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IIBF VISION

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Top Stories

National Electronic Clearing Service inaugurated

Reserve Bank of India's (RBI's) National Electronic Clearing Service (NECS) was inaugurated at a function at the National Clearing Centre (NCC), Mumbai, by Shri. V. Leeladhar Deputy Governor RBI. The service aims to centralise the Electronic Clearing Service (ECS) operation to bring in uniformity and efficiency to the system. ECS was introduced in the early nineties and is presently operational at 74 locations, facilitating easy payments and collections for repetitive and bulk transactions. Approximately, 20 million ECS transactions are processed each month. As of now, ECS system functions in a decentralised manner requiring users to prepare separate set of ECS data centre-wise. Users are required to have tie-ups with local sponsor banks for presenting ECS file to each ECS Centre.

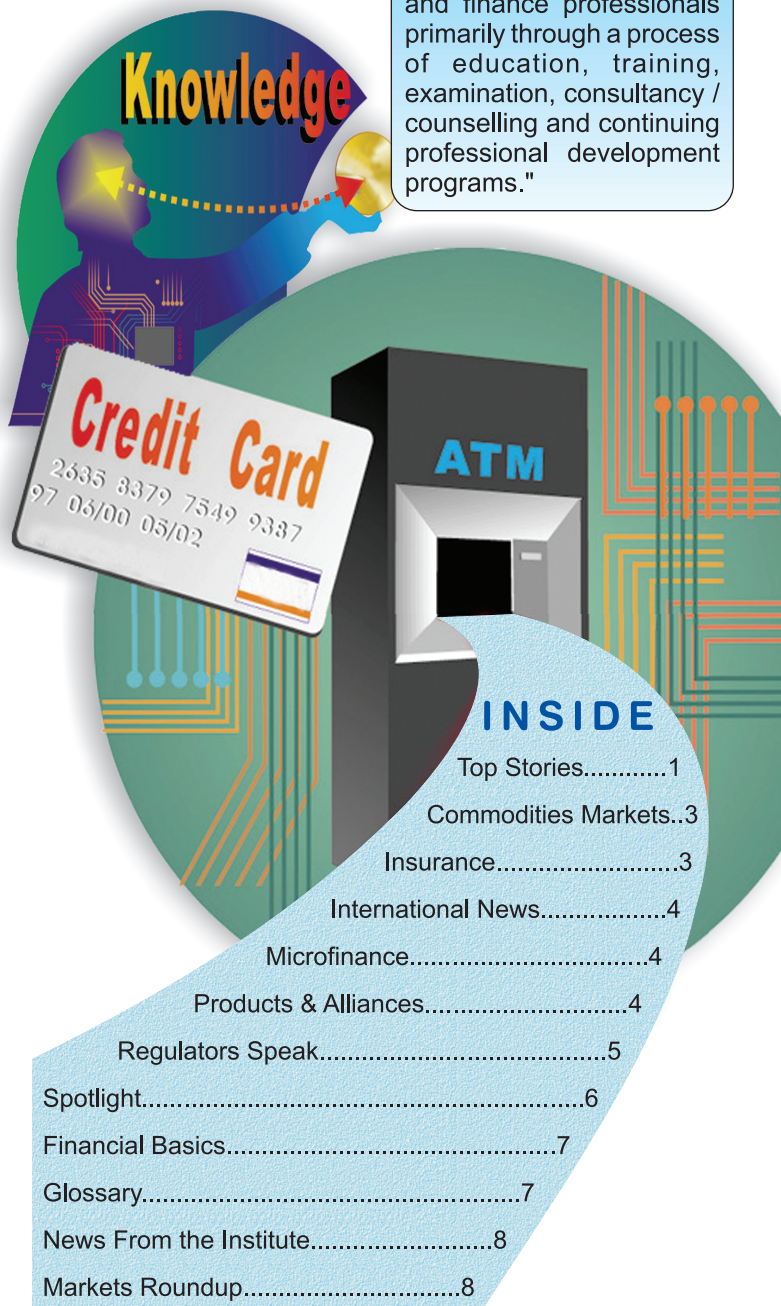
Banks hike NRI deposit rates

Banks have raised rates on non-resident deposits after RBI recently lifted the ceiling on rates by 50 basis points (bps) to attract more dollars into the country. However, many bankers feel that a 50-bps hike may not be enough to draw non-residents who are likely to turn risk-averse. Raising interest on NRI deposits was part of the RBI's package of measures to support the rupee, which threatened to fall below the 47-mark against the dollar in the wake of the US Financial crisis. RBI had capped interest rates on deposits a few years ago to stem the flow of dollars into the country.

Panel wants smaller players in banking

The Raghuram Rajan panel has suggested RBI to consider the entry of smaller players into the banking sector as failure of small banks will not have systemic consequence created by failures of a giant banking entity. The Panel has suggested the regulator to prescribe tighter capital adequacy and regulatory norms for smaller banks.

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."



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The Rajan committee submitted its final report on financial sector reforms to the government. The intent behind inclusion of small banks is also to bring local knowledge to the bankers so that they are able to take decisions quickly in conformity with their customers who they know personally. The entry of such financial entities would also help in achieving the government's goal of financial inclusion.

Central banks inject \$247 billion to defuse crisis

In a co-ordinated move, central banks worldwide have pumped in \$247 billion to revive the world financial system, hit by what the former Federal Reserve governor Alan Greenspan has described as 'the crisis of the century'. This is the biggest ever lifeline offered to the world financial markets, where Morgan Stanley became the latest to join the growing list of investment bankers seeking a bail out. The lifeline, including those from the US Federal Reserve, Bank of England (BoE), European Central Bank, Swiss National Bank and Bank of Japan (BoJ) will encourage commercial banks to lend more vigorously among themselves. The move comes in response to the extreme reluctance among banks and investors to lend, and instead stock-pile money, sending inter-bank lending rates soaring.

Global banking M&A deals clock at \$87 billion in September

The turmoil in the global financial markets has sparked a series of banking merger and acquisition (M&A) deals across the world, taking the volume of monthly deals to a whopping \$87.2 billion. Furthermore, three of the top five such deals so far this year have been announced this month, as per reports by the global deal tracking firm Dealogic. "The recently announced acquisition of HBOS for \$21.9 billion by Lloyds TSB is the largest European banking M&A deal in 2008 so far and second largest globally," reports Dealogic.

Banks told to unwind Lehman swaps

RBI has directed banks to unwind their **interest rate swap (IRS)** transactions with Lehman Brothers. RBI had talks with banks to ascertain Lehman's exposure in the local IRS market. Banks will unwind the IRS transaction by cancelling the position with Lehman and covering the transaction with a fresh counter party.

No plans for merging other associate banks as of now: SBI

Announcing the formal merger of State Bank of Saurashtra (SBS) with SBI, the Chairman of State Bank Group, Mr. O. P. Bhatt, said that there are no plans for the merger of the other six associates with the bank in

the immediate future. SBI has received proposals for the merger of its associate banks at Hyderabad, Indore and Patiala. The remaining three associates *viz.*, Bikaner and Jaipur, Travancore and Mysore, have public holdings. The merger of SBS with SBI has happened because of mutual consent between the employees, officials and management. SBI plans to open 2,000 branches across India, including 100 in Gujarat. Last year, the bank has added 1,000 branches. The circle head office (CHO) of SBI will continue to be at Ahmedabad.

PSBs trump private banks in lending to realty companies

Banks, especially those in the public sector, are seen to have been on a lending spree to real estate companies in FY08. This, despite the current liquidity crisis which is now casting its shadow on the realty sector. According to a study, by a leading financial daily in India growth in advances to the real estate sector by public sector banks (PSBs) *vis-à-vis* private banks has been significantly higher during 2007-08 as compared to 2006-07. Growth in advances during 2007-08 by 27 PSBs, as compared to the previous year, has surged by 25.4 % to Rs.2.72 lakh crore from Rs.2.17 lakh crore.

Former Governor of RBI helped India keep crisis at bay

Former RBI Governor Dr. Y. V. Reddy has been complimented by the country's Chief Economic advisor Dr. Arvind Virmani for going slow on opening up new complex financial products, as the caution has helped insulate the country from global crisis. "Dr. Reddy exercised caution in permitting complex derivative products, with which a large part of the legacy financial system is not familiar and needs to develop expertise in" said Dr. Virmani, appreciatively.

Government begins restructuring of RRBs

The government has begun implementing the recommendations made by the Y. S. P. Thorat committee for the restructuring of regional rural banks (RRBs). The order issued by the Union Ministry of Finance on 22nd August affirms that the question of revisiting the model RRBs and employees' services regulations 2000, especially after the restructuring of RRBs by way of amalgamation, has been engaging the Government's attention for quite sometime. The Government has constituted another committee under the chairmanship of Amaresh Kumar, executive director, NABARD. Apart from conducting study, review and suggesting suitable amendments to the regulation, the committee will be examining the issue of having separate service regulations for officers and employees of RRBs. Under the new categorization norms, transactions up to Rs.6 crore can

be handled by the Scale I officers against the previous limit of Rs.1.5 crore; whereas, in the case of SCBs the limit has been kept at Rs.4 crore.

Government nod for P & S Bank's equity revamp

The government has given its approval for Punjab & Sind Bank's (P&S Bank's) proposal for restructuring its equity capital. The bank's paid-up capital will be reduced to Rs.183 crore from Rs.743 crore. The remaining Rs.560 crore will be converted into preferential shares and other debt instruments.

Reimburse service tax, banks tell RBI

Commercial banks have sought reimbursements from the RBI for the service tax paid on government businesses, claiming that it was a service rendered to the central bank. The 28 PSBs, Axis Bank, Jammu & Kashmir Bank and HDFC Bank earn a substantial income through government businesses, though estimates of the service tax paid by them are unavailable. Since the RBI is acting as an agent for the Centre and the states for government transactions, banks have been advised to approach the central bank for any reimbursement.

Corporation Bank expands service outlet network

Corporation Bank has opened 101 service outlets in 12 states. The outlets include 51 Grameen Vikas Kendras (branchless banking units) and 25 branches and ATMs each. Mr. B. Sambamurthy, CMD, Corporation Bank has affirmed that the bank is pursuing a multi-format approach. It is following a different model in financial inclusion, which goes beyond opening of no-frills accounts. The bank's model gives a holistic approach and makes it a livelihood programme. The branchless banking units provide savings bank account, recurring deposits, general credit cards and some other products.

Banks step up monitoring of loan portfolios to avoid delinquencies

Anticipating repayment problems, as a result of rising interest rates and high input costs, banks are increasingly becoming more careful about their lending and are closely monitoring their loan portfolios. They are now asking for more collateral for the loans and are also constantly reviewing the repayment schedules. Such steps it is hoped will prevent loan accounts from turning into non-performing assets (NPAs).

Price stability, reforms top new RBI governor's agenda

Anchoring inflationary expectations, maintaining financial and price stability, pursuing financial sector reforms and pushing through real sector reforms will be the key priorities for Dr. Subbarao, who recently took over as the 22nd Governor of the RBI for a three year term.

Dr. Subbarao placed on record his admiration and respect for outgoing governor Dr. Y. V. Reddy saying "He has served the organization with dignity and intellectual integrity for five years and it will be a challenge for me to live up to the high standards set by him".

SBI receives National Award for Excellence

SBI has been awarded the National Award for Excellence in Lending to the SME sector for the fourth year successively. The award is constituted by the Ministry of Micro, Small and Medium Enterprises (SME), Government of India.

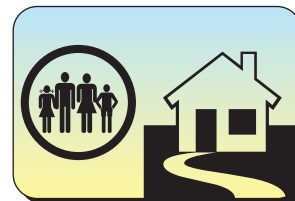
Commodities Markets

NCDEX debunks futures ban logic

The average 35.58% increase in the minimum support price (MSP) of the four commodities that were banned from the futures platform, indicates that the government is convinced that the demand-supply fundamentals are responsible for the price behaviour of essential commodities, as per the latest report by the NCDEX Institute of Commodity Research (NICR). The four agricultural commodities - *tur* (pigeon peas), *urad* (black gram), wheat and rice - have been banned from trading on the futures platform as the government believes it to be responsible for the price rise. The government has also suspended futures trading in four more commodities *chana* (chick-peas), potato, soy-oil and rubber - for the same reason.

NCDEX to extend evening trading hours

The National Commodity & Derivatives Exchange (NCDEX) will extend evening trading hours by 25 minutes from November, 2008 due to international daylight saving timings. Trading in bullion, metals, crude polymers, coffee, carbon credits and furnace oil will continue till 11.55 p.m. compared with 11.30 p.m. The new timings will be effective from 3rd November till 6th March. Trade timings for agriculture commodities and coal, on weekdays as well as for all trading on Saturdays will be unchanged.



Insurance

LIC allows agents to collect premium

Life Insurance Corporation (LIC) has decided to allow 10,000 agents to collect renewal premium from the policy holders. Agents who have qualified for LIC's chairman

club membership are eligible for this endeavour. The corporation has also decided to allow senior agents to recruit and train new agents.



International News

US plans transfer of bad assets to a new institution

US Treasury Secretary Henry Paulson and Federal Reserve Chairman Ben S. Bernanke have proposed moving troubled assets from the balance sheets of American financial companies into a new institution. The effort is a recognition that Paulson's and Bernanke's earlier efforts failed to revive financial and housing markets. The government took over American International Group Inc, Fannie Mae and Freddie Mac recently, a period when Lehman Brothers Holdings Inc filed for bankruptcy and Americans pulled a record \$89 billion from money-market funds.

Federal Reserve to provide loans to money market funds

The US Federal Reserve has announced more steps to aid battered markets, including opening its discount window to financial institutions to enable them to purchase certain assets from money market funds. One initiative will extend non-recourse loans at the primary credit rate to US depository institutions and bank holding companies to finance their purchases of high quality asset backed commercial paper (ABCP) from the money market mutual funds. The Fed has also announced more help for markets in agency debt, which includes paper issued by mortgage giants Fannie Mae and Freddie Mac, which were seized by the US government on 7th September.

Goldman, Morgan Stanley give up i-bank status

The Wall Street that shaped the financial world for two decades ended on the night of 7th September, when Goldman Sachs Group Inc and Morgan Stanley concluded there was no future in continuing as investment banks now that investors had determined the model broken. The Fed's approval of their bid to become banks, ends the ascendancy of the securities firms, 75 years after Congress separated them from deposit taking lenders, and caps weeks of chaos that sent Lehman brothers Holdings INC into Bankruptcy and led to the rushed sale of Merrill Lynch & Co to Bank of America Corp.

Commerzbank to buy Dresdner Bank for € 9.8 billion

Commerzbank AG has agreed to buy Allianz SE's Dresdner Bank for € 9.8 billion (\$14.4 billion) in the biggest financial-services takeover in Europe this year, leapfrogging Deutsche Bank AG by customers and branches. Commerzbank fell as much as 9.7% in Frankfurt trading, the most since January, after analysts said the offer price exceeded investors' estimates. Dresdner will be acquired in two steps, with Commerzbank purchasing 60.2% with cash and stock and then buying the remainder by the end of 2009.

Microfinance

Financial giants stitch Micro-finance JV

Five financial institutions in India are coming together to form a new entity which will lend to those untouched by high street banks. The move reflects a new approach to financial inclusion - tapping potential customers at the bottom of the pyramid a market that is estimated to be worth billions of rupees. The partners in the joint venture (JV) are LIC, National Housing Bank, Standard Chartered Bank, IFC- a part of World Bank Group- and Union Bank of India. The proposed entity, to be christened Financial Inclusion Corporation of India (FICI), will be a non-banking finance company (NBFC). FICI will primarily finance micro-financial institutions (MFI). An equally important objective of the company will be to influence policy making and regulations with regard to functioning of MFIs; apart from positioning FICI as the coordinating agency for promoting financial inclusion.



Products & Alliances

PNB ties up for online trading

Punjab National Bank (PNB) has signed deals with brokerages Networth Stock Broking Ltd and SMC Group to provide online trading facilities to its customers. SMC Global Securities Ltd, SAM Global Securities Ltd and SMC Comtrade Ltd have signed the deal on behalf of SMC group.

Bank of India joins National Financial Switch (NFS)

Bank of India (BoI) has joined the National Financial Switch (NFS), an ATM Network of various prominent banks in the country. Presently, 31 banks are part of the NFS and 29,840 ATMs are connected by NFS network.

BoR, ICRA tie up

Bank of Rajasthan (BoR) entered into a memorandum of understanding (MoU) with credit rating agency ICRA for the bank's corporate and public sector enterprises exposure. The agency will now assign ratings to the bank's corporate and public sector enterprises exposure under the standardized approach of the RBI's new capital adequacy framework (Basel-II). This will enable BoR to assign risk weights under Basel-II linked to various rating categories, which will be as per RBI's guideline on new capital adequacy framework.

South Indian Co-op Bank merges with Saraswat Bank

South Indian Co-operative Bank has merged with Saraswat Co-operative Bank after receiving an approval from the RBI, Commissioner of Co-operation and Registrar of Co-operative Societies, Pune. With the merger, the number of branches of Saraswat Bank has increased to 170 from the present 156.

SBI MF ties up with Karur Vysya Bank

SBI Funds Management, investment managers for the SBI Mutual Fund, have formalized their tie-up with Karur Vysya Bank, a leading private sector bank in Tamil Nadu. The customers of Karur Vysya Bank will now be offered mutual fund investment products from the fund house. The tie-up will help SBI MF to tap the markets of Chennai and Coimbatore.

Standard Chartered Bank launches service for HNIs

Standard Chartered Bank has launched an in-depth financial service, offering a suite of investment management, credit and advisory service, for high net worth (HNI) Indians living overseas. The bank's global Indian portfolio includes advisory and daily banking services and art advisory services. The global Indian offering would be rolled out in Singapore in the fourth quarter of this year followed by other centres including Dubai, Hong Kong and Miami.

ING MF launches fixed plan

ING Mutual Fund launched ING Quarterly FMP 90-series A, a 90-day scheme. Retail plan under the scheme offers an indicative yield of 10.25%, while the institutional plan offers 11.25%. The scheme will invest in debt and money market instruments.

PNB links MoU with CGTMSE

PNB has signed a MoU with Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE). The scheme of Risk Sharing Facility, part of the World Bank Line of Credit, envisages providing collateral-free credit facilities to Micro and Small Enterprises upto Rs.1 crore.

IOB, Rotary sign MoU

Indian Overseas Bank (IOB) has signed a MoU with Rotary International District 3230 for implementation of 'IOB-Rotary Sampoorna Scheme'. Under this scheme, IOB will grant loans under DRI (differential rate of interest, *viz.*, 4%) scheme to the weaker sections of society to undertake gainful economic activities. Rotary International will identify prospective beneficiaries through its 103 clubs operating in Kancheepuram, Thiruvallur, Vellore and Tiruvannamalai districts of Tamil Nadu. Loans will be given to individuals with annual family income up to Rs.18,000/- in rural areas and Rs.24,000 in semi-urban / urban areas. No margin is to be borne by the beneficiaries. The assets created out of the loan will be hypothecated to the bank.

Regulators Speak...

Banks need an additional Rs.5.7 lakh crore within 5 years

RBI, in its "Report on Currency and Finance 2006-08", has said that for banks to maintain capital for operational risks, overall capital requirements are likely to go up even if there is an expected decline in the capital required on account of credit risk. Since most banks in India are presently operating at a capital adequacy ratio higher than the prescribed level, meeting the Basel-II requirements is not an issue in the immediate future. In the medium to long-term, however, banks will need to raise capital resources to keep pace with the expansion of their business.

FMC hikes default penalty to 3%

Concerned over the increase in delivery defaults on exchanges, commodity market regulator Forward Markets Commission (FMC) has decided to hike the penalty to 3% and has authorized exchanges to take delivery of the commodities. "To protect the interest of the buyer, we have increased the penalty fee to 3% from the earlier 2.5%," confirms FMC chairman BC Khatua. Earlier, an affected party was entitled to 0.5% of the contracted amount from the defaulters-buyers and sellers. With the hike in penalty, the affected party will now get 1%; the remaining 2% will go to the Exchange Investor Protection Fund.

Cell banking only for card holders : RBI

Small-ticket payments and remittances from mobile phones will become a reality soon. Keeping in mind the superior reach of mobile phones as a delivery channel, the RBI has released its final operative guidelines for mobile banking. The central bank has decided to keep the limit on the ticket-size for mobile banking at Rs.2,500/- per

transaction, and Rs.5,000/- per day. Banks have also been allowed to put in place a monthly transaction limit, depending on the bank's risk perception of the customer. While the guidelines will enable lenders like SBI and Axis Bank to go ahead with their launch of mobile banking services, RBI has decided to restrict the services only to holders of debit & credit cards. The card-user base in the country is 80 million, with 55 million debit card users and 25 million credit card users.

RBI keeps close watch on use of LAF funds

After a period marked with tight liquidity and volatility in the financial markets, the RBI is watching how banks are deploying the funds raised through the Repo window. The central bank is reported to be checking if banks used the liquidity adjustment facility (LAF) for raising resources to meet short-term lending needs or pay off high cost bulk deposits. Though it is quite difficult to pinpoint the end-use of funds, the scan was apparently a part of regulatory monitoring to reduce prospects of directing the money for purposes other than meeting temporary cash needs. RBI sources say that market monitoring is a usual regulatory activity.

RBI eases foreign fund raising rules

In a move to attract foreign currency inflows into the country, RBI has operationalised the issue of Foreign Currency Exchangeable Boards (FCEB) scheme, 2008. The new instrument will provide corporate groups more flexibility to raise funds abroad as they can leverage the values of their holding of a company in group firms too. The norms laid down by the government for FCEBs incorporate all the restrictions applicable on external commercial borrowings (ECBs) as well as foreign ownership in Indian companies. The scheme was notified by the finance ministry in February this year.

Centre eases ECB norms, allows \$500 million infrastructure repatriation

In a significant relaxation of ECB rules, the government has allowed infrastructure companies to repatriate up to \$500 million up from \$100 million, and has eased interest rate ceilings by 100 bps on longer term loans. This will provide a much needed fillip to the financing needs of the infrastructure sector. Like others, it has been caught in the pincer grip of a weakened equities market and expensive local debt market. Indian companies raised \$6.5 billion via ECBs in April-July this fiscal, down from \$11.8 billion in the same period last year.

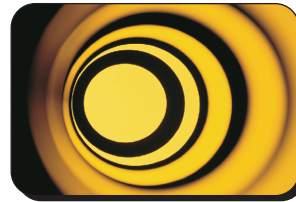
Voting rights in private banks equal to holding level

The Finance Ministry has made it clear that it intends to go ahead with the move to make voting

rights in private sector banks in line with the actual shareholding. At the same time, it has no plans to extend these changes to public sector banks (PSBs). The planned amendments to the Banking Regulation Act will not impact the ceiling on voting rights in PSBs as there is no proposal to alter such ceiling provided in the Acts administering them.

SEBI, RBI panel on M&As

Capital market regulator SEBI and banking sector regulator RBI are planning to set up a joint committee to look into the issues related to mergers and acquisitions (M&As) in the corporate sector. This was reportedly stated by the SEBI Chairman Mr. C. B. Bhave who said the new committee would also work on a framework to bring more transparency in M&As.



Spotlight

PSU banks edge out foreign peers on efficiency chart

State-owned banks are more efficient than foreign banks operating in India, according to an RBI analysis. In its latest report on Currency & Finance, RBI has said that state-owned banks, particularly the State Bank group, continues to be the market leader as far as absolute efficiency levels are concerned, followed by new private banks, foreign banks and old private sector banks.

BoM plans exclusive branch for pensioners

“For a better banking experience to the pension account holders, Bank of Maharashtra (BoM) is planning to set up an exclusive branch for pensioners,” said Mr. Allen C. A. Pereira, CMD, BoM. The bank will be applying for a licence to the RBI for such a branch in Pune exclusively for pensioners. Currently the bank has about 70,000 pensioners as customers in Pune. One of the USPs of the branch would be to use biometric ATMs, as senior citizens are finding it difficult to deal with a lot of numbers. Currently, the bank is running 10 biometric mobile ATMs.

National Payments Corporation gets Government's approval

A company to handle all retail payments and settlement activities in the country will soon be set up with the corporate affairs ministry giving the long awaited licence to the National Payments Corporation of India. The entity is expected to be incorporated within a month, says

a top official of the Indian Banks' Association (IBA), adding that state-run banks will own 51% stake in the entity.

Bankers working on new, cheaper instruments

For those whose fund-raising activities have gone haywire, merchant bankers are working on new instruments that will allow companies to borrow at an interest rate 3% lower than those charged on term loans by banks. These instruments which may hit the market within three months will be convertibles on a rights basis, with the option to convert them into equity at a premium of 20-50% over the current price anytime within 5-7 years. The instruments are being developed by merchant bankers like Kotak Mahindra and are likely to find favour with institutional, than retail investors. The downturn in equity and bond markets could catalyse a host of fund raising innovations that will help corporates find solutions to their problems.

South Indian Bank lets offspring inherit their parent's job : A VRS with a difference

The offspring of those working in the Thrissur head quartered South Indian Bank are now assured of inheriting the job of their parent working in the bank. The bank's Chairman Dr. V. Joseph, has said that this is a part of a 'welfare' scheme that he had conceived in order to give the bank a younger age profile. The average age of the bank employees was about 48 years until recently. This has been brought down to about 42 with the induction of a number of younger employees. A conventional 'VRS' scheme has negative connotations and earns the displeasure of both the unions and employees. But when that is sugar-coated with having your offspring occupy your seat, there is a warm reception from all. The new employee feels proud to work in the same organization as that of his parent, and the bank gets younger and fresher employees who want to stick to the job at a time when high attrition is the norm in the job market.

Banks run short of SLR securities

Faced with an upsurge in deposit growth, banks are currently faced with a shortage of Government securities for complying with the Statutory Liquidity Ratio (SLR). Deposits this financial year surged by Rs.1.41 lakh crore. Time deposits alone rose by Rs.2.31 lakh crore between April and August this year. On a year-to-year basis, deposits have grown by 22%. The surge in deposits has resulted in increased requirements of Government securities for meeting the mandated SLR requirements.

The deposit surge has come from the downturn in equity markets and to some extent from the postal deposit scheme. This was in view of higher returns from banks. Banks are currently offering deposit rates of anywhere between 9.5 and 10.5% for deposits with maturity profiles of between one and two years.

Card transaction value up to 42%

With more banks issuing credit and debit cards and with a larger number of merchant terminals in place, the value of plastic money transactions has gone up by over 42% to Rs.70,459 crore during 2007-08. As per RBI-released data, the growth was significantly higher than the 24.51% rise in the value of plastic money transactions in 2006-07 and was partly attributed to banks encouraging people to use cards for transactions. In recent months, banks have increasingly put in place schemes like cash back offers, to encourage people to use more of debit cards.

Financial Basics

Haircut

- (1) The amount retained by brokers on repurchase agreements to pay for their services. A haircut is the difference between the bid and the contract price for a repurchase agreement.
- (2) The difference between the market value of a security being used as collateral for a loan and the amount of money that a lender will advance against the security.

Glossary

Interest Rate Swap

An interest rate swap (IRS) is a derivative instrument used for managing interest rate risk. This is in the form of a transaction in which two counter-parties exchange interest payment streams of differing tenure or type. These incomes are based on an underlying notional principal amount. The three main types of IRS are, coupon swaps (fixed rate is swapped with floating rate in the same currency), basis swaps (one floating-rate index is swapped with another floating-rate index in the same currency), and cross-currency interest rate swaps (fixed rate in one currency is swapped with floating rate in another currency).

National Financial Switch

National Financial Switch (NFS) is a national switch to facilitate connectivity between a bank's switches and their automated teller machines (ATMs), and



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inter-bank payment gateway for authentication & routing the payment details of various e-commerce transactions, e-government activities, etc. In simple words it is a shared ATM network that allows banks to plug in their ATM networks to networks of other banks. The NFS became functional from August 27, 2004. The use of the ATM service by customers of one bank in another bank has been made available so far at a charge. The RBI has proposed that this service be made free from April 1, 2009.

News From the Institute

Virtual classes for JAIIB / CAIIB

IIBF will be conducting 'Virtual Classes' via internet and 'Contact Classes' for JAIIB / CAIIB during October / November, 2008. Await further announcement on www.iibf.org.in.

Contact Classes

The Institute is planning to hold contact classes for students appearing for JAIIB / CAIIB in the metro cities. For details, visit www.iibf.org.in.

Diamond Jubilee & CH Bhabha Overseas Banking Research Fellowship-2008

The Institute has announced the Diamond Jubilee & CH Bhabha Overseas Banking Research Fellowship (DJCHBOBRF) for the year 2008. The last date for receiving applications is 31st October 2008. For details and application form, please visit www.iibf.org.in.

Course Updates

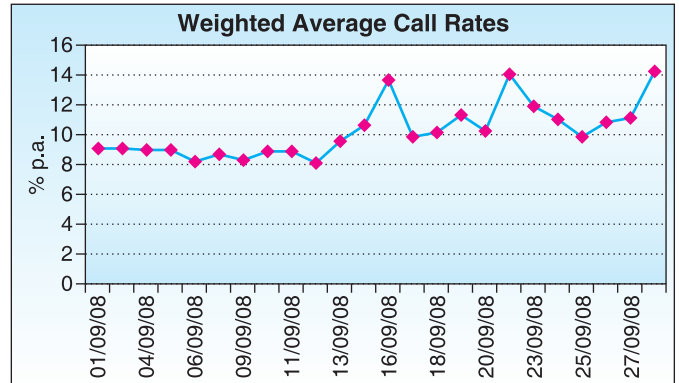
Updates for various courses of the Institute (JAIIB / CAIIB, Diplomas) are being uploaded on the website of the Institute. For details please visit www.iibf.org.in.

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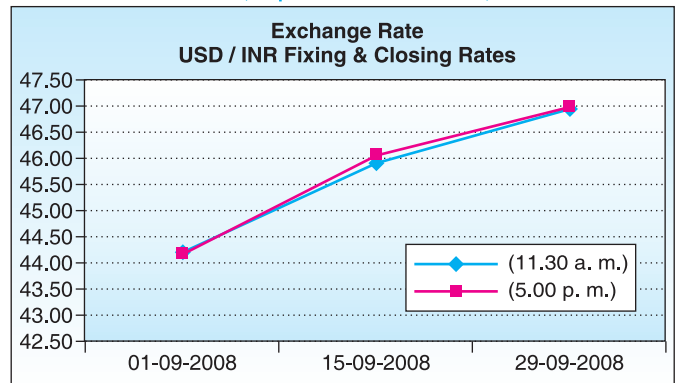
Markets Roundup



Source : CCIL Newsletters, September / October 2008, various issues

Market Snapshot (Amount in Rs. Mn.)					
Indicators	Sep 05, 2008	Sep.12, 2008	Sep. 19, 2008	Sep.26, 2008	Oct. 03, 2008
Inflation (%)	12.34 (Aug. 23, 2008)	12.10 (Aug. 30, 2008)	12.14 (Sep. 06, 2008)	12.14 (Sep. 13, 2008)	11.99 (Sep. 20, 2008)
CCIL MIBOR	9.0530	8.5159	13.6583	11.5704	15.9723
Avg.LAF.Rev.Repo.Vol	2,500	4,390	2,400	250	0
Avg.LAF.Repo.Vol	148,563	93,260	655,370	638,570	908,400
10-yr G-Sec Yield(%)	8.6907	8.4165	8.5587	8.6013	8.5029
1-10 yr spread (bps)	-11	-10	-28	8	-

Source : CCIL Newsletters, September / October 2008, various issues



Source : FEDAI