



Transaction banking is opening up at a fast pace: Doha Bank CEO

Doha Bank has said transaction banking ecosystem is opening up at a fast pace with financial technology (Fintech) and software vendors offering corporate clients account aggregation and a user experience that global banks have been struggling to provide.

“Simultaneously transaction banking profitability is under pressure due to persistently low rates, new competitors on the most profitable products and surging investments in compliance and cyber security,” Doha Bank group chief executive Dr R Seetharaman told SIBOS 2017 conference at Toronto, Canada.

Stressing that banks need to reinvent themselves to thrive in this new environment, he said there are multiple regional and global initiatives underway to modernise the payment industry.

“All have one thing in common, for customers to achieve benefits, more likely than not, they will need to re-think how they make and receive payments. These changes can be extremely complex and create opportunities and risks for the clients,” according to him.

Finding that cyber-attacks continue to evolve and are becoming more frequent and widespread, Seetharaman said attackers are improving their tactics and techniques faster than security teams can keep up and their methods grow more sophisticated each year.

He said they would explore the technological trends that define the threat and risk associated with cyber security and their implications for financial services, he said, adding financial market infrastructures play



Seetharaman at SIBOS conference in Toronto, Canada.

a crucial role in the maintenance of stability in national and international financial systems.

Giving insight on harmonisation standards in financial services, he said in the wake of the financial crisis there was clear consensus that something should be done at a global (G20) level to prevent similar events in the future.

“The threat of another crisis has not receded, however consistent, globally applied reporting standards

remain an important aspiration if overseers are to achieve effective surveillance of the market,” he said.

More broadly, lack of harmonised standards for financial services is recognised as contributing to trade imbalances between economies with strong financial services sectors and others, further threatening stability, according to him.

Although there have been apprehensions that on the demise of banks due to a tectonic shift in technology,

he said yet those same banks have by and large managed to evolve by integrating those obviously not-so-deadly killer apps.

“We need to see how real-time applications drive large banks towards becoming open platforms, which being a model technology giants have already embraced to their benefit at very large scale, giving them a big head start while banks benefited from having exclusive access to client’s transactional data,” he said.