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{ INSIGHT }

RGMs WILL GAIN MOMENTUM IN 2013

Rapid-growth markets will enjoy an improved economic outlook in 2013, according to Ernst & Young's *Rapid-Growth Markets Forecast*.

The Big Four firm cited an increase in intra-regional trade, easing of monetary and fiscal policy, and higher demand for commodities as reasons for optimism.

The economies of the 25 leading rapid-growth countries expanded by just 4.7% last year, which represented a slight dip due to slow global growth. But since then, the rapid-growth markets have started to regain momentum. Ernst & Young forecasts growth of 5.4% in 2013 and then 6.4% in 2014. In comparison, the eurozone is expected to shrink by 0.3% this year.

Fortunes will vary between geographies, however. Rapid-growth markets in emerging Asia and Latin America can expect growth to rise from 7% in 2013 to 7.8% in 2014 and 3.8% in 2013 and 4.8% in 2014, respectively. The economic outlook for emerging Europe will remain subdued due to prolonged weakness in the eurozone, while lower oil prices will continue to hold back growth in the Middle East.

Steve Varley, UK chairman and managing partner of Ernst & Young, said: "Business and political leaders alike may exhale a sigh of relief. The slowdown of rapid-growth markets during 2012 seems to be merely a stumble from which they are now recovering. They are becoming the locomotives of a global recovery in which developed economies will be the laggards."

For the rapid-growth market of Ghana, see page 22

{ KEY FINDINGS OF ERNST & YOUNG'S QUARTERLY *RAPID-GROWTH MARKETS FORECAST* }

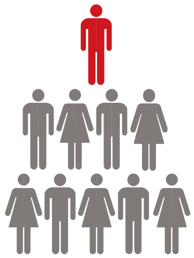
THE STATS

6%

Ghana and Nigeria are expected to expand by more than 6% in 2013, helped by stronger demand for commodities from emerging Asia

10%+

Indonesia, Thailand and Vietnam are expected to increase their combined share of the world textile market from around 5% currently to more than 10% over the next 25 years



8.3%

China is predicted to grow by 8.3% in 2013 and 9% in 2014

2.9%

The growth rate of emerging Europe is forecast to increase from 2.3% in 2012 to 2.9% in 2013

{ AROUND THE WORLD IN 30 DAYS }

DODD-FRANK, CHINESE CORPORATES AND RENMINBI

Banks negative on 1073

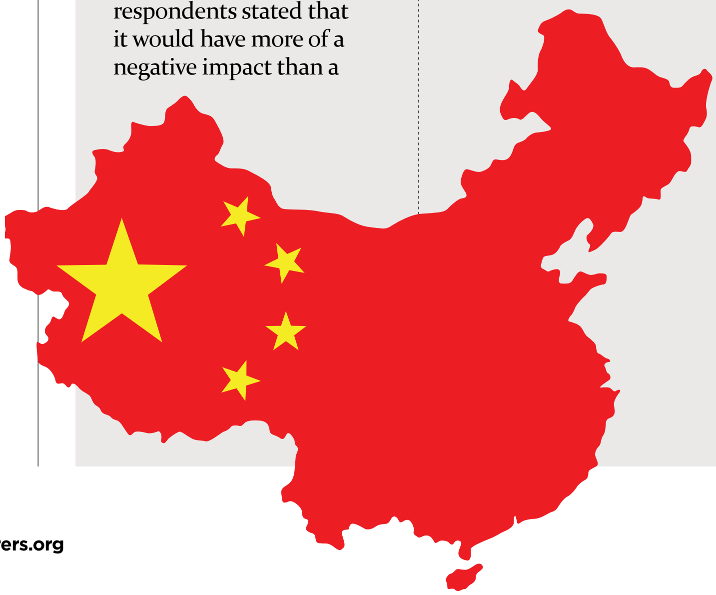
Around 90% of banks expect that the requirements of Dodd-Frank section 1073 on cross-border remittance transfers will have a negative effect on their payments businesses. The research by technology provider Fundtech also found that less than 5% of banks believe that the regulation will have a positive impact. When asked whether the regulation will deliver the intended benefit to the consumer of providing transparency over bank charges, 52% of respondents stated that it would have more of a negative impact than a positive one. Only 2% of respondents felt that the regulation would deliver the intended benefits.

Chinese corporates look to expand

Chinese corporates are bullish about expanding overseas despite global economic uncertainty, according to a survey of more than 200 Chinese companies with foreign operations. The research by HSBC found that four-fifths of respondents (83%) intend to further expand offshore. The main motivations were the ease of trade (69%) and to expand their network (59%). But as Chinese corporates attach increasingly greater importance to brand building, 46% of companies indicated that their overseas expansion was pursued with the aim of improving their brand image.

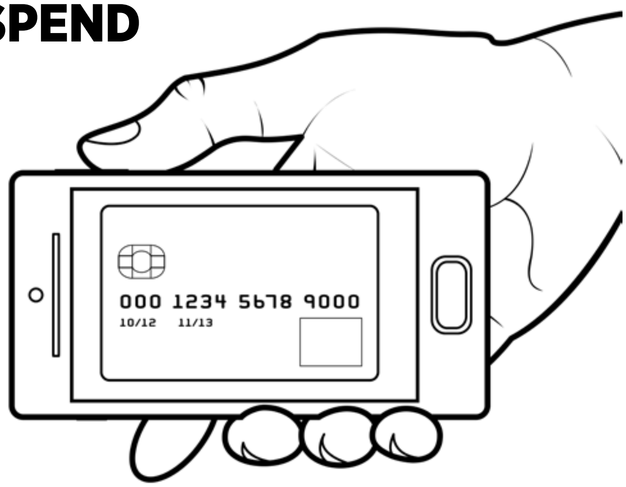
Renminbi cross-border lending

The first cross-border lending transaction in renminbi by a foreign bank in China has taken place. Citi announced the deal at the end of January. The bank revealed that the transaction was conducted on behalf of a European food company and it is structured to optimise the company's treasury activities by leveraging surplus cash in its China operation. Citi said: "The lending to its group treasury centre in Singapore is a critical step to expand and include renminbi into the company's treasury management currency basket."



{ TECHNOLOGY }

RETAIL BANKS SPEND MORE ON IT



Retail banks across the world will increase their IT spending by 3.4% to $118.6bn in 2013, according to new research.

A report by industry analyst Ovum found that chief technology officers are focused on customer satisfaction and revenue growth, although European banks are lagging behind their North American and Asia-Pacific counterparts. They expect to see a 1.8% growth in spend, compared with 3.3% and 5.1%, respectively.

According to Ovum, mobile banking is the clear IT investment priority in 2013, as retail banks attempt to capitalise on the features unique to mobile, such as location-based services.

Overall, spending on online channels in Europe (including traditional online banking services and mobile browser-based banking services) is set to grow 4.2% in 2013.

For more on technology, see page 56

MAKING THE NEWS

Real-time collaboration

Corporate treasurers can now take advantage of a real-time collaboration platform provided to them free of charge by Thomson Reuters. Thomson Reuters Messenger is a platform for the exchange of market insights with people across the global financial community. Treasurers can communicate in real time in secure chatrooms with individuals and groups about trades, market activity and more, as well as build relationships with other practitioners. To subscribe, please visit forms.thomsonreuters.com/joinnow and enter 'ACT' in the field entitled 'Referred by'.

EnQuest launches retail bond

FTSE 250-listed EnQuest has become the first oil company to launch a retail bond. The bond, which was issued in January, will pay a fixed gross rate of interest of 5.5% per annum until 2022. The minimum initial subscription amount is £2,000 with multiples of £100 thereafter. EnQuest, which is the largest independent UK producer of oil in the North Sea, was established through combining the UK North Sea assets and operations of Swedish company Lundin Petroleum and FTSE 100-listed Petrofac. The bond will allow the company to diversify its funding base and extend the tenor of its borrowings.

{ UPS AND DOWNS }

GOOD MONTH: CROWDCUBE

Equity crowdfunding website Crowdcube is delighted to have been officially authorised by the UK Financial Services Authority (FSA). The move gives a stamp of approval to Crowdcube and it will boost the fledgling peer-to-peer lending industry in general. Crowdcube, which supports equity investment in start-ups, is a platform where investors can become direct shareholders in UK businesses. It has raised over £5m for UK businesses since its launch in February 2011, and more than 28,000 investors have registered on its website. Jennifer Malcolm, from law firm Pinsent Masons, said the FSA's softening stance on crowdfunding "should allow companies to tap into a new source of funding".

BAD MONTH: BARCLAYS

After being hit with a £290m fine last year for fixing Libor, the British bank announced that profits had plummeted to £246m in 2012, from £5.9bn in 2011. The fall came after the bank set aside £1.6bn to compensate customers who were mis-sold payment protection insurance and £850m for those who were mis-sold interest-rate hedging products. It also took a loss of £4.6bn after revaluing its own debt. It wasn't all bad news, however. Equity markets responded positively to chief executive Antony Jenkins' cost-cutting plan and shares soared by 8.4%.