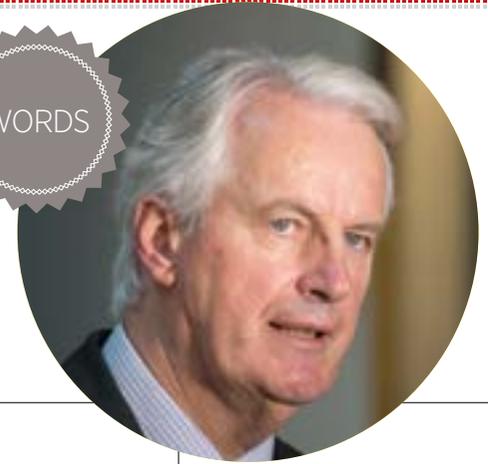


# Agenda

WORDS



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{ ACT NEWS }

## TREASURERS' STRATEGIC ROLE GROWS

> The latest findings from the ACT's annual flagship survey, *The Business of Treasury 2017*, show overwhelmingly that treasurers see their role as strategic with the treasury function playing a key business role within corporates.

A resounding 88% of respondents told researchers that their treasury function was a strategic business partner within their organisation, and 36% said they work directly to define organisational strategy or work in close collaboration with colleagues to do so.

Researchers for the survey polled nearly 200 corporate treasurers worldwide in the first quarter of this year. They found the time spent on strategic issues by senior treasury professionals has risen by 60% since the ACT first began the survey in 2013.

Board engagement with treasurers has also increased. On average, acceptance of treasury funding proposals has increased over the same period from 63% to 84%. Capital and liquidity management and risk management are the two areas most frequently reported on by treasury at board level.

When it came to wider business issues, 83% said cybersecurity was the biggest concern within their organisation, with geopolitical uncertainty and volatility across financial markets also giving concern. However, 58% expressed concern about the quality of financial and business data available for strategic planning



and decision-making, and one third were concerned about senior-level experience when it came to addressing challenging areas.

"This survey provides clear and consistent evidence that the quality of communication, the

levels of trust and the effectiveness of treasurers in strategic financial management are being recognised by boards. What this means for treasurers is simple: there is a role for corporate treasury and treasurers at the highest strategic level within organisations, a role that plays to treasury's problem-solving skills," the report said.

To view the report, go to: [www.treasurers.org/treasurytrends](http://www.treasurers.org/treasurytrends)

**"The option of no deal or a bad deal does not come from me... We want to reach an agreement with the United Kingdom, not against the United Kingdom."**

Michel Barnier, the EU's newly appointed Brexit negotiator (pictured above), rejects the idea in a debate in the European Parliament, that either the EU or the UK should part without a trade deal.

SOURCE: REUTERS, 17 MAY 2017

{ TREASURY OPERATIONS }

## Professional bodies rally behind global FX codes

> The Global Financial Markets Association (GFMA) and the International Capital Markets Association (ICMA) have welcomed the final version of the Global FX Code, published last month.

A set of good practice principles for global FX market participants, the code has been designed to provide common guidelines aimed at promoting integrity and effectiveness across world wholesale FX markets.

Together with the UK Money Market Code, which the ACT's policy and technical team was involved in developing, the FX Code is intended to promote robust, liquid and transparent markets in which participants can operate confidently.

While neither code is binding, the ACT has been advising corporates to familiarise themselves with the details to better understand how they

apply to them and their counterparties when transacting in FX or money market fund markets.

Commenting on the Global FX Code, James Kemp, managing director of GFMA's Global FX Division, said: "Our members have already made significant enhancements to their conduct and control standards. For example, placing greater emphasis on the first line of defence, strengthening

the control environment and establishing more robust oversight structures. More emphasis is being placed on conduct training, as well as adherence to procedures and policies.

"However, there is no room for complacency. With the complete code now published, our members will continue to strengthen their technology, policies and procedures to ensure they align with the principles."

**"Disappointed by today's decision on the Paris Agreement. Climate change is real. Industry must now lead and not depend on government."**

General Electric CEO Jeff Immelt comments on Twitter on President Donald Trump's announcement that the US will pull out of the Paris climate accord.

WIKIMEDIA

**75%**  
of anti-money-laundering professionals surveyed said they believe the current climate brings new risk and challenge for their organisations



**54%**  
said they plan to increase their investment in regulatory technology (regtech) in the next three to five years

**48%**  
are relying on outdated technology

**59%**  
believe technology has improved their company's ability to tackle compliance issues



**57%**  
said availability of trained staff was a challenge

{ CONTEXT OF TREASURY }

## PRE-EMPTION GROUP REPORT

> The Pre-Emption Group (PEG) has reported on listed company requests to shareholders to disapply pre-emption rights on share capital issuances.

In the *Pre-Emption Group Monitoring Report 2017*, the group looked at how closely UK listed companies have adhered to its statement of principles over the past year when requesting authority from shareholders to disapply the rights.

Pre-emption rights are enshrined in UK company law, and provide shareholders with protection against

inappropriate dilution of their shareholdings. The rights may only be disappplied when shareholders grant companies authority to do so, via a special resolution passed at company general meetings.

The report, which includes best practice guidance on engaging with shareholders and on disclosures post-issuance, found that out of 294 FTSE 350 companies that requested shareholder authority to disapply pre-emption rights, only one request was rejected and two others

were withdrawn. The group found only a small number of instances where companies failed to adhere to PEG principles or to use PEG template resolutions for their requests to disapply pre-emption rights.

The group, whose members include ACT chief executive Caroline Stockmann, recommends that companies use the statement of principles as a framework for their discussions and PEG template resolutions when proposing pre-emption rights are disappplied. "Companies *not* adhering to the expectations of the principles are less likely to receive the support of shareholders when putting forward subsequent disapplication requests," the report said.



**84,000**  
the amount net migration to the UK fell during 2016, the biggest year-on-year drop since 2012; 40,000 left the UK and 44,000 fewer arrived

**\$70 trillion**  
the size of the pensions time bomb within the world's biggest economies, according to the World Economic Forum



**18.2%**  
the fall in British car production in April, due to bank holidays and falling car sales



**80**  
the age UK workers may retire at in 2050, according to the World Economic Forum

**56.7**  
the high point on the IHS Markit index for eurozone manufacturing activity reached last month



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**"Moody's has overestimated the difficulties faced by China's economy and underestimated the government's ability to deepen reforms."**

China's ministry of finance responds to a downgrade from rating agency Moody's of China's long-term local currency rating.

SOURCE: THE FINANCIAL TIMES, 24 MAY 2017



**\$5.7bn**  
the amount Thailand has pledged to spend on an upgrade to its U-Tapao aircraft maintenance facility near Bangkok to meet increasing aerospace demand in Asia

