



MANAGEMENT OUTLOOK



International banking for personal and business banking customers

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The term international banking covers a multitude of sins, from private banking to the range of foreign currency services required to run a business which trades in more than one country. All banks offer some international services, but certainly for private banking a specialist consultancy is usually recommended. The term international banking now has an alarming number of meanings and uses.

To begin with, international banking often refers to the same suite of services as offshore banking. This means the investment and financial manage-

ment solutions that are based in other countries, often countries with low or no taxation, to avoid Britain's relatively high tax for high net worth individuals. In this respect, international banking is for quite rich people who want to pay less tax.

Equally, in primarily business but also occasionally for personal banking customers, many banks offer international banking services as covering the ways in which you can make transactions in foreign currencies. This includes international payment mechanisms, foreign currency accounts, travel-

lers' cheques and import/export advice. Despite being the 21st Century, international currency transactions can still vary wildly from bank to bank and currency to currency. In general, expect Euro, dollar and Swiss Franc transactions to be relatively simple; but go much further afield and you will enter a bureaucratic minefield!

Finally, returning to international banking as a plaything for better off customers, you will also occasionally find the term applied to foreign currency transactions as investments.



Banking across borders



SEND YOUR FEEDBACK AT sheena.manchanda@jimsindia.org

Internet banking can save you time and travelling, but there's a wide choice

In the past five years, every high street bank has begun to offer internet banking, and plenty more internet-only banks have sprung up. Sometimes they just offer convenience, but some can give you deals you won't find in branches.

Internet banking refers confusingly to two different experiences. The first is a new type of bank only found online. Big internet banking names are IF, Smile, the One Account and Cahoot. These offer a selection of banking services, usually not as broad as a high street bank, but also offer innovative products which use technology to cut

costs or add convenience to you the customer. For example, one feature of many internet banking outfits is offsetting- using the interest from savings in one account to offset borrowing on another account.

Many of these internet banks have been bought by ordinary banks anyway- for example IF is owned by the Halifax.

The second type of internet banking is online banking offered by most ordinary high street banks as part of their service. It's highly unlikely that you picked your bank because of its internet banking facilities, but

you should ask about their internet security and also how far back you can check statements online, for example. The Co-operative has particularly good security and a very flexible system for managing your account. Repeat statements usually cost up to £10, so signing up for internet banking can save you money- and don't forget by reducing traffic in branches, you're saving them money too. Look for internet-only offers (even from high street banks)- often you'll be offered rates online that aren't publicised elsewhere.

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OH NO! THEY'VE TURNED MY
INTERNET BANK INTO A BAR...