

No end in sight



AS WE CLOSE THE BOOK ON ANOTHER VOLATILE YEAR, **DEBORAH THOMAS** LOOKS AT THE TREASURER'S PERSPECTIVE.

write prior to a settled outcome for the euro zone and Greek default levels, but a cobbled together solution seems to have emerged despite political machinations. One of the problems is that politicians are ill prepared for the complexities and exceptional issues posed by this situation and have the added bias of trying to stay in power while taking difficult decisions that are unpopular with voters.

Bankers continue to have pariah status internationally; debt valuation adjustments for some have flattered recent results, but as it stands there is a crisis of confidence even if some sectors and companies remain strong. There is a real danger of this undermining what is a vital sector for the British economy.

There have been several key areas for group treasurers as they continue to try and chart the turbulent waters. First, funding: pricing has been extremely varied, with large corporates getting competitive prices from the banks but smaller organisations still hit with higher costs of borrowing. Banks are holding fire while they continue to assess capital limits and debt obligations, particularly to sovereign debt. There is the risk of "house of cards syndrome". In some ways the situation echoes the old Lloyd's of London issue, where everyone had a percentage of everyone else's insurance and reinsurance, so the whole names market was hit several times over. Sovereign debt continues to challenge the markets and therefore confidence.

Foreign exchange has seen a great deal of volatility this year, with treasurers attempting to find a median, or taking the extra cost on a rolling basis to ensure adequate cover is in place. Few are taking proprietary positions.

Finally, cash management continues to offer challenges. While liquidity is king and has saved many companies from difficulty of late, finding good returns and a safe counterparty in these times has remained a testing task.

Another interesting issue had been around the very modern issue of algorithmic trading and the volumes and volatility it can produce. As markets continue to react emotionally to the current economic situation, algorithmic trading should in theory benefit the markets, but there are occasions where markets can create the problem.

All of which means that treasurers need to remain on top of their game. Nobody know just what 2012 will bring, but there can be little doubt that the coming year will continue to present challenges for corporates and their treasurers. Further volatility looks assured and we will doubtless see further casualties along the way.

Deborah Thomas is an executive search practitioner.

Going places

- **Andrew Allison** AMCT, previously treasury operations manager at Taylor Wimpey, has joined Clifford Chance as group treasurer.
- **James Berry** AMCT, previously senior risk specialist at the FSA, has joined Standard Chartered as regional head, Europe and Americas, ALM and liquidity.
- **Marie Bovington** AMCT has joined Hilton Worldwide as treasury manager. She was previously treasury analyst at Smiths Group.
- **Mark Ellis** AMCT has joined ShaMaran Services as group financial controller. He was previously EPSA accountant at Petro-Canada Libya.
- **James Hood** MCT, formerly executive director in the valuations department at JPMorgan, has joined Sothic Capital Management as chief financial officer.
- **Paul Johns** FCT has joined Selecta Management in Zug as group tax and treasury director. He was previously director, treasury and tax, at Impress Group.
- **Daragh Kavanagh** AMCT, previously head of finance operations at McInerney Holdings, has joined Kingspan as group financial controller.
- **Shaun Kennedy** AMCT has joined SmartestEnergy as treasury, tax and renewables manager. He was treasury manager at Notting Hill Housing Trust.
- **Steven Laws** AMCT has joined GE Capital Equipment Finance as director, structured originations.
- **James Lee** MCT has left his position as assistant treasurer at Vodafone and joined Citibank as a director in GTS client sales management.
- **Harminder Liddar** AMCT, previously client service executive at Ernst & Young, has joined Close Brothers as treasury risk analyst.
- **Matthew Lynas** MCT has joined Bergen Engines as vice president, finance, IT and property. He was previously FD at N3 Engine Overhaul Services.
- **Scott MacVicar** AMCT has joined RBC Capital Markets in New York as vice president. He was previously vice president GBM client management at RBS.
- **Brendan McGraw** MCT, previously corporate treasurer at International Air Transport Association, has joined CLSA as treasurer.
- **Matthew Parlour** AMCT has joined Shire as associate director treasury. He was previously assistant treasurer at Misy.
- **Janine Peake** FCT, previously head of investor relations at Intermediate Capital Group, has joined NC Advisory (UK) as head of investor relations.
- **Nadine Plueer** AMCT has joined Zurich Financial Services as head of treasury reporting and PPM. She was treasury manager at Nobel Biocare.
- **Gary Starling** MCT, previously manager at Accenture, has joined IT2 Treasury Solutions as senior treasury consultant.
- **Justin van Wijngaarden** AMCT, previously chief operating and financial officer at Numis Securities, has joined Tibra Capital as global CFO.
- **Nicholas Wan** AMCT has joined BHP Billiton as analyst treasury operations. He was previously treasury assistant at Alstom.

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