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Top Stories

PNB decides not to lend at sub-PLR rates

Punjab National Bank (PNB) has decided not to lend below its benchmark prime lending rate (BPLR). The move, a first by a bank in the country, is aimed at introducing greater transparency in interest rate structure and pricing. Making BPLR the floor rate assumes greater significance, as nearly 75% of the loans given by banks today are below their respective benchmark rates. PNB's prime rate is currently at 11%.

Credit-deposit ratio of banks falls below 70%

The outstanding credit-deposit ratio (CDR) of scheduled commercial banks (SCBs) has dropped below 70% - the first time in almost three years. As on May 8, 2009 the CDR which is the proportion of banks' deposits that are lent out- amounted to 69.63%. This is the lowest since the 69.89% level recorded on May 26, 2006. On October 10, 2008 - the outstanding CDR touched an all-time-high of 75.16% and also around the time when the effects of the global credit crunch became pronounced.

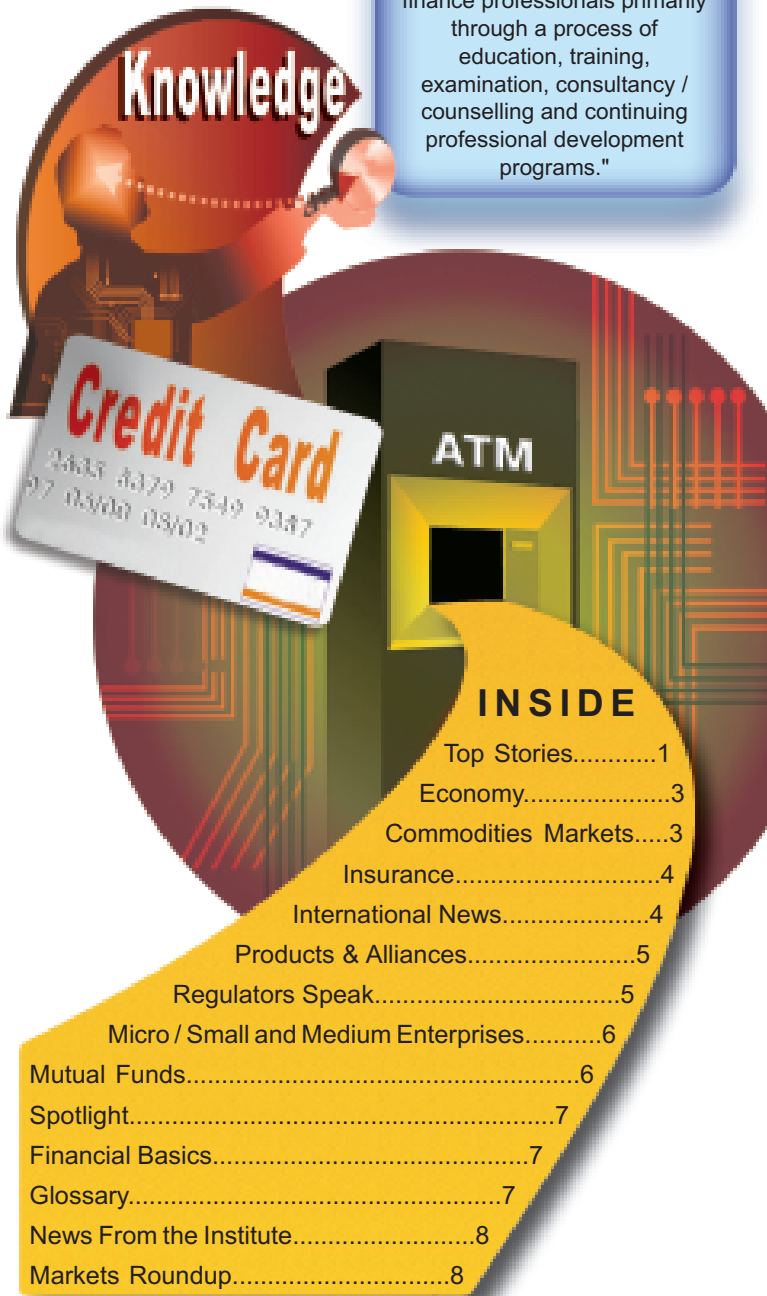
PSBs eye overseas growth

In a scenario when most foreign banks have shelved their global branch expansion plans mainly due to capital constraints, the Indian state-owned banks like PNB, Bank of India (BoI), Bank of Baroda (BoB), Central Bank of India, etc. have announced their overseas expansion plans in the current financial year. The move is mainly meant to accelerate participation in activities like trade financing, syndication, etc. and mobilize deposits from the NRI community.

Domestic banks open 1.8 million no-frills accounts : RBI

Domestic banks have opened 1.8 million no-frills accounts in the country and Puducherry has been declared one having 100% financial inclusion. Ms. Usha Thorat, Deputy Governor, RBI has said that while there has been considerable progress in most regions, with Gujarat

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having 90% financial inclusion; the progress in Bihar and North East has not been great. “The regions where infrastructure is low are lagging in financial inclusion” she observed. The high level committee of the RBI which was headed by Ms. Thorat has observed that the lead bank scheme (LBS) has been helpful and should be continued to accelerate financial inclusion in the country.

Citibank's checking a/c for NRIs

Citibank has announced the launch of preferred rupee checking account, a product aimed at its NRI clients. The key features of the product include a dedicated priority service platform, superior foreign exchange rates on inward remittances and lower service charges on banking services. The service also offers custom designed privileges on some characteristic India-oriented requirements of NRIs.

Rakesh Mohan to proceed to Stanford University

Dr. Rakesh Mohan has relinquished his position as the Deputy Governor of the RBI, nearly eight months ahead of the completion of his tenure. He is taking up an offer from Stanford Centre for International Development at Stanford University as Distinguished Consulting Professor. Dr. Mohan was appointed as the RBI Deputy Governor on July 2, 2005 for a period of five years.

Banks allowed to pay interest on ACU Euro Vostro accounts

RBI will allow banks operating in India to pay interest, at their discretion, on Asian Clearing Union (ACU) Euro Vostro accounts in addition to ACU Dollar Vostro accounts maintained by them. The decision to pay interest, the rate at which it will be paid and other conditions will, however, be left to the discretion of each bank. Pursuant to a decision taken by the board of directors at the 37th board meeting of the Asian Clearing Union in June 2008, the Euro has been adopted as a settlement currency under the ACU mechanism with effect from January 1, 2009.

RBI asks RTGS participants to adhere guidelines

RBI has asked all Real Time Gross Settlement participants to strictly adhere to the RTGS procedural guidelines and desist from the practice of pushing customer transactions in the interbank mode. Violations will attract penalty.

Drawer of cheque will not be liable

The Supreme Court has set aside the Delhi high court judgement and ruled that the drawer of a cheque will not be liable under Section 138 of the Negotiable Instruments Act if he / she reports to the police that his / her cheques have been lost. Under the law, a person who issues a cheque which is dishonoured by the bank for want of sufficient funds will be criminally prosecuted.

ICICI, IDBI banks cut deposit rates

ICICI Bank and IDBI Bank have cut deposit rates across various maturities by 25-50 basis points (bps) and 50-100 bps, respectively. The revised deposit rates at ICICI Bank have become effective from May 11 whereas IDBI's have become effective from May 21. ICICI Bank had last cut its deposit and lending rates by 25-50 bps on April 21 after the RBI announced a 25 bps cut in policy rates.

CBS in all BoI branches

Bank of India has completed the implementation of Core Banking Solution (CBS) in all its 3023 branches via an outsourced model. The project, which has been outsourced to Hewlett Packard India for a 10 year period, is the first of its kind in India.

New bank notes of Rs. 1,000

RBI will shortly issue Rs.1,000 denomination banknotes with 'L' inset letter in both numbering panels in the Mahatma Gandhi Series - 2005 bearing the signature of Dr. D. Subbarao, Governor, RBI.

Government rejects RBI request on PSU auditors

The government has turned down an RBI proposal to allow PSBs to select auditors independently. Last year, RBI had made the proposal to the finance ministry, which forwarded it to the Ministry of Corporate Affairs (MCA), the nodal body for auditors. The proposal was in line with the practice followed by private and foreign banks that function in the country. RBI is not directly involved in selection of auditors for private and foreign banks, which, however, have to take prior approval of the central bank for the selection.

PSBs out-pace private banks in profit growth

PSBs have delivered better profit growth than private sector banks for the fiscal year ended March 2009. However, the profit numbers looked skewed as SBI, the largest PSB, posted a 35% growth for the year contributing most to the profit growth. To eliminate such distortions, the median for the banks was calculated. The median profit growth for the PSBs is 19.5% compared with 17.3% for the private banks. Though the profit growth for the banks has been healthy in comparison to most other sectors, the slowdown has impacted most of them, especially the private banks.

Banks increase margin on housing loans to 25%

In what could reverse the effects of lower interest rates on home loans, some financial institutions have increased the margin requirement on housing loans to 25%. LIC Housing Finance and HDFC have increased the margin requirement to up to 25%, which means they will finance only up to 75% of the house cost.

Banks' net interest margins dip in Q4

The fourth quarter results of Indian banks indicate pressure on margins due to continued high cost of deposits, decline in lending and low interest rate products floated mostly by public sector banks (PSBs). The banks reduced their prime lending rates by 50-150 basis points (bps) from the peak levels seen in October, while deposit rates were lower by up to 100 basis points. Deposits grew by 9 percent in the fourth quarter, compared to a 37.8 per cent decline in lending. As a result, a study on interest income of the 33 private and public sector banks showed that the interest income rose by 23.7 per cent while interest on borrowing increased at higher pace of 27.9 per cent. But, the high cost of borrowings resulted in a 14 per cent rise in net interest margins, the slowest growth in the past four quarters.

Economy

ABN - Amro's April index points to manufacturing recovery

Indications of a revival in domestic demand emerged with the monthly ABN Amro Purchasing Managers' Index (PMI) crossing 50 for the first time since October 2008. The latest PMI reading is the highest in seven months and it has steadily risen after hitting a trough of 44.4 in December last year. A reading below 50 indicates that the manufacturing sector, which constitutes nearly 18% of India's gross domestic product (GDP), is declining; whereas any number above 50, indicates expansion. The higher the upward divergence from 50, the greater is the rate of change.

A quarter of Indians to live on \$1.25 / day in 2015 : World Bank

India now is ahead of only Sub-Saharan Africa among developing countries in terms of the percentage of population below poverty line, though it has fared better than China on this count in 1990, according to the World Bank. The multilateral lender, in its recently released report 'Global Economic Prospects for 2009' has said that a quarter of India's population will be living in extreme poverty, on less than \$1.25 a day, in 2015.

IIP shrinks to 2.3%, but revival seen

Industrial production - accounting for 1/5th of GDP - shrank 2.3% in March from a year earlier, the worst since the current index of industrial production (IIP) series started in 1994. This is the third contraction in four months and is steeper than widely expected. Manufacturing with a weight of 80% in IIP, has

contracted by 3.3% in March from the same month the previous year - the sharpest fall since April 1995. Equally worrying was the surprising 8.2% fall in the output of capital goods an important indicator of investment, the poorest performance since June 2001, when it fell by 9.8%. In February, the sector had grown a robust 11.7%.

Commodities Markets

Swine flu fear may affect India's oil, oilseed market

The World Health Organisation has assured a zero-risk of infection of swine flu virus from consumption of well cooked pork and pork products. "Though we are now at the WHO alert level 5 (just one notch below the threshold for a full pandemic outbreak), many countries, including China and Russia, have put a ban on imports of pork products. Demonstration of this kind of caution is reflective of the recent history of consumer concern over flu virus". Goldman Sachs points out that the poultry demand dipped in Eastern Europe and East Asia when avian influenza surfaced. Similarly there was contraction in US beef demand on mad cow fears.

NCDEX challenges FMC's order in SC

The National Commodities and Derivatives Exchange (NCDEX) has challenged the commodity futures market regulator Forward Market Commission's (FMC) order in the Supreme Court. FMC had asked the exchange to keep their transaction fee circular in abeyance. Supreme Court has admitted the petition and has also issued notice to FMC on the subject. The NCDEX has proposed to drastically reduce the transaction charges to attract traders to increase trading in evening session. Most of the trading in evening session happens on the Multi Commodity Exchange (MCX).

NCDEX signs MoU with Bikaner Anaj

On May 6, 2009, NCDEX signed a Memorandum of Understanding with Bikaner Anaj Committee in the presence of Mr. Unupom Kausik, chief business officer, and Mr. Bhagwandas Binani, president, Bikaner Anaj Committee. The MoU aims to spread awareness about commodity trading among traders as well as farmers so that they will be able to draw benefits from this system. This will ultimately empower farmers with access to NCDEX trading as well as the price discovery and dissemination process.

Kotak gets FMC nod for commodity exchange

The Kotak group is set to launch the country's fifth national commodity exchange, in association with the

Ahmedabad Commodity Exchange (ACE), in which Kotak will have a majority equity stake as an anchor investor. Commodities' futures market regulator, FMC has given its in-principle approval to ACE's proposal to launch nationwide operations with Kotak Mahindra Bank and expand the futures business in the multi-commodity segment.

NCDEX's bullion spot exchange commences operations in Ahmedabad, Mumbai

NCDEX Spot Exchange Ltd. (NSPOT) and Riddhi Siddhi Bullion Ltd. (RSBL) have recently commenced operations of their bullion spot exchange in Mumbai and Ahmedabad. Both players plan to cover other metro cities over a period of next three months. "Initially, the platform has been rolled out in Ahmedabad and Mumbai as RSBL has its delivery centres in these two cities; as also because Mumbai and Ahmedabad constitute 50 to 60% of the total gold imports in the country" said Mr. Prithviraj Kothari, director, RSBL.

FMC lifts 2-year ban on futures trade in wheat

In a significant development FMC has overturned a major decision and allowed exchanges to resume futures trade in wheat, one of the country's main food grains. It is believed that the FMC had decided to lift the futures trade ban in April 2009, but its announcement was delayed due to imposition of the model code of conduct for elections. It also comes ahead of the government's move, to ease a more than two-year ban on wheat exports.

NCDEX signs knowledge-sharing pact with SICOM

The NCDEX, India's second largest commodity exchange, has inked a "Head of Terms" agreement with the Singapore Commodity Exchange, (SICOM) to develop contracts for trading and clearing in both derivative platforms. According to the agreement, both exchanges will co-operate and enhance the development of their respective commodity markets. In addition, NCDEX will make available its agricultural commodity index to SICOM to create derivative products.



Insurance

Losses of life insurers widen further

Companies which entered the life-insurance business after state-run Life Insurance Corporation (LIC) lost

its monopoly, are yet to find a profitably firm footing. Furthermore, they are now dealing with a renewed squeeze in new business and a surge in losses during 2008-09. When the sector was opened in 2000, most players had hoped to break even in seven to eight years. But at least three players - ICICI Prudential, HDFC Standard Life and Max New York Life - are in their ninth year of operation and profits still elude them. Over last year, as sales fell, insurance companies were slow to adjust and were saddled with high expenses. They had to, additionally, deal with market-to-market losses (the accounting rule to record the current value of earlier bought or traded assets) on their equity holdings on the traditional life covers sold by them.

General insurance firms line up value-added products

Having got the regulatory clearance to offer add-on insurance policies, non-life insurers are now preparing to launch the same soon. After a three-month long wait, eight companies *viz.*, National Insurance, United India, ICICI Lombard, Tata AIG, Royal Sundaram, HDFC Ergo, Bharti AXA General Insurance and Iffco Tokio General Insurance have finally received a go-ahead from IRDA to launch these products.

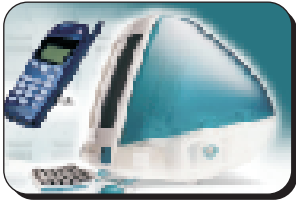
International News

Bank of America needs \$34 billion in capital

Regulators have told Bank of America Corp that it needs \$34 billion of capital to withstand a deep economic downturn, as the US government prepares to release results of industry-wide stress tests. The sum is roughly triple of what the bank had been expected to need. Ten of the 19 large US banks tested may need more capital, it is surmised.

ECB cuts rates to historic low

The European Central Bank (ECB) has cut rates to a historic low of 1% and has announced plans to mobilize new monetary tools while leaving the door open to further reductions in borrowing costs as it steps up action to combat the economic crisis. The ECB chief, Mr. Jean-Claude Trichet, said the bank was planning to shore up financial market confidence by extending the period over which the ECB lends funds to banks at fixed rates from 6 months to 12 months, and also has made its first foray into assets purchases. This would involve buying up Euro-denominated covered bonds as part of a €60-billion (\$80-billion) program.



Products & Alliances

Aries, MCX in pact

Aries Agro Ltd., a speciality micronutrient company, has entered into a MoU with the MCX. Under the MoU, the company will utilize the network of Gramin Suvidha Kendra (GSK) a joint initiative of India Post and MCX- for promoting its products and supporting the sales initiatives. The network will provide Aries an immediate access to 160 Branch Post Offices serving 768 villages in 5 states.

Barclays launches easy cash management solutions

Barclays Global Retail and Commercial Bank India has announced the launch of 'Easy Cash Management Solution', which will enable its commercial customers to access a number of customized products. Three new products, which include direct debit, invoice matching & reconciliation and post-dated cheque management, will help provide an end-to-end cash management receivable solution to commercial customers.

MCX-SX launches regional language website in Punjabi and Assamese

As part of its continual efforts to reach out and connect to the regional language speaking population, MCX-SX (MCX Stock Exchange), India's new stock exchange has formally launched its regional website in Punjabi and Assamese.

ICICI Bank in pact with Visa in US

ICICI Bank has entered into an agreement with Visa to issue debit cards in US. Under the agreement, ICICI Bank's New York branch will issue Visa debit cards to its Global Indian account and other checking account customers. "Visa has an unmatched suite of payment products that allows our customers to pay securely and conveniently for every type of purchase," ICICI Bank's US branch Head, Mr. G.V.S. Ramesh said. The Global Indian account serves the banking needs of Indians moving overseas who require access to local banking facilities in US.

CIBIL launches score for personal loans

Credit information bureau CIBIL and TransUnion have launched a score for personal loans. The score will help predict the likelihood of delinquencies by personal loan borrowers over a period of 12 months. So far, banks and lenders were using CIBIL's generic score for all kinds of loans. But the demand for a separate score for personal

loans came from lenders themselves, said Mr. Arun Thukral, Managing Director, CIBIL. Banks submit data on a monthly basis about repayment histories of their borrowers and ask for a score each time they receive a loan application.

Regulators Speak...

RBI-SEBI panel may bring in currency options by October

The Securities and Exchange Board of India (SEBI) is in talks with the RBI to introduce foreign currency options on the exchanges. A seven-member standing committee, with representatives from SEBI and RBI, is working on the modalities to bring in foreign currency options by October this year. The move assumes a huge significance in view of the heavy losses incurred by companies in overseas cross-currency options deals last year. Standardised and exchange traded currency options are at least regulated.

RBI launches draft norms to develop G-sec market

RBI has launched draft guidelines for introduction of STRIPS (Separate Trading of Registered Interest and Principal of Securities) in government securities (G-secs), in order to develop the G-sec market. Stripping is a process of converting periodic coupon payments of an existing G-sec into trading zero-coupon securities, which will usually trade in the market at a discount and are redeemed at a face value. Thus, stripping a five-year security would yield 10 coupon securities (representing the coupons), maturing on the respective coupon dates and one principal security representing the principal amount, maturing on the redemption date of the five year security.

RBI seeks review of lending norms for small units

RBI has asked banks to review their existing policies for lending to micro and small enterprises (MSEs) and frame norms for restructuring potentially-viable sick units. RBI has also asked banks to frame policies on extension of credit facilities and non-discretionary One-Time Settlement (OTS) schemes for recovery of non-performing loans. The banks have been asked to communicate the status by June 30, 2009. This directive follows the submission of a report by a working group headed by Dr. K. C. Chakrabarty, Chairman and Managing Director, PNB.

RBI extends norms for loan valuation to FIs

RBI has extended its norms for the valuation of loans before and after restructuring to financial institutions

(FIs) as well. The guidelines were issued for banks on April 9, 2009; as per which, a fair value of the loan before restructuring will be computed as the present value of cash flows representing the existing interest rate charged on the advance and the principal, discounted at a rate equal to the bank's BPLR as on the date of restructuring. Additionally, the appropriate term premium and credit risk premium for the borrower category will be added.

Banks asked to reduce *nostro* accounts

RBI has asked banks to reduce the number of *nostro* accounts held by them, for faster reconciliation of the same. The banks will continue to reconcile *nostro* accounts where the individual client amount is \$2,500 or above. For amounts less than \$2,500, banks have been allowed to transfer the net amount on transactions before April 1996 to the profit and loss account.

SEBI issues simplified norms for corporate debt securities

Markets regulator SEBI has issued simplified rules governing corporate debt paper, thereby making it possible to raise funds quickly on domestic capital markets. The notification comes more than three years after the RH Patil committee laid out a road-map to make debt issues as attractive as equity, for companies. Companies that have already floated one debt or equity issue can now cut through several layers of formalities when issuing another tranche.

Non-life insurance Cos. cannot function as PFMs, says IRDA

The Insurance Regulatory & Development Authority (IRDA) has turned down insurance companies wanting to act as collection units for the new pension scheme and has set stringent conditions for the life insurers that want to set pension fund subsidiary. IRDA chairman, Mr. J. Hari Narayan has affirmed that the authority had examined the various legal and regulatory issues relating to insurance companies setting up subsidiaries to take up operations as Pension Fund Managers (PFMs) and acting as Points of Presence (PoP). On basis of the observations made therein, it has been decided that presently life insurance companies may set-up fully owned subsidiaries to act as PFMs while no non-life insurance company be permitted to act as PFMs.

Avoid commercial real estate financing : RBI tells co-op banks

RBI has instructed state and central co-operative banks to desist from financing the commercial real estate sector, fearing that exposure in this sensitive area would

not be in their interest. The central bank has reinforced that the primary role of these banks is to lend for activities related to agriculture and rural development. Regarding the credit facilities already extended to the sector the apex bank said it should be ensured that such exposures are well secured and adequate provisioning is made according to the existing prudential guidelines.

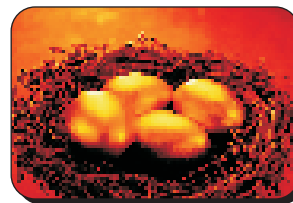
Banks must promote financial literacy : RBI

RBI has asked private as well as public sector banks to set up more Financial Literacy and Credit Counselling Centres (FLCC) in every district and has suggested the leading banks to hold a public meeting every quarter in each district to address grievances of the bank customers. RBI's high level committee headed by Deputy Governor Ms. Usha Thorat has made this recommendation in its report based on the feedback that barring a few, most of the operational centres were not performing the intended role and were instead simply promoting the bank's products, providing investment advice, etc. The committee also suggested drawing a roadmap by 2011 to provide banking services at least once a week to each village having population over 2000.

Microfinance / Small and Medium Enterprises

Canara Bank unveils SME Sulabh

Canara Bank has launched 'SME Sulabh' a new business model for increasing credit flow to the Micro, Small and Medium Enterprises (MSME) sector. SME Sulabh centralised processing centres have been established initially at seven places in Ahmedabad, Bangalore, Chennai, Coimbatore, Delhi, Hyderabad and Mumbai. The centres will aim at fast processing and quick delivery of credit to MSMEs; are equipped with specialized marketing and credit appraisal teams and will directly receive, process and sanction the credit proposals in a time-bound manner. With this approach, the turnaround time for MSME credit proposals will be reduced substantially.



Mutual Funds

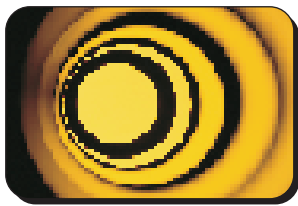
Banks deposit funds with MFs on poor loan off-take

With loan demand yet to pick up, banks are parking a chunk of their surplus funds with mutual funds (MFs). During the first fortnight of the current

fiscal (FY09-10), banks have invested over Rs.40,000 crore in MF schemes. This is over and above the Rs.80,000 crore that they have pumped into government bonds. According to the latest RBI figures, commercial banks have collectively parked Rs.40,423 crore in various MF schemes between March 27 and April 10, taking their total MF-exposure to Rs.85,557 crore. The combined investment in government paper and other approved securities is Rs.82,074 crore. In contrast, banks have lent only Rs.1429 crore in the fortnight.

Mutual funds' asset base swells 11.5% in April

The MF industry has recorded an 11.5% growth in asset base in April, most of it due to large inflows from banks into short-term liquid schemes. This is the highest percentage growth recorded by the industry since the big market fall of January 2008. The assets rose by Rs.58,013 crore in April. March had seen a marginal decline in the assets under management of the industry. The increase in the asset base has come on the back of large inflows from banks and corporate houses during April, said Mr. Mahendra Jajoo, Head of Fixed Income & Structured Products, Tata Mutual Fund.



Spotlight

SBI, HDFC seek RBI nod to buy gold from retail investors

Two leading banks, SBI and HDFC Bank, have sought permission from the RBI to buy gold from retail investors. The idea behind this request is that since banks are anyway selling gold, allowing them to buy gold will also encourage customers to buy more. The move will also provide more liquidity, quality assurance to this asset class for retail investors.

Indian regulatory models may be adopted

As nations across the world make reshaping the financial services industry a key priority to put the global economy back on track, they are likely to take a leaf out of the regulatory models of countries like India, as per an Accenture report. "The regulatory models of Canada, India and Spain may be widely adopted. Canada's banks have largely escaped exposure to toxic assets, due to the higher liquidity reserves

required by their charters. India and Spain which also require high levels of liquidity reserves, have also emerged strong," the global consulting firm said.

Credit card companies look at premium clients for better portfolio

MasterCard Worldwide has discovered that a key issue plaguing the credit card industry is inactive cards. It has summed up that one of the ways to get cardholders to use the card is to charge an annual fee. "But markets, where free cards are prevalent, card issuers can only charge fees to the high-end customers," said Lance Blockley, Managing Director of Edgar, Dunn & Company. This consultancy is assisting MasterCard in the research. Bankers have asserted that customers in the premium segment understood their financial responsibility better than cardholders with marginal profile and were more disciplined in payments.

Educational loans : Banks may revamp repayment terms

Banks are considering tweaking the repayment terms of education loans to help hard-pressed borrowers cope with the current cycle of economic downturn. A proposal to increase the moratorium period / repayment holiday from one to two years and the repayment period from 5-7 years to 7-10 years is being examined by banks under the aegis of the Indian Banks' Association (IBA), the self-regulatory body for banks. If implemented, the proposal can bring relief to a large number of student-borrowers, especially recent graduates from the engineering, management and computer applications streams, who are either not getting jobs, or are not getting enough salaries to support themselves and service the loan.

Financial Basics

Paying agent

An agency service provided by a bank whereby the bank pays interest or dividend to holders of stocks or bonds issued by a corporation or government unit. The agent is responsible for redeeming debt issues as they mature.

Glossary

Currency Options

Currency options are options in foreign currency which are used by corporate clients who wish to hedge a foreign exchange exposure. A company due to receive dollars at a known time in future can hedge its risk



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by buying put options (options are financial contracts that give you the right but not the obligation to buy a certain instrument of a particular lot size at a pre-specified price in the future) on dollar which mature at that time. This guarantees that the value of the dollar will not be less than the exercise price, while allowing the company to benefit from any favourable exchange rate movement. Similarly, if a corporate has a dollar obligation to meet sometime in the future, it can buy a call option which will mature at the same time that the obligation arises. Currency options, like regular options come with fixed maturity dates such as March, June, December, etc.

Nostro Accounts

A banking term to describe an account one bank holds with a bank in another country usually in the currency of that country. It facilitates transactions for the bank's customers. The word nostro is of Latin origin meaning 'my account with you'.

News From the Institute

R. K. Talwar Memorial Lecture

The Institute will be organising this year's R. K. Talwar Memorial Lecture on 23rd July 2009 at Mumbai. The lecture will be delivered by Smt. Elaben Bhatt, Chairperson, SEWA.

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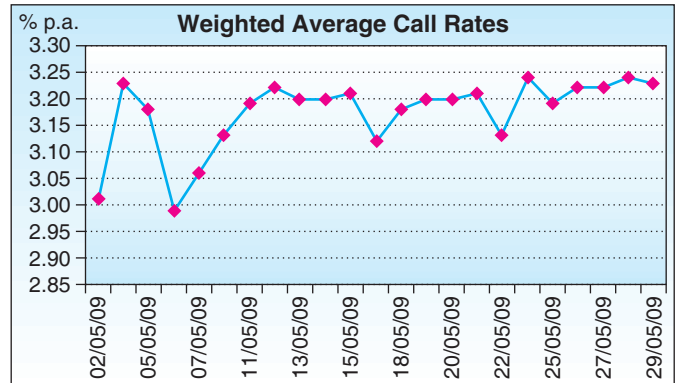
New courses from the Institute

We wish to bring readers' attention to the new courses launched by the Institute in the recent past. The courses include Diploma in Microfinance and Certificate course for Business Correspondents / Business Facilitators. For details please visit www.iibf.org.in.

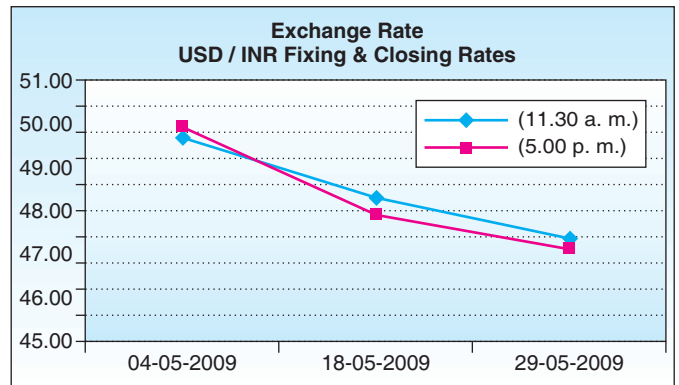
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Markets Roundup



Source : CCIL Newsletters, May 2009, various issues



Source : FEDAI

Indicators	Market Snapshot (Amount in Rs. Mn.)			
	May 08, 2009	May 15, 2009	May 22, 2009	May 29, 2009
Inflation (%)	0.70 (April 25, 2009)	0.48 (May 02, 2009)	0.61 (May 09, 2009)	0.61 (May 16, 2009)
Avg. LAF Rev. Repo Vol.	1,452,906	1,264,670	1,228,225	1,268,310
Avg LAF Repo Vol.	0	0	0	0
Avg. Repo Rates (%)	1.88	2.60	2.15	2.51
10-yr G-Sec Yield (%)	6.5950	6.6855	6.7932	6.9137
1-10 yr spread (bps)	286	291	297	299
6 Month Forward Premia (%)	2.73	2.68	3.03	3.07
6 month USD LIBOR (%)	1.49	1.38	1.17	1.26

Source : CCIL Newsletters, May 2009, various issues