

## **Survey of Professional Forecasters on Macroeconomic Indicators– Results of the 69<sup>th</sup> Round<sup>1</sup>**

---

The Reserve Bank has been conducting the Survey of Professional Forecasters (SPF) since September 2007. The responses for the 69<sup>th</sup> round of the survey were received during March 12-April 3, 2021, wherein thirty one panellists participated. The survey results are summarised in terms of their median forecasts (Annex 1-7), along with quarterly paths for key variables.

### **Highlights:**

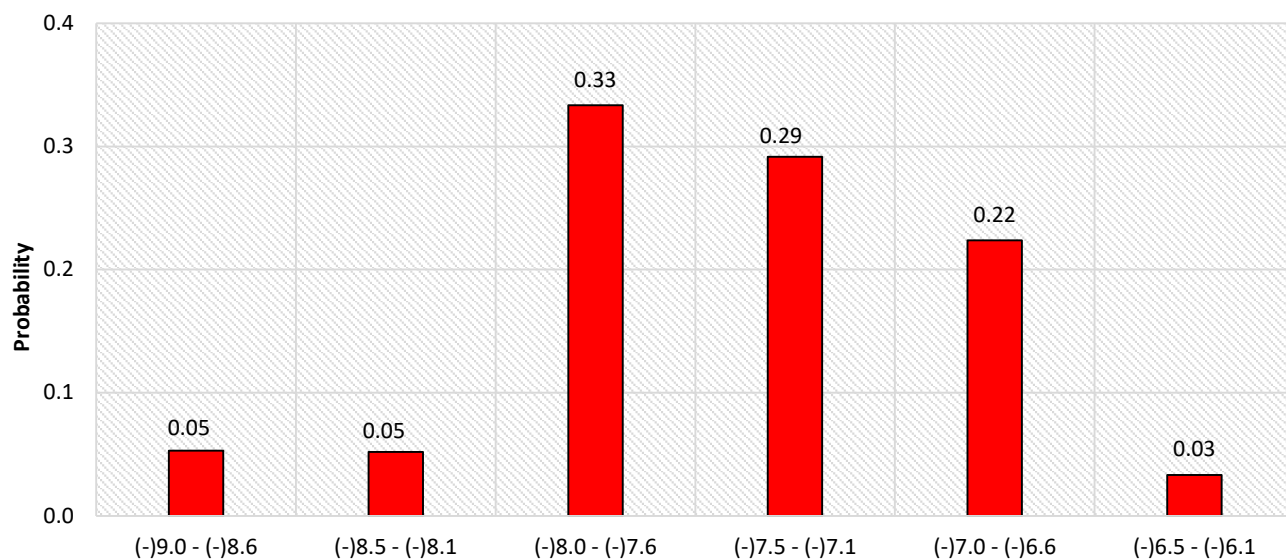
#### **1. Output**

- Real gross domestic product (GDP) is likely to contract by 7.5 per cent in 2020-21 but it is expected to recover and grow by 11.0 per cent next year; growth projection for 2020-21 has been revised up marginally while, for 2021-22, it has been revised up by 150 basis points (bps) from the last survey round (Table 1).
- GDP growth projections by the panellists are placed in the range of (-)8.7 to (-)7.0 per cent for 2020-21 and 7.9 to 15.2 per cent for 2021-22 (Annexes 1 and 2).
- Forecasters have assigned highest probability to real GDP growth lying between (-)8.0 to (-)7.6 per cent in 2020-21 (Chart 1). For 2021-22, highest probability has been assigned to the range 11.0 to 11.4 per cent (Chart 2).

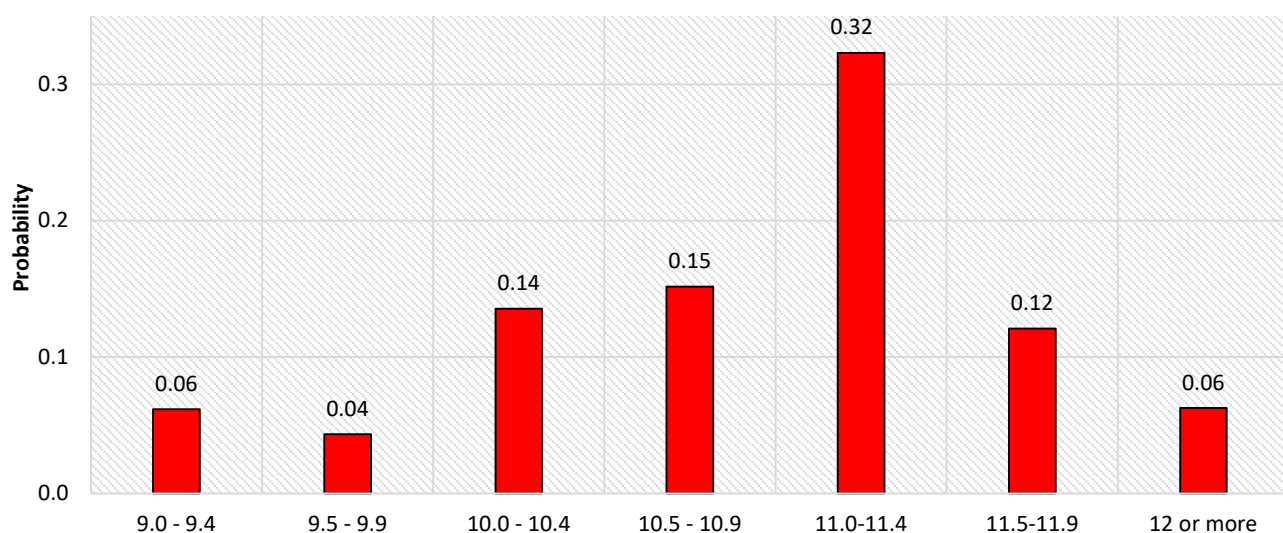
---

<sup>1</sup> The survey results reflect the respondents' views, which are not necessarily shared by the Reserve Bank. Results of the previous survey round were released on the Bank's website on [February 5, 2021](#).

**Chart 1: Probability distribution of GDP growth forecast for 2020-21**



**Chart 2: Probability distribution of GDP growth forecast for 2021-22**



*Note: Tails of the distributions are not presented in Charts 1 and 2. Detailed probability distributions are given in Annex 6.*

- Real private final consumption expenditure (PFCE) is expected to contract by 9.0 per cent during 2020-21, followed by an expansion of 12.0 per cent in the next year.
- Real gross fixed capital formation (GFCF) is projected to decline by 12.4 per cent in 2020-21 and then to grow by 13.4 per cent in 2021-22.
- Real gross value added (GVA) is expected to decline by 6.5 per cent in 2020-21; but is likely to record 10.0 per cent growth next year, supported by sharp pick-up in industrial and services activities.

<b>Table 1: Median Forecast of Growth in GDP, GVA and components</b> (in per cent)		
	<b>2020-21</b>	<b>2021-22</b>
Real GDP growth	-7.5 (+0.1)	11.0 (+1.5)
a. Real PFCE growth	-9.0 (+0.4)	12.0 (+0.1)
b. Real GFCF growth	-12.4 (+2.1)	13.4 (+1.3)
Nominal PFCE growth	-6.0 (-0.2)	16.3 (+0.9)
Real GVA growth	-6.5 (+0.8)	10.0 (+0.7)
a. Agriculture and Allied Activities growth	3.2 (-0.2)	3.0 (-0.1)
b. Industry growth	-7.6 (+0.1)	12.3 (+1.3)
c. Services growth	-8.5 (+1.1)	11.4 (+1.3)
Gross Saving Rate <i>[per cent of gross national disposable income] (GNDI)]</i>	28.9 (-0.1)	29.6 (+1.6)
Gross Capital Formation (GCF) Rate <i>[per cent of GDP at current market prices]</i>	27.7 (+0.8)	30.1 (+2.0)
<b>Note:</b> The figures in parentheses indicate the extent of revision in median forecasts (percentage points) relative to the previous SPF round (applicable for all Tables).		

- Real GDP is expected to grow (y-o-y) by 0.8 per cent in Q4:2020-21 and improve to 26.6 per cent in Q1:2021-22 driven by favourable base effect; growth is projected to moderate in the subsequent quarters (Table 2). Quarterly GDP growth forecast path has been revised up for Q1:2021-22 to Q3: 2021-22 from the previous round.

<b>Table 2: Median Forecast of Quarterly GDP, GVA and components</b> (in per cent)					
	<b>Q4:2020-21</b>	<b>Q1:2021-22</b>	<b>Q2:2021-22</b>	<b>Q3:2021-22</b>	<b>Q4:2021-22</b>
Real GDP growth	0.8 (-0.9)	26.6 (+2.0)	9.7 (+1.0)	6.0 (+1.0)	5.3
a. Real PFCE growth	2.5 (+0.1)	29.0 (+1.1)	12.1 (+1.7)	6.6 (+0.8)	5.6
b. Real GFCF growth	2.5 (+1.6)	47.6 (-0.4)	9.3 (+0.9)	6.2 (+1.2)	5.3
Real GVA growth	1.9 (+0.2)	22.9 (+0.4)	9.1 (+0.7)	5.6 (+0.6)	5.1

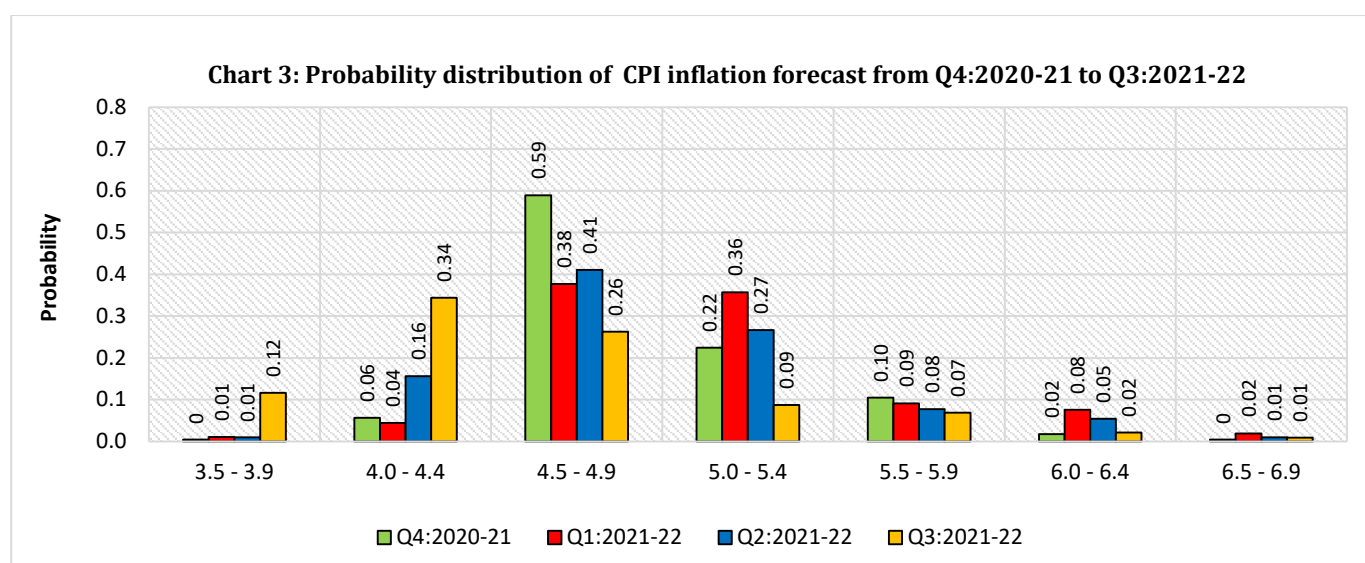
## 2. Inflation

- Headline consumer price index (CPI) inflation is expected at 4.9- 5.0 per cent during Q4:2020-21 to Q2:2021-22 and moderate thereafter to 4.3 per cent in Q3:2021-22 before increasing to 5.0 per cent in Q4:2021-22 (Table 3).
- CPI inflation excluding food and beverages, pan, tobacco and intoxicants and fuel and light, is expected at 5.6 per cent during Q4:2020-21 and likely to remain stable in the range of 5.3- 5.1 per cent for the subsequent four quarters.

**Table 3: Median Forecast of Quarterly Inflation (in per cent)**

	Q4:2020-21	Q1:2021-22	Q2:2021-22	Q3:2021-22	Q4:2021-22
CPI Combined (General)	4.9 (-0.1)	5.0 (0.0)	4.9 (+0.3)	4.3 (+0.2)	5.0
CPI Combined excluding <i>food and beverages, pan, tobacco and intoxicants and fuel and light</i>	5.6 (+0.2)	5.3 (+0.2)	5.3 (+0.5)	5.3 (+0.4)	5.1
WPI All Commodities	3.9 (+1.6)	7.5 (+1.8)	6.0 (+1.8)	4.8 (+1.5)	3.0
WPI Non-food Manufactured Products	5.5 (+1.4)	6.2 (+1.1)	5.8 (+1.0)	4.3 (+0.8)	2.6

- Forecasters have assigned the highest probability to CPI inflation lying in the range of 4.5-4.9 per cent up to Q2:2021-22; and 4.0-4.4 per cent in Q3:2021-22 (Chart 3).



Note: Tails of the distributions are not presented in the Chart. Detailed probability distributions are given in Annex 7.

### 3. External Sector

- Merchandise exports and imports are projected to decline by 10.3 per cent and 19.0 per cent, respectively, during 2020-21 before reverting to growth terrain in 2021-22 (Table 4).
- Current account is expected to record a surplus at 1.0 per cent (of GDP at current market prices) in 2020-21 before reverting to deficit at 0.8 per cent in 2021-22.
- The Indian rupee is likely to remain range bound between ₹73.20 – ₹74.20 per US dollar during 2021-22 (Annex 3).

<b>Table 4: Median Forecast of Select External Sector Variables</b>		
	<b>2020-21</b>	<b>2021-22</b>
Merchandise Exports in US\$ terms (annual growth in per cent)	-10.3 (+1.7)	15.0 (-0.4)
Merchandise Imports in US\$ terms (annual growth in per cent)	-19.0 (+2.0)	24.1 (+0.1)
Current Account Balance (per cent of GDP at current market prices)	1.0 (-0.2)	-0.8 (-0.4)

*The Reserve Bank thanks the following panellists for their participation in this round of the Survey of Professional Forecasters (SPF):*

*Abhishek Gupta (Bloomberg Economics); Aditi Nayar (ICRA Limited); Barclays Bank PLC; Charu Chanana (Continuum Economics); Centre for Monitoring Indian Economy Pvt Ltd; CRISIL Ltd.; Devendra Kumar Pant (India Ratings & Research); Gaurav Kapoor (IndusInd Bank Limited); NCAER; Nikhil Gupta (Motilal Oswal Financial Services Limited); Pinaki Mukherjee (Maruti Suzuki); Radhika Piplani (YES Bank); Rupa Rege Nitsure (L&T Finance Holdings); Sameer Narang (Bank of Baroda); Shailesh Kejariwal (Batlivala & Karani Securities India Pvt Ltd); Siddharth Kothari (Sunidhi Securities & Finance Ltd); TAC Economics; and Tirthankar Patnaik (National Stock Exchange).*

*The Bank also acknowledges the contribution of thirteen other SPF panellists, who prefer to remain anonymous.*

### Annex 1: Annual Forecasts for 2020-21

	Key Macroeconomic Indicators	Annual Forecasts for 2020-21					
		Mean	Median	Max	Min	1st quartile	3rd quartile
1	GDP at constant (2011-12) prices: Annual Growth (per cent)	-7.6	<b>-7.5</b>	-7.0	-8.7	-7.9	-7.3
a	Private Final Consumption Expenditure (PFCE) at constant (2011-12) prices: Annual Growth (per cent)	-9.1	<b>-9.0</b>	-3.0	-13.4	-9.5	-8.7
b	Gross Fixed Capital Formation (GFCF) at constant (2011-12) prices: Annual Growth (per cent)	-11.1	<b>-12.4</b>	6.3	-16.8	-12.8	-11.6
2	Private Final Consumption Expenditure (PFCE) at current prices: Annual Growth (per cent)	-6.5	<b>-6.0</b>	-2.0	-14.5	-6.2	-5.6
3	Gross Capital Formation (GCF) Rate (per cent of GDP at current market prices)	27.3	<b>27.7</b>	30.0	22.5	26.4	28.4
4	GVA at constant (2011-12) prices: Annual Growth (per cent)	-6.7	<b>-6.5</b>	-6.0	-8.1	-6.8	-6.5
a	Agriculture & Allied Activities at constant (2011-12) prices: Annual Growth (per cent)	3.2	<b>3.2</b>	3.9	3.0	3.0	3.4
b	Industry at constant (2011-12) prices: Annual Growth (per cent)	-7.7	<b>-7.6</b>	-6.3	-10.7	-8.2	-7.0
c	Services at constant (2011-12) prices: Annual Growth (per cent)	-8.8	<b>-8.5</b>	-8.0	-11.2	-9.0	-8.3
5	Gross Saving Rate (per cent of Gross National Disposable Income) - at current prices	29.5	<b>28.9</b>	31.3	28.0	28.4	30.6
6	Fiscal Deficit of Central Govt. (per cent of GDP at current market prices)	9.3	<b>9.5</b>	10.0	7.2	9.2	9.5
7	Combined Gross Fiscal Deficit (per cent to GDP at current market prices)	13.7	<b>14.0</b>	15.0	11.2	13.5	14.1
8	Bank Credit of Scheduled commercial banks: Annual Growth (per cent)	5.9	<b>6.4</b>	7.2	1.0	5.9	6.6
9	Yield on 10-Year G-Sec of Central Govt. (end-period)	6.2	<b>6.2</b>	6.4	5.9	6.1	6.2
10	Yield on 91-day T-Bill of Central Govt. (end-period)	3.4	<b>3.3</b>	3.8	3.1	3.3	3.5
11	Merchandise Exports (BoP basis in US\$ terms): Annual Growth (per cent)	-10.8	<b>-10.3</b>	-8.0	-13.0	-12.2	-9.8
12	Merchandise Imports (BoP basis in US\$ terms): Annual Growth (per cent)	-20.1	<b>-19.0</b>	-17.9	-26.8	-21.8	-18.5
13	Current Account Balance in US\$ bn.	26.3	<b>26.0</b>	47.1	11.0	23.1	29.9
a	Current Account Balance (per cent to GDP at current market prices)	1.0	<b>1.0</b>	1.8	0.5	0.8	1.1
14	Overall BoP in US\$ bn.	94.0	<b>97.2</b>	119.0	50.0	84.4	100.0
15	Inflation based on CPI Combined: Headline	6.2	<b>6.2</b>	6.4	6.0	6.2	6.2
16	Inflation based on CPI Combined: excluding Food and Beverages, Pan, Tobacco and Intoxicants and Fuel and Light	5.4	<b>5.3</b>	5.8	5.1	5.3	5.5
17	Inflation based on WPI: All Commodities	1.0	<b>1.0</b>	1.9	0.6	1.0	1.1
18	Inflation based on WPI: Non-food Manufactured Products	1.9	<b>2.0</b>	2.6	0.7	1.9	2.0

## Annex 2: Annual Forecasts for 2021-22

	Key Macroeconomic Indicators	Annual Forecasts for 2021-22					
		Mean	Median	Max	Min	1st quartile	3rd quartile
1	GDP at constant (2011-12) prices: Annual Growth (per cent)	10.9	<b>11.0</b>	15.2	7.9	10.4	11.5
a	Private Final Consumption Expenditure (PFCE) at constant (2011-12) prices: Annual Growth (per cent)	11.8	<b>12.0</b>	15.3	4.8	10.5	13.1
b	Gross Fixed Capital Formation (GFCF) at constant (2011-12) prices: Annual Growth (per cent)	12.8	<b>13.4</b>	21.2	5.4	9.2	15.5
2	Private Final Consumption Expenditure (PFCE) at current prices: Annual Growth (per cent)	15.3	<b>16.3</b>	18.0	8.5	15.3	16.8
3	Gross Capital Formation (GCF) Rate (per cent of GDP at current market prices)	29.4	<b>30.1</b>	31.1	25.4	29.6	30.2
4	GVA at constant (2011-12) prices: Annual Growth (per cent)	10.0	<b>10.0</b>	12.0	7.6	9.6	10.4
a	Agriculture & Allied Activities at constant (2011-12) prices: Annual Growth (per cent)	3.2	<b>3.0</b>	5.2	1.0	3.0	3.5
b	Industry at constant (2011-12) prices: Annual Growth (per cent)	12.2	<b>12.3</b>	14.3	9.3	11.2	13.6
c	Services at constant (2011-12) prices: Annual Growth (per cent)	11.3	<b>11.4</b>	14.7	7.8	10.5	11.8
5	Gross Saving Rate (per cent of Gross National Disposable Income) - at current prices	29.8	<b>29.6</b>	32.4	27.6	28.9	30.7
6	Fiscal Deficit of Central Govt. (per cent of GDP at current market prices)	6.7	<b>6.8</b>	9.0	5.2	6.5	6.8
7	Combined Gross Fiscal Deficit (per cent to GDP at current market prices)	10.4	<b>10.5</b>	12.5	8.7	10.0	10.8
8	Bank Credit of Scheduled commercial banks: Annual Growth (per cent)	8.5	<b>8.0</b>	13.0	6.2	7.5	9.0
9	Yield on 10-Year G-Sec of Central Govt. (end-period)	6.5	<b>6.5</b>	7.0	5.7	6.4	6.6
10	Yield on 91-day T-Bill of Central Govt. (end-period)	3.9	<b>3.9</b>	4.7	3.3	3.6	4.2
11	Merchandise Exports (BoP basis in US\$ terms): Annual Growth (per cent)	15.1	<b>15.0</b>	24.2	7.4	11.8	18.4
12	Merchandise Imports (BoP basis in US\$ terms): Annual Growth (per cent)	25.1	<b>24.1</b>	37.0	13.0	20.1	30.8
13	Current Account Balance in US\$ bn.	-22.9	<b>-20.6</b>	9.2	-50.6	-30.3	-16.0
a	Current Account Balance (per cent to GDP at current market prices)	-0.8	<b>-0.8</b>	0.1	-1.5	-1.0	-0.6
14	Overall BoP in US\$ bn.	50.4	<b>50.6</b>	83.0	18.5	44.6	56.7
15	Inflation based on CPI Combined: Headline	4.8	<b>4.8</b>	5.7	4.2	4.6	5.0
16	Inflation based on CPI Combined: excluding Food and Beverages, Pan, Tobacco and Intoxicants and Fuel and Light	5.1	<b>5.1</b>	5.7	4.3	4.7	5.4
17	Inflation based on WPI: All Commodities	4.9	<b>5.3</b>	7.2	1.8	4.0	5.7
18	Inflation based on WPI: Non-food Manufactured Products	4.4	<b>4.5</b>	7.5	2.0	3.8	5.1

Annex 3: Quarterly Forecasts from Q4:2020-21 to Q4:2021-22

	Key Macroeconomic Indicators	Quarterly Forecasts											
		Q4: 2020-21				Q1: 2021-22				Q2: 2021-22			
		Mean	Median	Max	Min	Mean	Median	Max	Min	Mean	Median	Max	Min
1	GDP at constant (2011-12) prices: Annual Growth (per cent)	0.6	<b>0.8</b>	3.2	-2.5	24.6	<b>26.6</b>	36.0	3.0	10.0	<b>9.7</b>	14.5	7.0
a	Private Final Consumption Expenditure (PFCE) at constant (2011-12) prices: Annual Growth (per cent)	1.4	<b>2.5</b>	5.0	-6.8	26.7	<b>29.0</b>	36.0	4.1	12.1	<b>12.1</b>	17.2	4.5
b	Gross Fixed Capital Formation (GFCF) at constant (2011-12) prices: Annual Growth (per cent)	3.6	<b>2.5</b>	29.2	-6.9	39.6	<b>47.6</b>	82.0	-12.2	9.4	<b>9.3</b>	16.5	0.4
2	Private Final Consumption Expenditure (PFCE) at current prices: Annual Growth (per cent)	4.0	<b>5.0</b>	9.8	-3.3	29.4	<b>34.4</b>	41.0	7.7	16.0	<b>16.4</b>	21.1	8.1
3	Gross Fixed Capital Formation (GFCF) Rate (per cent of GDP at current market prices)	27.5	<b>28.1</b>	29.9	23.1	24.9	<b>24.5</b>	30.0	18.3	26.7	<b>26.9</b>	29.4	25.1
4	GVA at constant (2011-12) prices: Annual Growth (per cent)	1.6	<b>1.9</b>	4.1	-2.5	21.1	<b>22.9</b>	30.4	2.8	9.5	<b>9.1</b>	14.5	6.5
a	Agriculture & Allied Activities at constant (2011-12) prices: Annual Growth (per cent)	3.1	<b>3.1</b>	5.3	1.8	3.1	<b>3.0</b>	5.5	1.0	3.2	<b>3.0</b>	5.1	1.2
b	Industry at constant (2011-12) prices: Annual Growth (per cent)	2.5	<b>2.1</b>	6.3	-0.6	36.7	<b>37.3</b>	55.8	4.8	7.5	<b>8.1</b>	12.2	2.8
c	Services at constant (2011-12) prices: Annual Growth (per cent)	0.9	<b>1.2</b>	3.2	-5.5	22.4	<b>23.5</b>	30.4	4.6	11.6	<b>10.6</b>	19.8	8.0
5	IIP (2011-12=100): Quarterly Average Growth (per cent)	2.6	<b>2.9</b>	5.5	-2.0	34.6	<b>39.7</b>	76.1	7.2	7.6	<b>6.8</b>	15.0	1.2
6	Merchandise Exports - BoP basis (in US\$ bn.)	81.9	<b>83.2</b>	87.0	76.9	79.1	<b>81.2</b>	91.0	58.0	84.6	<b>82.1</b>	98.0	79.3
7	Merchandise Imports - BoP basis (in US\$ bn.)	119.8	<b>122.5</b>	128.3	110.7	118.2	<b>120.3</b>	136.1	99.0	123.2	<b>122.4</b>	140.2	112.2
8	Rupee per US \$ Exchange rate (end-period)	72.8	<b>72.8</b>	73.4	72.0	73.2	<b>73.2</b>	75.0	70.8	73.4	<b>73.5</b>	76.0	71.0
9	Crude Oil (Indian basket) price (US \$ per barrel) (end-period)	64.0	<b>64.5</b>	70.0	53.0	64.2	<b>65.0</b>	73.5	54.0	64.8	<b>65.0</b>	77.0	55.0
10	Policy Repo Rate (end-period)	4.00	<b>4.00</b>	4.00	4.00	3.97	<b>4.00</b>	4.25	3.50	3.97	<b>4.00</b>	4.25	3.50



	Key Macroeconomic Indicators	Quarterly Forecasts							
		Q3: 2021-22				Q4: 2021-22			
		Mean	Median	Max	Min	Mean	Median	Max	Min
1	GDP at constant (2011-12) prices: Annual Growth (per cent)	6.2	<b>6.0</b>	12.9	0.9	5.5	<b>5.3</b>	14.6	-2.9
a	Private Final Consumption Expenditure (PFCE) at constant (2011-12) prices: Annual Growth (per cent)	6.4	<b>6.6</b>	10.0	1.4	5.6	<b>5.6</b>	12.6	1.9
b	Gross Fixed Capital Formation (GFCF) at constant (2011-12) prices: Annual Growth (per cent)	6.1	<b>6.2</b>	17.6	-6.6	4.6	<b>5.3</b>	10.5	-12.2
2	Private Final Consumption Expenditure (PFCE) at current prices: Annual Growth (per cent)	9.8	<b>9.6</b>	14.4	5.0	9.4	<b>8.5</b>	16.7	5.2
3	Gross Fixed Capital Formation (GFCF) Rate (per cent of GDP at current market prices)	27.1	<b>27.2</b>	28.8	24.6	27.8	<b>27.9</b>	29.7	25.0
4	GVA at constant (2011-12) prices: Annual Growth (per cent)	5.4	<b>5.6</b>	11.2	0.6	5.4	<b>5.1</b>	13.2	1.8
a	Agriculture & Allied Activities at constant (2011-12) prices: Annual Growth (per cent)	3.1	<b>3.0</b>	4.8	0.8	3.2	<b>3.0</b>	5.4	0.9
b	Industry at constant (2011-12) prices: Annual Growth (per cent)	5.5	<b>5.7</b>	12.5	-3.0	5.2	<b>5.2</b>	14.2	-2.1
c	Services at constant (2011-12) prices: Annual Growth (per cent)	6.5	<b>6.2</b>	14.9	0.9	6.3	<b>5.7</b>	16.1	2.2
5	IIP (2011-12=100): Quarterly Average Growth (per cent)	5.1	<b>4.1</b>	13.4	1.2	4.1	<b>3.7</b>	14.2	-3.1
6	Merchandise Exports - BoP basis (in US\$ bn.)	86.1	<b>83.8</b>	105.0	76.9	89.3	<b>88.4</b>	107.0	82.2
7	Merchandise Imports - BoP basis (in US\$ bn.)	120.7	<b>121.6</b>	136.0	95.9	130.0	<b>128.3</b>	154.7	116.0
8	Rupee per US \$ Exchange rate (end-period)	73.8	<b>74.0</b>	76.5	70.8	74.2	<b>74.2</b>	76.5	71.5
9	Crude Oil (Indian basket) price (US \$ per barrel) (end-period)	64.2	<b>65.0</b>	81.0	55.0	64.5	<b>64.0</b>	85.0	50.0
10	Policy Repo Rate (end-period)	4.00	<b>4.00</b>	4.75	3.50	4.00	<b>4.00</b>	4.75	3.50

**Annex 4: Forecasts of CPI Combined Inflation (*per cent*)**

	CPI Combined (General)				CPI Combined excluding Food and Beverages, Pan, Tobacco and Intoxicants and Fuel and Light			
	Mean	Median	Max	Min	Mean	Median	Max	Min
Q4:2020-21	4.9	<b>4.9</b>	5.7	4.6	5.6	<b>5.6</b>	5.9	5.0
Q1:2021-22	5.0	<b>5.0</b>	6.0	4.2	5.3	<b>5.3</b>	5.8	4.8
Q2:2021-22	4.9	<b>4.9</b>	6.0	4.2	5.1	<b>5.3</b>	6.0	4.2
Q3:2021-22	4.4	<b>4.3</b>	5.5	3.4	5.1	<b>5.3</b>	5.9	3.8
Q4:2021-22	4.8	<b>5.0</b>	5.8	4.0	4.9	<b>5.1</b>	5.8	3.9

**Annex 5: Forecasts of WPI Inflation (*per cent*)**

	WPI All Commodities				WPI Non-food Manufactured Products			
	Mean	Median	Max	Min	Mean	Median	Max	Min
Q4:2020-21	3.6	<b>3.9</b>	4.2	1.8	4.9	<b>5.5</b>	5.7	2.0
Q1:2021-22	6.9	<b>7.5</b>	9.5	2.0	5.8	<b>6.2</b>	8.2	2.4
Q2:2021-22	5.6	<b>6.0</b>	8.2	1.9	5.6	<b>5.8</b>	9.2	2.0
Q3:2021-22	4.5	<b>4.8</b>	6.4	1.8	4.2	<b>4.3</b>	7.8	1.8
Q4:2021-22	3.1	<b>3.0</b>	4.8	1.5	2.7	<b>2.6</b>	5.3	0.6

**Annex 6: Mean probabilities attached to possible outcomes of Real GDP growth**

<b>Growth Range</b>	<b>Forecasts for 2020-21</b>	<b>Forecasts for 2021-22</b>
12.0 per cent or more	0	0.06
11.5 to 11.9 per cent	0	0.12
11.0 to 11.4 per cent	0	0.32
10.5 to 10.9 per cent	0	0.15
10.0 to 10.4 per cent	0	0.14
9.5 to 9.9 per cent	0	0.04
9.0 to 9.4 per cent	0	0.06
8.5 to 8.9 per cent	0	0.04
8.0 to 8.4 per cent	0	0.04
7.5 to 7.9 per cent	0	0.01
7.0 to 7.4 per cent	0	0
6.5 to 6.9 per cent	0	0
6.0 to 6.4 per cent	0	0
5.5 to 5.9 per cent	0	0
5.0 to 5.4 per cent	0	0
4.5 to 4.9 per cent	0	0
4.0 to 4.4 per cent	0	0
3.5 to 3.9 per cent	0	0
3.0 to 3.4 per cent	0	0
2.5 to 2.9 per cent	0	0
2.0 to 2.4 per cent	0	0
1.5 to 1.9 per cent	0	0
1.0 to 1.4 per cent	0	0
0.5 to 0.9 per cent	0	0
0.0 to 0.4 per cent	0	0
-0.5 to -0.1 per cent	0	0
-1.0 to -0.6 per cent	0	0
-1.5 to -1.1 per cent	0	0
-2.0 to -1.6 per cent	0	0
-2.5 to -2.1 per cent	0	0
-3.0 to -2.6 per cent	0	0
-3.5 to -3.1 per cent	0	0
-4.0 to -3.6 per cent	0	0
-4.5 to -4.1 per cent	0	0
-5.0 to -4.6 per cent	0	0
-5.5 to -5.1 per cent	0	0
-6.0 to -5.6 per cent	0	0
-6.5 to -6.1 per cent	0.03	0
-7.0 to -6.6 per cent	0.22	0
-7.5 to -7.1 per cent	0.29	0
-8.0 to -7.6 per cent	0.33	0
-8.5 to -8.1 per cent	0.05	0
-9.0 to -8.6 per cent	0.05	0
-9.5 to -9.1 per cent	0	0
-10.0 to -9.6 per cent	0	0
-10.5 to -10.1 per cent	0	0
-11.0 to -10.5 per cent	0	0
below -11.0 per cent	0	0

Note: The sum of the probabilities may not add up to one due to rounding off.

### Annex 7: Mean probabilities attached to possible outcomes of CPI (Combined) inflation

Inflation Range	Forecasts for Q4:2020-21	Forecasts for Q1:2021-22	Forecasts for Q2:2021-22	Forecasts for Q3:2021-22
9.0 per cent or above	0	0	0	0
8.5 to 9.0 per cent	0	0	0	0
8.0 to 8.4 per cent	0	0	0	0
7.5 to 7.9 per cent	0	0	0	0
7.0 to 7.4 per cent	0	0.02	0	0
6.5 to 6.9 per cent	0	0.02	0.01	0.01
6.0 to 6.4 per cent	0.02	0.08	0.05	0.02
5.5 to 5.9 per cent	0.10	0.09	0.08	0.07
5.0 to 5.4 per cent	0.22	0.36	0.27	0.09
4.5 to 4.9 per cent	0.59	0.38	0.41	0.26
4.0 to 4.4 per cent	0.06	0.04	0.16	0.34
3.5 to 3.9 per cent	0	0.01	0.01	0.12
3.0 to 3.4 per cent	0	0	0.01	0.07
2.5 to 2.9 per cent	0	0	0	0.02
2.0 to 2.4 per cent	0	0	0	0
1.5 to 1.9 per cent	0	0	0	0
1.0 to 1.4 per cent	0	0	0	0
0.5 to 0.9 per cent	0	0	0	0
0 to 0.4 per cent	0	0	0	0
-0.5 to -0.1 per cent	0	0	0	0
-1.0 to -0.6 per cent	0	0	0	0
Below -1.0 per cent	0	0	0	0

Note: The sum of the probabilities may not add up to one due to rounding off.

Note: CPI: Consumer Price Index; GDP: Gross Domestic Products; GNDI: Gross National Disposable Income; GVA: Gross Value Added; IIP: Index of Industrial Production; WPI: Wholesale Price Index.