



Cedar Point Global

Trade Finance



Trade Finance

This multi-dimensional programme takes a holistic approach and covers elements of **Product knowledge, Sales, Credit, and Treasury** solutions for Trade Finance.

Product knowledge: -The course covers trade product knowledge including all Trade Finance products, focussing on product description, product process flow, product value proposition, product risks and mitigants as well as product application.

Sales:-In addition to enhancing Trade finance knowledge, the course enables the translation of knowledge into results through revenue growth. This is achieved by equipping sales people with relevant sales skills and inspiring them to adopt proven sales behaviours that lead to successful sales in Trade Finance.

Credit risk & Structuring: The course will also help participants to understand the credit risk elements relating to Trade finance. The product knowledge, coupled with a good appreciation of the Credit and the Risk Framework will provide participants with strong structuring abilities. On completion, participants will be able to use multi products to come up with creative solutions that help to mitigate risk for both the bank and the client.

Treasury solutions: - An appreciation of Trade related Treasury solutions will be gained during the course, helping participants to incorporate treasury solutions as necessary, whilst mitigating both bank and client risk.

Our team of highly qualified personnel will customize course delivery in line with the target audience so as to make training relevant. Course delivery is through various practical activities and real client scenario case studies which help participants to internalise the learning and also be involved in the process for more effective learning as supported by research.

Course objectives

- Providing in-depth knowledge on all Trade finance products, how they work, process flows, risks, and mitigants
- Discussing the benefits of Trade Finance taking into account the Basel & IFRS9 implications.
- Analyse a client's working capital cycle and identify client needs along the working capital cycle
- Identify opportunities, including cross selling opportunities and ancillary business
- Apply Trade Finance knowledge to client needs/solutioning, i.e. how to effectively match solutions to needs
- Understand effective client engagement techniques, including negotiation, and have relevant solution structuring discussions with clients
- Understand key Credit and risk management principles essential in Trade finance
- Handle complex, multi-tiered Trade transactions and structure risk efficient solutions across various industry sectors

Course outline

Introduction to Trade Finance

- Global, regional and local trends, market dynamics and current developments affecting Trade Finance
- The challenge of emerging markets
- Understanding Trade Finance concepts: Incoterms and Trade Documentation
- Understanding Risk in Trade Finance

Case study on Incoterms

Methods of payment (Features/ description; Process Flow; Advantages and Disadvantages)

- Documentary Credit (letter of Credit); Issuance, Confirmation
- Documentary Collections; Financing
- Open Account
- Advance payment

Financing options under each method of payment, risks and mitigants

Group activities, presentations on Products and Methods of payment

Trade Products An overview of all Trade finance products covering product description, product process flow, product value proposition, product risks and mitigants for the following;

- Import vs Export Financing
- Pre and Post shipment Finance
- Letter of Credit; Transferrable LCs, Back to Back LCs; Assignment; Revolving LC, Discounting
- Financing against Import and Export Bills for collection
- Avalisation
- Guarantees (including Standby LCs)
- Invoice Financing/Discounting
- Receivables finance (with or without recourse implications, balance sheet impact of receivable finance)
- Supply Chain Financing
- Warehouse Finance (Commodity and Non -Commodity)

Various Case-lets on the use of various products and risks

Working capital analysis

- Understanding the client's working capital cycle
- Delaying Working capital needs and understanding broader implications
- Uncovering client needs and pain points for the clients (incl. the risks and challenges)
- Opportunity spotting and identifying the right solutions for the client's pain points
- Appreciating the financing impact of working capital movements in Trade, (stocks, creditors, and debtors)
- Understanding industry variations and their implications

A practical case where a typical operating cycle will be analysed and discussed to *identify opportunities, find the right solutions and the right financing required*

Treasury for Trade Finance

- Identifying treasury opportunities inherent in Trade transactions
- Understanding basic hedging solutions for Trade Finance transactions

Risk appreciation

- Understanding credit risk and credit risk analysis in Trade Finance
- Risk mitigation both at product and client level
- Fraud Alertness

Case studies covering instances of losses, or near losses in Trade Finance (lessons learnt)

Solution Structuring: -

- Solution design, using multi products, whilst containing risk
- Value chain Financing covering end to end solutions
- Understanding the various industry sectors in the economy and applicable solutions

Case studies on identifying needs and providing the right solutions and structuring the solutions in a risk efficient manner

Trade Sales Excellence

- Effective client conversations
- Alignment with client decision-making process
- Navigating the client organisation to effectively close Trade deals and drive utilisation
- Understanding Product and own value proposition
- Negotiation for success in the Trade arena

Role plays covering client engagement and negotiation under Trade finance

The Case for Trade Finance

Why the focus on Trade finance?

Trade as a key non- funded income earner

Trade finance quiz

Target audience

Client facing Trade Finance staff, Product Management, Relationship managers, Credit /Risk and Operations staff,

Course duration: - 3 days

Cedar Point: Inspiring peak performance