

# Cut In Repo Rate: Know Why Booking FD On Wizely App Now Can Be Smart

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To manage inflation and maintain economic stability, the Reserve Bank of India (RBI) updates the repo rate periodically. This shift in monetary policy has significant implications for various financial instruments, particularly Fixed Deposits (FDs). For potential investors looking to secure their returns, this has a direct effect on long-term returns.

Taking conducive macroeconomic growth into account, the RBI has lowered the repo rate by 50 basis points in frontloading. Many banks are still providing FDs at the previous rate. Hence, now is the right time to book your FD so that you can still enjoy higher returns. Understanding why booking Fixed Deposit on the Wizely App now could be a particularly smart decision.

## Understanding the Repo Rate and Its Impact

The repo rate is the interest rate at which the RBI lends money to commercial banks. It is a crucial tool used by the central bank to control liquidity in the banking system, manage inflation, and stimulate economic growth.

RBI has made two cuts this year, reducing the repo rate by 25 basis points each time. Before the February 2025 Monetary Policy Committee (MPC) meeting, the repo rate stood at 6.5%. With two subsequent rate cuts, the repo rate before this month's MPC meeting was 6%. With this reduction of 50 basis points, the repo rate now stands at 5.50%.

However, analysts at Goldman Sachs also anticipate that the repo rate will fall to 5.5% by the end of this year, within in the current rate cycle. Consequently, any change in the repo rate directly affects the investment made in FD.

### **Impact on Fixed Deposit Rates**

The correlation between the repo rate and FD rates is direct. With lower repo rates, banks can borrow funds more cheaply from the RBI. Consequently, banks tend to lower their lending rates for various loans (home loans, auto loans, etc.) to encourage borrowing and stimulate economic activity.

While this is good news for borrowers, it also means that banks are no longer dependent on investors for funds. Therefore, banks typically reduce the interest rates they offer on fixed deposits. This comes as bad news for anyone planning to book an FD.

### **Window of Opportunity: Why Act Now**

Banks and Non-Banking Financial Companies (NBFCs) tend to adjust their FD rates downwards after the repo rate cut. However, banks will still be offering relatively higher FD rates compared to what they may offer in the near future. By booking an FD now, investors can lock in these potentially higher rates before they decline further.

### **Why Choose the Wizely App for Fixed Deposits**

To leverage better FD rates before the cuts, one needs to make a quick decision. This is where the Wizley App comes to the rescue. Here are some compelling reasons to book Fixed Deposit on the Wizely App:

- Wizely makes it easy for investors to explore, compare, and book FD from various RBI-licensed banks and NBFC partners
- The interest rate on the Wizely App starts at 9.10%,

which can be significantly higher than some traditional bank offerings, especially in a declining interest rate scenario

- The app offers a seamless digital experience, allowing investors to browse, compare, and create FDs with a few taps
- Investors can book FD without the hassle of opening a new bank account for each FD
- Fixed deposits booked through Wizely are insured up to Rs. 5 lakhs by the Deposit Insurance and Credit Guarantee Corporation (DICGC) for each bank, providing a layer of security for all investment
- All banks and NBFCs partnered with Wizely are fully regulated by the RBI, ensuring the safety and security of investments
- The entire process is online, eliminating the need for physical paperwork. All one needs to do is link their account with Aadhaar or PAN to complete the digital KYC with DigiLocker
- The app interface is simple, allowing even first-time investors to start investing without much confusion
- If the need is, one can easily withdraw their funds from the app itself. It is a straightforward process that allows the investor to transfer funds directly to their bank account in a few taps

### **Step-by-step Guide to Book an FD on the Wizely**

If one wants to enjoy a better FD interest rate with the current higher repo rate, one can book an FD on the Wizely App by following these steps.

- Download the Wizely app from the official Google Play Store or Apple App Store
- Register their profile with a phone number and email address
- Complete the KYC process using the PAN Card
- Select the issuer by comparing the interest rate
- Book an FD by entering the deposit amount, tenure, and payout option
- Complete the FD process by making the fund transfer

Once done, the investor will get the confirmation through the communication. Furthermore, they can then use the Wizley App to overview the investment returns and keep track of its growth. This way, this digital app gives the investors complete control at their fingertips.

With the evolving landscape of fixed deposit investment, Wizley starts toe-to-toe with the new technology. Adding seamless and convenient investment experience for all. In addition to the competitive returns and hassle-free withdrawals, one can enjoy a stress-free experience by choosing Fixed Deposit on the Wizely App. All they need to do is [download the app](#) and get started!

