1. RBI, SEBI, and IRDAI Updates

RBI Monetary Policy Committee (MPC) Meeting Updates (August 5, 2026)

- **Repo Rate Unchanged:** The RBI's Monetary Policy Committee (MPC), chaired by Governor Sanjay Malhotra, unanimously decided to keep the policy repo rate unchanged at **5.25%**. This marks the fifth consecutive policy review maintaining the status quo.
- **Policy Stance:** The MPC maintained a **'neutral'** policy stance, indicating that future decisions will be data-dependent, balancing growth and inflation.
- **Other Key Rates:**
  - Standing Deposit Facility (SDF) rate remains at 5.00%.
  - Marginal Standing Facility (MSF) rate remains at 5.50%.
  - Bank Rate remains at 5.50%.
- **Inflation Forecasts:** The RBI revised its FY27 CPI inflation forecast downwards to **5.0%** (from 5.1%). The Q2FY27 estimate was reduced to 4.7%, while Q3FY27 is projected at 5.9%, and Q4FY27 at 5.5%. Core inflation is projected at 4.3% for FY27.
- **GDP Growth Projections:** The RBI upgraded India's GDP growth projection for FY27 to **6.7%** (up from 6.6%). Quarterly projections are: Q1 at 7.0%, Q2 at 6.4%, Q3 at 6.5%, and Q4 at 6.8%.
- **Regulatory Proposals:** The RBI is issuing draft guidelines to resume licensing for Urban Cooperative Banks (UCBs) and proposed standardizing the regulatory framework for interest rates on advances across regulated entities to enhance transparency.

2. Banking & Economy Current Affairs

FDI Inflows: RBI Governor Sanjay Malhotra highlighted that gross Foreign Direct Investment (FDI) inflows were buoyant at $30.7 billion in Q1FY27, up from $26.7 billion a year ago.

Market Reaction: Indian equity markets (Nifty 50 and BSE Sensex) opened higher on August 5, supported by the RBI holding the repo rate steady and a drop in crude oil prices below $80 per barrel amid geopolitical uncertainties.

3. Government Schemes

Mahila Samman Savings Certificate: While not a new launch today, this scheme remains crucial for banking exams. Launched to provide financial security to women, it offers a fixed interest rate of **7.5% per annum** (compounded quarterly) for a 2-year tenure. The maximum deposit limit is ₹2 lakh, and it allows partial withdrawals up to 40% after one year. The scheme is valid until March 31, 2025.

4. National & International News

Middle East Geopolitics: Global markets are closely monitoring the Middle East. U.S. and Qatari officials reported progress in negotiations to reopen the Strait of Hormuz, with talks involving the U.S., Iran, and Oman in advanced stages.

Red Sea Tensions: Yemen's Houthis claimed an attack on a Saudi oil tanker off Yanbu in the Red Sea, escalating tensions in maritime trade routes.

5. Appointments & Resignations

- **Dr. T V Somanathan:** His tenure as Cabinet Secretary has been extended for a period of one year beyond August 30, 2026.
- **Govind Mohan:** His tenure as Home Secretary has been extended for a period of one year beyond August 22, 2026.

6. Awards & Honours

Lokmanya Tilak National Award 2026: National Security Advisor **Ajit Doval** was conferred with the Lokmanya Tilak National Award 2026 on August 1st in Pune, recognized for his outstanding contribution to strengthening India's national security.

7. Reports & Indices

Export Preparedness Index (EPI): NITI Aayog's EPI evaluates states' readiness to build competitive export ecosystems. In the 2024 edition (released earlier but highly relevant), Maharashtra, Tamil Nadu, and Gujarat were the top performers among large states.

8. Important Days (August 5)

National Underwear Day: Celebrated on August 5th in the US to embrace body positivity.

National Work Like A Dog Day: A day recognizing strong work ethics and dedication.

National Oyster Day: Celebrating the culinary delicacy.

9. Daily MCQs for Practice (Top 15)

Q1. What is the policy repo rate set by the RBI MPC in its August 5, 2026 meeting?

a. a) 5.00%
b. b) 5.25%
c. c) 5.50%
d. d) 6.50%

Answer: b) 5.25%

Q2. What is the RBI's revised CPI inflation forecast for FY27 as of the August 2026 policy?

a. a) 4.7%
b. b) 5.0%
c. c) 5.1%
d. d) 5.3%

Answer: b) 5.0%

Q3. The RBI upgraded India's GDP growth projection for FY27 to what percentage?

a. a) 6.5%
b. b) 6.6%
c. c) 6.7%
d. d) 7.0%

Answer: c) 6.7%

Q4. What is the current Standing Deposit Facility (SDF) rate?

a. a) 4.75%
b. b) 5.00%
c. c) 5.25%
d. d) 5.50%

Answer: b) 5.00%

Q5. Who is the current Governor of the Reserve Bank of India (as of August 2026)?

a. a) Shaktikanta Das
b. b) Sanjay Malhotra
c. c) Urjit Patel
d. d) Raghuram Rajan

Answer: b) Sanjay Malhotra

Q6. Which scheme offers a fixed interest rate of 7.5% per annum for a 2-year tenure specifically for women?

a. a) Sukanya Samriddhi Yojana
b. b) PM Jan Dhan Yojana
c. c) Mahila Samman Savings Certificate
d. d) Nari Shakti Puraskar

Answer: c) Mahila Samman Savings Certificate

Q7. What is the maximum deposit limit under the Mahila Samman Savings Certificate?

a. a) ₹1 lakh
b. b) ₹1.5 lakh
c. c) ₹2 lakh
d. d) ₹5 lakh

Answer: c) ₹2 lakh

Q8. Whose tenure as Cabinet Secretary was recently extended for one year beyond August 2026?

a. a) Govind Mohan
b. b) Dr. T V Somanathan
c. c) Rajiv Gauba
d. d) P.K. Mishra

Answer: b) Dr. T V Somanathan

Q9. Who was conferred with the Lokmanya Tilak National Award 2026?

a. a) Narendra Modi
b. b) Amit Shah
c. c) Ajit Doval
d. d) Rajnath Singh

Answer: c) Ajit Doval

Q10. What is the policy stance maintained by the RBI in its August 2026 meeting?

a. a) Accommodative
b. b) Neutral
c. c) Hawkish
d. d) Withdrawal of accommodation

Answer: b) Neutral

Q11. Which organization releases the Export Preparedness Index (EPI) in India?

a. a) Ministry of Commerce and Industry
b. b) RBI
c. c) NITI Aayog
d. d) Federation of Indian Export Organisations (FIEO)

Answer: c) NITI Aayog

Q12. What was the value of gross FDI inflows into India in Q1FY27?

a. a) $26.7 billion
b. b) $30.7 billion
c. c) $35.2 billion
d. d) $40.0 billion

Answer: b) $30.7 billion

Q13. Which strategic waterway is currently the subject of reopening negotiations involving the US, Iran, and Oman?

a. a) Suez Canal
b. b) Strait of Malacca
c. c) Strait of Hormuz
d. d) Bab-el-Mandeb

Answer: c) Strait of Hormuz

Q14. What day is observed on August 5th recognizing strong dedication and effort?

a. a) Labor Day
b. b) National Work Like A Dog Day
c. c) Hard Worker's Day
d. d) Employee Appreciation Day

Answer: b) National Work Like A Dog Day

Q15. The RBI proposed harmonizing the regulatory framework for what specific banking aspect to enhance transparency?

a. a) Deposit limits
b. b) Interest rates on advances
c. c) Digital transaction fees
d. d) ATM withdrawal limits

> Answer: b) Interest rates on advances

★ ONE-PAGE QUICK REVISION ★

1. RBI Monetary Policy (Aug 5, 2026): Repo rate kept unchanged at 5.25%. Stance remains 'neutral'. FY27 GDP growth upgraded to 6.7%; CPI inflation forecast lowered to 5.0%.

2. Economy: Gross FDI inflows in Q1FY27 stood at $30.7 billion. Markets reacted positively to the RBI policy and a drop in crude oil prices below $80/barrel.

3. Government Schemes (Focus): Mahila Samman Savings Certificate offers a 7.5% interest rate for a 2-year tenure for women, with a maximum deposit limit of ₹2 lakh.

4. National & International: Negotiations progressing to reopen the Strait of Hormuz amid Middle East tensions. Houthis targeted a Saudi oil tanker in the Red Sea.

5. Appointments: Dr. T V Somanathan's tenure as Cabinet Secretary and Govind Mohan's tenure as Home Secretary were both extended for one year.

6. Awards: NSA Ajit Doval received the Lokmanya Tilak National Award 2026.

7. Important Days (Aug 5): National Work Like A Dog Day, National Underwear Day, National Oyster Day.