A Monthly Newsletter of Indian Institute of Banking & Finance (Rs. 40/- per annum)

(ISO 9001 : 2008 CERTIFIED ORGANISATION)

Committed to professional excellence

IIBF VISION

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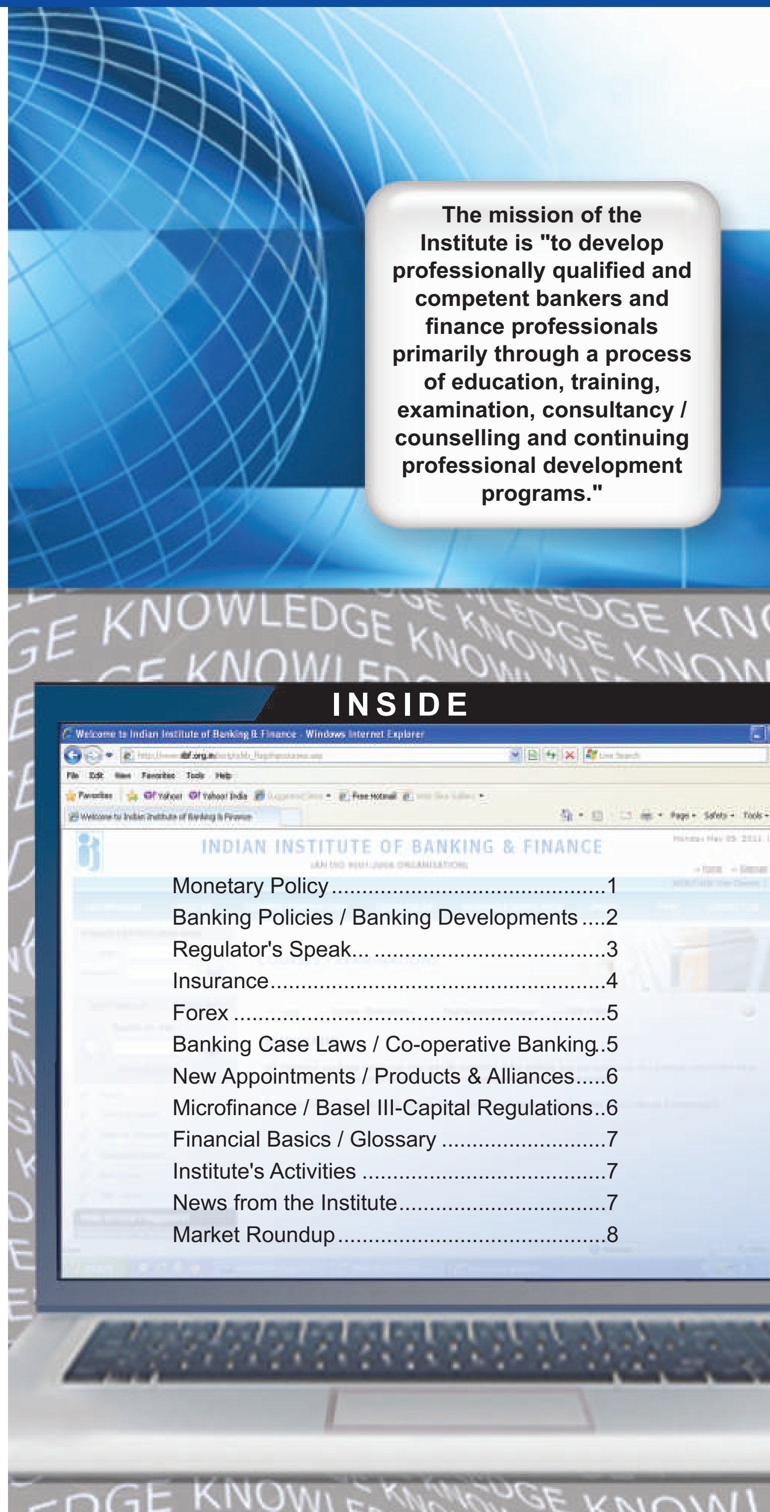
2nd Quarter Review of Monetary Policy - 29th Oct. 2013

- The Marginal Standing Facility (MSF) rate is reduced by 25 basis points from 9.0% to 8.75% with immediate effect;
- RBI has increased the policy repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 7.5% to 7.75% with immediate effect;
- The liquidity provided through term repos of 7-day and 14-day tenor has been increased from 0.25% of Net Demand And Time Liabilities (NDTL) of the banking system to 0.5% with immediate effect.
- Domestically, while industrial activity has weakened, strengthening export growth, signs of revival in some services along with the expected pick-up in agriculture could increase the real GDP growth from 4.4% in Q1 to a central estimate of 5.0% for the year as a whole. The revival of large stalled projects and the pipeline cleared by the Cabinet Committee on Investment may buoy investment and overall activity towards the close of the year.
- RBI provides liquidity through overnight LAF repos, through export credit refinance and through 7-day and 14-day term repos. RBI has also given greater flexibility in managing reserve requirements. Going forward, however, the more durable strategy for mitigating mismatches between the supply of, and demand for, funds is for banks to step up efforts to mobilise deposits.
- On the external sector, a perceptible narrowing of the trade deficit coupled with policy interventions have brought some calm to the foreign exchange market, but normalcy will be restored only when the demand for dollars from public sector oil marketing companies is fully returned to the market.
- WPI inflation is ruling above Reserve Bank's comfort level and may remain range-bound around the current level during H2 of 2013-14. Moreover, the persistence of high CPI inflation remains a concern.
- The good monsoon should have a salutary effect on food inflation, but second-round effects from already



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

high food and fuel inflation could impart upside pressures on prices of other commodities and services.

- External sector risks have reduced as CAD is likely to moderate since Q2 of 2013-14. The trade balance has responded to the policy measures taken; exports have picked up and gold imports have declined.
- Broad money growth is largely in line with Reserve Bank's indicative trajectory and credit growth has accelerated with greater recourse to bank finance by corporates. While financial markets have rallied, near-term uncertainties on account of 'tapering' continue to be a concern.

Banking Policies

Foreign borrowing norms for banks eased further

RBI has further relaxed foreign borrowing norms for banks under the recently opened swap window by allowing them to raise funds through their head offices and correspondents, besides overseas branches. Until now, the window was limited to overseas branches only. Authorised Dealer category-I banks may borrow funds in foreign currency from the aforementioned or any other entity as permitted by RBI. They may avail of this window to raise up to 100% of their unimpaired tier-I capital or $10 million, whichever is higher. The move is aimed at providing greater flexibility to banks in accessing overseas funds.

RBI launches new RTGS system

RBI introduced the revamped Real-Time Gross Settlement (RTGS) system on 19th October to facilitate online real-time settlements of payments. The RTGS system would process transactions such as inter-institutional / inter-bank transactions - the transfer of funds between two members / participants. It would also deal with customer transactions - funds transfer / receipt on behalf of the customer of a RTGS participant member. Government transactions i.e. transfer / receipt of funds on behalf of government accounts by a participating member will also be executed. Broadly, four types of participants use the RTGS system viz. RBI, regular participants such as banks, restricted participants such as primary dealer and clearing houses. The other features are advanced liquidity and queue management features, gridlock resolution mechanism, hybrid settlement facility, facility to accept future value dated transactions and options to process multi-currency transactions. The RTGS system is a large-value funds transfer system that banks use to settle inter-bank transfers for their own account as well as for their customers.

RBI on opening new mobile branches

RBI has now allowed banks to freely open extension counters, satellite offices, mobile branches, central processing centres, service branches and administrative offices at any centre. These would not be reckoned for the criteria of opening at least 25% of the total number of branches in unbanked rural centres or the total number of branches opened in Tier-I centre during the financial year.

RBI directive on credit limits will help SME exporters

RBI has recently directed all Scheduled Commercial Banks (SCBs) and the Exim Bank of India to compute the export credit limits of borrowers in a way such that exporters get insulated from the depreciating rupee. This may give a fillip to SME exporters, who have been struggling for funds in a depressed economic environment. Banks extend export credit in Indian rupees as well as in foreign currency *viz.* Pre-Shipment Credit in Foreign Currency (PCFC) and Post-Shipment Credit In Foreign Currency (PSCFC), as per their own internal lending policies. While the overall export credit limits are calculated in Indian rupees, the foreign currency component fluctuates as per prevalent exchange rates. The depreciating rupee reduced the un-availed component of foreign currency export credit for exporters.

Banking Developments

MSF rate cut to reduce cost of funds marginally

RBI's move to boost liquidity is expected to have a positive, albeit marginal, impact on cost of funds. The move is positive for banks borrowing under the Marginally Standing Facility (MSF) window, as well as, for those with significant wholesale funding. Lowering the MSF rate will help scale down the overall interest. The CD and bulk deposit rates will come down and, with that, even the cost of funds will come down by 5-10 bps.

Technical committee to boost mobile banking

RBI has constituted a technical committee to boost mobile banking and study the challenges faced by banks in the same. It will try to resolve problems faced while introducing the unstructured supplementary service data channel; and will consider the advantages / challenges of having a single application across all handsets in a SMS-encrypted environment. The committee will also look other solutions that could expand the reach of mobile banking and, accordingly, draw up a roadmap to implement the solutions. Mr. B. Sambamurthy, Director, Institute for Development & Research in Banking Technology, will be the Chairman of the committee and Mr. Vijay Chugh, Chief General Manager, RBI, Member Secretary.

Six banks sign up for Aadhaar-based remittance

Customers of six banks will now be able to transfer money from one bank account to another by keying in the receiver's 12-digit Aadhaar number. Customers, who have linked their Aadhaar number with their bank accounts, will be able to transact through their mobile phones by just using the receiver's Aadhaar number, thereby obviating the need to go through the Internet-based transfer process like NEFT. The instant transfer process is just another step to take the economy towards a more cashless society.

Loan recast pile-up points to a system under stress

Faced with the prospect of a sharp increase in Non-Performing Assets (NPAs), banks are allowing easier terms of repayment to companies. Loans recast in the July-September quarter totalled ₹22,650 crore, topping the ₹21,266 restructured in three months to June. As at the end of June, the total value of loans restructured by the Corporate Debt Restructuring cell (CDR) was ₹2.50 lakh crore. As a share of the total loans given by banks, recast loans now account for 4.9%. The ratio of NPAs to the total loan is approximately 4.5%.

Reserve money up 10% to ₹15.65 lakh crore

Reserve money for the week ended October 11 stood at ₹15.65 lakh crore (*vis-a-vis* ₹15.412 lakh crore for the week ended October 4), posting a y-o-y growth of 10%. Further, RBI released the M_3 data (a broad measure of money supply), which for the fortnight ended October 4 stood at ₹89.75 lakh crore, a jump of 13.2% on a y-o-y basis. In the previous fortnight ended September 20, M_3 was at ₹87.95 lakh crore. In the current fiscal so far, M_3 has risen by ₹5.93 lakh crore, a growth of 7.1%; while reserve money increased by ₹50,080 crore, up 3.3%. RBI had projected M_3 growth of 13% y-o-y.

Tech-related frauds slide as banks step up vigil

Technology-related banking frauds in India have fallen in the last four years, thanks to banks stepping up checks on online transactions. Between FY 2009 and 2013, they spent ₹350 crore on manpower and machinery, and this is paying off. In FY 2013, 8,765 tech-related frauds were reported - a whopping 13% drop over the previous fiscal. The process is ongoing as banks have to keep pace with hackers and fraudsters who refine their methods each day. Banks regularly monitor fraudulent websites that ape the real ones.

Banks advised to tighten LC sanction norms

The Finance Ministry wants PSBs to follow more stringent norms while issuing Bank Guarantees (BGs) or Letters of Credit (LCs) to borrowers, concerned that such type of funding results in double financing leading to financial indiscipline among borrowers. In June 2004, RBI had removed all limits on unsecured exposure of banks (including BGs), and had asked bank boards to fix their own policies on such exposures. The FM is keen that banks should restrict themselves from extending these facilities to parties who enjoy working capital facilities with them.

India Inc starts borrowing from banks as money market rates rise

The rise in discount rates has prompted Indian companies to replace their market borrowings with banks loans, leading to accelerated growth in non-food credit. This substitution occurred as money market rates, including discount rates on CPs (Commercial Papers) firmed up and primary market conditions remained subdued. As on 4th October, the y-o-y growth in bank credit was 17.9%; *vis-a-vis*14% a quarter ago. It was also higher than RBI's forecast of 15% y-o-y growth in bank advances during the current financial year. The weighted average discount rate of CPs had increased to 11.53% as on September 15, 2013 from 8.54% at the end of June 2013. With rise in discount rates, the appetite for CP issuances has fallen markedly and corporates are substituting it with alternative financing sources, especially bank credit. RBI has warned that lenders need to ensure better credit management practices while extending loans and keep a careful watch on their asset quality in this uncertain economic environment. RBI's initiative to collate large common exposures across banks and make available the credit registry data, is expected to mitigate this problem.

Regulator's Speak...

Ban on 0% EMI scheme through credit cards

Dr. K. C. Chakrabarty, Deputy Governor, RBI has lauded the timing of last month's directive to banks asking them to desist from offering 0% EMI schemes through credit cards. “During the festive season, miss-selling is at its peak, so wrong things should not happen when more people come (to buy). Be transparent with your customers. Declare the interest rate at which you are offering loans. There is no ban on giving loans on credit cards. Just do not charge customers with more by saying 0%. Don't lure them with lower interest.” On the increase in lending as compared to deposit mobilization, Dr. Chakrabarty said “banks are already giving a lot of loans. Their incremental credit-deposit ratio is over 80%.”

New bank licences

RBI has set up a three-member committee under Dr. Bimal Jalan, former Governor to scrutinize applications for new bank licences, which are expected to be awarded by January, as revealed by Dr. Raghuram Rajan, Governor, RBI. The panel has Ms. Usha Thorat, former Deputy Governor, RBI, Mr. C. B. Bhave, former Chairman, SEBI and Mr. Nachiket Mor, Borad Member, RBI as members. It will make its recommendations to the Governor and Deputy Governors, who will submit the final proposals to the committee of RBI central board.

Make contracts simple to help customers

Simple contracts will put an end to the many hidden penalties and fees in complex loans, according to Dr. Deepali Pant Joshi, Executive Director, RBI. "This will make everyone aware of what (loan contract) they are signing. Banks need to be transparent to enable easier decision-making by clients. They also need to verify assumptions about what clients understand / don't understand about their products, as well as the fine print of the contracts they sign. Banks need to address the needs of the customer and customize products & services without adopting a one-size-fits-all approach."

Rebound in growth as exports rise, farm output improves

Dr. Raghuram Rajan, Governor, RBI is positive that "India's growth will accelerate from last quarter's pace and the country has enough forex reserves to finance its external debt. Exports are stronger, agricultural production is improving, and the nation is tackling medium-run challenges such as poor infrastructure and a distorted regulatory regime. While inflation remains high, India may be past the slowdown in growth, which cooled to 4.4% last quarter (from a year earlier), the least since the three months ended March 2009. Growth should better from now on, though it is still a long way from our potential. Macro-economic imbalances such as high inflation, low growth and a high fiscal deficit have to be addressed. The finance ministry and RBI are both focused on boosting growth and curbing inflation, though they may prioritize those two targets differently."

Tough for global banks to keep precise credit risk data

Mr. G. Padmanabhan, Executive Director, RBI has stated that constantly maintaining precise credit risk exposure calculations is a challenging task for international banks with a global business, as they need to comply with data quality certification of several jurisdictions. The Pillar II Accord of Basel-II vests the responsibility of data quality and data management on the financial institutions. Banking business has to ensure continual accuracy of credit risk exposure calculations. This becomes more challenging for international banks having global footprints.

Insurance

More time to implement life insurance norms

Insurance Regulatory and Development Authority (IRDA) has extended the deadline for implementing new individual product regulations for the life insurance industry by three months to December 31. This is to enable insurers to cope with the system readiness. After detailed examination of representations from insurance companies, it has been decided to allow the launch of products under the new regulations during the extended period. The new guidelines are aimed at making insurance policies more customer-friendly.

Paperless health, motor insurance policies from January

After life insurance, now, health and motor insurance policyholders will get their policies in the electronic format - thus obliterating the paperwork. Insurance repositories will extend the facility of storing such policies on electronic platforms by January 2014. Policyholders will not be charged for this facility as the insurance repositories will be paid directly by the insurance companies. The benefit of holding policies electronically is that there's no risk of losing the physical document. Also, policyholders can pay their premiums online and renew policies through the portals.

e-KYC to be accepted for verification

The e-KYC (electronic Know-Your-Customer) services operationalised by the Unique Identification Authority of India (UIDAI) will be accepted as valid KYC process for insurance. Earlier, IRDA had informed insurers that a letter issued by the UIDAI containing details such as name, address and Aadhaar number was a valid document for customer identification. However, recently, UIDAI had operationalised the e-KYC services. Now, the Finance Ministry has stated that e-KYC services may be accepted as a valid process for KYC verification under the Prevention of Money-Laundering (maintenance of Records) Rules, 2005. However, this will be subject to specific and express consent of the customer to access his / her data through UIDAI system.

Forex

Benchmark Rates for FCNR(B) Deposits applicable for the month of November 2013					
LIBOR / SWAP For FCNR(B) Deposits					
	LIBOR	SWAPS			
Currency	1 Year	2 Years	3 Years	4 Years	5 Years
USD	0.60260	0.438	0.697	1.055	1.436
GBP	0.86781	0.7927	1.0444	1.3385	1.6020
EUR	0.48600	0.508	0.662	0.871	1.090
JPY	0.38857	0.238	0.254	0.303	0.351
CAD	1.45000	1.389	1.608	1.851	2.070
AUD	2.62000	2.870	3.170	3.480	3.710
CHF	0.22100	0.143	0.249	0.448	0.642
DKK	0.61160	0.7550	0.9380	1.1550	1.3790
NZD	3.01250	3.440	3.838	4.100	4.320
SEK	1.27900	1.449	1.663	1.886	2.045
SGD	0.36000	0.510	0.780	1.105	1.453
HKD	0.49000	0.610	0.830	1.160	1.480
MYR	3.26000	3.330	3.430	3.540	3.680

Source : FEDAI

Foreign Exchange Reserves		
Item	As on 18th October 2013	
	₹Bn.	US$ Mn.
	1	2
Total Reserves	17,258.7	281,122.6
(a) Foreign Currency Assets	15,484.2	252,695.9
(b) Gold	1,366.4	21,765.4
(c) SDRs	273.0	4,455.7
(d) Reserve Position in the IMF	135.1	2,205.6

Source : Reserve Bank of India (RBI)

India to top global remittances chart with $71billion

India's migrant workers are expected to remit more dollars home in 2013 (than initially expected) to take advantage of the higher rupee amount they will get on conversion due to the sharp depreciation of rupee in the new fiscal. The higher inflows will help reduce the Current Account Deficit (CAD). The World Bank avers that international migrants will remit $71 billion of their earnings back to India, highest among all developing countries. With the weakening of the Indian rupee, a surge in remittances is expected as NRIs take advantage of the cheaper goods, services and assets back home. India received $69 billion in remittances in 2012.

Rupee vaults from worst to best performing currency

The rupee's fortunes began changing overnight, and within the space of a month-and-a-half, the Indian currency vaulted from being the worst global performer in 2013, to the best performer. The Federal Reserve putting off the tapering of its Quantitative Easing (QE) programme also aided this reversal. The rupee, which had declined 17.2% against the greenback during January-September, gained 9.5% by close of trade on October 15. Among the big ticket announcements to support the rupee was a special swap facility for banks bringing in Foreign Currency Non-Resident Deposits (FCNRs). In tandem with this measure RBI doubled the overseas borrowing limit of banks. Another key decision was to sell dollars directly to Indian oil companies, which account for a chunk of the demand for dollars for crude imports.

Banking Case Laws

Customer Service :

- Under the terms of loan, the borrower-hypothecator- (i.e., the complainant) is bound to insure the hypothecated assets against fire and against any other risks and endorse the policy in favour of the bank. Insuring the assets in favour of the bank is not in any way part of the service contemplated or to be rendered by the bank. Taking out an insurance policy by the bank on behalf of the complainant at his request is a gratuitous service, performed by the gratuitous act. In the circumstances, it was held that no complaint would lie against the bank. K. R. Krishnankutty Vs. South Indian Bank Ltd. & 2 Ors. - K. R. Krishnankutty Vs. South Indian Bank Ltd. & 2 Ors. - SCRDC - Ker)

(Source : www.rbi.org.in)

Co-operative Banking

Classification criteria revised for UCBs

RBI has revised the criteria for classification of Urban Co-operative Banks (UCBs) as 'Financially Sound' and 'Well Managed'. Among others, the new criterion, which requires maintaining a minimum Capital To Risk Weighted Assets Ratio (CRAR) of 10% on a continuous basis, would henceforth be considered for processing applications received from UCBs for branch authorization. The earlier stipulation on CRAR was that it should not be less than 10 %. For classification as 'financially sound', a UCB should have gross NPAs of less than 7% (no such stipulation prescribed earlier) and net NPAs of not more than 3% (5%). As on March-end 2012, there were 1,618 UCBs in the country, with deposits and loans aggregating to ₹2,38,500 crore and ₹1,58,000 crore, respectively.

RBI tightens 'at par' cheque norms for UCBs

To ensure better transparency and supervisory control over co-operative banks, RBI has tightened norms for utilizing “at par” cheques issued by Scheduled Commercial Banks

(SCBs) to co-operative banks. It has been observed UCBs are utilizing the SCB's at par cheque facility, not only for their own use but also for their customers, including walk-in customers. An "at par" cheque is payable at any branch of the issuing bank, without any excess charges to the bearer of the cheque. Co-operative banks have been advised to utilize these cheques for only specific purposes, *viz.* for their own use, for account holders who are compliant under KYC norms, and for walk-in customers against cash worth less than ₹50,000 per individual. To utilize these, UCBs will have to maintain records pertaining the issuance of these "at par" cheques, while ensuring that sufficient balances and drawing arrangements exist with the SCBs. UCBs should also ensure that all "at par" cheques issued by them are crossed 'account payee' irrespective of the amount involved.

New Appointments

Name	Designation / Organisation
Mr. Gauri Shankar	Executive Director, Punjab National Bank

Products & Alliances

Organisation	Organisation tied up with	Purpose
Canara Bank	Apollo Munich	Apollo Munich Health Insurance (AMHI) products will be distributed at over 4,200 branches of Canara Bank which will act as a corporate agent for selling these products.
Union Bank of India	Business Correspondent (BC) M/s. Little World	To act as BC and shall facilitate unbanked segment to send money instantly to anyone's account in any bank using IMPS platform.

Microfinance

Delinquency rate dips for MFIs

Microfinance institutions (MFIs) saw a steady drop in delinquencies over the past one year as they turned more selective in lending. The systemic delinquency rate dropped to 0.74% in August 2013 compared to 1.1% in April and 1.6% in mid-2012, as per a report by credit bureau Equifax Credit Information Services. In absolute terms, the number of accounts that are more than 30 days outstanding dropped to 1, 68,865 in August 2013 from 2, 98,472 in mid 2012, with the maximum drop-out coming from states other than Andhra Pradesh.

Microfinance market way below potential size : ICRA

According to the credit rating agency ICRA, the microfinance market is less than half its potential size because some big markets remain under-penetrated and the average loan size remains much smaller than the actual demand. ICRA estimates the market potential to be ₹1.4-₹2.5 lakh crore. However, the current size of the microfinance market, including Microfinance Institutions (MFIs) and those under Self-Help Group-Bank Linkage Programme (SHG-BLP), is just ₹60,000 crore.

Basel III - Capital Regulations

Continuing the discussion on Basel III, we enumerate the following information :

Transitional Arrangements

As per Basel III terms, in order to ensure smooth migration without any near stress, appropriate transitional arrangements for capital ratios have been made which commenced as on 01.04.2013. Capital ratios and deductions from Common Equity will be fully phased-in and implemented as on 31.03.2018 and accordingly the phase-in arrangements for SCBs operating in India are drawn as under :

Transitional Arrangements (Excl. LABs and RRBs)

Minimum capital ratios	01/04/13	31/03/14	31/03/15	31/03/16	31/03/17	31/03/18
CET 1	4.50	5.00	5.50	5.50	5.50	5.50
CCB	-	-	0.625	1.25	1.875	2.50
Minimum CET1 + CCB	4.50	5.00	6.125	6.75	7.375	8.00
Minimum Tier-1 capital	6.00	6.50	7.00	7.00	7.00	7.00
Minimum Total capital *	9.00	9.00	9.00	9.00	9.00	9.00
Minimum Total Capital + CCB	9.00	9.00	9.625	10.25	10.875	11.50
Phase-in of all deductions from CET 1 (in %) #	20	40	60	80	100	100

* The difference between the minimum total capital requirement of 9% and the Tier-1 requirement can be met with Tier-2 and higher forms of capital;

\# The same transition approach will apply to deductions from Additional Tier-1 and Tier-2 capital

The regulatory adjustments (i.e. deductions and prudential filters) would be fully deducted from Common Equity Tier-1 only by March 31, 2017. During this transition period, the remainder not deducted from Common Equity Tier-1 / Additional Tier-1 / Tier-2 capital will continue to be subject to treatments given under Basel II capital adequacy framework.

Source : Reserve Bank of India (RBI)

Financial Basics

Revaluation Reserves

Revaluation reserves are a part of Tier-II capital. These reserves arise from revaluation of assets that are undervalued on the bank's books, typically bank premises and marketable securities. The extent to which the revaluation reserves can be relied upon as a cushion for unexpected losses depends mainly upon the level of certainty that can be placed on estimates of the market values of the relevant assets and the subsequent deterioration in values under difficult market conditions or in a forced sale.

Glossary

Pre-Shipment Credit in Foreign Currency

'Pre-shipment' means any loan or advance granted or any other credit provided by a bank to an exporter for financing the purchase, processing, manufacturing or packing of goods prior to shipment, on the basis of letter of credit opened in his favour or in favour of some other person, by an overseas buyer or a confirmed and irrevocable order for the export of goods from India or any other evidence of an order for export from India having been placed on the exporter or some other person, unless lodgement of export orders or letter of credit with the bank has been waived. With a view to making credit available to exporters at internationally competitive rates, authorised dealers have been permitted to extend Pre-shipment Credit in Foreign Currency (PCFC) to exporters for domestic and imported inputs of exported goods at LIBOR / EURO LIBOR / EURIBOR related rates of interest.

Reserve Money

Reserve money refers to the portion of commercial banks' reserves that are maintained with RBI, plus the total currency in circulation. It is also referred to as base money or high-powered money.

Institute's Activities

Training Programme Schedule for the month of Nov. 2013

Sr. No.	Programme	Date
1.	6th programme on SME financing	25th to 29th November 2013

Training activities completed during the month of Oct. 2013

Sr. No.	Programme	Date
1.	4th Programme on Housing Finance	9th to 11th October 2013
2.	8th Programme on Credit Appraisal (Industrial and Commercial Advances)	21st to 25th October 2013
3.	3rd Programme on KYC / AML / CFT	21st to 23rd October 2013

News From the Institute

Re-scheduling of Nov. / Dec. - 2013 Examinations

IMPORTANT NOTICE

Election commission has declared assembly elections for the five states of Rajasthan, MP, Mizoram, Chattisgarh and Delhi. Since this will be affecting our examinations scheduled in these states, it has been decided to postpone and reschedule the Examinations at all centres (all India) as under :

1) JAIIB / CAIIB / Certificate in Electives / Diploma Examinations (ONLINE & OFFLINE Mode) scheduled to be held on 10th, 24th Nov. and 1st Dec. 2013 has been rescheduled to 8th, 15th & 22nd Dec. 2013.

2) Other DIPLOMA / CERTIFICATE Examinations (ONLINE Mode) scheduled to be held on 8th, 15th and 22nd Dec. 2013 has been rescheduled to 5th, 12th & 19th January 2014.

All eligible candidates for the above examinations are requested to kindly note the changes in the examination schedule. For details visit our web site www.iibf.org.in.

Regulatory Guidelines

Candidates may please note that in respect of the exams to be conducted by the Institute during Nov. / Dec. and May / June of a particular year, instructions / guidelines issued by the regulator(s) up to 31st July and 31st January respectively of that year will only be considered.

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

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

Micro / Macro Research

Macro Research proposal for the year 2012-13 and Micro Research Papers for the year 2013 are invited by the Institute. For details visit Institute's web site.

Diamond Jubliee & CH Bhabha Overseas Research Fellowhsip

Institute is inviting applications for Diamond Jubilee & CH Bhabha Overseas Research (DJCHBR) Fellowship, For details visit www.iibf.org.in.

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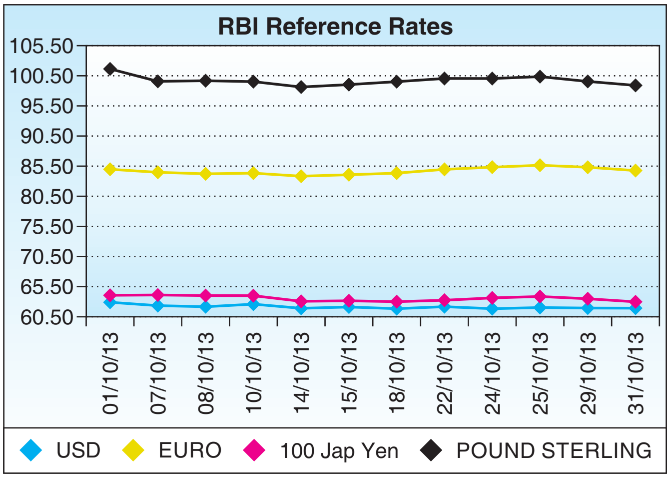
Contact classes for JAIIB / DB&F and CAIIB

The Institute has announced contact classes for JAIIB / DB&F and CAIIB courses. The schedule for the contact classes are uploaded on the website. The Institute will also offer contact classes in select centers for the Certified Banking Compliance Professional and Certified Bank Trainers Course. For more details visit web site.

Additional Reading Material for Institute's examination

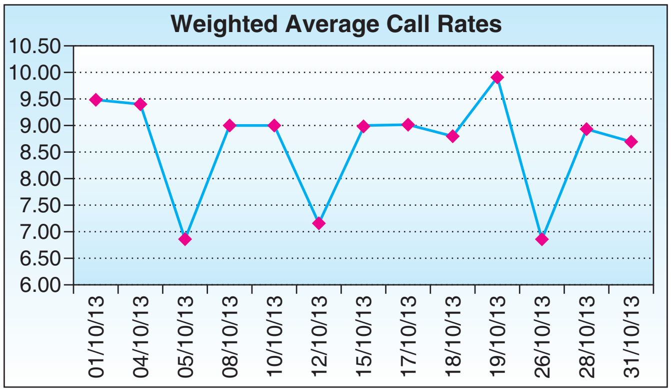
The Institute has put on its web site additional reading material, for various examinations, culled out from the Master Circulars of RBI. These are important from examination view point. For more details visit web site.

Market Roundup



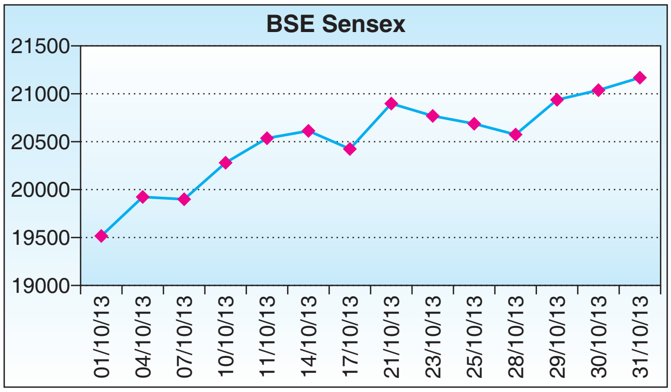
Source : Reserve Bank of India (RBI)

- Rupee recovered sharply on 3rd closing at 61.74 up from its previous close of 62.46 on hopes that Fed would continue with its bond buying.
- On 4th the Indian currency ended at a two-month high strengthening 29 paise to 61.44 as the dollar struggled against global currencies due to the partial shutdown in the US. The rupee has gained 1.8% this week.
- The Rupee fell on 9th after IMF sharply cuts its economic growth forecast for the country and as the dollar rallied following the naming of Ms. Janet Yellen as the next Head of the US Fed Reserve. Rupee closes at 61.94 to a dollar on 9th.
- The rupee closed at 61.27 / 28 per dollar compared to 61.23 / 24 on 17th. The rupee fell in initial trades but recovered after the Central Bank reassured that it was not yet closing a special dollar swap window for oil firms.
- Thereafter, Rupee showed signs of some strength.
- During the month, Rupee appreciated across the board recording 2.88% strength against Sterling, 1.68% against JPY, 1.52% against dollar and 0.48% against Euro.



Source : CCIL Newsletter for October 2013

- Call rates remained largely range bound.
- The rates moved between a low of 6.86% and a high of 9.91%.



Source : Bombay Stock Exchange (BSE)

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