TRANSACTION BANKING SERVICES

NOVEMBER • 2017

LEADING TREASURY PROFESSIONALS

AGENDA

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Emirates NBD

Leading banking group in the region

Emirates NBD is a leading banking group in the Middle East region and one of the largest bank in the UAE by total income, net profit and branch network with over **9,000 employees** across wholesale banking, retail, business, private, Islamic and investment banking.

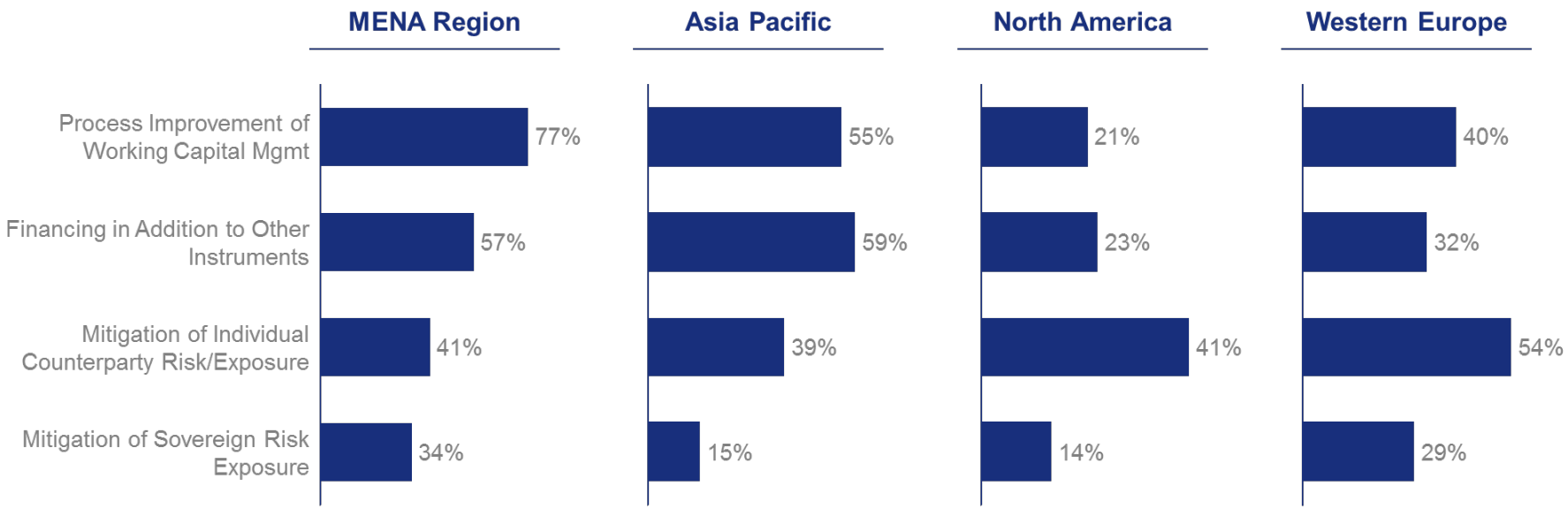
We are a market leader in Retail Banking with more than **221 branches and over 1023 ATMs and cash deposit machines** (CDMs) spread across the country and overseas. The bank is also a major player in the Corporate Banking arena, with a combined market share of almost a fifth of corporate loans.

The group has **strong international presence** through its operations in the UAE, Egypt, KSA, Singapore, UK, India & representative offices in China and Indonesia. Our total assets as of June 2017 is AED 456.2 Billion.

We have strong credit ratings:

- **A3** – Moody's
- **A+** – Fitch's
- **A** – Capital Intelligence's

Reasons for using trade finance - comparison



- Corporates in **MENA and Asia** are using trade as a **financing instrument** and as a tool to **improve working capital management.**
- Corporates in Western Europe are using trade to **mitigate risks.**

Source: Greenwich Associates – Large Corporate Trade Finance 2016 study, Greenwich Associates MENA Study 2016

Key trends

Customization and customer centricity

- Structuring transactions specific to customer's requirements
- Focus of structured trade finance and bespoke solutions
- Providing advisory to clients

Regulatory landscape

- Regulatory requirements have become complex adding to transaction costs and turnaround times

Changes for region

- VAT Implementation
- IFRS 9 adoption

Emerging Technologies

Usage of e-channels for trade finance

- Adoption of e-channels for MENA region is still below other geographies like USA and Asia. However increasing at a fast pace.
- Emergence of alternate channels

Trade processing automation

- Artificial intelligence and machine learning coupled with OCR technology to automate transaction processing

Emergence of disruptive technologies

- Blockchain application in trade
- Smart contracts
- 3D printing

DRIVING INNOVATION

Approach to innovation

- Innovation labs and in-house development
- Partnership with Fintechs and technology players
- Investment of AED 500Mn over 3 years by Emirates NBD

Dubai Government Vision

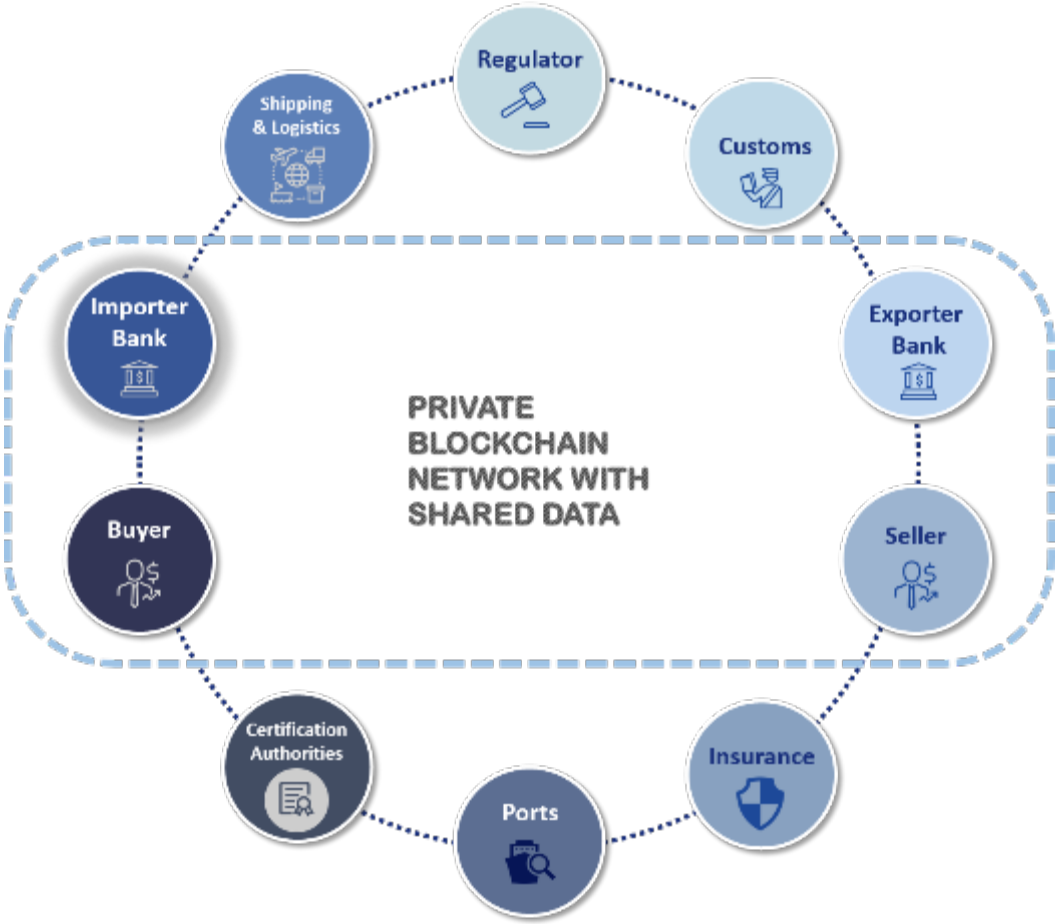
- To shift 100% of govt. transactions to Blockchain network by 2020
- To create 1000 new work examples based on the use of block chain network
- Achieve Dubai's global leadership in the development and application of block chain network

Source: http://gulfnews.com/news/uae/government/dubai-launches-blockchain-strategy-to-become-paperless-by-2020-1.1907790

Driving innovation – use cases

Trade network

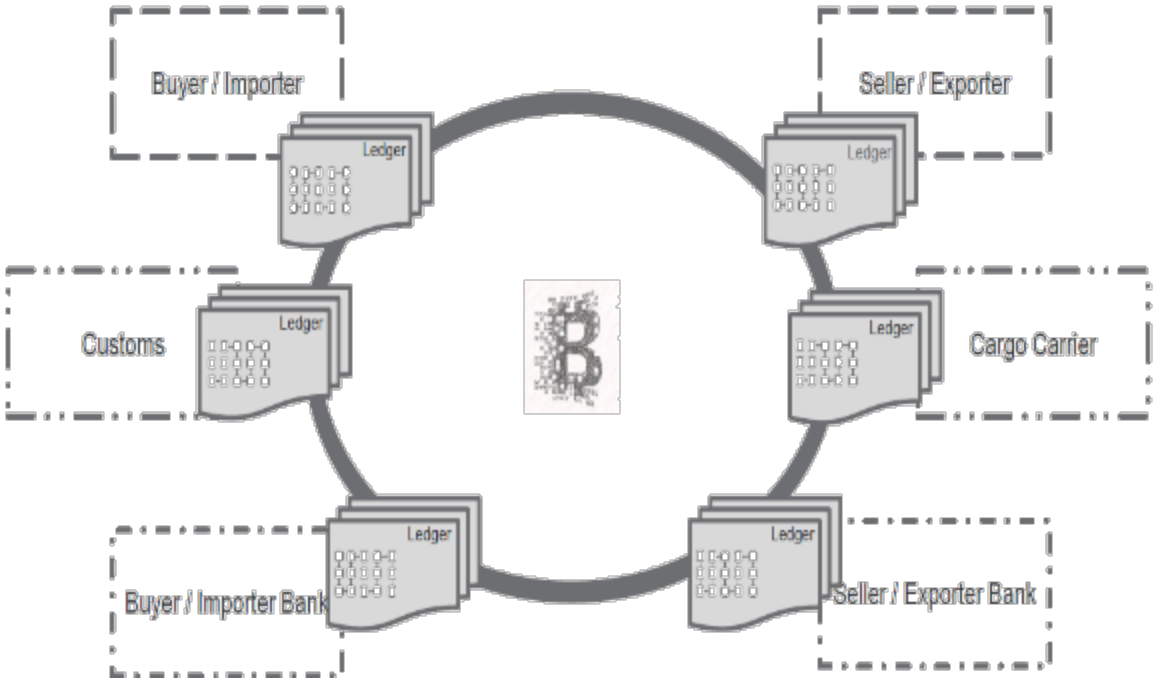
- All participants including importer, exporter, banks, regulator, shipping company etc. are on the same network
- More transparency, faster turnarounds times and reduce frauds
- Though information is shared, only the concerned party can access the data that is required
- Scalable to include more participants at a later date



Driving innovation – use cases

Cross border open account trade

- Faster execution.
  More transparency
- Authentication of the bill of lading eliminating frauds. (Shipping companies also expected to join the network)
- To replace paper-based contracts with smart contracts
- Loan request and real time payment confirmation on blockchain



Thank You