



# The Future of Commercial Payments

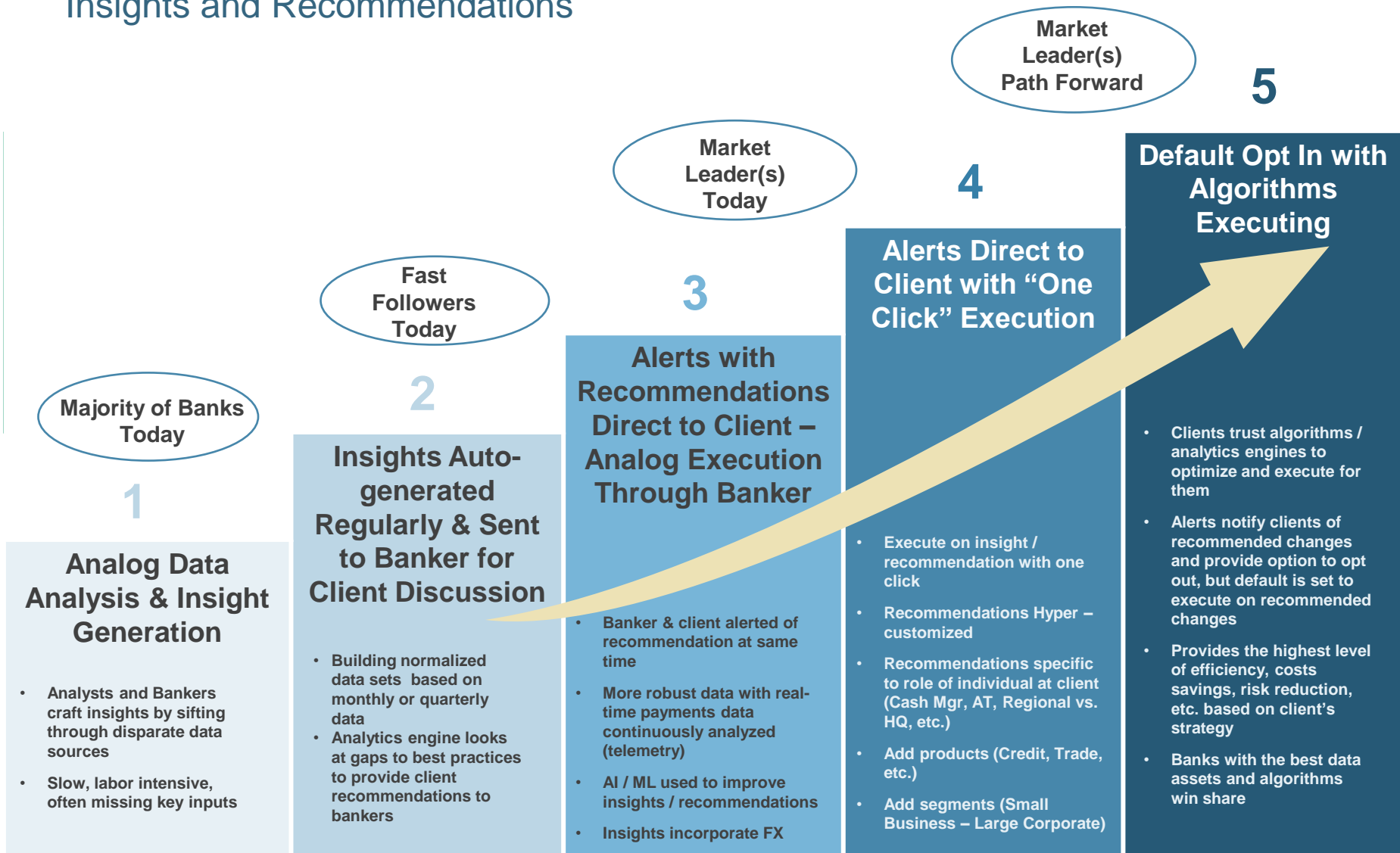
April 2019

# Key Takeaways

- Real-time payments, extensive data, advanced analytics, and hyper-customized client insights will power the future of commercial payments.
- The qualities that drive success in the commercial payments business will change in the future, due to rapid advances in data capture and technology.
- Comprehensive real-time payments telemetry data, risk/hedging data, and AI / ML-augmented analytics will help yield hyper-customized insights.
- These insights will go directly to the company and bankers at the same time, improving the efficiency of idea flow to clients and prospects. The recommendations will be "persona specific" to individual roles inside client organizations based on their functional needs, company strategy and desired risk tolerance.
- Leaders in wholesale banking are increasingly using AI / ML to gain insights and drive efficiency in payments.
- The banks with "recommendation engines" powered by unique, highly curated data and combined with superior predictive analytics will separate themselves from the pack.

# Payments Insights – The Maturity Path to Differentiation

Data & Advanced Analytics Powering Hyper Customized Client Insights and Recommendations



# AI / Machine Learning is Increasingly Planned for and Used by Leaders in Wholesale Banking to Power Insights and Efficiency

## Reducing Fraud

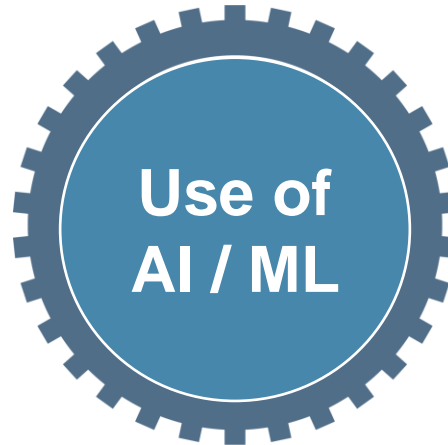
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- Examine data patterns to predict payments and receipts, then flag when items don't fit those expected.

## Credit Review Cycles

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- Adjust credit risk review cycle based on assessment of client's payments / cash flows.



## Payment Real Time Insights & Recommendations

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- Provide clients with fraud identification, risks (interest rate, FX, etc.), recommendations for optimizing efficiency.
- Insights based on the richness of data from new payments systems that enable predictive analytics, actions from real-time telemetry/signals data.

## Payment Reconciliation

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- Increase efficiency and automation of matching open invoices to payments received.
- Enhance straight-through reconciliation rates by bringing together disparate pieces of payment data and applying AI and ML-enabled business logic.

# AI / ML Has Additional Applications in Wholesale Banking Across the Front, Middle, and Back-Office

## KYC / AML

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- Spot irregularities in payments / receipts that indicate suspicious activities/people/entities on sanctions lists and to combat money laundering.
- Benefits include greater efficiency, tougher for criminals to circumvent, and fewer false positives.

## Peer Company Comparisons

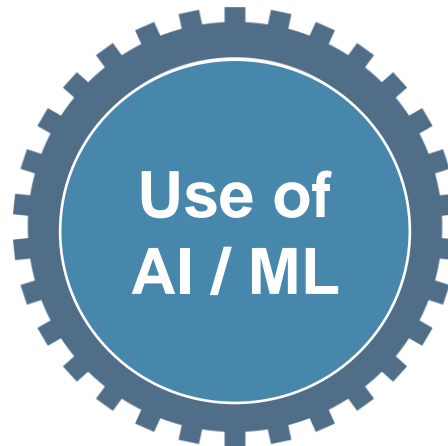
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- Detail how prospect compares to peer average as well as gaps to best-in-class in key metrics (e.g., working capital efficiency) using real-time upload of apples-to-apples financials.

## RM Advice

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- Reduce time required for pre-call planning and substantially improve the consistency in quality of insights.
- Make leap from data and predictive analytics to algorithm-based contextual recommendations specific to client's goals.



## Financial Spreads

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- Spread financials and adjust so they all conform to the bank's standard (90+%). Adjustments to short-term credit, etc. to normalize based on footnotes.

## Client Self-Service Insights

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- Allow corporate business executives (e.g. treasurers) to tap into bank data and analytic assets to better understand gaps to best-in-class, run scenario tests and determine ways to optimize their finances.

## Digital Voice Assistant

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- Growing expectations for digital voice assistants to help in routine and eventually non-routine business functions (e.g., make payments).

# Contact Information



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