

SWIFT traffic highlights

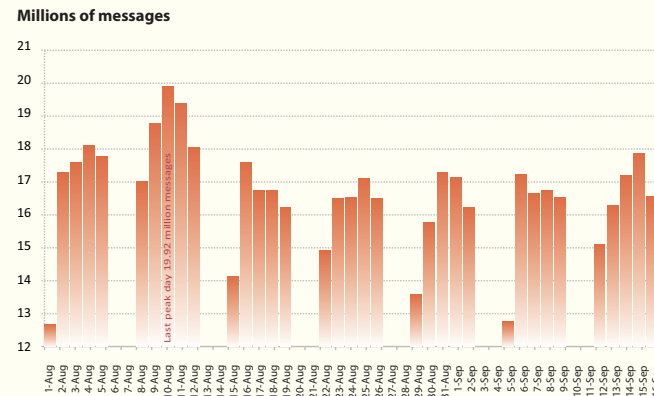
FIN traffic records double-digit growth year to date

Last Friday, 16 September, FIN traffic reached 16.6 million messages. The day before was the best day so far in September with 17.9 million messages (See figure 1). This brings daily average volumes for September to 17.2 million messages, representing growth of +14.1% compared to September 2010. Volume increases in

September were driven mainly by securities (+18.4%) and treasury (+32.7%), although the payments market also recorded solid growth of +8.7%.

Average daily volume year to date stands at 17.4 million messages, representing an increase of +10.7% over the same period in 2010 (See figure 2).

Figure 1
SWIFT FIN daily traffic evolution



SWIFT AUDITORIUM

Bring in the professionals

SWIFT Business Consulting Services offers advice that can clearly be implemented, say clients

They might have had diverse reasons for calling in SWIFT Business Consulting Services, but its clients agreed in an auditorium session yesterday that the teams had delivered industry-savvy, relevant advice and speedy results.

The team's projects – more than 450 for 350 clients in 75 countries since 2008 – are typically short and focussed on quickly implementable results. "They gave us concrete advice, not something from dreamland," said Newedge Group's senior director and group head of treasury operations Dennis Sweeney.

Newedge's experience was complicated by the fact that, as a brokerage, it isn't a typical SWIFT client. "It's a bit unusual for SWIFT to be talking to us – a brokerage, first of all, and one specialising in listed derivatives," said Sweeney. "We had a high level of automation – you have to in our business – but we were sure we could improve it. We needed people who understood how the brokerage model works – it doesn't work like the banking model."

The brokerage, which is jointly owned by Société Générale and Crédit Agricole, approached SWIFT encumbered by legacy systems and with insufficient scalability for a fast-growing business. "For us, the driver was the sheer way the business exploded," said Sweeney. "We were going north and it was obvious to us we needed someone to look at it."

In contrast, Belgian bank KBC called in a SWIFT Consulting team to help it reduce costs. It had already invested "double-digits" in infrastructure in 2007, predicated on a forecast pick-up in the securities business, according to Kristine de Lepeleire, general manager of internation-

al cash management and cash clearing. "I don't need to tell you what happened in 2008," she commented.

The result for KBC is an expected 20% cost reduction by Q4 2013. "It was good advice, at the right level of detail, and the timings were met," she said. "I can tell you that when you're under pressure to reduce your costs, your management isn't inclined to wait."

Benchmarking

For both firms, industry benchmarking was a key requirement. "We wanted to know how well we were doing," said Sweeney. "We didn't want to think we were doing well and then get a big shock."

KBC had already conducted an initial survey among its peers, but wanted an industry-wide comparison to see whether resources were up to market best practice and how as an institution it might reduce complexity and improve performance. SWIFT was the obvious choice because it had access both to KBC and industry data. "Luckily for us, we came out pretty well, but there were some areas for improvement," said Lepeleire. "We never had to say to our management: we've bought a Jaguar and we have to downsize to a Fiat."

Asked by an audience member whether SWIFT Business Consulting Services would make sense for a small bank, Sweeney responded: "You have to make a gut reaction about your own business. Once they've analysed your business, they might say you don't need them – but don't be afraid to call them in."

He added: "They're a professional team. Make no mistake about it: these guys know what they're talking about."

Figure 2: FIN traffic ytd (total SWIFT)

Total SWIFT	messages	growth
All markets	17,646,792	+10.7%
Payments	8,386,423	+8.7%
Securities	7,742,366	+12.9%
Treasury	1,088,750	+18.4%
Trade	171,792	-4.1%

Monthly evolution all markets (average daily traffic volumes).

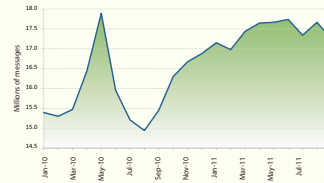


Figure 3: FIN traffic ytd (EMEA)

EMEA region	All markets	growth
All markets	11,664,038	+10.2%
Payments	5,531,519	+6.9%
Securities	5,349,978	+13.8%
Treasury	670,821	+12.5%
Trade	74,355	-5.9%

Monthly evolution all markets (average daily traffic volumes).

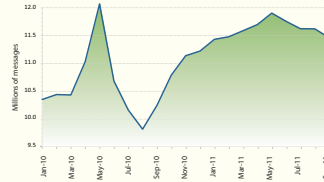


Figure 4: FIN traffic ytd (Americas)

Americas region	All markets	growth
All markets	3,560,564	+11.6%
Payments	1,742,670	+10.3%
Securities	1,223,028	+9.8%
Treasury	257,518	+39.6%
Trade	28,238	-5.9%

Monthly evolution all markets (average daily traffic volumes).

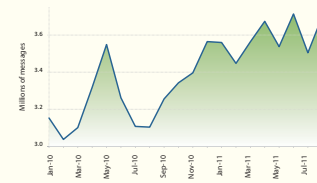
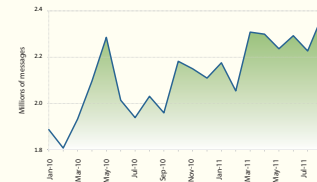


Figure 5: FIN traffic ytd (Asia Pacific)

Asia Pacific region	All markets	growth
All markets	2,222,190	+12.0%
Payments	1,112,234	+12.1%
Securities	870,264	+12.0%
Treasury	160,411	+15.2%
Trade	69,301	-1.3%

Monthly evolution all markets (average daily traffic volumes).



Double-digit growth has been observed in all three SWIFT regions (See figures 3, 4 and 5).

The last peak day – the sixth so far this year – occurred on Wednesday 10 August, when FIN traffic reached 19,919,041 messages. This represents an increase of 678,094 messages or 3.5% over the previ-

ous peak, which occurred on 30 June 2011.

While August is typically characterised by lower volumes owing to seasonality, recent turmoil in the financial markets led to record volumes last month, making it SWIFT's fourth best month ever. It is also the first time ever that a peak day was recorded in August.

2011 release for

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Events at Sibos

Conf room 201D

Tuesday 20 September

09:30 Open source debate

15:00 Business networking

Community room 3

Wednesday 21 September

09:30 Financial interoperability and open source

Stand C111

19-22 September

17:00 Daily draw

17:00 Romanian wine tasting

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