



Liquidity Blind Spots: Cash Visibility And The Hidden Risk in Multi-Market Banking Relationships

Most treasury teams operating in multiple markets work from an incomplete picture.

Not because the data doesn't exist, but because the banking infrastructure around them can't deliver it in a coherent, consolidated form.

This is an issue because cash visibility is the foundation of effective treasury management. Without it, decisions get made on yesterday's numbers, liquidity sits idle in one market while another runs short, and risks build in the background until they become urgent.

This article sets out why cash visibility is failing in multi-market banking relationships, what the structural causes are, and how [coordinated banking infrastructure](#) can help.

What a Liquidity Blind Spot Looks Like

A liquidity blind spot is the gap between what a treasury team thinks a cash position is and what it *actually* is at any given moment.

For businesses operating in multiple markets, the gap is almost always present because each banking relationship reports independently. Balances arrive at different times, in different formats, and through different channels, and by the time a treasury team has consolidated the picture manually, the position has already changed.

The practical consequences here are significant. For starters, cash sits trapped in one jurisdiction while a subsidiary in another market faces a shortfall. Working capital decisions get made on stale data, too, and short-term borrowing costs are incurred unnecessarily because the treasury team can't see that surplus funds exist elsewhere.

None of this is visible as a single catastrophic event. It accumulates as friction, inefficiency, and additional costs.

Why Cash Visibility Fails in Multi-Market Banking Relationships

Most businesses with international operations have access to perfectly fine reporting tools. The problem is that these tools are only as good as the data feeding them, and in a fragmented multi-bank environment, data can arrive late, inconsistently, and incompletely.

And if each banking partner manages its reporting independently, there's no shared standard for when balances are reported, in what format, or through what channel. The result is a corporate treasury team sitting at the centre of multiple bilateral relationships, none of which are designed to produce a consolidated view.

This leads to a cash flow visibility problem that no amount of treasury management software can solve. Because if banks are sending incomplete, delayed, or differently formatted information, the consolidated view will always be partial.

So, the blind spot isn't a missing tool, but a missing layer of coordination between the banking institutions themselves.

The Intraday Liquidity Risk That Banks Underestimate

End-of-day reporting was designed for a different era of banking. When payments moved slowly and settlement cycles were measured in days, a daily snapshot of cash positions was sufficient.

This isn't the case today, and intraday liquidity, the ability to understand and manage cash positions as they change in the trading day, is critical for any business operating across time zones and currencies.

Why?

Because payment obligations land in real time, funding requirements shift hour by hour, and a treasury team relying on yesterday's closing balances to make today's decisions operates blind.

Intraday liquidity risk is the gap between what a business needs to meet payments and what it can actually see and access. In a well-coordinated banking structure, this gap is minimal. Banks share real-time position data and the treasury team has the visibility to make decisions confidently.

In a fragmented multi-bank structure, the gap can be huge. Here, intraday liquidity management becomes reactive rather than strategic and buffers are held because

the treasury team can't see where funds sit. The cost of this uncertainty manifests as trapped cash, missed yield, and unnecessary borrowing.

Cash Trapping: The Visibility Problem With a Direct Cost

One of the most concrete consequences of poor cash visibility is trapped cash. When funds sit in jurisdictions where they can't be seen, moved, or deployed, they stop working for the business.

Cash trapping typically happens when fragmented banking structures meet jurisdictional complexity.

For example, a subsidiary might hold a surplus balance in a market where the local banking partner doesn't provide real-time reporting. Alternatively, cross-border transfer mechanisms may not be coordinated with the rest of the structure. The treasury team therefore can't see the balance clearly enough to act on it, so the funds sit idle.

For businesses with operations across multiple markets, the cost of trapped cash across even a handful of jurisdictions can be significant. It represents working capital that isn't working. It's also a direct consequence of the visibility gap which means it's solved by the same structural fix: coordinated banking.

What Coordinated Banking Infrastructure Delivers for Cash Visibility

The solution to a structural visibility problem is structural coordination, not more software.

When banking partners operate within a shared governance framework, the picture changes fundamentally. Position data arrives in a consistent format, intraday balances are visible in real time, and treasury teams see what it has, where it is, and what to with it.

Cross-border [cash pooling](#) also becomes effective in this environment. A pooling arrangement that spans four markets but involves four independently reporting institutions will always have gaps. But one built within a coordinated governance framework delivers consolidated control.

For SMEs, VC-backed businesses, private equity-backed companies, and internationally active corporates, the value of genuine cash flow visibility is the same. It provides better decisions, lower costs, and a treasury function that can operate strategically instead of reactively.

The Commercial Risk for Banks That Leave This Unaddressed

For mid-tier and regional banks, cash visibility is a mandate risk.

A corporate client, an SME, or a PE-backed business that can't get consolidated cash visibility through its current banking relationships will eventually find an institution that provides it. The shift doesn't always happen immediately. It happens when the treasury team is at peak frustration, when a CFO asks why the business has unnecessary borrowing costs, or when an audit shows the cost of decisions made on incomplete data.

At this point, the banking relationship is already at risk. Not because of pricing or product gaps, but because the bank failed to deliver something the client needed to run its treasury function effectively.

Institutions that address this within coordinated frameworks that deliver genuine real-time cash visibility to their clients, are not just providing better service. They're removing one of the most common reasons international clients look elsewhere.

A Structural Solution to a Structural Blindspot

Liquidity blind spots in multi-market banking relationships are not a technology failure. They're the consequence of banking infrastructure built for bilateral relationships operating in a world that requires coordinated ones.

The businesses carrying the cost of that gap, in trapped cash, reactive intraday liquidity management, and decisions made on incomplete visibility, are doing so because the banks around them aren't aligned to deliver anything better.

IBOS Association is a global alliance of independent banks operating across more than 38 markets. Its shared governance frameworks, coordinated reporting standards, and cross-border cash pooling infrastructure enable [member banks](#) to deliver real-time cash visibility to their clients across every market they operate in.

What's more, you can do it without the overhead of building this kind of coordination independently.

Get in touch to find out how IBOS can give your institution's clients the cash visibility they need to grow internationally.

About the Author



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Manoj Mistry is the Managing Director of IBOS Association. With over 35 years of work experience in financial services across Europe, North America and APAC, he has developed strategic business models for Regional Financial Institution Coverage, Global Custody Product Development and Strategic Relationship Management.

Manoj has created holistic commercial strategies shaped by effective risk management, together with a deep understanding of income, cost control and governance imperatives – thereby enabling growth while overcoming potential regulatory roadblocks.

He builds and retains strong, collaborative business relationships; is a trusted partner to highly demanding global C-level leadership, and enjoys an extensive network with a broad spectrum of financial services industry professionals.

Leading from the front, Manoj has developed high-performing teams; putting colleagues and customers first to drive long-term strategic business goals while displaying integrity, creativity, and actively up-skilling and mentoring of junior colleagues.