

# Global Trade and Finance for Commodities

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### Introduction

This GLOMACS Global Trade and Finance for Commodities training course's main goal is to give participants a solid foundation in all facets of complex trade finance issues while advancing their knowledge of pre-finance structures, discounting, and more as well as more advanced applications of trade finance products in modern financing scenarios. To make sure that all attendees gain from these significant, current concerns, we will include special workshops on Financial Crime Avoidance in Trade Finance as well as an in-depth examination of the Law and Practice of Inventory Finance.

We highlight the tendency toward TRANSACTIONAL finance, which includes financing for goods in stock and warehouses, credit letters, accounts receivable, and all open-account items. In order to enable all participants to advise the bank, its credit committees, and management on issues and directions, we want to train delegates to swiftly become the centre of excellence in technical skill-set for the Bank and its unique qualities.

### **This training session on Course N Carry will emphasize:**

- Every paperwork concern and trade finance regulation matter
- Variations in credit letters, funding, and risk
- Mechanisms for supply chains, factoring, forfaiting, and discounting
- Avoiding financial crime and AML in international trade finance
- Pre-finance, tolling, current challenges and structures

### Objectives

- Gain knowledge of how conventional goods function in their risk context, including guarantees, letters of credit, documentary collections, and standby liability.
- Utilize the distinctions among the fundamental ideas of product risk, operational risk, bank risk, sovereign risk, and financial risk to arrive at a resolution from the standpoints of Credit, FI, and Origination.
- Use all ICC rules, modern trade finance structures, current issues, and documentation issues in practice to guarantee delegates and clients worldwide receive a prompt, market-driven solution.
- Create and seize marketing possibilities in all trading channels, including but not limited to obstacles related to energy financing.

- Engage with risk experts and credit committees to promote safer, more responsible, and prosperous practices.

## Training Methodology

To make sure that each delegate's skill set encompasses all aspect of the process—from the workings of a product to its implementation—we progress from straightforward discussions and dialogues to actual case studies and hands-on group workshops.

## Organizational impacts

**Organizations who send delegates to this Course N Carry training session will:**

Develop a team of knowledgeable professionals that can seize trade finance possibilities, capitalize on connections with businesses, and increase the market share of these products.

## Personal Impact

**After departing, delegates will be able to:**

- Each product should be presented in its risk context, and the circumstances should be matched to a trade financing solution.
- Recognize the function of all tertiary, secondary, and hedging markets and employ them effectively.
- Gain the knowledge and self-assurance necessary to offer practical answers.
- Become the first place where dangers and warning signs are identified and dealt with
- Shift across marketplaces to increase their professional standing globally
- Recognize and effectively address the financial problems in and with emerging markets.

## Who should attend?

It is imperative that everyone working in or around emerging markets complete this Course N Carry training course. It is intended to guarantee that all of your employees "Speak the same language" when it comes to the risk-related aspects of a highly profitable and dynamic market environment. It is interdepartmental in nature.

**A wide range of professionals can benefit from this Course N Carry training course, but the following are particularly noteworthy:**

- Organized Trade Credit Bankers and Financiers of Commodities
- Members of the Corporate Risk and Credit Committee
- Legal and Compliance Personnel
- Executives of Trading Houses
- Bankers Specialized in Finance
- Staff Monitoring in the Middle Office

## **Course Outline**

### **Day 1**

#### **Documentation International and ICC 600, ISBP**

- Promissory notes, bills of exchange, and receivables
- Every Transport Record
- Warrants and Warehouse and Inventory Receipts
- Contradictions and Resolutions
- ICC 522 and International Collections
- Examining Records
- Documentation, Policies, and INCOTERMS related to Cargo Insurance.7
- The Development of Letters of Credit

### **Day 2**

#### **Variants, Letters of Credit, and Guarantees**

- Risk Profile of the Letter of Credit
- UPAS and Deferred Payment L/Cs
- Standby L/Cs, Modern Clauses, and Financing Alternatives
- Sequential and Pre-Financial L/Cs
- Promises, both unconditional and conditional
- L/Cs for Structured Commodities
- Mitigation of Risk in L/Cs

### **Day 3**

#### **Factoring, Forfaiting, and Discounting**

- Modern Models of Forfaiting
- Calculating and Mitigating Risks
- Finance for Supply Chains
- Lending Based on Assets
- Calculations for Cost of Funds and Discounts
- Finance for the Secondary Market
- A Review of the Functions and Risks of Trading Houses

## Day 4

### Modern Templates for Structured Trade Finance

- Financing Energy Products in Advance
- Finance for Metals
- Options, Swaps, Swaptions, Commodity Forwards, and Hedging
- Through-Product Funding
- Process Financing in High-Risk Countries: A Risk Analysis
- Fraud Prevention and Financial Crime in Trade Finance
- Arbitrage of Commodities

## Day 5

### Taking on the Bigger Problems

- Blockchain Technology and Virtual Money
- Fresh Countertrades and Repurchase Funding
- Current Hazards and Evaluation
- Islamic Finance and Goods in Trade
- Alternative markets and agreements for product sharing
- The BASEL III input
- How to Pay for the New Invisibles and Commodities