

# **TREASURY MANAGEMENT IN MEDIUM-SIZED BANKS**

**Stefan Zeranski (ed.)**

*German Title: Treasury Management in mittelständischen Kreditinstituten*  
FC Heidelberg. approx. 2,000 p., 2 volumes, ISBN 978-3-940976-00-0.

As a consequence of the financial crisis, treasury management in banks becomes more and more important. The presented work of Prof. Dr. Stefan Zeranski offers a very detailed solution how treasury management should be handled in banks. The books are structured as follows.

Chapter A offers regulatory requirements for the treasury management. MaRisk, Basel III and the main aspects for the supervisory process are presented. The topic is up-to-date as the newest publications of the Basel Committee are implemented.

Chapter B deals with the basics and required theoretical aspects of treasury management. After the definition of status quo, methodical aspects, risk limitation and structural basics are described.

Chapter C describes the management process of treasury management. All important types of risks are presented: liquidity risk, interest rate risk, share price risk, real estate risk, currency risk, risk resulting from options, credit risk and inflation risk. The requirements of the new product process complete this chapter.

Chapter D specializes onto the core satellite approach in banks. Concrete products to invest into a risk category are presented, e.g. specialized funds or public funds of global players in the market. This chapter offers practical solutions for banks and discusses the pro and cons of the products.

Chapter E focuses on the support of the central associations how to manage risk. The concepts of the savings bank sector, the cooperative bank sector and some other specialized portfolio managers are presented.

Chapter F is the first chapter of vol. 2. It focuses on the information and transaction systems. Research tools and software tools (e.g. SAP) to realize treasury management are presented.

Chapter G deals with controlling and reporting of the risks presented in chapter C. Typical reports, the controlling process and the measurement from the controller's point of view are presented.

Chapter H focuses on balancing and accounting of treasury management products. The main aspects of HGB, BilMoG and IAS/IFRS in the context of valuing micro and macro-hedges are presented. The chapter ends with the disclosure requirements of treasury management.

Chapter I deals with the internal auditing of treasury management. The auditing process and the critical success factors are described.

The book offers some additional features: a 50-page glossary, a subject index of the main 1,000 definitions, a large bibliography with more than 900 cited sources and more than 2,000 footnotes. Each chapter (A – I) ends with questions for e.g. students and with a summary of the main aspects. 65 authors publish 44 articles in this book. The authors represent theory and practice and are well-known in the German banking sector. It has to be stated as positive that two authors from Masaryk University can be found as well.

The book is written at a considerably high level. Its structure convinces the reader and the content is usable for bankers in practice and for students in theory. The mixture of the authors and the content even offer a good basis for further scientific research. It is recommendable without any restrictions. The book is worth to be distributed widely.

Reviewed by:

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