

NATIONAL UNIVERSITY OF SINGAPORE
NUS Business School
Department of Finance
Course Outline
FIN3120B - Topics in Finance: Transaction Banking

Instructor: Ted Teo, Adjunct Senior Lecturer
Office: TBD
Email: TBD
Phone: TBD

Course Description

The focus of this course is the topic of Transaction Banking, an area of bank services aiming at serving the needs of corporate treasurers and helping companies manage their liquidity and working capital more accurately, efficiently, and systematically. It provides students with an understanding of corporate treasury management and the products and services that banks create in order to serve the Transaction Banking needs of corporate treasurers and CFOs.

Topics covered include:

- Corporate Treasury Management
- Transaction Banking Services
- Cash Forecasting in Corporate Treasury
- Cash Management Metrics
- Global Payment & Receipt Systems
- Documentary Credits
- Clearing & Settlement Systems
- Cash Concentration & Investment
- Cash Management Information
- Working Capital Enhancement

With the rapid growth of intra-Asia and cross-regional trades and investments in Asia, Transaction Banking services for Asian multinational companies have become among the faster growing businesses in the banking industry. This course will equip students with knowledge and concepts that they can apply to the business of Transaction Banking.

Course Format

This is a one full semester course:

1. The first half of this course consists of Lectures and in-class Case Study Discussions, with a few lectures being delivered by external guest speakers in the transaction banking profession. Students will be able to see how the knowledge they have gained in class are useful and applicable in Transaction Banking.
2. The second half of this course consist of the Consulting Practicum. Students will be formed in groups and work with external companies on consulting projects. Through the Consulting Practicum, students will be able to apply what they have learned in class on real world issues and problems.

Assessment

Simulating the work and learning environment in the world of banking, this course requires students to be participating actively in the in-class case study discussions and be involved as a team in practical consulting work.

The final grade for each student in this course is computed based on the following:

| | |
|----------------------|-----|
| Class Participation | 30% |
| Class Quiz | 20% |
| Consulting Practicum | 40% |
| Project Reflection | 10% |

Under ***Class Participation***, students are expected to participate in in-class case study discussions and demonstrating that sufficient prior self-study and reflection have been done on the case study and subject materials provided. Students may participate by sharing observations and analysis, answering questions, asking questions, experience sharing, etc that contribute to the overall learning experience of the class.

The ***Class Quiz*** requires students to demonstrate that they have acquired sufficient knowledge about the materials taught in class and those assigned for homework reading. The Quiz will be given around the Week 7 of the semester.

Consulting Practicum is graded based on feedback from the company concerned and the overall time management of the project.

The following are a few key areas where the company concerned will base their feedback on for the Consulting Practicum:

- (i) How closely is the final deliverable meeting the objectives and expectation of the company;
- (ii) The quality of work done considering the time provided for the delivery of the consulting project; and
- (iii) The overall experience working with the student consulting team.

The student teams will have to ensure that their consulting projects conclude by the Reading Week, normally with a team presentation made to or project closure meeting with the company.

As part of the Consulting Practicum, students are also expected to submit a personal ***Project Reflection*** about what they have learned through the consulting projects.

Note that students are assumed to possess foundation knowledge in *financial accounting* or *managerial accounting* before the start of this class.

Textbook Reference

Most of the knowledge of Transaction Banking cannot be found in textbooks. However, having a good knowledge of Corporate Treasury Management helps students to understand the concepts and needs behind Transaction Banking and why various Transaction Banking products and services have their market demands.

Beyond the materials shared in lectures, the following reference books can provide students with deeper understanding to the various topics covered in the classes.

- “The Handbook of Global Corporate Treasury” by Rajiv Rajendra - Publisher: Wiley.
- “Treasury Management: The Practitioner’s Guide” by Steven M. Bragg – Publisher: Wiley
- “Corporate Cash Management” by Steven M. Bragg – Publisher: Accounting Tools.

About the Instructor

Ted Teo is the Founder and Managing Director of Kerrywood Asia, a firm specializing in providing corporate advisory and training services to its clients. He is also part of the Managing Director team at Capital Asia Partners, a boutique corporate finance firm based in Singapore with a focus on the South East Asia market.

Ted was previously Managing Director at Citi Corporate & Investment Banking, having spent 17 years of his banking career in China, Hong Kong, Singapore, and Indonesia, and with business responsibilities in the Asia Pacific region. Through his banking career, Ted has accumulated a broad spectrum of knowledge and experiences in Investment Banking, Corporate Banking, and Private Banking.

Ted holds a Master of Business Administration, with *Beta Gamma Sigma* and Dean’s Honor, from Columbia Business School and a Bachelor of Science from the National University of Singapore. Prior to his MBA, Ted spent more than 5 years in technical services, sales, corporate treasury, and general management in the oil & gas and the electronic manufacturing industries.