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Stock market live updates today: Dr. Niranjan Shastri, Program Chairperson, School of Business Management, SVKM's NMIMS Indore

Through its recent policy announcement, RBI made a smart move by cutting the repo rate by 25 bps while maintaining a neutral stance. This indicates that while RBI is ready to capitalise on recent gains in inflation control and GDP growth, it also remains cautious amid global uncertainties, including trade dynamics. This reflects a confident approach—staying agile on the domestic front while building resilience globally. With inflation projections revised down to 2% for FY26 and GDP forecast upgraded to 7.3%, the policy signals a rare 'goldilocks' phase for the economy. The move offers incremental relief for borrowers and supports consumption-led sectors, though transmission will be gradual."

Publication: The Hindu Business Line

[Stock markets rally as RBI cuts interest rate]

Offering a macroeconomic perspective, Dr. Esha Khanna of the Sarla Anil Modi School of Economics (SVKM's NMIMS, Mumbai) highlighted strong GDP growth, lower inflation projections, robust credit expansion, healthy financial-sector indicators and foreign-exchange reserves of USD 686.2 billion—equivalent to more than 11 months of import cover. These, she said, provided ample policy space for easing.

She added that the repo-rate reduction and OMO purchases will help offset liquidity pressures that arise when the RBI intervenes in the forex market to stabilise the rupee.

Khanna also observed that while borrowing costs are declining as transmission improves, banks remain under pressure because of slower deposit growth and shrinking net-interest margins.

She said the current environment favours borrowers in the bond market but requires vigilance due to global geo-economic fragmentation, trade-policy uncertainty, rupee depreciation risks and evolving inflation trajectories.

Publication: United News of India

[RBI cuts key policy rate by 25 basis points; economists, businesses welcome]