

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

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### **Course Description**

Transaction Banking is an area of corporate bank services aiming at serving the needs of corporate treasurers and helping companies manage their liquidity and working capital more efficiently, accurately, and systematically.

This course will provide students with a broad and deep knowledge about transaction banking and the tools and technologies available to corporate treasury management and financial service providers. It will also provides students with a good understanding of the value that transaction banks bring to a large corporation in order to help the company better manage their businesses.

The course is held in partnership with an international bank, which, through their guest speakers, helps students connect what they learn in the classroom with what are practiced in the industry.

With the rapid growth of intra-Asia and cross-regional trades and investments in Asia, regional corporate treasury management has become an increasing important activity for many multinational companies. As a result, Transaction Banking services have become one of the most important businesses in the banking industry.

This course will benefit students who are interested in acquiring knowledge and analytical skills that are relevant to banking, finance, financial and treasury management, corporate and business management, financial services consulting, fintech and financial services technology, accounting and auditing industry, family business, etc.

### **Topics Covered:**

The following is the list of major topics that are covered in the course.

#### Corporate Treasury Management

- What are the roles and responsibilities of corporate treasurers?
- How does treasury management impact the company's performance?

#### Business of Banking and Transaction Banking

- How do banks segment their markets and services?
- How does Transaction Banking fit into the business of banking?

#### Cash Forecasting in Corporate Treasury

- Why is cash forecasting important to corporate treasury management?
- What are the practical considerations in cash forecasting?

### Cash Management Metrics

- What are the metrics treasurers use to gain insight into their cash flows?
- How can banks add value to treasurers in helping them improve their metrics?

### Global Payments & Receipts

- What are infrastructures that support local and global payments and receipts?
- How do banks add value to their clients in managing payments and receipts?

### Clearing & Settlement Systems

- What are the clearing and settlement systems in money transactions?
- What are the clearing and settlement systems in securities transactions?

### Working of Documentary Credits in International Trade

- What are the banking instruments used in facilitating international trade?
- How do these instruments help mitigate risks for businesses?

### Cash Concentration (Liquidity Management)

- What are the cash concentration systems available to enhance a company's liquidity?
- What are the key considerations (economic, operational, accounting, tax, etc) in implementing these systems?

### Cash Investment (Liquidity Management)

- How can treasurers maximize returns on their cash?
- What are the considerations when investing company's cash?

### Working Capital Enhancement (Liquidity Management)

- How banks enhance working capital of a business through account payable and receivable financing?
- What are the risks and complications involved in such financing?

### Treasury Management Systems (Liquidity Management)

- What information will treasurers need for their treasury management function?
- How does the industry provide information management services to treasurers?

### Treasury Analytics and Fintech (in an international bank)

- Technology and Treasury Analytics
- Fintech and Transaction Banking

### **Course Format**

This is a one full semester course, consisting of lectures, in-class case study discussions, guest speakers from the banking industry, student group projects and presentations, and quizzes.

Guest speakers from the industry are invited to speak on a wider range of topics related to the world of Transaction Banking and interact with the students. Their lectures will help the students to benchmark their knowledge against those in the industry. One or more of these guest lectures may be conducted at the banks' premises.

## Assessment

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

Student Participation	20%
Mid-Term Quiz	30%
Final Quiz	20%
Group Project & Presentation	30%

Under ***Student Participation***, students are expected to participate in in-class case study discussions and associated homework exercises, so as to demonstrate that sufficient prior self-study and reflection have been done on the case study and subject materials. For in-class participation, students may participate by sharing observations and analysis, answering questions, asking questions, sharing experience, etc, which contribute to the overall learning experience of the class.

The ***Class Quizzes*** require students to demonstrate that they have acquired sufficient knowledge and understanding about the materials taught in class and those assigned for homework reading. The quizzes will focus on key concepts and knowledge related to Transaction Banking.

In ***Group Project & Presentation***, students will be split into small groups to carry out research and make presentations to the class about selected topics related to important innovations, developments, and markets in the Transaction Banking world. The projects provide the opportunities for the students to apply what they learn in class to their research and analysis of the topics. The presentation of their works is part of the learning process for the students involved in the projects and also a learning opportunity for the rest of the 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 inherent demands in the corporate world.

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

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

## 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. 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, Private Banking, and Credit Risk Management. 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 of his corporate career in technical services, sales, corporate treasury, and general management in the oil & gas industry with Schlumberger and the industrial equipment industry with SAES Getters Group.

### **Academic Honesty & Plagiarism**

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is 'the practice of taking someone else's work or ideas and passing them off as one's own' (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. *In case of any doubts, you should consult your instructor.*

Additional guidance is available at:

<http://www.nus.edu.sg/registrar/adminpolicy/acceptance.html#NUSCodeofStudentConduct>

Online Module on Plagiarism:

<http://emodule.nus.edu.sg/ac/>