



**BANKING IN THE CLOUD**

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# **A few notes on banks vs. nonbanks**

Petr Teplý

Faculty of Finance and Accounting  
University of Economics in Prague

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# Agenda

1. Basic terms
2. Banks vs. nonbanks
3. Triple role of the CNB

## Three main functions of a bank

- 1) accepting deposits → banks only
  - 2) granting loans
  - 3) providing payments
- } banks & nonbanks

- Payment as a combination of the exchange of money and information
- A bank as a family doctor (trust)
- Big data analysis
- Regulation vs. innovation (technology driven vs. modality driven)



## Four basic banking models

- 1) Renaissance model (originate and hold)
  - 2) Securitization model (originate and sell)
  - 3) CDS model (originate, hold and insure)
  - 4) Cloud banking model (originate ↔ integrate)
- A bank as an IT systems integrator and related operational/IT, cyber risks
  - Cool banking or cloud banking?
  - The endogeneity problem of regulation and bank business models
  - Competition of both banks and nonbanks

# Potential bank disrupters new entrants



COMPETITION TYPE	EXAMPLES
Retailers	Sainsbury's Bank, Tesco Bank, Carrefour Banque
Brand-led offerings/new entrants/carve-outs	Virgin Money, Ikanobank (Ikea), Metrobank, TSB
Car manufacturers	Volkswagen, Audi, Peugeot
Online/digital-only	ING Direct, AXA Banque
Non-traditional service providers	Paypal, Zopa, Kickstarter
Internet giants	Google, Yahoo
Telecom companies	Rogers, BSNL Telecom

Source: Oliver Wyman (2013). The shape of things to come: What recent history tells us about the future of European banking, updated

# Potential bank disrupters new fund structures



COMPETITION TYPE	EXAMPLES
Specialist funds set up by external asset managers	Allianz GI Infrastructure Fund, Cerberus Fund
Client-specific segregated mandates managed by external asset managers	JP Morgan Asset Management, Macquarie Infrastructure Debt Investment Solutions
Debt funds set up by banks	Various funds launched
Strategic partnerships between banks and investors	Natixis and CNP Assurances, Société Générale and AXA
Direct lending by non-bank investors	Allianz, Aviva

Source: Oliver Wyman (2013). The shape of things to come: What recent history tells us about the future of European banking

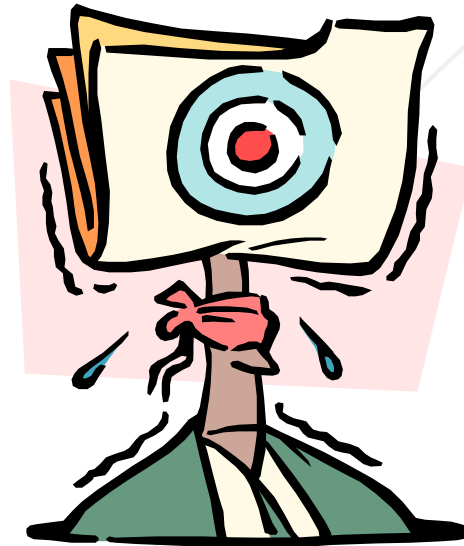
## Three roles of the Czech National Bank

- 1) Regulator
- 2) Supervisor
- 3) Observer

- The EU passport: nonbanks in the CR can “administratively” become banks
- CNB’s supervision of EU bank’s subsidiary vs. branch (vs. nonbanks?)
- Banks are global in life but national in death!

## Discussion

Thanks for your attention.  
Let's discuss it now!







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## Contact

Dr. Petr Teplý

Senior Lecturer

Banking and Insurance Department

Faculty of Finance and Accounting

University of Economics in Prague

Winston Churchill Square 4

130 67 Prague 3, Czech Republic

E-mail: [petr.teply@vse.cz](mailto:petr.teply@vse.cz)

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