

Gamma Explains – Episode 5 / 2026 – Treasury & Balance Sheet Management in volatile markets

Financial education is about knowledge and behaviour. If you have more knowledge about the basic elements of financial education, you are likely to make better choices.

What Gamma hopes to do with this series is conveying a few basic elements of financial education in a very simple and entertaining way.

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Anchor:

Claudia Pensotti – Class CNBC

Guests:

Andrea Beltratti – Full Professor at Bocconi University and Chairman EFG Gamma Foundation

Kurt Haueter – Head of Global Markets & Treasury, EFG International

Anton Lukianenko – EFG Talent

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Claudia Pensotti – Senior Anchor Class CNBC

Welcome to our fifth episode of Gamma Explains. Today we are talking about Treasury and Balance Sheet management in volatile markets. We are with Andrea Beltratti, Chairman of EFG Gamma Foundation and Professor at Bocconi University. Welcome.

Andrea Beltratti – Full Professor at Bocconi University and Chairman EFG Gamma Foundation

Thank you.

Claudia Pensotti

And we are also joined by Kurt Haueter, who is Head of Global Markets and Treasury at EFG International. Thank you for being with us.

Kurt Haueter – Head of Global Markets & Treasury, EFG International

Thank you for having me.

Claudia Pensotti

So, let's begin this episode by listening to what EFG Talent had to say on the topic. We asked: "What is the corporate treasury function?"

Anton Lukianenko – EFG Talent

At its foundation, the banking business is all about bridging the two sides of the economy, those who provide capital and liquidity and those who use it. The banking treasury sits at the intersection of this exchange. All the funding that comes from client deposits, structured products, interbank transactions, either secured or unsecured, and even wholesale markets where we issue bonds to the institutional investors, all these funds end up at the balance sheet of the treasury. There we centralize the pool of the assets and then we reallocate them to where they provide the most of the value, either loans to the clients or the high quality investments.

Claudia Pensotti

We also asked EFG talent: "What does the corporate treasury function actually do?"

Anton Lukianenko – EFG Talent

Just mentioning the tool isn't a simple task, because some of the depositors may need cash available at demand, while some of the borrowers need their loans at a longer-term basis. The core function of the treasury is to manage these precise timing and interest rate risks. We optimize the funding mix, transform the short-term liabilities into long-term assets, maintain the indestructible liquidity buffer while keeping our bank solvent and liquid for our clients and regulators and profitable for our shareholders.

Claudia Pensotti

So, Andrea, what is a Corporate Treasury?

Andrea Beltratti

A corporate treasury is a function responsible for managing the company's liquidity. Its role is to raise cash when needed, to manage liquidity, to meet obligations like, for example, paying employees, paying suppliers, and financing investments. Overall, in simple terms, the function has the role of providing money where and when it is needed.

Claudia Pensotti

Well, so what role do treasury and balance sheet play within a company's actual operations?

Andrea Beltratti

Well, treasury and balance sheet management are an essential part of the corporation, even though their roles are a bit different. As we said, the treasury focuses on managing cash, liquidity, and hedging risks, for example, interest rate risks and currency risks.

Balance sheet management has a little bit a broader perspective. It is about managing the structure of assets and the structure of liabilities, for example, the so-called leverage ratio, the ratio between the debt and equity, and it has a very broad role of accounting for profitability, risk, and financial flexibility. Together, they ensure that the company is well managed with a long-run perspective.

Finally, let me say a successful company is not only one that makes great products and services, it is also one that manages financial resources in a way to balance the short-term need and the long-term growth in the interest of shareholders and stakeholders.

Claudia Pensotti

So, Kurt, how should corporate treasury and balance sheet be managed in volatile markets in order to support a company's financial health as well as sustainable growth?

Kurt Haueter

Balance sheet management for a financial institution is an important part to remain competitive in the market.

In a volatile market environment, this becomes more important and is a differentiating factor for your clients. You manage your balance sheet in a way that you don't take any undue risk, that you remain liquid and that you offer products to your clients which are commensurate with the market environment.

Claudia Pensotti

So, which financial tools are most frequently used to secure a company's liquidity in volatile markets?

Kurt Haueter

The tools used by financial institutions range from derivative transactions to very plain vanilla bonds and deposits.

We at EFG are using high-quality liquid assets to transact in the market to place our excess liquidity and to remain healthy and maintain a healthy and sound balance sheet.

Claudia Pensotti

What are the three main takeaways on treasury and balance sheet management in volatile markets?

Kurt Haueter

The three most important points would start with understanding the client's need in a volatile market environment so that you position your balance sheet and you offer products which are aligned with the client requirements at any point in time.

You manage your balance sheet very liquid, so you maintain assets which are easily liquifiable. You ensure that you have strong liquidity and capital metrics.

And lastly, you maintain flexibility to react to changes in the market environment.

Claudia Pensotti

Thank you, Kurt, and thank you also to Andrea Beltratti for being with us in this fifth episode of Gamma Explains. Thank you all for being with us.

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