



The Banker

Investment Banking Awards 2016

MOST INNOVATIVE BANK FOR RISK MANAGEMENT

Société Générale

In a year characterised by record-low interest rates, unexpected currency moves and volatile commodity prices, risk management solutions have been in high demand. More than any other bank, Société Générale Corporate and Investment Banking (SG CIB) has risen to the challenge. Its holistic approach to risk management has seen it provide cutting-edge solutions for corporates, financial institutions and governments encompassing rates, foreign exchange and other exposures.

“Over recent years we have developed a more and more integrated advisory-based approach, working in close partnership with our clients in finding the most appropriate solution for their needs, taking into account their specific internal policy, accounting and regulatory constraints,” says Albert Loo, SG CIB’s global head of sales, rates, credit and currencies, and co-head of institutional sales.

The bank’s cross-asset strategy is reflected in some of its recent highlights. In the lead up to the UK’s referendum on EU membership, SG CIB executed more than €1bn of Brexit-contingent options, taking advantage of the negative correlation between the euro-dollar currency pair and European equity markets to keep the hedges as cheap as possible for clients.



Albert Loo,
global co-head of
sales, fixed income and currencies,
Société Générale

At the end of 2015, SG CIB created a tailor-made credit guarantee that allowed the Cameroon government, with the backing of the African Development Bank, to tap the international bond markets for the first time. Earlier in the year the bank made innovative use of financial guarantees to help Senegal’s government enter a \$500m cross-currency swap to hedge its dollar-denominated bond back into euros. With no credit default swap market for this category of issuer, SG CIB was crucial in finding a way for the government to

hedge its foreign exchange exposures.

Deals such as these display the bank’s ability to cater for a broad range of clients and exposures. “Whether it is intrinsic risks associated with mergers and acquisitions or asset disposal-type deals for corporate clients, or risks stemming from new regulation in a zero rates environment for large financial institutions, our integrated platform enables us to draw from a vast pool of products,” says Mr Loo. “Combined with our extensive cross-asset structuring expertise and know-how, [this] makes for a powerful engine that finds often new and innovative ways of addressing what often seem complex challenges.”



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