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Committed to professional excellence

IIBF VISION

Volume No. : 5 Issue No. : 9 April 2013

Mid Quarter Policy Review - 19th March 2013

Monetary & Liquidity Measures

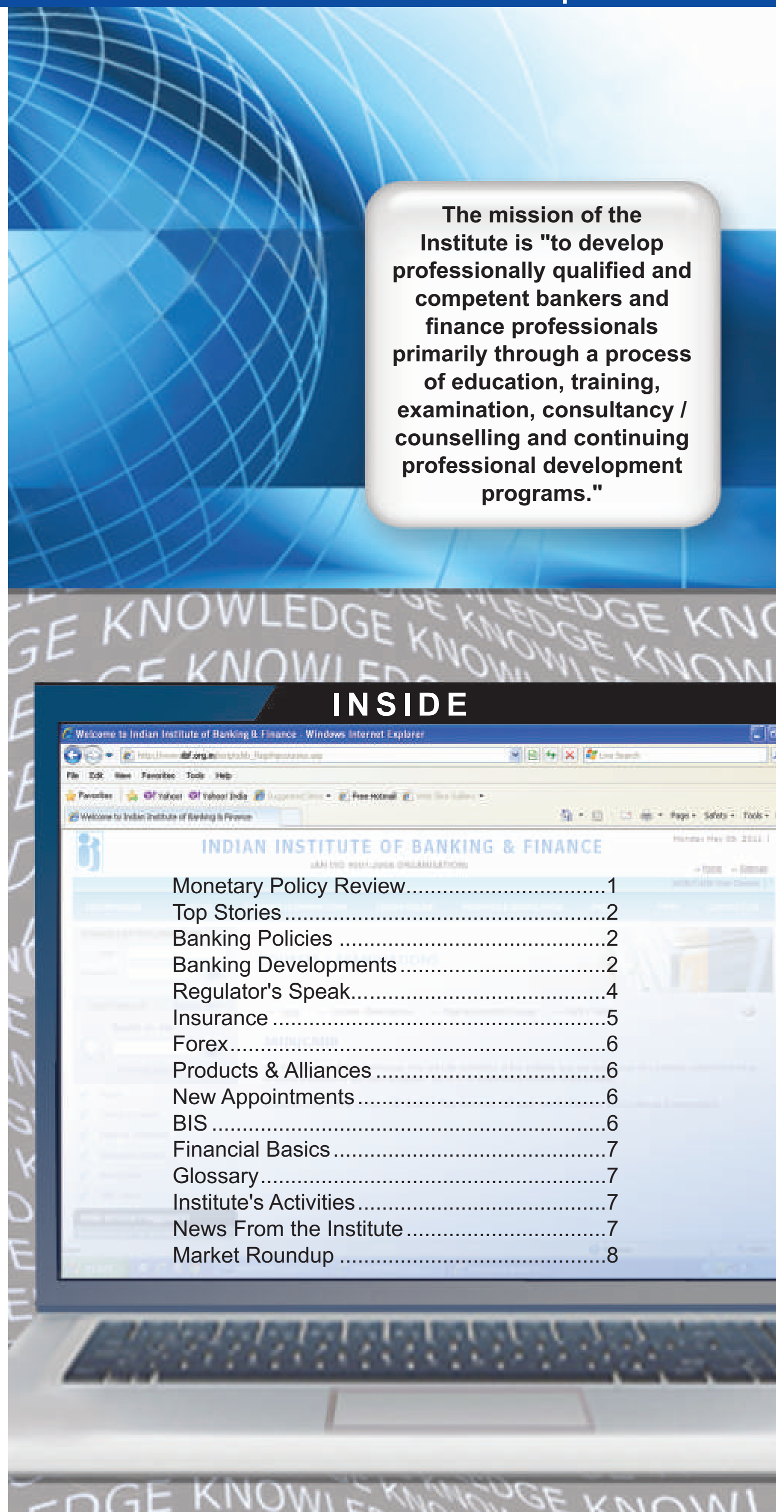
- The policy repo rate under the Liquidity Adjustment Facility (LAF) reduced by 25 basis points from 7.75% to 7.5% with immediate effect;
- Consequently, the reverse repo rate under the LAF stands adjusted to 6.5% and the Marginal Standing Facility (MSF) rate and the Bank Rate to 8.5% with immediate effect.

Growth

- India's GDP growth in Q3 of 2012-13, at 4.5% was the weakest in the last 15 quarters. The services sector growth, hitherto the mainstay of overall growth, has also decelerated to its slowest pace in a decade. While overall industrial production growth turned positive in January, capital goods production and mining activity continued to contract. The composite Purchasing Managers' Index (PMI) declined in February, largely reflecting slower expansion in services. In the agriculture sector, the second advance estimates of kharif production indicate a decline in relation to the level last year. However, that may be offset, at least partly, by the rabi output for which sowing has been satisfactory.

Inflation

- The year-on-year headline WPI inflation edged up to 6.8% in February 2013 from 6.6% in January, essentially reflecting the upward revisions effected to administered prices of petroleum products. On the other hand, non-food manufactured products inflation, and its momentum, continued to ebb along the trajectory that began in September 2012, enabled by softening prices of metals, textiles and rubber products. Worryingly, retail inflation continued on the upward path that set in from October 2012, with the new combined (rural and urban) CPI (Base : 2010 = 100) inflation at a high of 10.9 per cent in February 2013 on sustained price pressures from food items, especially cereals and proteins. Consequently, the divergence between wholesale and consumer price inflation continued to widen during the year.



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

Monetary and Liquidity Conditions

- Money supply (M_3) and bank credit growth have broadly moved in alignment with their revised indicative trajectories. With government cash balances with the Reserve Bank persisting at a higher than normal level, the liquidity deficit, as reflected by the net drawals by banks under the Liquidity Adjustment Facility (LAF), has remained above the indicative comfort zone. The reduction in the Cash Reserve Ratio (CRR) of banks by 25 basis points, effective from February 9 and open market purchases of ₹200 billion since February have enabled money market rates to remain anchored to the policy repo rate. Reserve Bank will continue to actively manage liquidity through various instruments, including Open Market Operations (OMO), so as to ensure adequate flow of credit to productive sectors of the economy.

Top Stories

All-woman bank operative from November

Finance Minister Mr. P. Chidambaram has announced that India's first all-woman bank will start operations from November this year through six branches spread across the country. The plan is to begin with at least one branch in each major region of the country i.e. South, West, East, Centre, North and North-East.

Banking Policies

Foreign bank branches to convert into local entities

Foreign banks entering India are being asked by Reserve Bank of India (RBI) to agree to a clause requiring them to convert their branch operations into a Wholly-Owned Subsidiary (WOS), once domestic incorporation for these banks is made compulsory. RBI is believed to incorporating the condition at the time of giving permission for the entry of a new foreign bank. RBI has emphasized that from the financial stability perspective there would be a need to mandate a subsidiary form of presence at the entry level itself. Similarly, it would be mandatory for those fresh entrants who establish branches to convert to WOS when they become systemically important by virtue of their balance-sheet size.

Financial companies lead the race for Bank Licences

NBFCs promoted by large industrial houses are seen as clear frontrunners for acquiring new banking licences as per JP Morgan report. Entities like L&T Finance, Bajaj Finserv, M&M financial and Shriram Transport Finance have an advantage over standalone NBFCs. According to RBI's new guidelines, entities or groups in the private sector and NBFCs shall be eligible to set up a bank through a wholly-owned, Non-Operative Financial Holding Company (NOFHC). RBI is expected to issue only 4-5 licences over the next 12 months. It expects competition for core deposits as well as talent to increase substantially, along with opportunities for mergers and acquisitions.

All bank branches to exchange damaged notes

RBI has asked banks to make available the facility of exchange of cut / mutilated banknotes, in addition to soiled notes and issue of good quality clean banknotes / coins, at all bank branches (including those of co-operative banks and RRBs). This facility should be provided to all members of public without discrimination on all working days.

RBI encourages electronic payments

To give electronic payments a push, RBI has asked banks not to accept Post-Dated Cheques (PDCs) and equated monthly instalment payment cheques on locations where the Electronic Clearing System (ECS) is available. Thus, new borrowers will have to compulsorily shift to electronic payment system if the ECS facility is available. RBI has also asked banks to make all efforts to convert existing PDCs to the ECS system by obtaining a fresh mandate from borrowers.

Banking Developments

Impose cap on global transactions with cards

In order to check frauds, RBI has asked banks to impose monetary limit for international transactions on credit & debit cards and refrain from issuing cards with global access unless specifically sought by the customer. RBI says "By 30th June, all the active mag-stripe international cards issued by banks should have threshold limit for international usage depending on the risk profile of the customer and accepted by the customer. Also, till the process is completed, a threshold limit not exceeding $500 may be put in place for all debit cards and all credit cards that have not been used for international transactions in the past."

Loan growth above RBI projection; deposits fall

As per latest RBI data, bank deposits grew at a sluggish rate of 12.73% while loans rose 16.25% on a y-o-y basis till February 22. During the fortnight, the banks disbursed new credit of about ₹26,000 crore, while they lost deposits of about ₹10,000 crore. The central bank has projected 16% credit growth and 15% deposit growth for this financial year.

RBI tightens norms

With customers increasingly using alternative payment channels, RBI has tightened security and risk mitigation measures of card and electronic banking transactions. Accordingly, new debit and credit cards must be issued only for domestic usage unless international use is specifically sought by the customer. Those enabling international usage will have to be essentially EMV (Europay, Master Card & Visa) chip and pin enabled. Banks have also been asked to convert all existing magnetic stripe cards to EMV chip card for customers who have used their cards internationally at least once.

Credible fiscal consolidation plans required

According to RBI report on Currency & Finance 2009-12 released on March 4, 2013, there is a need to design credible fiscal consolidation plan and co-ordination strategies to ensure an appropriate fiscal-monetary mix. This will facilitate attainment of the growth target and more head-room for monetary policy to address macroeconomic goals. Some valuable lessons for fiscal-monetary coordination have emerged from the recent crisis which has highlighted the inadequacy of macroeconomic stability in ensuring financial stability. Financial stability has, therefore, emerged as a separate policy objective for central banks, besides growth and price stability.

RBI becomes extra vigilant about banks' infra exposure

RBI is seeking detailed information on lenders' exposure to the infrastructure sector - a measure aimed at reducing sticky loans. Reportedly, the regulator has sought the information as part of its annual inspection of banks. In its financial stability report, RBI had indicated early signs of corporate leverage rising among the several industrial groups that have large exposure to sectors such as power. In a follow-up, the regulator has been trying to gauge the possible stress at the system level. Commercial banks' lending to the infrastructure sector rose 16% y-o-y to ₹6,925 crore at the end of December 2012. During the period, lending to the power sector increased 22.8% to ₹3,874 crore.

FM panel for blueprint on women's bank

Finance Minister Mr. P. Chidambaram has constituted a 6-member panel on International Women's Day to prepare a blueprint for the women bank with an initial capital of ₹1,000 crore. The Committee will be chaired by former Canara Bank CMD Mr. M. B. N. Rao and has three women members viz. Ms. Jayshree Vyas, MD, SEWA Bank; Ms. Arundhati Bhattacharya, MD and CEO, SBI Caps and Ms. Usha Ananthasubramaniam, ED, Punjab National Bank. The other members are Mr. M. D. Mallya, former CMD of Bank of Baroda and Dr. K. Ramakrishnan, Chief Executive, Indian Banks' Association. The panel will submit its report by April 30, so that necessary approvals including banking licence can be obtained by October, 2013. The All Women Bank is expected to start functioning from November 2013.

Banks to publish photos of loan defaulters and guarantors

Adopting a 'name and shame' policy to make borrowers pay their dues, banks have decided to publish the photographs and details like names and addresses of wilful loan defaulters in newspapers. Besides, banks would also publish photographs, names and address of guarantors of such defaulters in newspapers if the dues are not cleared within 15 days of the notice containing particulars of the original borrowers. Some banks have also decided to prominently display the details of the wilful loan defaulters at branches in the locality of such borrowers.

CD issuances decline as banks reach 10% cap

With most PSBs reaching the 10% cap on Certificates of Deposit (CDs), primary market issuances have almost halved. Banks had raised around ₹1,800 crore by issuing two and three month papers, down from about ₹4,000 crore raised. The finance ministry had asked PSBs to limit their reliance on CDs to 10% of their total deposit, while the combined cap on bulk deposits and CDs were kept at 15%. The ministry's directive came after banks scrambled for cash in the last month of the previous financial year to meet their year-end target, which resulted in rates going through the roof. Three month CD rates have gone past 12% in the last fortnight of March last year. This year, it is a different scene. The liquidity in the banking system eased significantly on the back of the increased government spending. This has helped the rates ease by 25-30 bps on short-term deposits like two-month and three-month CDs. According to dealers, two and three month CD rates, which were around 9.60%, have eased to around 9.25-9.30%.

Loan recasts by CDR cell up 105%

Loans worth a staggering ₹64,818 crore have been recast by the Corporate Debt Restructuring (CDR) cell between April and February, a 105% jump over the previous year, which witnessed a figure of ₹31,601 crore. In 11 months to February, 117 loans worth ₹61,195 crore were sought to be recast *vis-a-vis* 87 cases worth ₹67,088 crore that were referred in 2011-12.

Loan-to-deposit ratio at all-time high of 78%

With loan growth in the system continuing to outstrip the deposit accumulation, the loan-to-deposit ratio in the fortnight ended February 22 moved to an all-time high of 78.1% from 77.6% in the previous fortnight. Deposits have risen at a slow pace for over a year now, even as loan growth has tapered off averaging at 16% y-o-y. In the fortnight to February 22, deposits grew at 12.73% y-o-y to ₹65, 61,051 crore, whereas towards the end of 2011, the growth was averaging at 18%. On a Year To-Date (YTD) basis, loans and deposits grew 9% and 7.3%, respectively.

Demand for agricultural credit remains high

Demand for agricultural credit this year is sustained even if other sectors have shown lesser demand. According to the latest RBI data for sectoral deployment of bank credit, agricultural loans showed a healthy growth rate of 19.8% last year. Overall non-food credit growth was 14.6% in January 2013, compared to 15.9% in January last year. All major sectors except agriculture had lower credit demand, compared to last year.

Banks advised to issue debit, credit cards with photo

As stated by Minister of State for Finance, Mr. Namo Narain Meena, RBI has advised banks to issue debit and credit cards with photographs of the cardholders to prevent misuse of stolen cards.

Renewed concern on rising CAD

Although there have been some greenshoots on the growth front lately (viz. a jump in merchandise exports and surge in capital inflows), RBI has reiterated its concern over the widening Current Account Deficit (CAD) and has called for efforts to reduce the gap. The widening CAD, which is expected to reach record levels of over 5% this fiscal, has been listed as one of the primary reasons that could prevent RBI from reducing rates further. “Risks on account of the CAD, or the difference between inflows and outflows of foreign currency, remain significant notwithstanding likely improvement in Q4 over an expected sharp deterioration in Q3 of FY13.” While the CAD stood at 3.9% in Q1, it shot up to a historic high of 5.4% in Q2, taking the H1 CAD to 4.65% of GDP. In the last fiscal, CAD had stood at 4.2%.

30 banks shifting to risk-based supervision

Thirty large banks have informed RBI that they are ready to switch to the new uniform risk-based supervision system from April 1. This system will enable them to assess their risks on a real-time basis. It will also bring in a uniform methodology to check the health of the banking system, as against the presently used CAMELS framework which follows a compliance-based and transaction-testing approach. The new system will bring banking supervision in India on par with the best practices in the world.

Credit card business on an upturn

Amid significant reduction in defaults and focus on income-based lending, banks are seeing their credit card business grow at a healthy rate. Credit card loans saw a y-o-y growth of 24.3% as on January-end 2013; against 8.5% on January end 2012. In absolute terms, credit card loans stood at ₹25,200 crore as at January-end 2013 against ₹20,300 crore a year-ago.

Cards top customer complaints in banks

The 'Banking Ombudsman Annual Report' for 2011-12 shows that at least 14,492 bank customers had card-related complaints during the aforementioned period - 9,350 of which pertained to ATM / debit cards alone. The number of card-related complaints has scaled down in the last three years from about 18,810 in 2009-10.

Clean books to raise funds

With the finance ministry toughening its stance on Non-Performing Assets (NPAs) of PSBs, the latter will have to clean up their books before they can tap public funds. The ministry fears that high NPAs will result in poor valuation of the PSBs, especially as they gear up to raise equity to meet the higher capital requirements under the Basel-III norms commencing from 2013-14. The gross NPAs of the PSBs - as a percentage of deposits - have risen to 4.18% by December 2012 vis-a-vis 3.22% a year ago. Worried over this increase, the finance ministry has called for details of recovery of bad loans and write-offs in the past six years.

Regulator's Speak...

Inflation-indexed bonds will encourage savings

The Government's initiative to cut the twin deficits - fiscal and current account - will significantly lower the fiscal risks in the Indian economy. “The fiscal target achieved in FY 2012-13 and targeted for FY 2013-14 will lay the foundation for a sustainable rebalancing of government finances. This would impart confidence in the economy and support domestic and foreign investments” says Dr. Urjit Patel, Deputy Governor, RBI. The apex bank has also welcomed the Government's decision to introduce Inflation-Indexed Bonds (IIBs) to wean investors away from gold. Terming the scheme as “innovative”, Dr. Patel said, "IIBs will increase the choice for savers and is particularly attractive for risk-averse investors who will get assured real returns. IIBs would encourage household savings to shift away from gold that is largely un-productive for the economy. This will help in addressing the Current Account Deficit (CAD) risk to the economy as high gold imports in recent years have significantly widened the CAD."

RBI for using risk-based supervision

RBI is in favour of using risk-based supervision, along with the existing CAMELS approach, for monitoring banks' financial performances. Mr. Anand Sinha, Deputy Governor, RBI opines that even while following the CAMELS approach, the distribution of risk and its direction should be assessed to achieve more comprehensive assessment of banks. The CAMELS approach judges banks on their capital adequacy, asset quality management, earnings, liquidity, systems and controls, and prepares a scorecard. The approach relies on past data, while risk supervision approach has a forward looking methodology.

Effective policies can fix inflation

Dr. D. Subbarao, Governor, RBI avers that "inflation in India is mostly due to supply constraints, which can be corrected through effective policy implementation. The key to our collective national aspiration for sustained high economic growth is low and steady inflation. Price stability is essential to help investors and consumers make informed choices and contribute to growth. The average inflation rate in India over the past three years has trended up, but the context presents neither a necessary nor a sufficient condition for RBI to revise its inflation goal. Accepting a new normal for inflation not only has to have theoretical or empirical support, but entails the moral hazard of policy inaction in dealing with supply constraints."

RBI needs more independence for policy-committee scheme

Dr. D. Subbarao, Governor, RBI has asserted that the apex bank needs greater independence before it can adopt a monetary policy-committee structure. RBI is one of the few major central banks where the right to make monetary policy decisions rest with the Governor instead of a committee. While RBI is not statutorily independent; in practice it has a wide latitude in setting monetary policy. Dr. Subbarao finds the independence of the central bank a pertinent precursor for moving towards the monetary policy-committee structure.

Insurance

Banks can sell policies of multiple insurance firms

Finance Minister Mr. P. Chidambaram has announced that banks will act as brokers for selling insurance products of multiple companies. Presently, banks can sell products of one life, one non-life and a standalone health insurer. However, now, the Know-Your-Customer (KYC) details gathered by banks will be sufficient to purchase an insurance policy, and group insurance products will now be offered to groups such as SHGs, domestic workers associations etc.

No denial of new health insurance till 65 years

Insurance Regulatory and Development Authority (IRDA) has finalized and gazetted various new rules for the segment. These cover Initial Public Offers (IPOs) by general insurers, one on Third-Party Administrators (TPAs) in the health insurance segment and for health insurance coverage. As per these rules, entry cannot be denied up to the age of 65 years and renewal cannot be denied due to age, except in foreign travel, among other things.

New IRDA guidelines to revamp traditional products

IRDA has issued final guidelines to cap commission, minimum sum assured, and guaranteed surrender value on traditional products. The regulator has also asked insurance companies to spell out the rate of return to policy holders who have difficulty in figuring out returns generated by index-linked products. The new guidelines treat non-participating index-linked products at par with Ulips and will largely follow the Ulip structure. A non-participating plan does not participate in the profit of the fund and the benefits are clearly defined in the beginning.

Norms issued for unit-linked insurance products

Independent rating agencies will now be allowed to evaluate unit linked insurance funds of insurance companies to help policy holders better assess and compare insurance products. The information will give policyholders clarity on operational practices, fund management quality, and organizational strength of life insurers. IRDA has notified the comprehensive linked insurance product guidelines in the gazette. Insurers have been given time till June 30 (for group products) and September 30 (for individual products) to adhere to the new guidelines.

Forex

Forex reserves up $2 billion

India's forex reserves swelled by nearly $2 billion to $292.317 billion in the week to March 15, 2013 amid positive sentiments, after Finance Minister Mr. P. Chidambaram assured overseas investors of continual tax benefits while using the Mauritius route.

Benchmark Rates for FCNR(B) Deposits applicable for the month of April 2013					
LIBOR / SWAP For FCNR(B) Deposits					
	LIBOR	**SWAPS**			
Currency	1 Year	2 Years	3 Years	4 Years	5 Years
USD	0.73150	0.427	0.533	0.728	0.948
GBP	0.90938	0.6319	0.6876	0.7950	0.9737
EUR	0.42786	0.515	0.616	0.762	0.925
JPY	0.45071	0.235	0.239	0.259	0.293
CAD	1.79350	1.325	1.425	1.552	1.679
AUD	3.57500	3.105	3.250	3.455	3.578
CHF	0.25600	0.113	0.193	0.314	0.463
DKK	0.69500	0.7025	0.7950	0.9310	1.1000
NZD	2.69000	2.880	3.068	3.245	3.380
SEK	1.71750	1.432	1.555	1.674	1.804
SGD	0.38500	0.445	0.560	0.780	0.895
HKD	0.42000	0.470	0.570	0.730	0.930
MYR	3.24000	3.250	3.320	3.380	3.460

Source : FEDAI

Foreign Exchange Reserves		
Item	**As on March 22, 2013**	
	₹Bn.	**US$ Mn.**
	1	**2**
Total Reserves	15,925.3	293,366.8
(a) Foreign Currency Assets	14,149.7	260,415.3
(b) Gold	1,413.8	26,292.3
(c) SDRs	235.9	4,341.9
(d) Reserve Position in the IMF	125.9	2,317.3

Source : Reserve Bank of India (RBI)

Products & Alliances

Organisation	Organisation tied up with	Purpose
YES Bank	Tourism Ministry	Incredible India Travel Card - to make travelling within India a cashless and hassle-free experience
RBI	Royal Monetary Authority of Bhutan	The first currency swap agreement to withdraw dollars, euros or the rupee in multiple tranches up to a maximum of $100 million or its equivalent
Canara Bank	National Skill Development Corporation (NSDC)	For skill development and recruitment of graduate unemployed youth of Jammu and Kashmir under UDAAN.
SIDBI	The Automotive Component Manufactures' Association of India (ACMA)	For easy credit access for its members. Will be facilitating credit and loans to the 670 member manufactures for both capital expenditures and working capital requirements.
Doha Bank	Indiabulls Real Estate Ltd.	To offer its NRI customers exclusive deals on properties in India.

New Appointments

Name	Designation / Organisation
Mr. B. Sriram	Managing Director of State Bank of Bikaner & Jaipur.

Bank for International Settlements (Continued...)

Continuing the discussion on 'Stress Testing', we will understand the third principle.

3. Stress testing programmes should take account of views from across the organization and should cover a range of perspectives and techniques,

The identification of relevant stress events, the application of sound modeling approaches and the appropriate use of stress testing results each require the collaboration of different senior experts within a bank such as risk controllers, economists, business managers and traders. A stress testing programme should ensure that opinions of all relevant experts are taken into account, in particular for firm-wide stress tests. The unit with responsibility for implementing the stress testing programme should organize appropriate dialogue among these experts, challenge their opinions, check them for consistency (e.g. with other relevant stress tests) and decide on the design and the implementation of the stress tests, ensuring an adequate balance between usefulness, accuracy, comprehensiveness and tractability.

Banks should use multiple perspectives and a range of techniques in order to achieve comprehensive coverage in their stress testing programme. These include quantitative and qualitative techniques to support and complement the use of models and to extend stress testing to areas where effective risk management requires greater use of judgment. Stress tests should range from simple sensitivity analysis based on changes in a particular risk factor to more complex stress tests that revalue portfolios taking account of the interactions among risk drivers conditional on the stress event. Some stress tests should be run at regular intervals whilst the stress testing programme should also allow for the possibility of ad hoc stress testing.

Sensitivity analysis is generally intended to assess the output from quantitative approaches when certain inputs and parameters are stressed or shocked. In most cases, sensitivity analysis involves changing inputs or parameters without relating those changes to an underlying event or real-world outcomes. For example, a sensitivity test might explore the impact of varying declines in equity prices (such as by 10%, 20%, 30%) or a range of increases in interest rates (such as by 100, 200, 300 basis points). While it is helpful to draw on extreme values from historical periods of stress, sensitivity analysis should also include hypothetical extreme values to ensure that a wide range of possibilities is included. In some cases, it can be helpful to conduct a scenario analysis of several factors at the same time, because simply testing factors individually may not reveal their potential interaction (particularly if that interaction is complex and not intuitively clear). For example, scenarios can evaluate the combined impact on credit risk capital needs from sudden spikes in probabilities of default and concurrent changes in the dependence parameters of a credit capital model.

Sensitivity and scenario analysis has additional benefits in helping to reveal whether quantitative approaches are working as originally intended. For example, one can check the assumption that a relationship continues to be linear when extreme inputs are used. If the analysis results show that a certain model is unstable or does not work as originally intended with extreme inputs, then management should consider rethinking the model, modifying certain parameters, or at least putting less weight on the accuracy of model output. Finally, sensitivity and scenario analysis should be conducted regularly (not just during model development), since models can deteriorate and relationships among variables can change over time.

(Source : BIS)

Financial Basics

Graduated Payment Mortgage

A type of fixed-rate mortgage in which the payment increases gradually from an initial low base level to a desired, final level. Typically, the payments will grow 7-12% annually from their initial base payment amount until the full payment is reached. In a graduated payment mortgage, only the low initial rate is used to qualify the buyer, which allows many people who might not otherwise qualify for a mortgage to own a home. This type of mortgage payment system may be optimal for young homeowners as their income levels gradually riseto meet higher mortgage payments.

Glossary

EMV (Europay, Master Card & Visa)

EMV stands for Europay, MasterCard and Visa, a global standard for inter-operation of integrated circuit cards (IC cards or "chip cards") and IC card capable point of sale (POS) terminals and Automated Teller Machines (ATMs), for authenticating credit and debit card transactions. It is a joint effort between Europay, MasterCard and Visa to ensure security and global interoperability so that Visa and MasterCard cards can continue to be accepted everywhere. The EMV standards define the interaction at the physical, electrical, data and application levels between IC cards and IC card processing devices for financial transactions.

Institute's Activities

Training activities completed during the month of March 2013

Sr. No.	Programme	Date
1.	Credit Appraisal (Industrial and Commercial Advances)	25th February to 1st March 2013
2.	Programme on Housing Finance	4th to 6th March 2013

Training Program Schedule for the month of April 2013

Sr. No.	Programme	Date
1.	2nd Programme on KYC / AML/ CFT	15th to 17th April 2013
2.	1st Bank Executive Programme (BEP) for senior executives jointly by IDRBT, IIBF and NIBM at IDRBT, Hyderabad	22nd to 27th April 2013
3.	2nd One day workshop on IT security and Cyber crimes	22nd April 2013

News From the Institute

Additional Reading Material for Institute's examinations

The Institute has put on its portal additional reading material for the candidates taking various examinations culled out from the Master Circulars of RBI. These are important from examination view point. For more details, visit www.iibf.org.in.

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Web-classes & E-learning for JAIIB / DB&F & CAIIB

The Institute continues to offer web-classes and E-learning for all the candidates of JAIIB / DB&F & CAIIB. For more details, visit www.iibf.org.in.

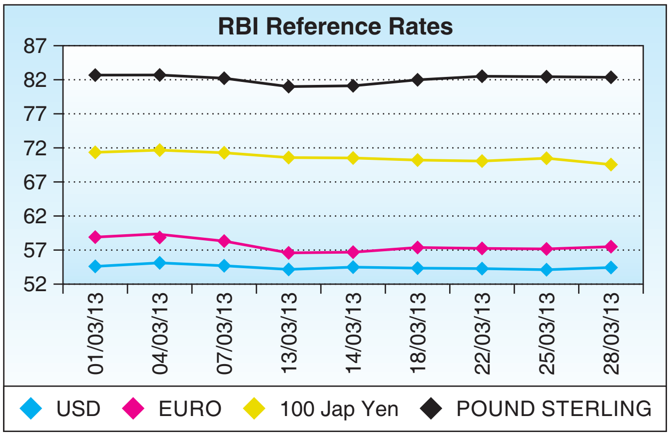
IIBF Vision via mail

The Institute has started sending IIBF Vision via e-mail to all the e-mail addresses registered with the Institute. Members who have not registered their e-mail ids are requested to register the same with the Institute at the earliest. IIBF Vision is also available for download in the portal.

Contact classes for JAIIB / DB&F and CAIIB

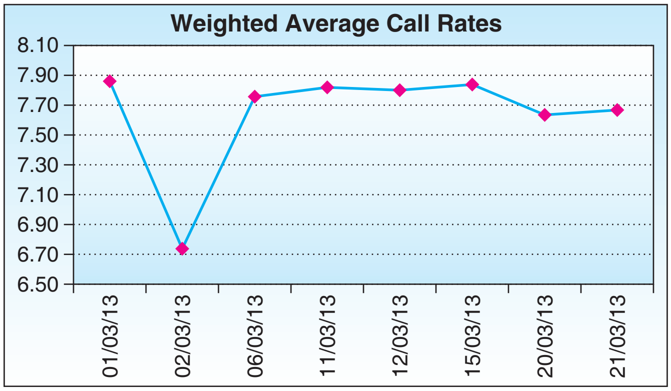
The Institute has announced contact classes for JAIIB / DB&F and CAIIB courses. The schedule for the contact classes are uploaded on the website. For more details, visit www.iibf.org.in.

Market Roundup



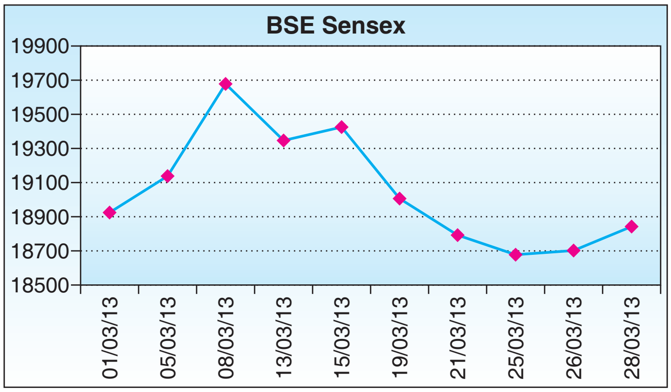
Source : Reserve Bank of India (RBI)

- Rupee touched an intra-day high of 54.22 per dollar in the weakest session in last two months on 4th. Currency dealers expect the Rupee to weaken further to 56 per dollar losing about 2% as the local currency remains fundamentally under pressure on weak sentiments in the equity markets.
- The Rupee strengthened on 6th as a global risk rally boosted Asian currencies and shares, but persistent dollar demand from oil companies prevented sharper gains. Rupee up by 20 paise and closes at ₹54.72 to a dollar
- Rupee down by 11 paise to close at 54.31 to a dollar. The Rupee fell on 13th after earlier hitting two-week high as caution ahead of inflation data hit domestic shares while state-run banks were spotted buying dollars which traders attributed to Government purchase needs.
- Rupee up by 16 paisa to close at 54.18 to a dollar on 25th. The Rupee strengthened on 25th encouraged by the Government's move to ease restrictions on foreign investments in debt markets and the global risk on sentiment but gains were pared on worries of political uncertainty.
- During the month there is no significant change in the behaviour of rupee against other currencies like Sterling, Euro and JPY.



Source : CCIL Newsletter for March 2013

- The call markets remained largely range bound between 7.7% and 7.9%
- On 2nd March, the call rates touched a low of 6.7% amidst ample liquidity.



Source : Reserve Bank of India (RBI)

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