6.45-6.55
Kotak Securities	Suvodeep Rakshit	7.50	7.30	7.40	88.40	6.40
L&T Finance	Chief Economist	7.30	--	7.20	--	--
Motilal Oswal Financial Services Ltd	Radhika Piplani	7.70	7.00	7.40	89.00	6.40
National Bank for Financing Infrastructure and Development	Sujit Kumar	7.30	7.00	7.00	88.80	6.50
RBL Bank	Anitha Rangan	6.40	6.60	6.30	89.20	6.60
Standard Chartered Bank	Anubhuti Sahay	7.50	6.90	7.30	88.00	6.60
STCI Primary Dealer Ltd	Aditya Vyas	7.00	7.00	7.00	89.60	6.40
Union Bank of India	Kanika Pasricha	7.50	7.10	7.30	--	--
Yes Bank Ltd	Indranil Pan	7.30	6.90	7.20	89.50	6.50

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