Macroeconomic Expectations Survey Report

August 2026

REPORTED BY – MACROECONOMIC DATA AND RESEARCH TEAM

Findings of Cogencis Macroeconomic Expectations Survey – August 2026

KEY HIGHLIGHTS

- Economists expect MPC to hold repo rate at 5.25%
- Neutral stance remains dominant expectation; early hawkish undercurrent emerges with two participants expecting a shift
- Q1 FY27 GDP growth forecast at 6.80%; FY27 full year median at 6.70%
- CPI inflation in July 2026 projected at 4.60%; FY27 median expected at 5.00%
- Core inflation in July 2026 expected to come in at 4.05%; FY27 projection at 4.40%
- 10-year G-sec yield projected to hover around 6.80% in August 2026
- INR expected to trade at 96.00 against USD in August 2026

MPC seen to hold rate; hawkish undercurrent persists

The latest round of the NSE Cogencis Macroeconomic Expectations Survey points to a consensus in favour of the Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) maintaining the policy repo rate at 5.25% in the August 2026 Policy Review. The consensus is nearly unanimous, with 15 of the 16 respondents expecting a pause, while one respondent chose to reserve their view. The views on the policy stance are marginally divided. Thirteen economists expect the MPC to retain the 'Neutral' stance, signalling continued data dependence and policy flexibility. Two respondents expect a shift to 'Hawkish' stance, indicating concerns over potential inflationary risks.

Q1 FY27 estimated around 6.80%

Economists' project India's real GDP growth for Q1 at a median of 6.80%, with projections ranging between 6.20% and 7.10%. The median estimate marks a modest softening from the recent trend of forecasts around 7%, while respondents broadly remain of the view that economic activity will stay resilient in the first quarter.

The GVA growth estimate for Q1 FY27 stands at a median of 6.70%, with individual forecasts ranging between 6.30% and 7.20%, reflecting a generally stable outlook for economic activity in Q1 FY27.

FY27 growth moderates to 6.70%; domestic support intact

For the full year FY27, economists project a median growth rate of 6.70%, with projections ranging between 6.20% and 7.20%.
The survey reveals a mildly optimistic bias towards India's growth outlook. Nine of the 15 respondents expect GDP growth in FY27 to exceed the RBI's projection released in June 2026. Three respondents expect growth to align with the RBI's estimate 6.60%, while four foresee a weaker outcome. The distribution of forecasts indicates that a decisive majority of eight remain more optimistic than the central bank on the economy's growth prospects despite prevailing global uncertainties.

Forecasters seem to be betting on a strong domestic economic activity helping the economy maintain its growth momentum.

INDICATOR	Q1 FY27			FY27		
	Min	Median	Max	Min	Median	Max
GDP at constant prices (%)	6.20	6.80	7.10	6.20	6.70	7.20
GVA at constant prices (%)	6.30	6.70	7.20	NA	NA	NA

Inflation firms above RBI target; upward trajectory to continue

Consumer price inflation hit 4.38% in June 2026, going past the central bank's medium-term inflation target of 4.00%. Economists expect it to rise further in July 2026 and range between 4.40% and 4.80%. The median projection stands at 4.60%, staying above the RBI's target. Core inflation for July 2026 is projected in the range of 3.90% to 4.60%, with the median at 4.05%, indicating that underlying price pressures are also gradually firming up. On the wholesale front, inflation shot up to 9.87% in June 2026 and is expected remain elevated in July 2026 with the median projection coming in at 9.70%. Survey respondents seem to be divided on the direction of WPI inflation trajectory with individual forecasts being spread in a wide range of 7.00% to 10.50%.

Inflation to average 5% in FY27

Economists expect headline inflation to remain elevated throughout FY27, with the median CPI projection at 5.00% and estimates ranging from 4.40% to 5.30%. Core inflation for FY27 is projected at a median of 4.40%, with projections ranging from 4.00% to 4.60% This suggests that while underlying price pressures are expected to persist through the year, they will remain manageable; inflation is projected to stay above the 4% target but within the RBI's upper limit of 6%.

INDICATOR	JULY-26			FY27		
	Min	Median	Max	Min	Median	Max
CPI (%)	4.40	4.60	4.80	4.40	5.05	5.30
Core CPI (%)	3.90	4.05	4.60	4.00	4.40	4.60
WPI (%)	7.00	9.70	10.50	NA	NA	NA

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G-sec yield seen firm amid inflation concerns

The 10-year G-sec yield is expected to hold firm in August 2026, with the NSE Cogencis Macroeconomic Expectations Survey placing projections in the range of 6.75% to 6.90% and the median at 6.80%. Respondents see limited room for sharp directional moves in bond yields, with most estimates clustering in a narrow band around the median, reflecting a consensus view that yields are likely to remain elevated given the inflation trajectory and global bond market conditions. The relatively tight clustering of forecasts points to a stable outlook for G-sec yields in the near term.

INDICATOR	AUG-26		
	Min	Median	Max
10Y G-Sec Yield (%)	6.75	6.80	6.90
USD/INR	94.50	96.00	97.25

Rupee expected to remain rangebound

The Indian rupee depreciated through July 2026, averaging 95.97 against USD as compared to 95.13 in June 2026. Economists remain divided over the near-term outlook of the Indian rupee, with forecasts for August 2026 ranging between 94.50 to 97.25 per USD. The median projection of the survey, at 96.00 per USD, indicates that the Indian currency unit is unlikely to recoup the losses. However, the RBI's calibrated interventions are expected to help it contain any sharp movements in near future.

Outlook

India's growth outlook remains resilient, supported by sound domestic fundamentals despite headwinds from higher oil prices, subdued private investments, and monsoon risks. Economic activity continues to draw strength from robust government capital expenditure and a healthy services activity. Against this backdrop, economists surveyed by NSE Cogencis project real GDP growth at a median of 6.80% in Q1 FY27. A majority also expect FY27 growth to exceed the RBI's projection 6.60% released in the June 2026 monetary policy review and the projections by multilateral agencies – IMF, World Bank and ADB - that range between 6.4 and 6.6%, reflecting confidence in the economy's underlying resilience.

The inflation outlook remains benign at the retail level, although underlying price momentum seems to be broadening beyond food and energy segments. Retail inflation is expected to stay elevated, yet comfortably within the RBI's tolerance band, at 5.00% in FY27, according to the median estimate in the NSE Cogencis Macroeconomic Survey of Economists. At the same time, wholesale price inflation is expected to remain elevated, indicating that input cost pressures continue to persist across parts of the economy. The developments in global commodity and energy prices warrant close monitoring.

Financial markets are expected to remain stable, supported by comfortable domestic liquidity and resilient capital flows. Bond yields are likely to remain range-bound, while the rupee could continue to respond to movements in the US dollar, crude oil prices and global risk sentiment.

Reflecting this macroeconomic backdrop, economists surveyed by NSE Cogencis expect the RBI's MPC to leave the repo rate unchanged in the upcoming monetary policy review. Most also expect the MPC to retain its 'Neutral' policy stance, signalling a continued emphasis on data dependence and policy flexibility as it balances the objectives of sustaining growth and preserving price stability.

Forecast for Policy Stance and Inflation

Organisation	Economist	Repo Rate Aug' 26	Policy Stances Aug' 26	CPI July' 26	CPI FY27	Core CPI July'26	Core CPI FY27	WPI July' 26
Axis Bank	Anshika Singh	5.25	Neutral	4.70	5.00	4.60	4.50	10.50
Canara Bank	Madhavankutty G	5.25	Neutral	4.50	5.10	4.20	4.60	8.00
CareEdge Ratings	Rajani Sinha	5.25	Neutral	4.40	5.00	4.20	4.40	7.00
Dun & Bradstreet (DNB)	Baidyak Kaushik	--	--	--	4.40*	--	--	--
Economist Intelligence Unit	Sumedha Dasgupta	5.25	Hawkish	--	5.20	--	4.60	--
Elara Securities	Garima Kapoor	5.25	Neutral	4.40	4.80	4.00	4.10	9.50
HDFC Bank Ltd	Sakshi Gupta	5.25	Neutral	4.40	5.00	3.90	4.20	--
JSW Steel	Mangesh Soman	5.25	Neutral	4.50	5.00	--	--	9.70
Kotak Securities	Suvodeep Rakshit	5.25	Neutral	4.60	5.00	4.00	4.20	10.40
L&T Finance	Rajni Thakur	5.25	Neutral	4.80	--	--	--	--
Mahindra & Mahindra	Minakshi Chakraborty	5.25	Neutral	4.60	5.30	4.00	--	10.00
Motilal Oswal Financial Services	Radhika Piplani	5.25	Neutral	--	5.20	--	4.00	8.00
National Bank for Financing Infrastructure and Development	Sujit Kumar	5.25	Neutral	4.65	5.10	4.00	4.40	10.10
RBL Bank	Anitha Rangan	5.25	Hawkish	4.60	5.20	--	--	--
STCI Primary Dealer Limited	Aditya Vyas	5.25	Neutral	4.60	5.20	4.10	4.50	10.10
YES Bank Ltd	Indranil Pan	5.25	Neutral	4.40	4.60	4.20	4.60	9.60

**Forecast provided is for CY2026*

The survey was conducted between July 23-July 30, 2026.

Forecast for Macroeconomy

Organisation	Economist	GDP Q1FY27	GDP FY27	GVA Q1FY27	USD / INR Aug' 26	10-Year Yield Aug' 26
Axis Bank	Anshika Singh	6.20	6.70	6.40	96.00	6.75
Canara Bank	Madhavankutty G	7.00	7.20	7.00	96.2-96.5	6.80
CareEdge Ratings	Rajani Sinha	6.70	6.70	6.70	--	--
Dun & Bradstreet (DNB)	Baidyak Kaushik	--	6.40	--	92.39*	--
Economist Intelligence Unit	Sumedha Dasgupta	7.00	6.80	6.40	96.50	6.85
Elara Securities	Garima Kapoor	6.80	6.80	6.70	96.00	6.78
HDFC Bank Ltd	Sakshi Gupta	6.80	6.70	6.80	95.50-97.50	6.70-6.90
JSW Steel	Mangesh Soman	6.80	6.70	6.80	96.00	6.80
Kotak Securities	Suvodeep Rakshit	6.30	6.50	6.40	97.00	6.80
L&T Finance	Rajni Thakur	7.10	7.20	--	--	6.80-7
Mahindra & Mahindra	Minakshi Chakraborty	6.60	6.20	6.30	94.50	6.90
Motilal Oswal Financial Services	Radhika Piplani	--	6.60	--	95.50	6.80
National Bank for Financing Infrastructure and Development	Sujit Kumar	6.80	6.60	7.10	95.00	6.75
RBL Bank	Anitha Rangan	--	6.50	6.40	96.00	6.80
STCI Primary Dealer Limited	Aditya Vyas	6.80	6.70	6.90	97.25	6.90
YES Bank Ltd	Indranil Pan	7.10	6.60	7.20	96.00	6.80

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