



TreasuryPulse

Passion to Perform

Looking Ahead to a New Year in Treasury



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Below are some questions I've been asked about the evolving treasury environment. My responses include a discussion of emerging trends as well as suggestions for what treasury professionals may want to focus on in 2012.

What are your corporate treasury customers telling you they need from you in 2012?

We are seeing a continuing need for efficiency gains as well as a tremendous emphasis on cost containment. Clients worldwide are looking to improve treasury management efficiency through a more integrated and centralized approach for managing payments and collections. Some of the direct benefits of this centralized strategy are reduced risk and lower costs.

In addition to striving to minimize costs, there is increased demand for greater transparency in pricing. Banks such as Deutsche Bank are able to help treasurers achieve this objective by providing competitive and efficient pricing by country or region.

Another important trend is that clients are looking at SWIFT access rather than just bank proprietary solutions. This bank agnostic channel is in ever greater demand as it can tap into the efficiencies of reaching a company's banking network globally with a single, streamlined setup.

While corporate liquidity is piling up, including in foreign jurisdictions, there is renewed interest in notional pooling solutions to offset cash balances with onshore debts. There is also a need for improved visibility on cash positions and forecasting tools.

In case of a recession and/or credit crunch, what advice do you have for corporates about gaining access to credit?

Corporations need to be in the position to respond in the next credit crunch. It is important to create and develop long-term relationships with banking partners in good times so that you have the support you require when the market is less favorable. Also, fair distribution of share of wallet is important along with transparency to know where the relationship stands. Banking partners should be evaluated in terms of capital and geographic reach.

Additionally, financial supply chain (FSC) initiatives are key as they can extend payables terms, ultimately improving end-to-end working capital management. FSC can also create arbitrage opportunities, allowing large corporates to help ensure the financial health and stability of their suppliers. Through FSC, corporates can offer their suppliers access to a low-cost source of funding provided by a third party such as Deutsche Bank, which can reduce their suppliers' days sales outstanding and cost of financing. This can improve their overall business sustainability in the medium- to long-term.

What new corporate treasury products/services will you emphasize in 2012?

As treasurers are looking for ways to drive the next level of efficiencies in how they operate, Deutsche Bank is committed to extending its value proposition by offering its next generation treasury solutions. One such solution is Deutsche Bank's newly launched Treasury platform on Autobahn, the Bank's award-winning electronic distribution service. The Bank's Treasury platform incorporates foreign exchange and money markets trading, offering a single window to a complete line of treasury and liquidity services to help clients actively manage their cash forecasting and investment needs.

Additionally, we will continue to promote our FSC solutions and will introduce them earlier along the trade value chain so that clients can obtain value sooner. We will continue to invest heavily in this area as we did before, during and since the crisis.

Lastly, Deutsche Bank is well-positioned to help clients prepare for the Single Euro Payments Area (SEPA), which will come to the forefront with expected mass

migration to the SEPA Credit Transfer potentially in 2012 and to the SEPA Direct Debit in 2013. Regardless of when the exact end dates will be, SEPA is no longer a voluntary project but rather a regulatory project, and it is important for corporates to start migration preparations right away. Deutsche Bank continues to be prepared to facilitate that transition so that corporates can easily realize the benefits of SEPA.