

Structuring and Marketing of Trade Finance Facilities – Principles, Techniques and Cases

3 Days

COURSE OVERVIEW

This 3 days intermediate trade finance program aims at raising competencies of trade finance professionals, commercial bankers and corporate bankers in marketing trade finance solutions and facilities to their clients.

Participants will acquire the technical knowledge of marketing and structuring trade finance facilities that meet the needs of corporations in various market segments while continue to harness the corporate accounts relationship under modern accounts management.

LEVEL

Intermediate

WHAT WILL I GET OUT OF IT?

At the end of the program, participants will be able to:

- Apply the knowledge of marketing to uncover clients' trade finance facility needs through a methods of payment mapping system and risk analysis with marketing solution on back-to-back deal;
- Apply marketing solution to support clients' project financing involving trade finance as part of credit management; and
- Apply marketing solution to structuring trade finance facilities for working capital requirements and account management.

WHO'S IT FOR?

- Credit and marketing officers and managers;
- Corporate Banking officers, managers and VPs;
- Commercial banking officers, managers and VPs;
- Trade finance officers and managers; and
- Branch managers.

COURSE CONTENT

Day 1: Unlashing the Power of Marketing Techniques to Uncover Clients' Trade Finance Facility Needs

- Introduction
- OCG Trade Finance Marketing Model: marketing of trade finance facilities and products, credit analysis and structuring of credit facilities, and accounts/relationship management
- Five-step marketing process in building trade finance business: step 1: building technical knowledge on trade finance; step 2: marketing planning and customer origination; step 3: unlocking trade flow on customers' needs; step 4: marketing solutions - credit analysis and structuring credit finance facilities; step 5: account/relationship management
- Managing the marketing mix for trade products and services
- Trade flow, methods of payment and supply chain underpin marketing solutions towards trade finance needs
- Building essential trade finance technical knowledge as part of trade finance marketing efforts
- Pre-requisite for marketing of trade finance – understanding of instruments used in trade finance
- Pre-requisite for marketing of trade finance – understanding of trade finance risks
- Marketing common trade finance products
- Marketing solution – testing sources of repayment using back-to-back L/C facility structure

Syndicate Case Study: Marketing Solution 1 on a back-to-back facility arrangement structure

Day 2: Applying Marketing Solution in Project and Trade Financing

- Marketing of trade finance under the concept of asset conversion and risk
- Financing opportunity created by mismatches of asset conversion cycle - finding out the seasonal component of working investment
- Marketing trade finance under the concept of asset protection lending and its inherent risks
- Marketing opportunity: permanent level of financing: trading company, manufacturing company; trade finance structures
- Calling for banker's guarantee or standby letter of credit as part of the requirements under a project development
- Marketing opportunities and marketing solutions – project financing combined with trade solutions (asset conversion cycle and asset protection lending rationales)

Syndicate Case Study: Marketing Solution 2: A regional bunkering company needs term financing to finance the construction of one vessel amounting to US\$18 million of which drawdown of the term loan is by way of documentary letter of credit (financing project developer)

Day 3: Applying Marketing Solutions in Working Capital Trade Finance and Account/Relationship Management

- Marketing of trade finance products for working capital requirements and marketability of trade finance products
- Marketing of cash and non-cash trade finance facilities
- The pricing structure of common trade finance products
- Marketing of working capital trade finance through understanding customers' needs
- Marketing solution – using formula approach to structuring working capital trade finance facilities to meet clients' needs
- Account/relationship management

Syndicate Case Study: Marketing Solutions 3 & 4: Normal case – working capital trade finance & takeover case – working capital trade finance