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A MOODY'S INVESTORS
SERVICE COMPANY

FINANCIAL MARKETS & BANKING UPDATE Vol.4: FY2018-19

Long-term bond yields
remain elevated despite
policy rate cuts and large
scale liquidity infusion



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Abbreviations

BBA: British Bankers Association	INR: Indian National Rupee
CCI: Cabinet Committee on Investments	JV: Joint Venture
CD: Certificates of Deposit	LAF: Liquidity Adjustment Facility
CDSL: Central Depository Services (India) Limited	LPA: Long Period Average
CP: Commercial Paper	LRS: Liberalised Remittance Scheme
CPI: Consumer Price Index	MCLR: Marginal Cost of funds-based Lending Rate
CRR: Cash Reserve Ratio	MPC: Monetary Policy Committee
CSO: Central Statistics Office	MSF: Marginal Standing Facility
DII: Domestic Institutional Investors	MSP: Minimum Support Prices
DIPP: Department of Industrial Policy and Promotion	MSS: Market Stabilisation Scheme
ECBs: External Commercial Borrowings	NDTL: Net Demand & Time Liabilities
EM: Emerging Markets	NBFC: Non-Banking Financial Company
FCCBs: Foreign Currency Convertible Bonds	NDTL: Net of Demand & Time Liabilities
FDI: Foreign Direct Investment	NIIF: National Investment and Infrastructure Fund
FII: Foreign institutional Investment	NSDL: National Securities Depository Limited
FPI: Foreign Portfolio Investment	PFCE: Private Final Consumption Expenditure
FPO: Follow on Public Offer	PSB: Public Sector Bank
FY: Financial Year	PSU: Public Sector Undertaking
G-Sec: Government Securities	PVB: Private Sector Bank
GDP: Gross Domestic Product	RBI: Reserve Bank of India
GFCE: Government Final Consumption Expenditure	RDB: Rupee Denominated borrowings
GFCF: Gross Fixed Capital Consumption	SCPC: Seventh Central Pay Commission
Gol: Government of India	SBN: Specified Bank Notes – Rs. 500 and Rs. 1000 currency notes
GST: Goods and Services Tax	SDL: State Development Loans
GVA: Gross Value Added	SLR: Statutory Liquidity Ratio
HFC: Housing Finance Company	SME: Small & Medium Enterprises
IDS: Income Declaration Scheme	US\$: United States Dollar
IIP: Index of Industrial Production	WPI: Wholesale Price Index
IPO: Initial Public Offer	YTD: Year to Date
IMD: Indian Meteorological Department	T-Bill: Treasury Bill
IMF: International Monetary Fund	WoS: Wholly Owned Subsidiary



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ICRA Limited (formerly Investment Information and Credit Rating Agency of India Limited) was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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- Assist the regulators in promoting transparency in the financial markets;
- Provide intermediaries with a tool to improve efficiency in the funds raising process.



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