



NEWS HIGHLIGHTS

Now, breeze through toll plazas with a FASTag

BSNL unveils mobile wallet for subscribers

Notorious 'Mamba' ransomware returns, India also threatened

ItzCash's parent Ebix to buy money transfer operations of Wall Street Finance

KVB's Aadhaar enrolment centre

Today's View

FinTechs Driving BONDing

Issuing bonds is one of the preferred ways for the governments as well as healthy corporates to raise funds. However it is one of the few security issuances still relying on time-consuming, manual processes over spreadsheets and phone calls. In the US, over four-fifths of trading in corporate bonds still takes place with a dealer, usually over the phone. However, thanks to FinTechs, the scenario is beginning to change. As per **McKinsey** Capital Markets Report, digitisation in the government bonds and corporate bonds is expected to increase by 40% and 75% respectively in between 2015 and 2020.

This will help reduce the cost of bond issuance by standardising all aspects of deal execution and improve operational efficiencies. For example, digitisation can help corporates to issue bonds that automatically pay the coupons to bondholders, and execute additional provisions based on particular conditions, without need for much manual interventions.

In Europe, **Tradeweb** has come up with an electronic-trading platform to offer "all-to-all" trading in corporate bonds, a system in which any market participant can trade with any other participant. Apart from trading, some fintechs like **Algomi** has set up Honeycomb, a bond information network to improve liquidity in the bond markets. On the other hand, Canadian fintech, **Overbond** has developed digital bond origination platform that connects all bond market participants together to reduce transaction costs for all counter-parties. Acknowledging the importance of such digital bond origination platforms, companies like **Thomson Reuters** and **DBRS Credit Ratings** have integrated such platforms in their product offerings as well.

Regulation is also helping drive adoption of fintech solutions in the bond issuance space. **MiFID 2**, a wide-ranging European financial-market regulation, will require market participants to report the prices and volumes of all completed bond transactions in detail. The sheer complexity of this undertaking will push for more digitisation to ensure compliance. In India, **RBI** has set up Working Group on

OTHER INTERESTING NEWS

Third-party ATM use up as banks install few machines

According to data from the Reserve Bank of India and the National Payments Corporation (NPCI), which manages the ATM switch through which all interbank ATM transactions travel, the trend has been picking up over the past six months. Due to this, bankers say, acquiring banks are paying more interchange fees now.



Source- The Economic Times

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Date- 18th August 17

Development of Corporate Bond Market which suggested extending electronic book mechanism (EBM) to all bond issuances and creation of a centralised database. This will be in tune with the development of the Bond market in India. This can be seen from the fact that growth of corporate bonds has outpaced the credit growth. As per Nomura, credit growth has been around 7% as of March 2017 while bond market has grown at around 16 % for the past 12 months.

Countries like **Kenya** are leveraging their mobile money networks to issue world's first mobile-only government bond, called **M-Akiba**. This will enable investors including ordinary citizens to buy and sell the bond on the Nairobi Securities Exchange via their phones.

Digitisation of Bond Markets through FinTechs are not only driving efficiencies but also providing innovative ways to raise funds for corporates and the governments. FinTechs driving BONDing.

Today's News

Now, breeze through toll plazas with a FASTag

The National Highways Authority of India's FASTags, which are basically RFID tags attached on vehicles that can be used for electronic payment on toll plazas, can now be bought online and offline through common services centres near toll plazas.

While one app is for retail users, another app — FASTag Partner — can be used by agencies only. My FASTag is a customer mobile app, where highway users can purchase and recharge their FASTag and keep track of the electronic toll collection transactions.

Source- Business Line

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BSNL unveils mobile wallet for subscribers

State-run Bharat Sanchar Nigam (BSNL) today unveiled its mobile wallet in partnership with MobiKwik to enable one-tap bill payment for its over 100 million subscribers.

Besides, the subscribers will also be able to use the digital wallet at over 1.5 million merchants across India. The digital wallet, developed by MobiKwik for BSNL, is in line with the telecom corporation's intent to take the reach of digital payments to semi-urban and rural India.

Source- The Economic Times

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This News Letter has been prepared with the assistance of Pankaj Tadas and Manish Kulkarni

ItzCash's parent Ebix to buy money transfer operations of Wall Street Finance

Ebix Inc., an international supplier of on-demand software and e-commerce services to the financial services and healthcare industry, on Thursday said that it had agreed to acquire the money transfer service scheme (MTSS) business of Wall Street Finance Ltd, along with its subsidiary Goldman Securities Ltd.

Ebix is spending \$7.4 million for the two acquisitions, the company said in a statement. The acquisitions are subject to approval by shareholders of Wall Street Finance and the process is expected to take around 45 to 75 days.

Source- Mint

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KVB's Aadhaar enrolment centre

Karur Vysya Bank rolled out its first Aadhaar enrolment centre at its Nelson Manickam Road Branch in Chennai today. KVB is the first private sector bank to provide this service in the country.

It will provide facilities such as Aadhaar enrolment and updating of Aadhaar data to all its customers. This service will be made available at 75 more branches across the country, a bank statement said.

Source- Business Line

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Notorious 'Mamba' ransomware returns, India also threatened

A variant of the notorious disk-encrypting ransomware -- detected as 'Mamba' ransomware that hit organisations last year -- has made a comeback globally, including in India, media reported.

Cyber security firms like Kaspersky Labs and Trend Micro have confirmed the rise of 'Mamba' this year. The ransomware, also known as 'HDDCryptor', is notorious for encrypting hard drives instead of just files.

Source- *The Economic Times*

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Govt to create its own Google on how to do biz

The Central Board of Excise and Customs (CBEC) is undertaking a mammoth exercise to build a central repository to provide a supplier all the information required about norms governing product imports in simple language. This will be available on one site or via a mobile app.

The official said the effort would be to make regulations navigable and information readily available to traders. The difficulty in finding the information is also seen to be hindering ease of doing business.

Source- *Techgig*

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FinLearn Academy launches Smart Trader course

FinLearn Academy, headquartered in Mumbai, today announced the launch of Smart Trader — a one-year advanced programme in trading strategies which will help or equip aspiring traders and investors to master the art of trading and investing in the stock markets.

“Smart Trader”, which will train participants in a live market environment, will initially start with technical analysis (starting with basics moving on to advanced levels) to be gradually followed by derivatives, fundamental analysis, bonds and so on over a period of time.

Source- *Business Line*

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India is now the hottest destination in the retail space

India has topped the Global Retail Development Index in 2017, overtaking China. During the first six months of the year, there were 70 new brands which marked their presence in Mumbai, Delhi-NCR and Bengaluru.

According to CBRE's India Retail MarketView Report – H1, 2017, seven new global brands entered the country and investments into the segment by firms/wealth funds touched \$200 million.

Source- *Business Line*

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US-based startup accelerator Techstars enters into a JV with ANSR for India operations

US-based startup accelerator Techstars, which counts remote computing platform DigitalOcean and other startup successes among graduates, has launched operations in India.

For its India operations, Techstars has entered into a joint venture with Bengaluru-headquartered ANSR, which helps enterprises build and manage in-house or external accelerators and other such start-ups focused infrastructure.

Source- *The Economic Times*

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Desi tech solutions thrive at Amazon

Seattle-based e-tailing giant Amazon has invested heavily in technology platforms such as artificial intelligence, data analytics and machine language to increase customer footprint and reduce seller pain points, a senior executive told ET.

To boot, with a strong team of data research scientists with capabilities in machine and deep learning, computer vision, natural language processing to perform analytics across data pipelines and processing infrastructure, India continues to be Amazon's largest development centre outside the US.

Source- *The Economic Times*

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