

## BUILDING A SMART TREASURY - How Artificial Intelligence can revolutionise Treasury

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### Abstract:

CSince the financial crisis, the role and responsibility of Treasury has grown significantly in terms of scope and strategic importance. There are an ever-increasing number of requirements from Regulators, Senior Management and Shareholders that Treasury needs to deliver on. Regulatory demands are becoming more onerous in terms of granularity and frequency; while the CEO/CFO increasingly requires real-time attestation that the balance sheet is efficiently optimised and protected against risks.

To meet these demands Treasury needs to revolutionise its time-consuming operational processes and become more strategically orientated. Leveraging digital technologies associated with the 4th Industrial Revolution, can enable the transition towards a 'Smart Treasury of the Future'. One technology that shows a lot of promise is Artificial Intelligence (AI).

AI has been around for the last couple of decades. However, recent growth in processing power and explosion of data available to 'learn from' mean innovative analytical tools are becoming far more useful and effective. This is very relevant for a Treasury, that needs to analyse large amounts of liquidity, capital and risk data, to inform strategic decisions around the scarce resources of the bank. AI can offer many benefits - improving predictability of Financial Planning and Forecasting; providing a holistic real-time view of Intraday cashflows required for Liquidi-



ty Management; and deriving smart hedging decisions for Interest Rate and FX risks.

AI also brings new challenges, but banks that invest in next generation technologies, will be rewarded with improved ability to manage risks, higher operational efficiencies, reduction in operating costs, and ensure a competitive advantage.

### Biography:

Johan has over 20 years of experience in the financial markets, covering a wide range of banking and Treasury related disciplines. In this time, he held various senior leadership positions, within large global banks. He completed a M.Sc. degree in International Securities, Investment and Banking, from the University of Reading UK, as well as a M.Sc. in Information Technology from the University of Johannesburg RSA. He is currently busy with a PhD in Computer Science at the University of Johannesburg, with the focus on Digitalisation of a bank Treasury.