

WORLD'S BEST BANK FOR TRANSACTION SERVICES

CITI

In an industry of fast-paced change, this is the bank that is not only engaged with but driving change for the benefit of its customers

Transaction banking is one of the fastest growing businesses for the world's largest banks. According to business intelligence provider Coalition, transaction banking revenue for the top 12 investment banks in 2018 grew 9%, to reach \$31.3 billion in total. Meanwhile, investment banking revenue grew by just 0.3% to \$151.4 billion in the same period.

Transaction services is no longer just a safe way to boost revenue after the financial crisis, but a dynamic and compelling business that banks and other financial institutions are eager to get involved in to boost their balance sheets.

But given the importance of cash management and trade finance, separating genuine developments and innovation from rhetoric is no easy task, especially at the regional level.

Globally, however, there are a few serious players that not only top the rankings in terms of trade and cash revenue but also shape and drive the transaction services agenda. This year, the bank that excels in this space is Citi, the world's best bank for transaction services.

Firstly, Citi's treasury and trade solutions close-knit team boasts some of the sector's strongest expertise. Naveed Sultan, global head of treasury and trade solutions, has been at the helm since 2011. He is directly supported by Manish Kohli, global head of payments and receivables, and John Ahearn, global head of trade – both leaders in their respective fields and highly regarded in the transaction banking community.

Secondly, Citi's success is illustrated by the sheer number of transactions the bank makes through its worldwide network and the value this creates.

Across its network of 98 countries – not including the bank's deep correspondent banking connections – Citi makes \$4 trillion of payments every day, including 15% of global dollar flows; it has over 15,000 liquidity structures and six million commercial cards live.

For the full year 2018, treasury and trade solutions revenue for the bank was \$9.3 billion – one quarter of the total revenue of the bank's Institutional Clients Group – and in the first quarter of 2019, revenue for the business rose 10% year on year to \$2.4 billion.

The business has been growing for five years straight – and shows no signs of slowing down.

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Thirdly – and most importantly – Citi's dedication to innovation and technology deserves recognition.

As Sultan explains, the bank is preparing for the “fourth industrial revolution” – a time when the internet of things, blockchain, quantum computing, artificial intelligence, autonomous vehicles, 3D printing and robotics will completely transform payments and trade.

In this context, the bank isn't just staying up to date with the



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latest innovations but is actively engaging with partners to drive forward change.

For example, Citi has partnered with Feedzai, a data science company that detects fraud in omnichannel commerce and banking. Citi is integrating Feedzai's transaction monitoring powered by machine learning into its platforms to provide clients with enhanced control and cyber-risk management for payments.

Citi has also partnered with cloud-based software company, HighRadius, to leverage the company's AI and machine-learning capabilities to create Citi Smart Match. Smart Match simplifies the way in which corporates match open invoices to received payments, increasing efficiency in cash applications.

Citi Payments Insights – a tool that provides real-time payments visibility – is now available in 70 markets. This gives back control to the bank's customers, who are able to monitor processing times and correspondent banking fees for all the transactions they make.

“We don't just work to be the best bank in terms of transaction banking, but we work to ensure that the financial infrastructure around the world is also moving forward – so that cash management and trade finance is moving quickly to be compatible with the needs of digital economy,” says Sultan.

“Only when all participants in the global economy are reaping the benefits of a modern transaction banking landscape can we truly succeed,” he says.