
BANKING AND FINANCIAL AWARENESS

JUNE 2018: 3RD WEEK

RBI TO RAISE \$30-35 BILLION VIA NRI BONDS TO SUPPORT RUPEE: REPORT

- On June 11, 2018, the RBI is expected to raise \$30-35 billion via NRI bonds to raise the rupee to hold up the rising oil prices and shortfall in FPI inflows to the country.
- the FPI inflows to India will be influenced by Chinese firms listing in global benchmark indices like MSCI.
- China market could list a \$100 billion by 2019.
- RBI will issue a fourth tranche of NRI bonds and issue NRI bonds if the global oil prices continue at USD 70/bbl.
- NRI bonds are forex deposits raised from non-resident Indians at attractive rates for 3-5 years, with some lock-in and an implicit RBI guarantee.

MOBILE BANKING RANK BY SBI'S ANNUAL REPORT: PAYTM TOPS BY VOLUME AND AXIS BANK TOPS BY VALUE

- On June 12, 2018, Axis bank has the highest value share of mobile banking transactions by 17.2% According to SBI's annual report for 2017-18.
- Paytm that tops volumes with 22 per cent and value share is a meagre 0.25 per cent.
- ICICI Bank has a 17.1% share of transactions by value and by volume is 9.7%.
- SBI's volume share was 25% at the end of March 2017 and 19.5% in January 2018.
- Paytm Founder: Vijay Shekhar Sharma. Headquarters - Noida, Uttar Pradesh

ANDHRA BANK RAISES MCLR BY 0.05% FOR VARIOUS TENORS

- On June 15, 2018, Andhra Bank increased its MCLR by 5 basis points or 0.05% to up to 8.55 per cent for various tenors.
- The MCLR has been raised by 0.05 per cent each to 8 per cent for overnight, 8.05 per cent for 1 month, 8.25 per cent for 3 months, 8.40 per cent for 6 months and 8.55 per cent for one year tenors.

- SBI, ICICI Bank, HDFC, Bank of India, Oriental Bank of Commerce, Syndicate Bank, Karur Vysya Bank and Indian Bank had increased MCLR prior to the policy rate decision by RBI in anticipation of a rate hike.

FITCH DOWNGRADES ICICI BANK, REVISES AXIS BANK RATING TO NEGATIVE

- On June 15, 2018, Global ratings agency Fitch declassifies ICICI Bank and Axis Bank due to imbalance in their risk control mechanisms and has re-evaluated its outlook on the latter to negative on sour assets worries.
- Also It downgraded ICICI Bank's 'support rating' to '3', from '2', its support rating floor to 'BB+', from 'BBB-'.
- Axis Bank: Headquarters- Mumbai. CEO: Shikha Sharma
- ICICI Bank: Headquarters- Mumbai. CEO: Chanda Kochhar
- Fitch: Headquarters - New York City, US. CEO: Paul Taylor

KARNATAKA BANK UNVEILS 'KBL DEPOSIT ONLY CARD'

- On June 16, 2018, Karnataka Bank launch a card called 'KBL Deposit Only Card' for Bank's Current/Overdraft customers for hassle free cash deposit transactions at Bank's 24x7 e-Lobby Services.
- with this card customer can perform cash deposit transactions even with higher deposit limit at Bank's Bunch Note Acceptor (BNA) / Cash Recycler kiosks.
- The salient features of the cards are:
 - ✓ Instant cards & issued across branch counters.
 - ✓ It can be used only for Cash Deposit transactions. (Withdrawal & Purchase transactions are not allowed)
 - ✓ Per day cash deposit limit is Rs. 10,00,000/-
- Headquarters: Mangalore.