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1. **Trade Liberalization and Development in ICT Sector and its Impact on Household Welfare in Vietnam**
   by Tran Quoc Trung, Nguyen Tung, Le Thuc Due, Nguyen Cao Due and Tran Hao Hung
   Vol 1, Issue : 2, January 2009, Page : 1-46

Abstract

Scholars have used information deficiencies to explain development differences among countries and argued that information and communication technologies (ICTs) may facilitate and speed up the development process by providing cheaper and more efficient ways and tools of information gathering, processing and dissemination. The ICT sector in Vietnam had not been developed until the 1980. However, over the last decade of the 20th century rapid growth, it has had a powerful impact on many aspects of life in this country. The relationship between ICT's development and household welfare in Vietnam was examined on the basis of four high-quality household surveys spanning the period 1993-2004.The findings strongly confirm the common observations of Flor(2001), Swaminathan (2005) Harris (2002),Greenberg(2005),UNCTAD(2002), Gi-Soon (2005) and Joseph (2005) in other developing countries that the access to and use of ICTs positively impact on poverty alleviation and improve household welfare overtime. Inspite of the recent development in the sector, Vietnam's ICT indicators still lag behind many other ASEAN countries. The tele-communications and Internet cost is still high and the unequal access to and use of ICT products of households by regions, especially in Northern Uplands and North Central Coast and between rural and urban areas is widespread. Moreover, the rural infrastructure indices are underdeveloped in the Northern Uplands and Central Highlands. Therefore it is strongly recommended that it is necessary to reform regulatory system for safeguarding a freer and more competitive enabling environment and require the effective state intervention in underdeveloped rural areas of Vietnam.

2. **Futures Trading and Spot Market Volatility: A Case of S&P CNX Nifty Index**
   by P. Sakthivel and B. Kamaiah
   Vol 1, Issue : 2, January 2009, Page : 47-60

Abstract

An attempt is made here to investigate the relationship between stock market volatility and trading activity (trading volume and open interest) in the Nifty futures market using the GARCH framework. The study uses daily closing price, trading volume, and open interest for Nifty index futures for the period July 1, 2000 to February 28, 2008. The study considers only near-month contract data since most trading activities take place in this contract. Open interest and volume are used as measures of futures trading activity. The study decomposes series of futures trading volume and open interest into expected and unexpected components by an appropriate ARMA procedure. Then, the study introduces futures trading variables such as expected and unexpected futures volume and open interest in GARCH and GJR GARCH models to examine their effects on spot market volatility. The results show that the spot market volatility bears a positive relationship with unexpected trading volume and open interest in Nifty futures *market. But, the same bears a negative relationship with expected futures trading volume and open interest.*

3. Welcome to the Digital Age: Mobile Phones and Microfinance

by *Jonathan Greenacre*

Vol 1, Issue : 2, January 2009, Page :61-81

Abstract

Numerous studies demonstrate that microfinance can help poor households to move out of poverty. However, the development community has yet to determine whether microfinance has the potential to alleviate poverty on a widespread scale. This paper uses a framework developed by Harvard academic Michael Chu to explore this potential. In its current form, microfinance is unlikely to alleviate widespread poverty because the high cost of providing financial services to particularly poor areas usually prevents microfinance providers from doing so. Mobile banking, defined as the use of mobile phones to provide microfinancial services, is a low cost avenue to reach this population. The development community should facilitate the spread of mobile banking to particularly poor areas and devise the required regulation to ensure that these new customers are treated fairly by microfinance providers

4. Inter-fuel Substitution Possibilities in Selected Energy Intensive Sectors and Firms in India

by Sai Sailaja Bharatam and Sarma.I.R.S

Vol 1, Issue : 2, January 2009, Page : 82-99

Abstract

In the present study a model for fossil fuels demand based on a translog cost function is formulated. The findings of the study would aid the policy makers and industry to explore alternative dimensions for their expansion through cost minimization. Unlike previous studies, that considered either industry or sectors, this study modeled fossil fuels demand at both industry and company level with aggregate and disaggregate data. The study reveals that coal and natural gas show a substitution elasticity of a meagre 0.004 at industry and also at company level. High Sulphur diesel oil (HDO) and Light diesel oil (LDO) also show a substitution elasticity of upto 0.2. But diesel oils seem to be complements to coal and natural gas.

5. Effects of Option Introduction on Price and Volatility of Underlying Assets A Review

by Gourishankar S. Hiremath

Vol 1, Issue : 2, January 2009, Page : 100-121

Abstract

The effect of options' introduction on underlying market is one of the frequently debated themes in financial research. A significant body of literature addresses the question of effects of options' introduction. A critical review of the literature shows that there is no consensus regarding the impact. Theoretically, it has been argued that the option market stabilizes the underlying market. Though the empirical evidence of stabilization has not led to consensus, there is little evidence for the destabilization effect of options. Given increasing growth of

options in financial markets, especially in emerging markets, the future studies from these markets may shed new light on the debate.

6. The Trade-Poverty Nexus in Sri Lanka

by Deshal de Mel

Vol 1, Issue : 2, January 2009, Page :122-142

Abstract

The relationship between trade and poverty has long been debated in academic and policy making circles, they have been polarizing opinions regarding this. This Srilankan case study provides several useful insights which add to the literature on the trade poverty nexus and examines the linkage between poverty and trade from Srilanka's perspective. Srilanka was one of the first countries in South Asia to liberalize trade in 1977 but until very recently had made only limited progress in poverty reduction. Trade has had many positive impacts including generation of employment, providing access to market etc. However it is found that the benefits have not been as clearcut in all the sectors. The major examples of the trade-employment poverty nexus in Sri Lanka's three decades as an open economy are tea, garments, tourism and export of labour, low skill labour particularly to the Middle East. It was found that the success of these had however been mixed. It was noted that the micro level outcome is different to that of the macro level scenario, therefore it was suggested that the impacts of trade on consumption of the poor are limited; however, by providing markets for the products of the poor, trade can have a positive impact on poverty alleviation through export channel and the findings portray that at macro level the relationship between trade and poverty appears to be strong.