

GULF INSTITUTE



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International Trade and Commodity Finance

INTRODUCTION

- The core objective of this International Trade and Commodity Finance training seminar is to ensure that all attending delegates have a thorough grounding in all aspects of deep-dive trade finance issues, whilst building up through the programme into more advanced uses of trade finance products, discounting and pre-finance structures and contemporary financing scenarios. We will build in special sessions on both Financial Crime Avoidance in Trade Finance as well as an in-depth view of the Law and Practice of Inventory Finance to ensure that all delegates benefit from these huge, contemporary issues.
- We emphasize the trend towards TRANSACTIONAL financing including inventory and warehouse financing, Letter of Credit financing, receivable financing and all open-account products. Our aim is to develop delegates to quickly become the centre of excellence in technical skill-set for the Bank and its unique characteristics thus enabling all attendees to advise, with credibility and confidence, the concerns and directions taken by the bank, its credit committees and management
- All documentation and trade finance regulatory issues
- Letters of credit variants, financing and risk
- Forfaiting, factoring, supply chain and discounting mechanisms
- AML and financial crime avoidance in int. trade finance
- Pre-finance, tolling, contemporary structures and issues

OBJECTIVES

- Develop an understanding of the ways in which traditional products such as Documentary Collections, Letters of Credit, Guarantees and Standby L/C work in their risk environment
- Apply the differences between the key concepts of product risk, operational risk, sovereign risk, bank risk as well as financial risk in reaching a solution from a Credit, FI and Origination perspective
- Utilize in practice, all ICC regulations and contemporary trade finance structures and current issues and documentation issues to ensure a timely and market driven solution to delegates and clients on a global basis
- Originate and encash upon marketing opportunities across all trading corridors including but by no means limited to Energy Financing challenges
- Interact with credit committees and risk specialists to ensure more safe, prudent and successful applications

TRAINING METHODOLOGY

- We move from a simple, discussion / dialogue to real case studies to practical group workshops to ensure that every step in the process, from the mechanics of a product to its implementation become an integral part of every delegate's skill set.

ORGANISATIONAL IMPACT

By sending their delegates to this training course, Organizations will:

- Gain a developed cadre of experts who can take advantage of trade finance opportunities with the ability to encash upon relationships with organizations and to extend their market share of these products

PERSONAL IMPACT

Delegates will leave with the ability to:

- Present every product in its risk environment and to match the situation to a trade finance solution
- Understand the role of all secondary, tertiary and hedging markets and to use them appropriately
- Develop the confidence and expertise to present effective solutions
- Become the first point at which risks and red flags are recognized and defused
- Move between markets to expand their professional relevance on an international scale
- Understand and respond positively to the challenges of financing in and with the Emerging Markets

WHO SHOULD ATTEND?

- This training course is essential for all those dealing in and with the Emerging Markets. It is inter-departmental and is designed to ensure that all your staff "Speak the same language" in the risk-related facets of a highly-profitable and changing market environment.

This training course is suitable to a wide range of professionals but will greatly benefit:

- Structured Trade Finance Bankers and Commodity Financiers
- Corporate Risk and Credit Committee members
- Compliance and Legal Staff
- Trading House Executives
- Finance Bankers
- Middle Office Monitoring Staff

Course Outline

International Documentation and ICC 600, ISBP

- Bills of Exchange / Promissory Notes and Receivables
- All Transport Documentation
- Warehouse and Inventory Receipts / Warrants
- Discrepancies and Solutions
- International Collections and ICC 522
- Checking Documents
- Cargo Insurance Documentation, Policies and INCOTERMS.7
- The Evolution of Letters of Credit

Letters of Credit, Guarantees and Variants

- Risk Profile of the Letter of Credit
- Deferred Payment L/Cs, UPAS L/Cs
- Standby L/Cs and Contemporary Clauses and Financing Options
- Back to Back and Pre-Finance L/Cs
- Guarantees, Conditional and Unconditional
- Structured Commodity L/Cs
- Risk Mitigants in L/Cs

Discounting, Forfaiting and Factoring

- Transactional Financing Principles
- Contemporary Forfaiting Models
- Factoring and Risk Mitigants
- Supply Chain Financing
- Asset-based Lending
- Cost of Funds and Discount Calculations
- Secondary Market Financing
- An analysis of Trading House Functions / Risks

Contemporary Structured Trade Finance Templates

- Pre-Financing Energy Products
- Metals Financing
- Commodity Forwards, Options, Swaps, Swaptions and Hedging
- By-Product Financing
- A Risk Analysis of Process Financing in High Risk Countries

Facing the Bigger Issues

- Block Chain and Crypto-currencies
- New Countertrades and Buyback Financing
- Contemporary Risks and Analysis
- Islamic Trade Finance and Products
- Market alternatives and Product Sharing Agreements
- The input of BASEL III
- Financing the New Commodities and Invisibles

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