New Realities, New Possibilities

A Treasury and Finance leaders' handbook to seizing growth in a disrupted global economy

China

DBS
Live more,
Bank less

Content and
knowledge partner

EY
Shape the future
with confidence

Live
Confidently
in a changing world.
Add our strength to yours.

About the Report

GLOBAL AND PULSE SURVEY

As global macroeconomic trends continue to shape the dynamic landscape, Chief Financial Officers (CFOs) and Treasurers are progressively enhancing and expanding new capabilities to support their organisations in achieving their strategic and financial objectives.
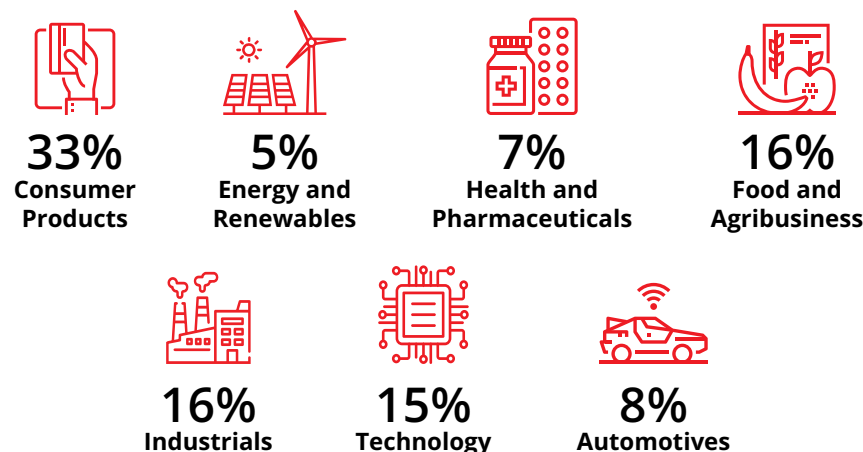
We commissioned EY-Parthenon to conduct an in-depth analysis, gathering insights from more than 800 Treasury and Finance leaders across 14 markets[1] and seven industry sectors.

The global survey conducted from Mar to Apr, is a comprehensive study that explores how macroeconomic trends have influenced the roles and priorities of these financial leaders, their self-assessments of effectiveness, and their future strategies to address key priorities.

The pulse survey conducted in May was introduced as a follow-up to the initial insights program. It aims to capture the evolving sentiments of CFOs and Treasurers in the wake of the Liberation Day announcements, providing valuable insights into how financial leaders perceive their priorities shifting in response to these complex times.

For CFOs and Treasurers, this represents a new reality but also one filled with possibilities for growth and innovation.
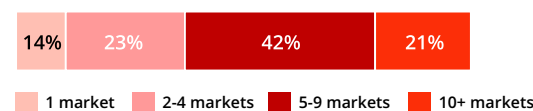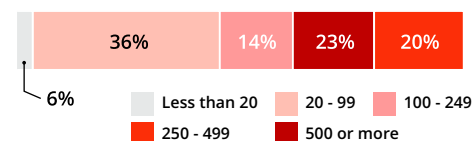
PROFILE BREAKDOWN BY SECTORS IN CHINA

33% Consumer Products

5% Energy and Renewables

7% Health and Pharmaceuticals

16% Food and Agribusiness

16% Industrials

15% Technology

8% Automotives

Base: All respondents, n=100

PROFILE BREAKDOWN BY SIZE OF OPERATIONS IN CHINA

GEOGRAPHIC REACH

14%	23%	42%	21%

1 market   2-4 markets   5-9 markets   10+ markets

FTEs IN FINANCE/TREASURY FUNCTION
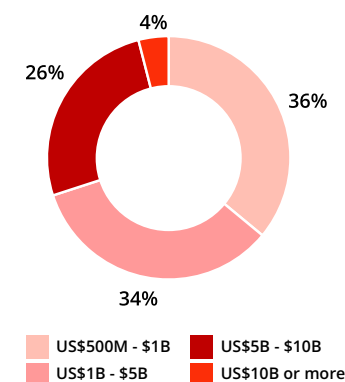
6%	36%	14%	23%	20%

Less than 20   20 - 99   100 - 249   250 - 499   500 or more

ANNUAL REVENUE

- 36%
- 34%
- 26%
- 4%

US$500M - $1B   US$5B - $10B
US$1B - $5B   US$10B or more

Executive Summary

Amidst global economic recalibration, Chinese CFOs are prioritising strategic self-reliance. As a bank originating from Singapore and deeply rooted in China, DBS is uniquely positioned to support businesses navigating these cross-border dynamics.

Sherman Hung
Head of Institutional Banking Group, DBS China

China's financial leaders are prioritising data-driven treasury modernisation, liquidity efficiency, and intelligent risk management to navigate trade volatility. We're partnering with clients to accelerate digitalisation and build forward-looking capabilities for a new era of economic resilience.

Wei Wei Chum
Head of Global Transaction Services, DBS China

FACING NEW REALITIES

Macrotrends shape how CFOs and Treasurers define and navigate their priorities, and select solutions to address their priorities

→ Amidst intensifying geopolitical shifts, evolving regulatory reforms and global market volatility, China's pursuit of economic self-reliance is accelerating. This underscores the growing need for smarter, more adaptive liquidity planning to navigate uncertainty.

→ Meanwhile, global forces – from trade tensions and commodity price swings to diverging monetary policies – are compounding the complexity of cross-border capital flows and FX risk management

→ In response, CFOs and Treasurers are thus adopting more agile financial strategies, accelerating digital transformation, and embedding sustainability into financial planning to optimise liquidity and capital costs while enhancing long-term resilience

NAVIGATING KEY PRIORITIES

CFOs' and Treasurers' perceptions of their own effectiveness shape how they navigate their key priorities. To better understand this relationship, we first assessed how they evaluate their effectiveness in addressing these priorities – using our Strategic Effectiveness Indicator (SEI)

→ CFOs and Treasurers are strengthening their focus across areas like capital, strategic remit and risk management to navigate today's uncertainty with greater agility

→ Scale of business, business sector, and geographical distribution plays a role in CFOs' and Treasurers' self-assessed effectiveness

→ Our Strategic Effectiveness Indicator (SEI) demonstrates that globally most CFOs and Treasurers assess themselves to be strategically effective ~64% of the time, while for CN, the score stands at ~56%

REALISING NEW POSSIBILITIES

The path forward for CFOs and Treasurers varies; particularly from a sectorial angle as the core priorities differ
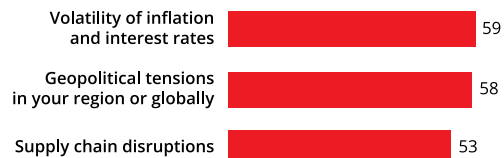
→ Across sectors, CFOs and Treasurers are adopting differentiated approaches to tackle priorities depending on their organisations' stage of growth and available resources

→ Reinforcing core capital management capabilities is an area finance leaders are targeting to meet strategic demands and strengthen financial resilience amidst a complex finance landscape

→ The concept of Regional Treasury Centres is also being explored to enhance agility and visibility as businesses adapt to operational diversification and policy shifts

→ An increasing interest is noted towards adopting emerging technologies like Generative AI (GenAI) for accurate insights while reducing reliance on manual processes, enhancing decision-making for businesses

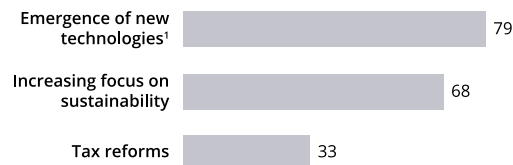# Macrotrends Reshaping Priorities of CFOs and Treasurers

Rising trade uncertainties have promoted China to introduce monetary policies aimed at stabilising its economy. However, the trajectory of these uncertainties has created ambiguity around inflation and interest rate trends, making policymakers more cautious in pursuing further monetary easing. Given the complexities, CFOs and Treasurers in China are turning to strategic, data-driven approaches to treasury and risk management. Simultaneously, national agendas such as the "dual circulation" strategy and Made in China 2025 are accelerating the push towards production localisation, supply chain diversification, and reduced reliance on foreign inputs, to build long-term economic resilience.

New realities

- **Top 3 macrotrends with negative outlook**

Volatility of inflation and interest rates	59
Geopolitical tensions in your region or globally	58
Supply chain disruptions	53

- **Top 3 macrotrends with positive outlook**

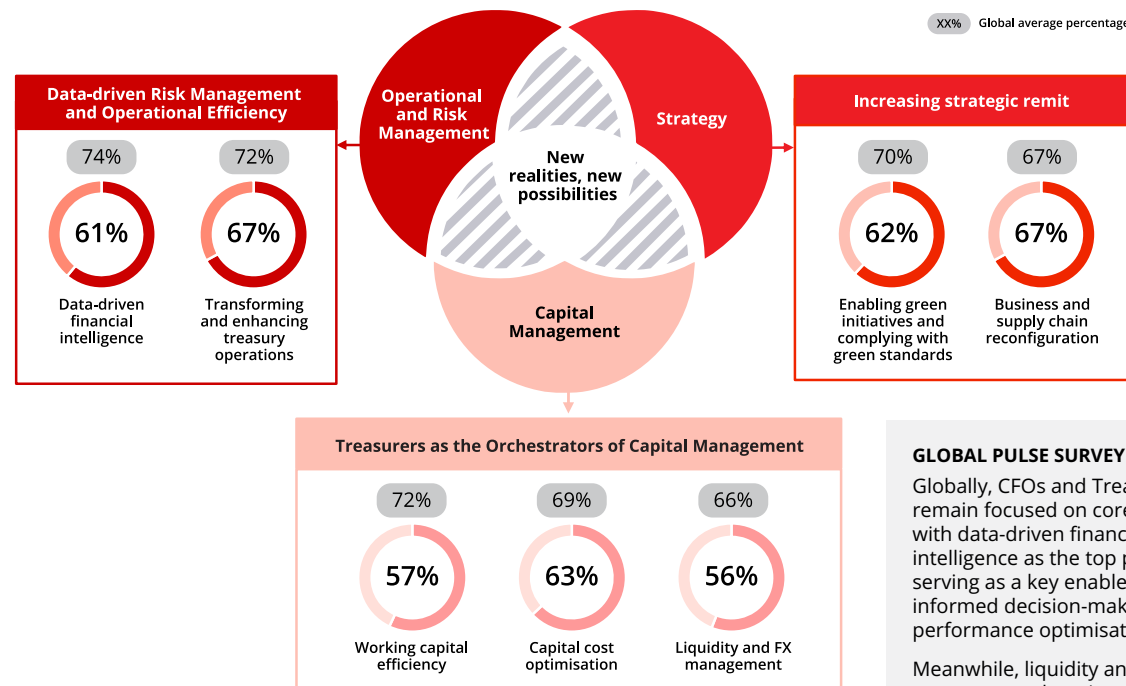|	
Emergence of new technologies[1]	79
Increasing focus on sustainability	68
Tax reforms	33

GLOBAL PULSE SURVEY SENTIMENTS

Geopolitical tensions remains the top concern, with rising tariff-related anxieties compounding supply chain risks and potential trade barriers.

While inflation and interest rate volatility have eased slightly, they remain persistent challenges—especially given the continued dominance of the USD in global trade.

Navigating key priorities (China vs Global)

XX%   Global average percentage

Data-driven Risk Management and Operational Efficiency

74%	72%
61%	**67%**
Data-driven financial intelligence	Transforming and enhancing treasury operations

Operational and Risk Management

Strategy

New realities, new possibilities

Capital Management

Increasing strategic remit

70%	67%
62%	**67%**
Enabling green initiatives and complying with green standards	Business and supply chain reconfiguration

Treasurers as the Orchestrators of Capital Management

72%	69%	66%
57%	**63%**	**56%**
Working capital efficiency	Capital cost optimisation	Liquidity and FX management

GLOBAL PULSE SURVEY SENTIMENTS

Globally, CFOs and Treasurers remain focused on core priorities, with data-driven financial intelligence as the top priority, serving as a key enabler for informed decision-making and performance optimisation.
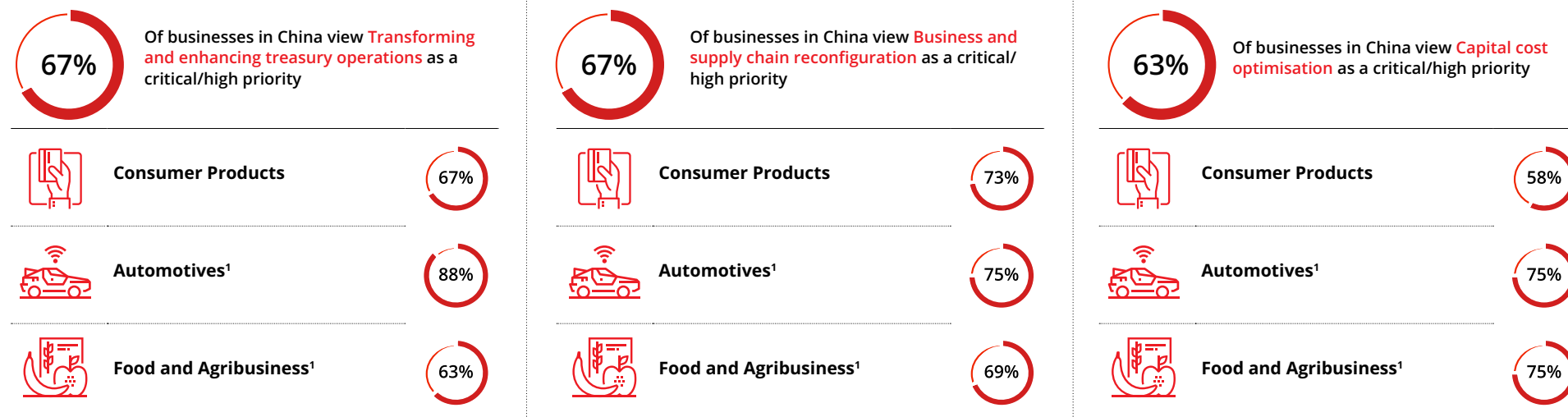
Meanwhile, liquidity and FX management has risen to second place, driven by tariff-related pressures on cash flow and inventory buildup.

1. Examples include GenAI, AI/Machine Learning, Blockchain

The Priorities of CFOs and Treasurers

Chinese firms must prioritise supply chain reconfiguration, treasury transformation, and capital cost optimisation to stay competitive amidst shifting economic and regulatory conditions. As the government advances its dual circulation strategy and navigates an unpredictable tariff environment, firms are under pressure to localise supply chains and reduce reliance on exports. At the same time, rising FX volatility and stricter capital controls demand smarter, more agile treasury operations. With credit tightening post-COVID and deleveraging, optimising capital efficiency is now a strategic imperative.

Key priorities across sectors in China

67% Of businesses in China view Transforming and enhancing treasury operations as a critical/high priority

Consumer Products	67%
Automotives[1]	88%
Food and Agribusiness[1]	63%

67% Of businesses in China view Business and supply chain reconfiguration as a critical/high priority

Consumer Products	73%
Automotives[1]	75%
Food and Agribusiness[1]	69%

63% Of businesses in China view Capital cost optimisation as a critical/high priority

Consumer Products	58%
Automotives[1]	75%
Food and Agribusiness[1]	75%

> *Our global production and sales layout, spanning multiple markets, is strategically designed to navigate tariff uncertainties and supply chain disruptions to ensure operational resilience.*
>
> **Fuchao Peng**
> *Treasury Director (China)*
>
> **Lenovo**

1. Sample size for individual subgroups is small (i.e., n<30), results are indicative and not representative of the subgroup. Automotives = 8, Food and Agri = 16
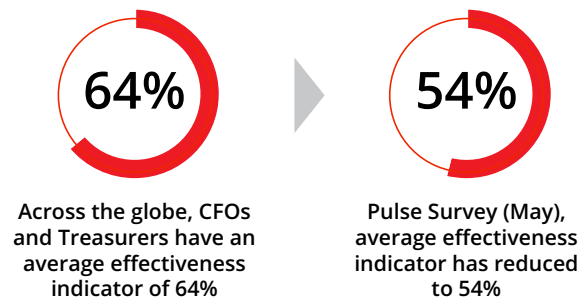
A Measure of Effectiveness for Growth and Resilience: DBS Strategic Effectiveness Indicator (SEI)

What is it?

Respondents were asked to identify core priorities for their treasury team over the next five years (shown earlier). They were then asked how effectively they are achieving these objectives.

Their responses were used to calculate a single score out of 100 articulating overall effectiveness. More details about the calculation are provided in the appendix of this document.
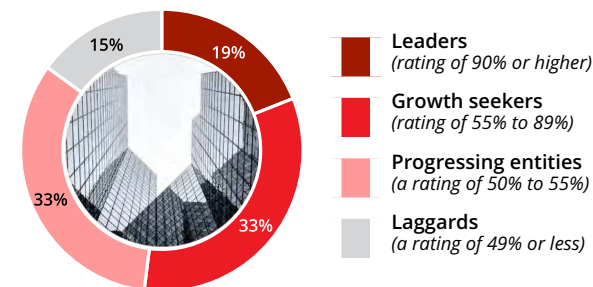
Average global effectiveness rating

64%

Across the globe, CFOs and Treasurers have an average effectiveness indicator of 64%

54%

Pulse Survey (May), average effectiveness indicator has reduced to 54%

Segmenting organisations by their average effectiveness rating

Effectiveness varies widely, with some organisations delivering on strategic priorities more successfully than others. CFOs and Treasurers can be broadly categorised into four segments:
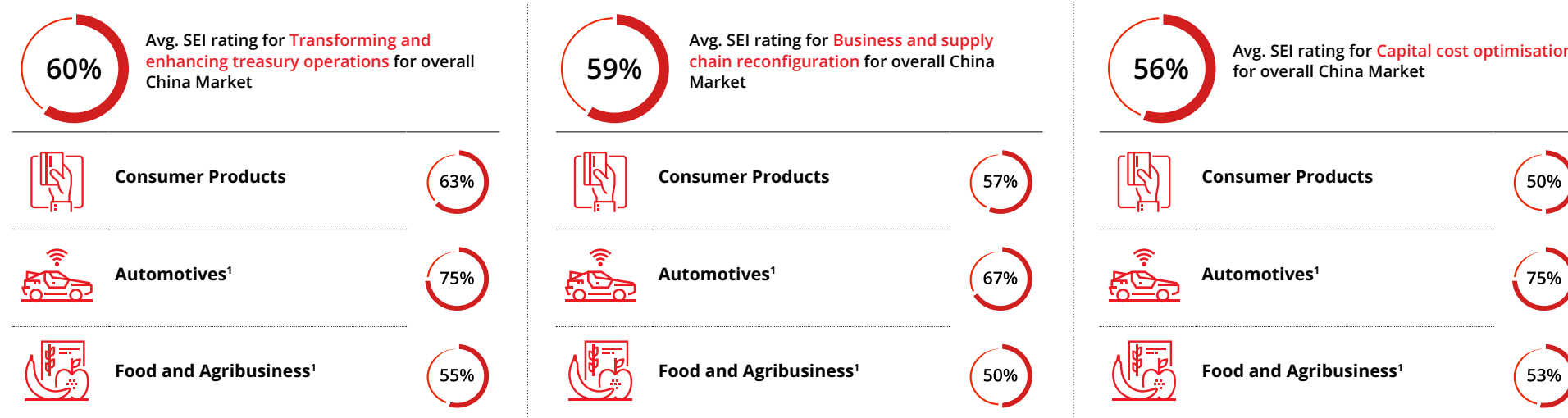
Segmentation of organisations based on their effectiveness rating

19%
15%
33%
33%

Leaders
(rating of 90% or higher)

Growth seekers
(rating of 55% to 89%)

Progressing entities
(a rating of 50% to 55%)

Laggards
(a rating of 49% or less)

Strategic Effectiveness Indicator (SEI)

Fragmented banking systems, poor data integration, and strict cross-border regulations limit plans for automation and real time visibility, all of which are core to modern treasury operations in China. Further, supply chains for businesses in China remain rigid due to legacy models, domestic manufacturing reliance, and geopolitical risk hindering ability to reconfigure and adapt. In addition, capital cost optimisation is also hindered by tight credit and treasury's limited ability to manage structure, liquidity, or access alternative funding due to a lack of tools and structures in place.

Strategic Effectiveness Indicator (SEI): Across key priorities and sectors in China

60% Avg. SEI rating for Transforming and enhancing treasury operations for overall China Market

Consumer Products	63%
Automotives[1]	75%
Food and Agribusiness[1]	55%

59% Avg. SEI rating for Business and supply chain reconfiguration for overall China Market

Consumer Products	57%
Automotives[1]	67%
Food and Agribusiness[1]	50%

56% Avg. SEI rating for Capital cost optimisation for overall China Market

Consumer Products	50%
Automotives[1]	75%
Food and Agribusiness[1]	53%

> *We have implemented an internal financing platform that establishes credit lines for overseas entities based on their credit ratings and operational performance. This mechanism enhances capital efficiency, ensuring optimised funding allocation and financial stability across global operations.*
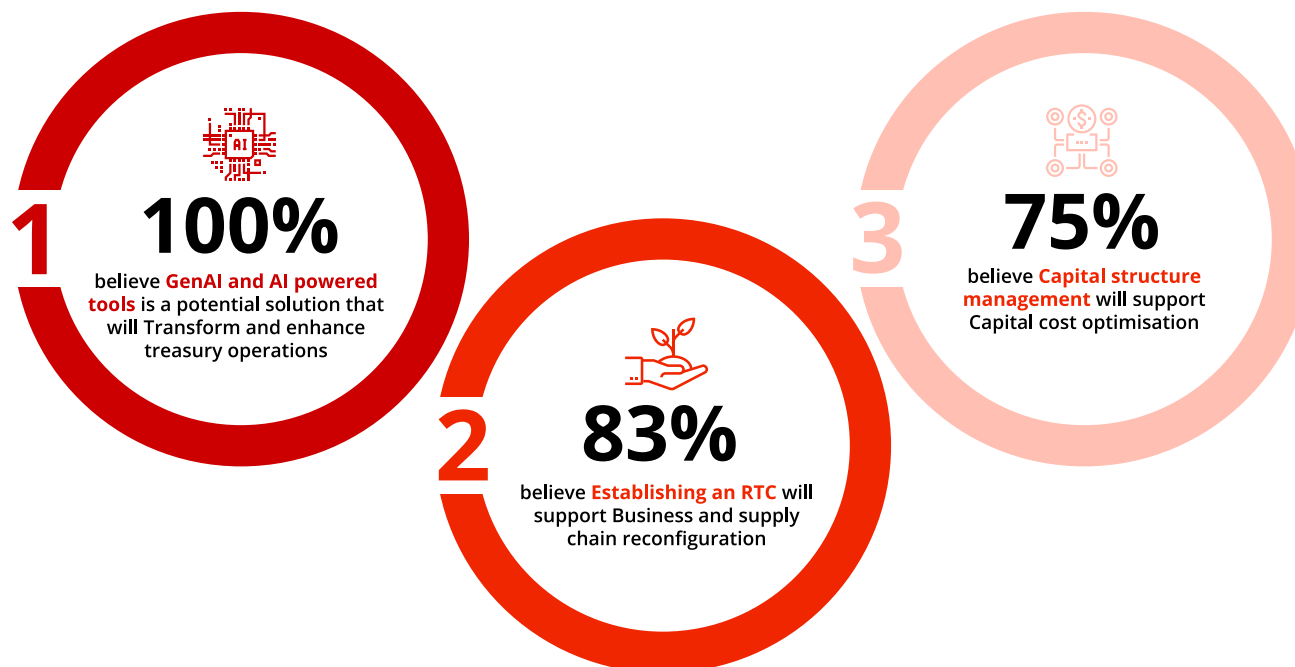> **Rong Xian Zhu**
> *Chief Financial Officer*

SKYWORTH

1. Sample size for individual subgroups is small (i.e., n<30), results are indicative and not representative of the subgroup. Automotives = 8, Food and Agri = 16

Solutions Desired by CFOs and Treasurers of the Future

Realising New Possibilities

➜ In China's increasingly complex business environment, companies see GenAI as a potential game-changer for treasury. AI-powered tools enable faster, more accurate cash forecasting, real time risk monitoring, and smarter decision-making – critical as firms manage rising volatility and regulatory pressure.

➜ Establishing Regional Treasury Centres (RTCs) is also gaining traction, as they centralise control of cash and FX across borders, supporting supply chain reconfiguration by improving fund visibility.

➜ By optimising the mix of debt andequity and unlocking trapped cash, businesses based in China can also enhance capital efficiency and preserve financial flexibility.

1
100%
believe **GenAI and AI powered tools** is a potential solution that will Transform and enhance treasury operations

2
83%
believe **Establishing an RTC** will support Business and supply chain reconfiguration

3
75%
believe **Capital structure management** will support Capital cost optimisation

> *Despite its vast potential in capital and financial operations, AI application in finance remains at an early stage of maturity. Effective implementation requires not only advanced technical capabilities but also tailored adaptation to meet the specific needs of individual departments, ensuring AI-driven solutions align with operational goals and strategic priorities.*
>
> **Fuchao Peng**
> *Treasury Director (China)*

Lenovo

WHAT'S NEXT?

CFOs and Treasurers are redefining their roles to drive growth in a complex, fast-changing environment. By drawing on market-specific insights and peer benchmarks, you can identify where your financial strategy can go further.

Let's explore how our team can support you with tailored treasury solutions that drive meaningful results. Connect with us to unlock value, enhance resilience, and future-proof your financial strategy.

Appendix

The Strategic Effectiveness Indicator (SEI)

The **Strategic Effectiveness Indicator (SEI)** serves as a key indicator of the effectiveness of organisations, focusing on seven key areas related to treasury and finance functions:

- Data-driven financial intelligence
- Transforming and enhancing treasury operations
- Capital cost optimisation
- Working capital efficiency
- Liquidity and FX management
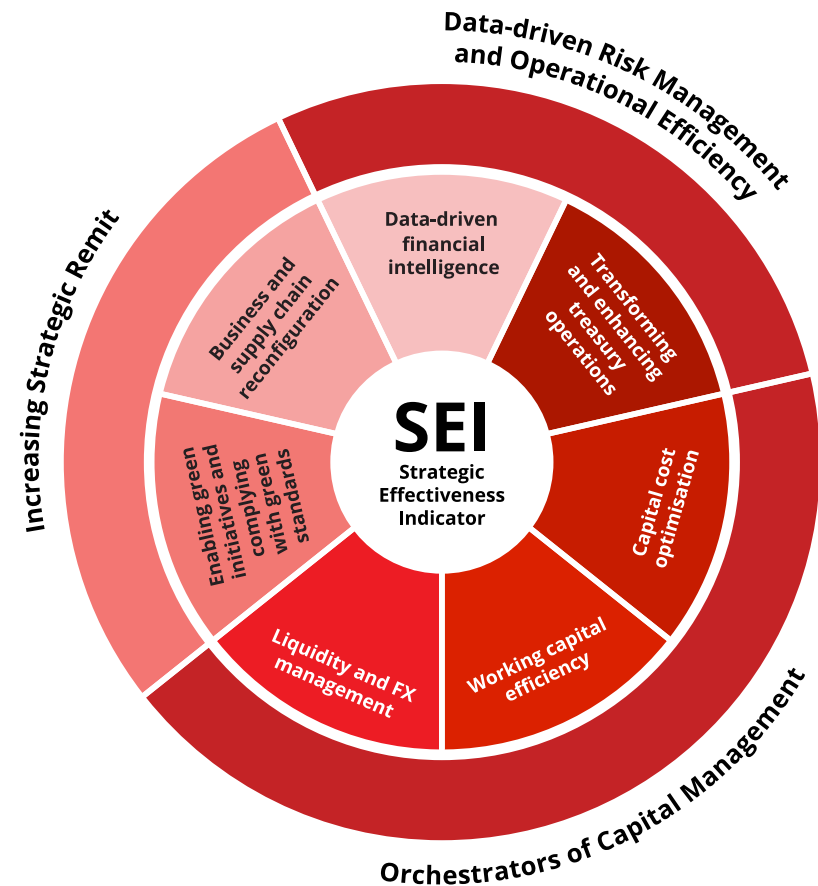- Enabling green initiatives and complying with green standards
- Business and supply chain reconfiguration

The indicator reflects how CFOs and Treasurers view and evaluate the effectiveness of their organisations. As a result, it may not accurately represent the true maturity or actual effectiveness of those organisations.

Methodology

The indicator is developed by DBS, in collaboration with EY, and derived based on data obtained from the 2025 DBS CFO and Treasurer insights programme.

Respondents were asked to evaluate the effectiveness of their organisations on a scale from 0 to 5 across the seven dimensions described on the left. The scores for each dimension were then converted into a score out of 100. These scores were subsequently averaged to produce a single overall Strategic Effectiveness Indicator (SEI) score.

This approach allows for a comprehensive assessment of overall effectiveness, with higher scores indicating greater self-assessed strategic effectiveness