



The ITFA Muse

Thursday, 10 December 2015

CHAIRMAN'S MESSAGE - Sean Edwards, ITFA Chairman / Head of Legal at SMBC

Dear Members and Friends,

I write this, our final newsletter of 2015, in the after-glow of our annual Christmas party, held this year in the lofty heights of the Kensington Roof Gardens. This successful event was an opportunity for us at ITFA to say "thank you" to you, our members, for your continuous support of this association. And there are more of you than ever supporting us, with eight new members added in the last few months. As I mentioned at the party we are not resting on our laurels and for the coming year plan:

- speaker participation at a number of conferences organised by our partners GTR and TFR in Europe, Africa and Asia
- new workshops
- an expansion of our mentoring programme
- social events in London and Amsterdam
- increased activity from our newly - formed insurance committee (see later in this newsletter)

Last, and very much not least, I was able to announce that 2016's annual conference will be held in Warsaw from 7th - 9th September (with an educational seminar on 6th September).

Looking back at the market conditions within which we operated in 2015, most notably Emerging Markets (EM) and commodities have had a tumultuous 2015, to say the least. With oil trading at multi year lows, and EM growth failing to gather steam, particularly in China, investors became more risk averse as the year progressed.

The strong USD, most notably against EM currencies, weakening China growth and deteriorating global trade, are expected to continue to act as a drag on EM countries in 2016 as they continue to experience a deteriorating balance of payments and a persistent adverse impact on growth. Local EM political issues, coupled with the further deterioration in global trade and weak commodity prices are also expected to maintain downward pressure on EM currencies in 2016.

A few of the most important economic data to look out for in the weeks and months ahead are China's demand for imports, especially commodities as well as their exports. Fears of a hard landing in China remain alive as the decline in the commodities space also had its fair share of contributing to risk adverse mode which characterized most of 2015. The weaker energy and metal prices were of particular concern as the outlook for Chinese and global GDP weighed on market sentiment. Any possible stabilization of supply and demand for oil in 2016 from current levels would be welcomed as this would also contribute to abating deflationary fears.

Let's all hope that 2016 will be more benevolent to all of us. May I take this opportunity to wish you all the very best for the festive season and a year full of health and prosperity.

We look forward to hearing from you with any feedback you may want to share with us by sending an email to myself, any of the Board Members or to our general email, info@itfa.org.

The Newsletter of the International
Trade & Forfeiting Association



December 2015



Contact us

For information about ITFA please visit www.itfa.org or send an email to info@itfa.org www.itfa.org



Issue Contents

▼ 2015 (59)

▼ December (5)

CHAIRMAN'S MESSAGE -
Sean Edwards, ITFA
Chairman /...

ENDING THE YEAR IN GOOD
SPIRITS; ANOTHER
ENTERTAIN...

SUMMARY OF THE ITFA
INSURANCE COMMITTEE
PRESENTATI...

NEW ITFA MEMBERS

UPCOMING EVENTS - SAVE
THE DATE

▶ November (5)

▶ October (5)

▶ September (5)

▶ July (6)

▶ June (6)

▶ May (5)

▶ April (5)

▶ March (6)

▶ February (6)

▶ January (5)

▶ 2014 (23)



Best wishes,
Sean Edwards

Posted by [Alexia Vella](#) at 11:32 [No comments:](#) 

 Recommend this on Google

Labels: [December 2015](#)

ENDING THE YEAR IN GOOD SPIRITS; ANOTHER ENTERTAINING EVENT - THE ITFA CHRISTMAS COCKTAIL PARTY - by Lorna Pillow, Head of Communication & Membership, ITFA

Undoubtedly, 2015 was a challenging year for emerging market (EM) currencies, and 2016 is expected to bring some challenges too, albeit many analysts believe that the pace of depreciation will be significantly lower than 2015. The concoction of expectations of a first US rate hike in over 9 years coupled with Chinese GDP failing to meet market expectations as well as oil prices hitting record low which is expected to persist during the first half of 2016, have kept emerging market investors on the side-lines, with volatility expected to persist well into the New Year.

Monday 7th December played host to the ITFA Christmas Cocktail Party that took place at The Roof Garden, Kensington, London. It was a joyous occasion that brought together many ITFA members and friends from all over the world to come and enjoy a little fun, music, and networking. One of the greatest benefits of our Association, though not the only one, is the ability to establish and re-new contacts and network with fellow colleagues. It was our great pleasure, at this event, to welcome so many of our existing members and friends and we truly hope that you found the cocktail enjoyable. It was evident that the association is really growing as we saw so many new faces at the cocktail. We sincerely enjoyed your great company. We managed to attract a record number this year to the event. Thanks for the support.

I am sure you all agree that the venue chosen was looking spectacular. The Kensington Roof Gardens were inaugurated in May 1938 and was later acknowledged as a place of 'Specific Historical Interest' and given a Grade II listing by English Heritage. The space on the 6th floor of the building was later transformed into an amazing events space, restaurant and club.

The evening's festivities began with welcome drinks which the guests especially enjoyed after attending the insurance committee event held at Liberty Specialty Markets. We would like to thank Liberty Specialty Markets for hosting such an informative session. For more information on this event, please read through the next article.

The partitions to the new rooms were opened after the initial drinks so Sean Edwards could give a short speech summarizing the work that ITFA would do in particular on BAFT and other insurance incentives.

The evening continued with great music and dancing which lasted well into the night. Those attending enjoyed a lovely walk through the mystical gardens. The ITFA Christmas Party was a huge success; an entertaining and exciting way to celebrate the festive season. To view photos of the event, please [click here](#).

On behalf of the ITFA Board, we thank you all for attending our Christmas party. One last word goes out to our members whom we thank for their constant support. We wish to continue receiving your feedback in order to provide more value to our members, as well as encouraging you to keep your ITFA ambassador hats on, with a view to attracting more institutions to join.

We do hope you have a fun and safe holiday season wherever you are and we look forward to welcoming the New Year, 2016. We would like to take this opportunity to wish you and your families all the very best for the festive season and a Prosperous New Year.

As always, we look forward to seeing you at our future events.

Posted by [Alexia Vella](#) at 11:30 No comments: 

 Recommend this on Google

Labels: [December 2015](#)

SUMMARY OF THE ITFA INSURANCE COMMITTEE PRESENTATION - by Silja Calac, Chairperson, ITFA Insurance Committee

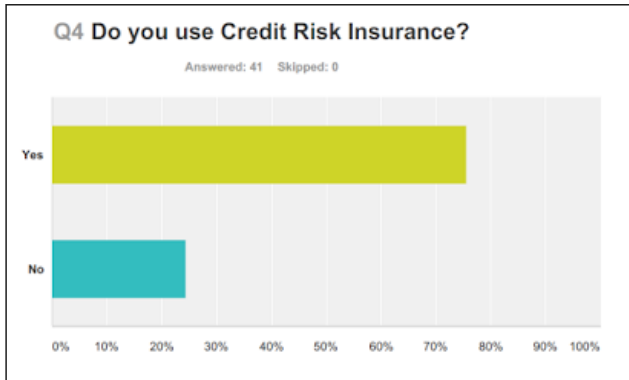
On 7th December 2015, the ITFA Insurance Committee gave the first presentation about its activities followed by a panel discussion during which all participants had the possibility to ask questions and share their opinions on how banks and the insurance market could best work together. The venue was kindly sponsored by Liberty Specialty Markets. Below is a short summary of the topics presented and discussed.

Insurance Survey

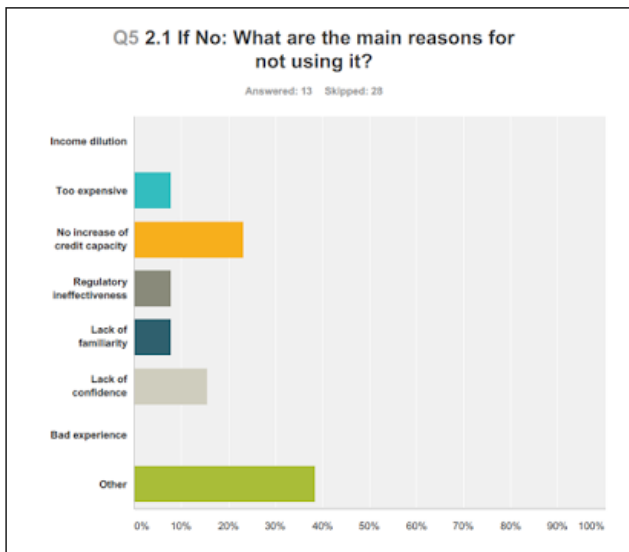
In order to better understand the profile and expectations of the ITFA membership, the Insurance Committee had carried out a survey. Sean Edwards presented the main responses, which were as follows:

41 ITFA members participated in the survey. Among the respondents, 78% worked for banks and of those over 50% are regulated under the IRBA.

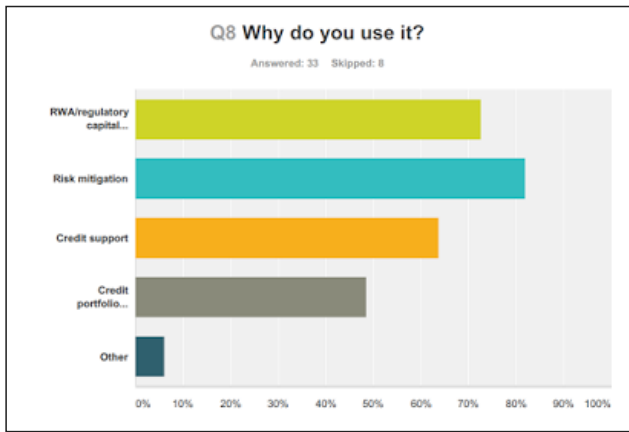
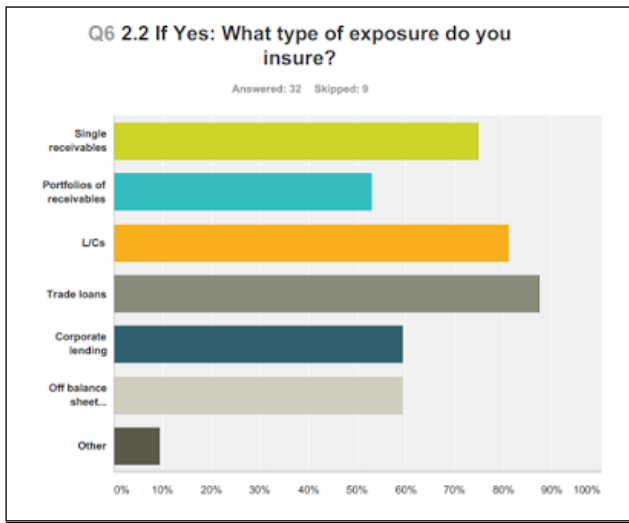
Over 70% of the respondents use insurance.



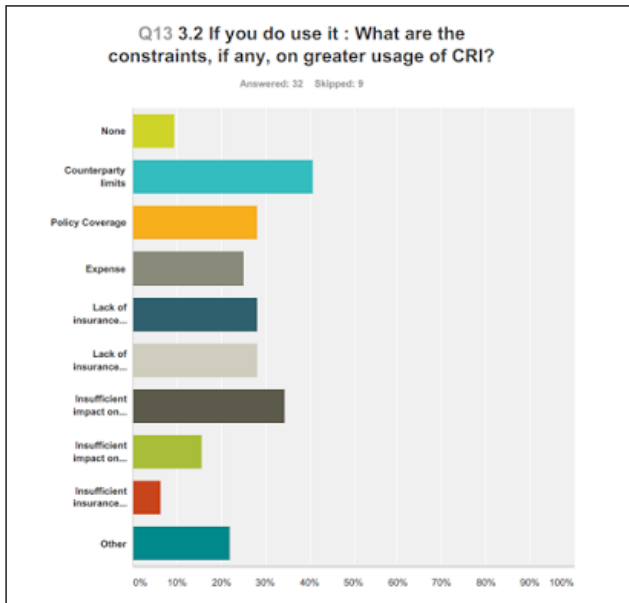
Those who answered that they do not use insurance gave as main reason for not doing so the fact that insurance cover would not help increasing credit capacity. Respondents indicating other reasons for not using insurance unfortunately did not indicate what exactly those other reasons were.



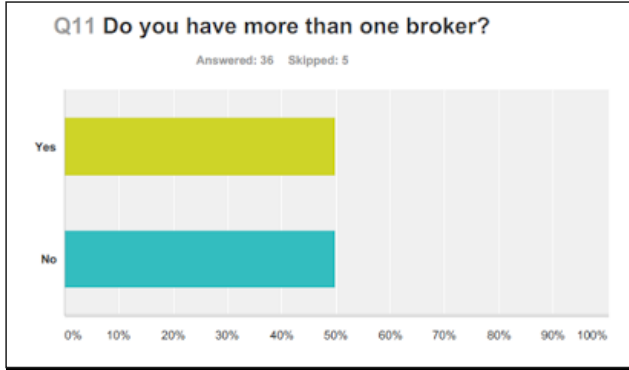
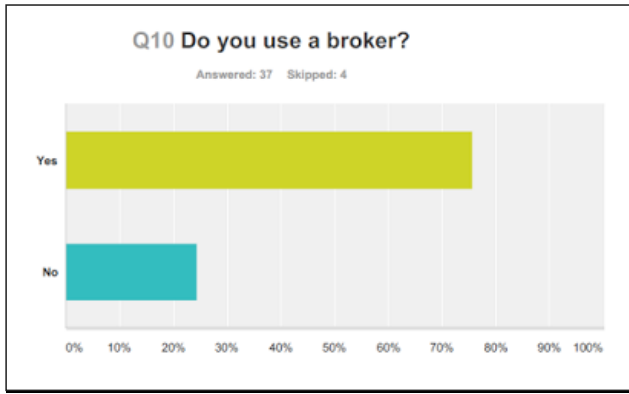
Institutions using insurance do mitigate their entire product range, mainly for risk mitigation but also in order to get regulatory capital relief and credit support:



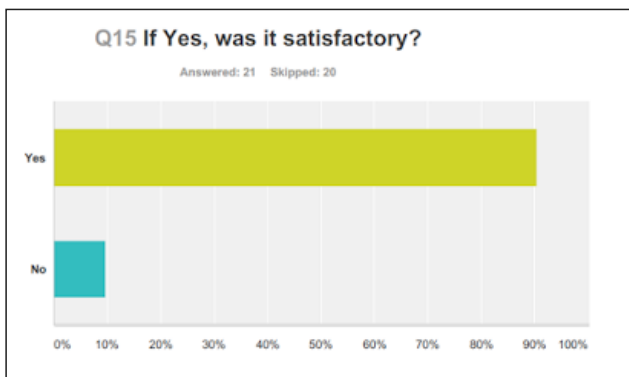
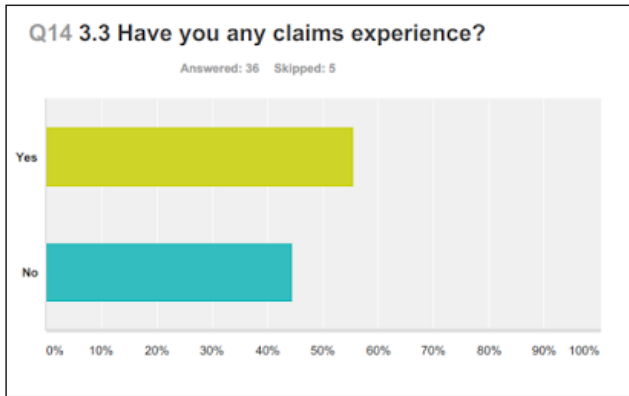
But users of insurance also see many areas for improvement:



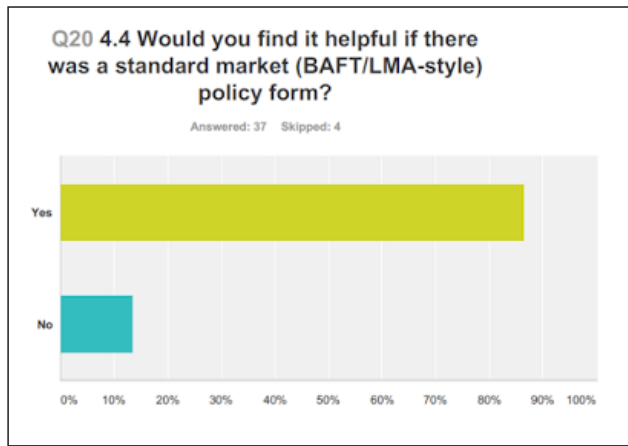
Most banks use one or more brokers:



And have a positive claims experience:



And last but not least, the survey gave a clear vote in favor of a standard market policy form:



Presentation on Insurance

The survey presentation was followed by a short introduction about the insurance committee, and on how insurance products could best support banks' activities in transaction banking and trade finance.

First Sébastien Heurtuex, Deputy Head Trade & Insurance Syndications at BNP Paribas explained the regulatory challenges banks face when using insurance and how banks can enhance the efficiency of insuring their assets.

David Neckar, Product Development Director Political & Credit Risks at Willis Limited, then gave an introduction to the insurance market and its evolution over the last ten years.

Thereafter Duarte Pedreira, Corporate Manager Trade Credit at AIG and Silja Calac, Senior Surety Underwriter, Swiss Re Corporate Solutions gave some more detailed explanations on Credit Risk Insurance, Surety and PRI.

The slides on these presentations can be found in the member area of the [ITFA website](#) and can only be viewed by ITFA members.

Panel Discussion and Q&A

The presentations were followed by a panel discussion moderated by Elizabeth Dexter, Senior Underwriter Global Financial Risks, Liberty Specialty Markets, and questions and comments from the audience.

Discussions mainly addressed the question in how far it was possible and useful to have a standard market policy. The panel and participants agreed that this would be a major challenge due to the variety of products and the fact that not only insurance companies but also banks use a multitude of wordings, which are often structured very differently. The committee would have to adopt a step-by-step approach starting probably with a sort of checklist. Nevertheless, the appetite for a more uniform wording or approach to documentation which reflects common concerns and issues was overwhelmingly demonstrated and will be considered very closely by the committee.

Another concern was if there would be sufficient capacity in the insurance market if cooperation between banks and insurance increases significantly. The necessity to improve training for banks was brought up and the ITFA insurance committee was pleased to announce that the first initiatives for next year have been planned. The dates will soon be available on the ITFA website.

Posted by [Alexia Vella](#) at 11:28 No comments: 

 Recommend this on Google

Labels: [December 2015](#)

NEW ITFA MEMBERS

The ITFA Board is pleased to announce the following two new members.

BMCE Bank International Plc (BMCE), is a leading international bank

specialising in African investment. They connect international institutions and investors with a diverse portfolio of investment opportunities on the continent.

BMCE structures private sector deals that are below the radar of larger investment banks and beyond the scope of local banks. They also offer a full service of investment and wholesale banking facilities with core divisions in Corporate Banking and Financial Markets. They specialize in providing corporations in Africa with access to international capital markets and financial expertise.

Gustavo Seco will be the main delegate for all ITFA related matters.

XL Catlin is a global insurance company headquartered in Ireland with executive offices in Hamilton, Bermuda and Stamford, Connecticut, USA. The company has offices in Europe, North America, South America, Asia, Australia and Africa. On January 9, 2015, XL Group announced the acquisition of Catlin Group. XL Catlin, is a global insurance and reinsurance company providing property, casualty and specialty products to industrial, commercial and professional firms, insurance companies and other enterprises throughout the world.

As part of its specialty products, XL Catlin provides political risk insurance and trade credit insurance. In collaboration with brokers, they service various business sectors involved in cross-border lending, trade, infrastructure, energy and foreign direct investments across a variety of industries. XL Catlin is Berne Union member and an A+ rated entity by S&P.

Juliette Barre will be the main delegate for all ITFA related matters.


Posted by [Alexia Vella](#) at 11:26 [No comments:](#) 

 Recommend this on Google

Labels: [December 2015](#)

UPCOMING EVENTS - SAVE THE DATE

We wish to remind our readers of BCR Publishing's upcoming event - **Supply Chain Finance Summit 2016** which is going to be held between 28 - 29 January at the Fleming's Conference Hotel, Frankfurt, Germany. Key themes to be discussed include: 'Back to SCF basics' complimentary breakfast briefing; driving increased value from the supply chain from procurement to treasury: corporate case studies; learning lab: behavioral economics and supplier relationship management; and supplier on-boarding, digitization and e-invoicing.

Posted by [Alexia Vella](#) at 11:24 [No comments:](#) 

 Recommend this on Google

Labels: [December 2015](#)

[Newer Posts](#)

[Home](#)

[Older Posts](#)

Subscribe to: [Posts \(Atom\)](#)

