



TreasuryPulse

Collaborating Globally for Clients' Success



Susan Skerritt
Head of Global Transaction
Banking Americas
susan.skerritt@db.com



Lisa Robins
Head of Global Transaction
Banking Asia Pacific
lisa.robins@db.com

With increased cross-regional trading activity and growing interest in capital raising in Asia and Latin America, Deutsche Bank's Susan Skerritt and Lisa Robins discuss how they collaborate to meet the needs of clients in their regions and globally.

What kinds of solutions are corporates and financial institutions seeking to address their cross-border transactional needs?

Robins: We help many multinationals who do business in Asia and globally by supporting their needs to move, concentrate and invest in-country and across borders. We focus on understanding their working capital management requirements and providing appropriate solutions. Increasingly, we see corporates wanting to consolidate their liquidity, which they can do with regional treasury centers, and manage their flow of goods, payments and risk on a financial supply chain basis to support their suppliers and buyers. We examine their overall needs to develop customized cash management solutions that leverage our local knowledge and global network.

Skerritt: Financial institutions are looking for effective and efficient means to support the cross-border business requirements of their corporate clients while seeking to optimize their liquidity on a global basis. We work closely with our bank clients to provide solutions that enable them to respond to an ever increasing amount of commercial globalization and information that helps them manage their liquidity positions.

For both corporations and banks, Deutsche Bank Global Transaction Banking offers a truly global solution with people located in 48 markets. We are especially good at supporting the cross-border requirements of our clients as a result of an emphasis on customer service and regular communication among our globally located staff.

Where are the growth opportunities in these markets?

Robins: We see many Asian companies focused on building their presence in Latin America, Europe and North America, for example by raising capital via IPOs or ADRs. At the same time, given the continued growth in GDP in APAC, which continues to outpace the US and Europe, multinational corporations outside of APAC are looking at ASEAN as a key growth market in which we are very active. China continues to be an exciting market, especially with the ongoing internationalization of the RMB strengthening the flow of business to/from China. India, post the elections, is also poised for take-off.

Skerritt: We are seeing continued growth in global commerce emanating from the Americas. Since the financial crisis, the global trading activity of North American corporations has grown strongly at a rate of 10% per annum. And, during the same period, trade flows between Latin America and Asia have increased even more markedly in the range of 20% each year. Though both of these growth rates have moderated more recently, we still expect international trade growth to continue to exceed the pace of the general economy. In addition, there is optimism about the energy reform underway in Mexico and the resulting opportunity for direct foreign investment there.

What do multinational corporates require to be successful?

Robins: Multinationals need a good understanding of the regulatory environments in Asia. It can be more challenging to move capital across the border in some countries than in others. But more importantly, understanding risks and the environment in order to source the most effective solutions is critical — working with a strong client-centric bank like Deutsche Bank can make a real difference.

Skerritt: Multinational corporations need banks that understand their requirements and can support them to address key opportunities and challenges. At Deutsche Bank, we have established a Global Solutions group whose purpose is to provide this customized support.

What are some of the key best practices for today's financial institutions?

Robins: The days of silos are over. We have to work across the bank to deliver our collective capabilities to our clients. We need to provide accurate and timely advice and information to our clients on what they should do within a country and across borders. It is critical for a financial institution to have best-in-class platforms and solutions. We believe that having strong partnerships with other financial institutions is also key to success.

Skerritt: Financial institutions are facing more stringent regulatory requirements, resulting in the need for increased levels of liquidity and capital, and more effective monitoring of transactions for AML purposes. Lisa commented on silos — in addition to eliminating silos in the ways we support our clients, financial institutions must also eliminate the traditional separation between “front office” and “back office.” The information processed by what has historically been called the “back office” is critical for robust management of liquidity, capital and transaction monitoring.

What does the future hold for Deutsche Bank’s Global Transaction Banking business?

Robins: We continue to see the need for innovation. We offer this through our award-winning Autobahn App Market, for example. It is a collection of apps to access banking services from across our institution with a one-stop-shop approach.

Skerritt: We anticipate continued growth in the Americas and Asia as a result of our strong franchise in both regions and our focus on delivering innovative cross-border solutions for our clients.

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