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IIBF VISION

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Top Stories

Banks' retail lending model can't handle rate shocks, slump

The retail lending model followed by Indian banks seems to be either unsustainable or dependent on high economic growth. It does not seem designed to withstand interest rate shocks or the slowdown in the country's economic growth rate. A recent report released by Indian Banks' Association (IBA) titled 'Retail Lending - Balancing Concerns in Difficult Times' has identified new weaknesses in the retail lending model of the Indian banking sector that need to be addressed. In a bid to boost their retail advances, the banks in the country have over-leveraged the borrowers. The usage of direct sale executives, call centre workforce and recovery agents came in the way of banks gathering the soft information about retail credit borrowers due to lack of personal relationship.

RBI study suggests market-based financing for infrastructure

There is a need in India to consider access to alternative sources of funds to finance new investment, given the tapering of conventional sources of funding from the public sector as well as for the maintenance of the transport system, says a study released by RBI. To address the resource gap from existing transport infrastructural facilities provided mostly by the public sector, the study suggests setting user charges (tolls) to economically efficient levels to avoid adverse effects of distorted pricing on resource allocation of infrastructure services, an appropriate tariff strategy as well as better utilization of existing infrastructure and services by enhancing their efficiency and strategy.

India to soon have a housing index

A technical advisory group (TAG) set up by RBI has recommended the creation of a Housing Start-up Index

The mission of the Institute is "to develop professionally qualified and competent bankers and finance professionals primarily through a process of education, training, examination, consultancy / counselling and continuing professional development programs."



INSIDE	
Top Stories.....	1
Economy.....	3
Commodities Markets.....	4
Co-operative Banks.....	4
Insurance.....	4
International News.....	5
Microfinance.....	5
Mutual Funds.....	5
Regulators Speak.....	6
Spotlight.....	6
Financial Basics.....	7
Glossary.....	7
News From the Institute.....	8
Markets Roundup.....	8

(HSUI) to be based on newly-built residential units in urban India and compiled on a quarterly basis. The central bank is likely to launch the index, work out the computation methodology and monitor its evolution. The number of 'housing starts' during a period indicates the demand and supply situation as reflected in conversion of building permits into actual starts. 'Housing starts' are considered **'lead indicators'** of economic activity due to their strong forward and backward linkages with other sectors.

Rural Development initiative by UCO Bank

UCO Bank has launched a Village Development plan for Kapastikri village of the West Midnapore District in West Bengal to achieve an all-round development of the village under UCO Samagra Gramin Vikas Yojana. More than 1500 villagers participated in the function organized for the purpose.

RBI releases \$250 million to IIFCL arm

The Reserve Bank of India (RBI) has released the first tranche of \$250 million (about Rs.1,250 crore) to IIFC Plc, the UK subsidiary of India Infrastructure Finance Company (IIFCL). The fund will be used to part-finance the import of capital goods by Indian companies in the infrastructure sector, and would be of "immense help" in meeting overseas obligations, according to a leading banker. IIFCL, a nodal financing agency for the infrastructure sector, has also got permission from the government to raise Rs.40,000 crore through tax-free bonds.

SBI opens first-ever Cash Factory

State Bank of India (SBI) has opened the country's first currency administration branch in Lucknow, christened, Cash Factory. The Cash Factory will be the nodal point for issuing currency notes to all the 50 branches and 70 ATMs of the bank spread across the city. "For the first time in the country, the SBI has opened an exclusive branch to handle currency notes, which will be sorted out by about half a dozen sophisticated note-sorting machines in four varieties," said Mr. Shiva Kumar, Chief General Manager, SBI, Lucknow Circle.

Canara Bank rolls out fixed-floating home loan

After SBI, it is the turn of yet another public sector bank (PSB) *viz.*, Canara Bank, to offer a combination of fixed and floating rates for home loan borrowers. Canara Bank has, however, taken one step further than SBI which froze interest payments for the first year and subsequently linked payments to the then prevalent floating rate - by stepping up the fixed rate in the first five years and

subsequently offering a floating rate of two percentage points below the benchmark prime lending rate (BPLR). Through this, the scheme aims to obviate uncertainties over interest rate movements. Recently, RBI had asked SBI to ensure that home loan borrowers who have availed of its new 8% scheme are not jolted by rude shocks at a later stage. RBI had even asked SBI to indicate to their customers about the likely EMIs which they would have to pay after one year.

SBI, two other banks cut deposit rates

SBI, IDBI Bank and Yes Bank have slashed deposit rates by 25 to 75 basis points (bps) across various maturities a move that may make other banks follow suit. The largest lender in the country, SBI has reduced deposit rates by 40 to 50 bps across maturities. On deposits for a period of one year up to two years, the bank has reduced interest rates by 40 bps to 8.10%. Also, deposits for any length of time between two years and 1,000 days will now earn an interest of 8.5% against the earlier 9%.

UCO Bank slashes lending rate by 50 bps

From March 1, UCO Bank has slashed its prime lending rate by 50 bps at 12.5% (13%). The bank has also launched a special scheme of 50 bps back-ended interest concession (where the interest subsidy will get accumulated and the customer can avail the benefit at the end of the loan-tenure) on home, auto and consumer loans for customers who are regular in their repayment, according to the bank's Chairman and Managing Director, Mr. S. K. Goel.

ICICI Bank cuts new home loan rates

ICICI Bank has cut home loan rates for new customers by 25-50 bps. The move was in response to the regulator calling for lower lending rates by reducing its key rates by 50 bps. After the cut, new floating rate home loans up to Rs.20 lakh will be available at 9.75% as against 10% earlier. For loans between Rs.20 lakh and Rs.30 lakh, the new rate would now be 10% against the earlier 10.5%, while for loans of Rs.30 lakh and above, interest rates would be 11.5% against the earlier 12%.

'Banks should publish a list of properties under mortgage'

The Bombay High Court has sought a reply from the RBI on a petition which demands that banks should publish list of the properties on which they have a mortgage, or a charge. The petitioner contends that in many cases, buyers purchase / book a flat in housing schemes, not knowing that the land or the building is mortgaged to a bank, and the title is not with the builder.

E-registry of mortgaged homes on cards

In a bid to overcome the menace of home loan frauds, the IBA proposes to set up a committee to work out the modalities of establishing a central electronic registry that will list all mortgages created by deposit of title / sale deeds with banks. Though the establishment of a central registry has been envisaged under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interests (SARFAESI) Act, 2002, the proposal, somehow, had escaped the attention of law-makers as well as bankers. With banks regularly falling prey to frauds being committed in home/ mortgage loans using fake sale / title deeds, the IBA committee, to be headed by the National Housing Bank (NHB) Chairman & Managing Director, is expected to fast-track the matter relating to the registry.

IDRBT to get additional switch for e-deals

Hyderabad-based Institute for Development and Research in Banking Technology (IDRBT) plans to procure an additional National Financial Switch (NFS) to route all types of electronic transactions such as automated teller machine (ATM), point-of-sale (POS), mobile commerce, electronic commerce and funds transfer. The additional switch is expected to provide a very high level of availability; take a peak transaction load of 3,000 transactions per second and provide robust management information system facility. The Institute is seeking to build abundant redundancy in terms of processing capability, business continuity and disaster recovery by procuring additional and alternative switching capability.

Credit card usage drops 8%

It is not just the number of credit cards in use that is falling, but also the spending through this route. Credit controls put in place by card companies in the wake of rising delinquency levels have also caused the spending through credit cards fall by 7.85% to Rs.5,171.06 crore in January 2009, as against Rs.5,611.38 crore during April 2008. In contrast, spending had gone up by 28% during the corresponding period last year. According to the latest RBI data, the credit card-toting population fell by 8.62% to 25.87 million at the end of January this year, as against 28.31 million at the start of the financial year. This is in contrast to April-January 2007-08, when the number of credit cards rose by 13.32%.

Amas Bank is now Hinduja Bank

The Hinduja Group-owned Amas bank (Switzerland) Ltd. has changed its name to Hinduja Bank to show the

group's increased commitment to its banking business in Switzerland, as affirmed by the bank's Chief Executive, Mr. Ivan Schouker. He said that the bank has a strong balance sheet and is focusing on prudent management and investment strategies.

Axis Bank to curtail personal loan portfolio

The eastern zone of Axis Bank, comprising West Bengal, entire North-East, Bihar, Jharkhand and parts of Chhattisgarh, is set to curtail its personal loan portfolio following an increase in delinquencies. The bank will lend personal loans only to its existing customers, according to Mr. S. K. Mitra, President, Eastern Zonal office, Axis Bank. The bank plans to restructure its existing personal loan book on a case-to-case basis in order to curb the rise of non-performing assets (NPAs).

Economy

Now, postmen to collect data for consumer price index

The Department of Posts (DoP) has signed an agreement with the Central Statistical Organisation (CSO) for collection of data on prices of consumer commodities in selected villages. The CSO will use the postal network for collection of the data, which will be used for compilation of Consumer Price Index (CPI) in rural areas.

Trade declines first time in 7 years

India's exports and imports have both dipped for the first time in seven years, signalling weakening of domestic and external demand in the backdrop of global economic crisis. Data released by the commerce ministry showed exports dipped for the fourth consecutive month by 16% to \$12.38 billion in January 2008, while imports contracted by 18.2% to \$18.45 billion.

Core sector growth dips to 1.4% in January

Growth in the country's six infrastructure industries has slowed to 1.4% (provisional) in January this year compared with 3.6% in January last year, mainly on account of deceleration in coal production and electricity generation. During April-January 2008-09, the six core infrastructure industries registered a growth of 3.2% (provisional) as against 5.7% during the corresponding period of the previous year.

Inflation is down, but so is industrial output

The annual Wholesale Price Index-based (WPI based) inflation has dipped 60 bps to a six-year low of 2.43%. Food inflation, however, continues to hover around the double digit levels, offering little respite despite the declining trend in the headline inflation. While the dip

has largely been driven by low fuel group inflation and slowing manufactured product inflation levels, the latest data shows that year-on-year inflation in case of primary articles, led by mass consumption food items, continues to stay near double-digit levels. Besides, the sequential inflation in some of these items is also high; the week-on-week inflation in vegetables has recorded an alarming 4%.

Low inflation fails to reduce food prices

Consumers are unlikely to get any relief from high food prices, even though the WPI-based inflation has touched a six year low of 2.43%. The food price segment in the WPI has been growing at 8.3%, much higher than the rise in the index for manufactured articles. In fact, segments like minerals and fuel have witnessed a decline in WPI and have pulled the inflation down. The rise in food prices affects the common man more than the increase in prices of any other item. It is often argued that WPI does not truly reflect inflation, as it takes into account only wholesale prices. But even the consumer price index data for the period between December 2007 and December 2008 (the latest available data) does not show the true picture.

Commodities Markets

Low volume in agri-futures

The Multi Commodity Exchange (MCX) is grappling with the problem of sluggish volumes of agricultural commodities. Of 26 farm commodities, futures trading in 17 having delivery in March, April, May and June have showed zero volumes, as per the data maintained by MCX. Investors' participation remains thin, in commodities like maize, jeera (cumin seeds), guarseed, cotton seed, red chilli, gur (jaggery), mustard seed and 10 other farm commodities since the launch of March and subsequent contracts in December.

Islamic gold-backed securities launched

A Dubai-based commodities exchange has launched a Sharia-compliant tradable security backed by gold - the first of its kind - which will be traded on the Nasdaq Dubai stock exchange. Investors have been rushing into gold as concerns mount over the financial sector and the global economy, pushing the price of gold above \$1,000 an ounce in February. Gold rose more than 1% to \$950 an ounce.

Futures market regulator urged to improve price info

The futures market regulators are being urged to improve the availability and quality of information on commodities traded in related physical and OTC derivatives markets. Such information may be needed to understand price

formation or to monitor and detect manipulation in the futures markets. The international organization of securities commissions' (IOSCO) technical committee released a final report prepared by its Task Force on Commodity Futures Markets (Task Force) in Madrid (Spain) which contains recommendations to improve the supervision of commodity futures markets and global regulatory co-operation.

NCDEX cuts position limits in gold futures

NCDEX, which is trying to step up volume in bullion trading, has reduced the open position limits in gold futures for both brokers and individual traders by over 66% to 6 tonne and 2 tonne, respectively. Earlier on the NCDEX platform, large brokers had exposure in gold up to 18 tonne including all gold contracts, which has now been reduced to 6 tonne, or 15%, of open interest. For small traders, open position limit has been revised from 6 tonne including all gold contracts, or 15% of open interest (outstanding contracts).

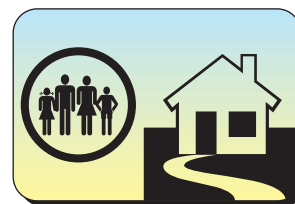
Co-operative Banks

UCBs asked to give info to customers

RBI has asked the urban co-operative banks (UCBs) to provide additional information to customers on the usage of cards from August 1 this year, in order to enhance security in online credit and debit card transactions. The central bank has stipulated the UCBs to provide additional information for 'card not present' transactions to customers.

Employees' Federation calls for revamping of UCBs

The All India Co-operative Bank Employees Federation (AICBEF) has sought to present its view points for revitalizing urban co-operative banks (UCBs) to Mr. V. S. Das, Chairman, Committee for Revitalising UCBs, RBI. The AICBEF has reiterated the need for relaxation of RBI's prudential norms applicable to UCBs and share capital enhancement among others.



Insurance

Life insurance sector in danger in 2007-08

The life insurance sector in the country seems to be in danger, going by the figures released by IRDA in its annual report for 2007-08. The losses posted by the

private sector life insurance companies have more than doubled to Rs.4,487 crore in 2007-08 compared with Rs.1,934 crore in 2006-07. Only four private insurers among the 17 in the fray have been able to report profits in 2007-08. SBI Life posted an improved performance with net profits of about Rs.34 crore as did Metlife with a profit of Rs.21 crore in that year.

International News

Cheer from China; despair in Australia

Australia's economy shrank by 0.5% (contrary to expectations of a growth of 0.2%) in the last quarter of 2008, the first time in eight years, raising fears the country may be heading for a recession. Australia has fallen much lesser than western countries, but has been hit hard by a downturn in commodities. It had hoped to avoid being dragged down in the crisis, given its closer ties with the Asia Pacific region. Hopes rose around the world that China will unveil a new stimulus package. However, indicators showed that the manufacturing slowdown in China may be hitting a bottom, with data from purchasing managers survey showing that while it is still contracting, the index rose 5 points from last month.

Global Meltdown : Five jobs being axed every minute so far this year

With every one minute ticking on the clock, the companies from across the world are terminating an average of five positions taking the total job losses in the first two months of 2009 to about four lakh. While a few are calling it simply layoffs and terminations, others have nomenclatures like right sizing, voluntary separation packages and workforce optimization. With the global economic downturn forcing one and all to adopt various cost-cutting measures, firms are estimated to have already cut close to million jobs during 2008. With no immediate recovery in sight from the ongoing crisis, more steps are being taken to save every single penny. However, as a saving grace for the employees, most of the layoffs of 2009 so far happened in January, when a whopping 80,000 job cuts were announced on a single day on January 26; February has been relatively better.

Bank of England cuts rates, starts asset purchases

Bank of England (BoE) Governor Mervyn King has taken an unprecedented step of printing money to buy assets after reducing the benchmark interest rate by a half point to almost zero. The bank will pump cash into the economy by purchasing as much as £150 billion (\$211 billion) in government and corporate bonds, sparking a

rally across the debt market. It has also cut its key rate to a record low of 0.5%. Separately, the European Central Bank has reduced its own benchmark to 1.5%, hinting that it may cut further in coming months. Credit markets in the UK are still frozen in spite of the BoE's actions. Net lending to consumers rose at the slowest pace since at least 1993 in January.

Bank Muscat to sell entire stake in HDFC Bank

Bank Muscat said it had sold 40 per cent of its stake in HDFC Bank and would offload the rest over time as it seeks cash to cover losses from equity investments. "We decided to sell our stake in HDFC Bank, India over a period of time," Bank Muscat said in a statement on the bourse Web site, without giving a reason. Bank Muscat said the price and time frame of its stake sale depended on market conditions.

Microfinance

More MFIs securitizing loans to raise funds

Micro finance institutions (MFIs) are increasingly looking at the securitization route to cut borrowing costs and to free up capital. For investors, the asset pools are safe as they are backed by cash flows, thanks to the high recovery ratio of MFIs. Besides, with rating agencies now rating these structured instruments, the trend is fast catching on. So far the MFI sector had not seen adequate portfolio exposure - hence, rating agencies were reluctant to rate them. But with more information and history about MFIs becoming available and rating agencies rating them, investor appetite will increase, hopes Mr. Bhaskar.



Mutual Funds

MF assets surge 9% in February

At Rs.5,00,973 crore in assets for February 2009, the Mutual Fund (MF) industry has seen a sharp increase of about 8.7% in AUM since the previous month. This is also the third consecutive monthly rise in assets for the industry as a whole. Income funds are seen as the main drivers of this asset surge. The lacklustre show of equity markets is just helping MF industry grow further. Prior to the equity bull run of 2004-07, it had always been the income funds that contributed to more than half of the industry's total asset base.

Bank investment in MFs jumps over eight times in five months

Banks are parking funds not just in securities qualifying for maintenance of statutory liquidity ratio (SLR), but also in mutual funds (MFs). After the global crisis intensified in September, 2008 following the collapse of Lehman Brothers, investment in instruments issued by mutual funds dropped to Rs.10,759 crore nearly 73 per cent from the level of the corresponding period in the previous year. But after several measures were initiated by the government and the regulators to restore confidence in fixed maturity plans and liquid funds, bank investments in these instruments at the end of February was estimated at over Rs.90,000 crore.

Regulators Speak...

SEBI to value debt schemes of less than 180 days

Securities and Exchange Board of India (SEBI) is working out a model for valuation of short-term debt instruments of less than 180 days tenure. This is to enable MFs to calculate more accurate and realistic net asset values for debt schemes. If one values the instruments daily, based on accrued interest, the bond prices may be different depending upon the liquidity situation. SEBI would like to see more bond trading move to the exchanges and will be working on more reforms and regulations to facilitate the same. The economic and business environment is conducive to this, and the time is now to give a fillip to the bond market in India.

Tough times ahead for life insurers : IRDA

The growth in life insurance business in the near future may not be as 'robust' as it was because of the impact of the financial crisis across the globe and meltdown of stock markets, according to the Insurance Regulatory and Development Authority (IRDA). In the outlook for the insurance industry, detailed in its annual report for 2007-08, the regulator speculates that the insurance companies may have to inject additional capital to maintain the regulatory requirements as they are "being closely monitored by their solvency margins".

FMC to rope in external auditors for Com-exes

As a direct fallout of its recent investigations into the working of NCDEX, commodity futures market regulator, the Forward Markets Commission (FMC), has decided to appoint external auditors for all three national commodities exchanges NCDEX, NMCE and MCX along with an Indore-based regional exchange NBOT. The move is aimed at detecting regulatory lapses and misuse of funds, if any.

RBI cancels license of Karnataka co-op bank

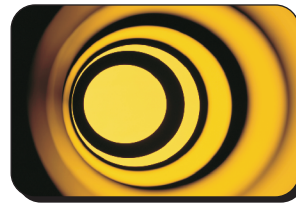
RBI has cancelled the license of The Haliyal Urban Co-operative Bank in Karnataka as the bank did not have any viable plan of action for its revival. The bank was classified as "weak" from June 30, 1988 and was placed under rehabilitation. It was issued supervisory instructions from time to time but it failed to show any improvement; instead deteriorating with passing time.

IRDA penalizes five insurers

Coming down heavily on insurers, IRDA has penalized five life and general insurers including the state-owned New India Assurance, after they were found breaching regulations. The regulator has also voiced concern over the slow pace of grievance disposal by another state-owned company, Life Insurance Corporation (LIC), and has appreciated the private sector life insurers, who have been much quicker in disposing the same.

RBI to ensure smooth Government borrowings

The RBI has promised to ensure a non-disruptive conduct of the government's market borrowings. The statement, made by the central bank's deputy governor Ms. Shyamala Gopinath has come in light of the increased market borrowings by the government over the past few weeks. The high volume of borrowing by both central and state governments has put pressure on the market, testing its ability to absorb a huge supply of paper. Ms. Gopinath, while dwelling on payment and settlement system has also said that the central bank will come up with an approach paper very soon to push electronic payment.



Spotlight

Yes Bank and three government banks to float Asset Reconstruction Company

Yes Bank is planning to form an asset reconstruction company (ARC) in partnership with a foreign lender and three PSBs *viz.*, Bank of Baroda (BoB), Union Bank of India and Bank of India (BoI) in the next 6-9 months. The ARC is expected to be capitalized at about Rs.110 crore. While Yes Bank will hold a 29.5% stake in the venture, the three local banks will have a combined 33% stake with the balance 37.5% being offered to the foreign partner.

Stanchart to hire 2,000 personnel

Global banking giant Standard Chartered has no plans to freeze hiring in India despite the challenging market conditions and will recruit around 2,000 professionals

this year. Stanchart had recruited 4,000 people in the last calendar year but has decided to scale down fresh recruitments in the face of financial downturn that has hit its operations globally, according to the Stanchart Human Resources Regional Head, Ms. Madhavi Lall. "We have not stopped hiring. Although, the number of new recruits may be lower in 2009 as compared with last year, the bank plans to recruit 1,500-2,000 people in the current calendar year," said Ms. Lall.

Low response to home-loan scheme

Two months after lower interest rates were announced for home loans up to Rs.20 lakh, PSBs have cleared only 28,000 proposals and disbursed Rs. 1,550 crore under this special scheme. Under the special loan package, pushed by the government to boost real estate demand, PSBs have decided to freeze interest rates on home loans up to Rs.5 lakh at 8.5% for five years. For loans between Rs.5 lakh and Rs.20 lakh, the rate has been frozen at 9.25%. SBI has dropped the rate further to 8% for a year and others such as Central Bank of India have also responded in the same manner.

Creditworthy Companies getting loans at Sub-PLR rates

Banks are presently swimming in liquidity, literally. However, the demand for liquidity (funds) from trade and industry is muted as the chips are down on the economic front. The upshot of this scenario is that business enterprises with a strong credit rating, coupled with an appetite for credit, are able to push banks to extend short-term loans at 7-8% interest. The bar, as far as interest rate on loans to business enterprises with good credit rating ('AAA' and 'AA') goes, has, in fact, been lowered. A few months ago they could contract below BPLR loans at only around 11%.

HC asks Maharashtra Government to clarify on Co-op banks' bad loans

The Bombay high court has asked the state government to clarify how it proposes to help two co-operative banks in the state recover their loans to sugar factories. Division bench of Chief Justice Swatanter Kumar and D. Y. Chandrachud was hearing a PIL, which demands that the state government fulfill guarantees given to two major banks in the co-operative sector, as 15 of such loans have turned bad. Under the 7th five-year plan, the central government provided letters of credit to 38 new sugar factories in the state, and state government guaranteed the repayments of the loans these factories took.

Rising defaults force Deutsche to cut retail lending

A rising incidence of bad loans in the low end of the retail segment has compelled Deutsche Bank India to slow

down lending to these constituents, even as it steps up focus on platinum cards and large-ticket personal loans in the top end of the segment. "We are currently focusing primarily on the platinum segment in credit cards. This is the fastest growing segment for us. The other card variants are being issued only to our internal customers such as pay roll customers," said Mr. Prashant Joshi, MD and head-private and business clients, Deutsche Bank, India.

PSBs may require CBI nod before NPA settlement

All public sector banks may need to take CBI's clearance before allowing one-time settlement of bad loans by customers under a new direction likely to be issued by the Reserve Bank of India (RBI) soon. The circular, the proposal which was mooted by CBI (Central Bureau of Investigation), will ask all the banks to seek the clearance in all such cases where criminal proceedings were underway. The bank officials were asked to streamline one-time settlement mechanism besides re-framing its list of members comprising lawyers and property evaluators. Besides the circular, RBI will ask bankers to launch a drive in their banks to educate their staff on the need to strictly adhere to the due diligence norms already specified by the banking regulator in this regard.

Financial Basics

Net Present Value

A net present value (NPV) gives the time value of money. Very simply it gives the value of tomorrow's money as it stands today. It is most commonly used in measuring the profitability of any investment opportunity. Using a discount rate (usually one of the prevailing interest rates) an NPV calculation answers the question : what will be the profit or loss measured in today's money values of an investment opportunity for a given discount rate? If the answer is positive, then the present value of all the future cash inflows will be more than all the outflows and the investment will be profitable.

Glossary

Lead Indicators

Lead or leading indicators are a series economic data that consistently move with overall economic activity but turn up or down sooner than the general economy. They are useful in predicting the phase of the business cycle in an economy. A business cycle is an up and down movement of the economic activity of a country and characterized by



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recovery, boom, recession and bust. In India, for example, in the construction sector, the leading indicators are the cement and steel production and offtake.

Sub-PLR rates

Sub-PLR loans are the loans extended to some of the top corporates below the prime lending rate (PLR) with a view to encourage more low-risk borrowings. PLR is the rate of interest charged by banks on loans to their most creditworthy borrowers. The prime rate serves as a benchmark for deciding on the interest rate to be charged to other borrowers. In India banks and financial institutions periodically announce their prime lending rates depending on their cost of funds and competitive lending rates. Following the recent credit crunch, banks, including PSBs had stopped offering sub-PLR loans because of the high default risk. However, with liquidity having been eased in the market, sub-PLR loans are back in the market.

News From the Institute

Examination Updates

The Institute has provided updates for various examinations on its portal. Candidates are requested to refer to the same before appearing for the examinations. Similarly, the Institute will be shortly uploading the presentations of the virtual classes for the reference of the candidates.

IIBF Vision

It has been brought to our notice that several candidates have not been receiving copies of IIBF Vision on time. We request our readers to communicate the change in address, if any, to our corporate office. We may bring to your notice that IIBF Vision is available for download on our portal www.iibf.org.in. If readers wish to receive copies by email, you are requested to send your e-mail ids (with the membership number) to our zonal offices.

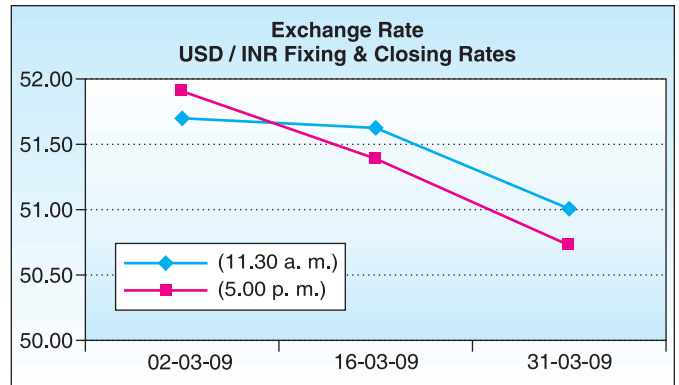
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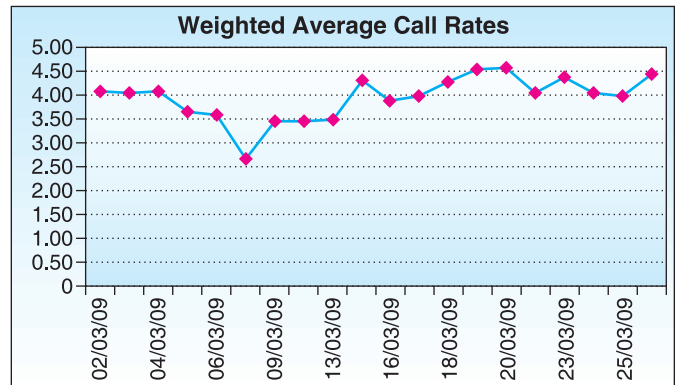
Markets Roundup

Market Snapshot (Amount in Rs. Mn.)				
Indicators	March 06, 2009	March 13, 2009	March 20, 2009	March 27, 2009
Inflation (%)	3.03 (Feb. 21, 2009)	2.43 (Feb. 28, 2009)	0.44 (March 07, 2009)	0.27 (March 14, 2009)
Avg. LAF Rev. Repo Vol.	504,842	485,533	182,440	291,175
Avg LAF Repo Vol.	0	4167	0	6,500
Avg. Repo Rates (%)	3.51	3.16	4.12	3.80
10-yr G-Sec Yield (%)	6.4465	7.1455	6.8915	7.1525
1-10 yr spread (bps)	177	218	174	173
6 Month Forward Premia (%)	2.42	3.12	3.71	3.27
6 month USD LIBOR (%)	1.83	1.90	1.74	1.79

Source : CCIL Newsletters, March 2009, various issues



Source : Fedai



Source : CCIL Newsletters, March 2009, various issues