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1. Antidumping, Countervailing, and Safeguard Measures

by Winston W. Chang

Vol. 1, Issue : 1, July 2008, Page : 1-34

Abstract

This paper discusses the key ingredients of WTO antidumping, countervailing, and safeguard measures, and corresponding U.S. trade laws. It explores a number of shortcomings of current U.S. antidumping laws, including the cost- and price-based dumping criteria and the inevitable excessive pass-through outcome of an antidumping case. The paper also examines several special U.S. trade remedies that have been controversial, including the repealed Byrd Amendment, the use of “fair price” and “constructed value” on electric golf carts from Poland, and the disputes over “zeroing” between the U.S. and the EU, Japan and Mexico.

To gain further insight into real world activities, the paper profiles the U.S. and also other WTO member countries’ antidumping and countervailing cases, and discusses the current “WTO Rules” negotiations, as mandated by the Doha Development Agenda, including the Agreement on Implementation of Article VI of GATT (the Anti-dumping Agreement), the Agreement on Subsidies and Countervailing Measures, and the newly proposed disciplines on fishery subsidies.

2. FDI in South Asia: Policy, Trends and Perspectives

by Pravakar Sahoo and Geethanjali Nataraj

Vol. 1, Issue : 1, July 2008, Page : 35-77

Abstract

One of the remarkable features of globalization in the 1990s has been the flow of private capital in the form of foreign direct investment (FDI). Though FDI inflows have been increasing into South Asia, its share in developing countries inflows is still low when compared to other countries in the region like China, Korea, etc. In this context the present study attempts to analyse the FDI policy, trends and prospects for five South Asian Countries such as India, Bangladesh, Sri Lanka, Pakistan and Nepal.

Overall, there has been a positive change in policies with regard to FDI in all the South Asian Countries. Moreover, macro economic and political stability, appropriate policy and regulatory frameworks, infrastructure development, accelerated development of small and medium enterprises and regional cooperation in the region are all needed for further promotion of FDI in South Asia. However, the image of South Asian countries as corrupt nations, with overprotective labor laws and internal law and order problems, will have to be mitigated to facilitate the entrance of much needed foreign investment. A detailed look at the investment scenario of South Asian countries also reveals that they are making rapid strides in the services and manufacturing sectors. The FDI inflows into South Asia indicate that most of the foreign investment is market seeking in nature and mostly sourced from developed countries such as USA, Japan and European Union. Therefore, in view of the highly liberalized macroeconomic and investment environments, the trends of FDI in South Asia are likely to improve in the coming years.

3. Trade Between India and IOR-ARC: An Empirical Note

by Debashis Acharya and S Amanulla

Vol. 1, Issue : 1, July 2008, Page : 78-85

4. Price Discovery on Single Stock Futures Market: A Case of NSE

by Anver Sadath

Vol. 1, Issue : 1, July 2008, Page : 86-99

Abstract

This paper examines the price discovery process of underlying stocks in the context of stock and corresponding futures markets. The relationship between spot and futures markets is modeled based on the cost-of-carry model which specifies a long-run relationship between spot and futures prices. The Engel and Granger methodology is used to analyze both long-run and short run dynamics of spot and futures prices. The results show that the prices of underlying securities get discovered in the futures markets and the causality runs from futures market to the corresponding spot markets.

5. Performance Evaluation of Indian Mutual Fund Industry: A Case Study

by Deepti Sahoo and Naresh Kumar Sharma

Vol. 1, Issue : 1, July 2008, Page : 100-118

Abstract

The present paper is an empirical study of performance evaluation of some select mutual funds in India. CAPM is a popular model for undertaking financial analysis of financial instruments. In this paper, we use various other models as well for evaluating performance of mutual funds. These include Treynor, Jensen and Sharpe measures. For empirical analysis, ten mutual funds are included in the study. These include both the private sector and public sector mutual funds – 10 mutual funds are selected in all. Five types (categories) of schemes are included according to their objectives and nature. For each category of mutual funds, each of ten-selected mutual fund contributes two schemes, with some exceptions – the study includes 94 schemes in all for this investigation of performance evaluation. The results show a mixed performance for Indian mutual funds. Some of them do outperform the market but others fail to do so.

6. Risk – Return Dynamics in the Indian Stock Market

by Rajesh P N

Vol. 1, Issue : 1, July 2008, Page : 119-134

Abstract

In this paper an attempt has been made to uncover the dynamics of risk-return for the broader Indian markets by examining the existence of risk premium in the Indian stock market. For this purpose, the daily stock returns of Nifty and Nifty Junior have been regressed on the standard deviation of the respective market. Standard deviation has been obtained by using the GARCH (1,1) and EGARCH(1,1). The study arrived at the conclusion that there is no risk premium in the Indian markets. This finding is in conformity with the findings of recent studies on the topic.