



Banking Analytics Premium delivers more information to feed into Citi's strategic planning

SWIFT Business Intelligence tools help Citi's trade finance business to identify new opportunities and gain insights

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John Ladany

Managing Director, Citibank, Treasury and Trade Solutions in the Correspondent Banking Group (CBG)

About Trade Services at Citi

Citi's trade solutions business offers products for both corporations (importers and exporters) and financial institutions, including import and export letters of credit (LCs), standby LCs/ performance guarantees/ bid bonds, reimbursements, various forms of trade financing for banks, and corporate supply chain financing.

Business background

With trade experts in local markets across the globe, John Ladany, based in New York, is Managing Director, Citibank, Treasury and Trade Solutions in the Correspondent Banking Group (CBG), and covers all aspects of Trade for the CBG globally. Citi has been involved in Banking Analytics Premium since its launch, he says.

A global trade bank needs to understand each of the markets in which it operates, to be able to expand its business. “It's not enough to know that, for example, the country of Saudi Arabia issues a certain number of letters of credit per year,” says Ladany. “You need to know their values, where they're going to, whether or not they need confirmation, if financing is attached, what their duration is and if our credit facilities for the issuing banks involved match all the requirements of their transactions.” None of that information used to be available. “Now, SWIFT's business intelligence team have built all of it into Banking Analytics Premium, and it is a very valuable source of information,” says Ladany. “We have a really good view on the transaction flow out of the countries where we offer trade services. That helps us determine what our activity share is, what our opportunities are, where we need to be to service that business and what we need to put in place in terms of credit to support it. Without all that, we may go knocking on the door for the business, but we're not properly equipped.”

Solution overview

Banking Analytics Premium is a new addition to SWIFT's Watch Banking family of business intelligence and analysis services. It helps customers adapt their product and market strategy by providing granularity and deep analysis of payments and trade finance data over SWIFT. It includes details of charges, initial ordering and ultimate beneficiary countries as well as information on confirmations and tenor of letters of credit. Activity can be viewed by value buckets (USD or EUR) and customers can rank their activities against the market.

“The initial version of the product was built around item volumes only for certain message types,” says Ladany. “SWIFT then added some values to payment and trade message types. Now they are capturing a number of other fields in the messages, which improves our ability to mine the data. We have an analyst working full time on doing so, responding both to our needs here at the head office and those of our various global branches.”

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According to Ladany, Banking Analytics Premium helps Citi both win new business and better control internal resourcing. "Some of the other players are probably using Premium the way we are, but many are not and it gives us a leg up in terms of understanding the market and its needs," he says. "To go back to our earlier example, we're here in New York; we have colleagues out in Bahrain who are responsible for the bank relationships in Saudi. We can prepare them to go and have an intelligent conversation with those banks to try and win more business. These colleagues will come to our dedicated analyst and he'll produce whatever data and reports they need."

The product also helps the bank maintain its authoritative voice in the global trade arena. "Citi recently held a large customer event in Barcelona and one of our presentations was about the state of the trade business," says Ladany. "We were able to paint a pretty clear picture of how things have been evolving the last couple of years, notably the decline in documentary trade and the corresponding increase in open account activity. We were able to illustrate that the volume of LCs may only have fallen by 4% or so from 2014 to 2015, but the drop in value – on the basis of which some bank charges are calculated – was an astonishing 28%."

Ladany notes that Citi continues to work with SWIFT on new refinements to Banking Analytics Premium. "We've given SWIFT's BI team suggestions of other fields to add and they're making ongoing enhancements," he says. "There are always new rollouts."

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Benefits of using SWIFT Banking Analytics Premium

Banking Analytics Premium has all the analytics, wizards and business visuals of Banking Analytics, allowing users to easily build information dashboards and reports.

Customers are, for example, able to map their clearing business flows, identify where new revenue flows may be generated, benchmark charges and FX conversion practices, track their competitiveness in LCs, optimise operational efficiency and maximise straight-through processing.

Launched in 2005, SWIFT's Business Intelligence (BI) portfolio encompasses a complete suite of intuitive tools including analytics, insights, services and economic indicators designed to grow with customers' business needs. Based on SWIFT message flows, SWIFT's BI solutions provide timely, transparent, and ready-to-use market information about customers' message flows, including payments, securities, treasury and trade finance.

About SWIFT's Business Intelligence portfolio

Launched in 2005, SWIFT's Business Intelligence (BI) portfolio encompasses an entire suite of intuitive tools including analytics, insights, consulting services and economic indicators designed to grow with customers' business needs.

The current portfolio includes; Watch Analytics, a platform to analyse and report traffic volumes, value and currency by market, message type and region especially focusing on payments, trade finance, foreign exchange markets and securities markets; Watch Insights, visual and business oriented dashboards on a subset of correspondent banking traffic; BI Services bringing value beyond the data, and SWIFT Economics, RMB Tracker and RMB Market Insights report.

For more information, contact your SWIFT account manager or visit www.swift.com/BI