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Trends and Developments in the Trade Finance Space

Jolyon Ellwood-Russell

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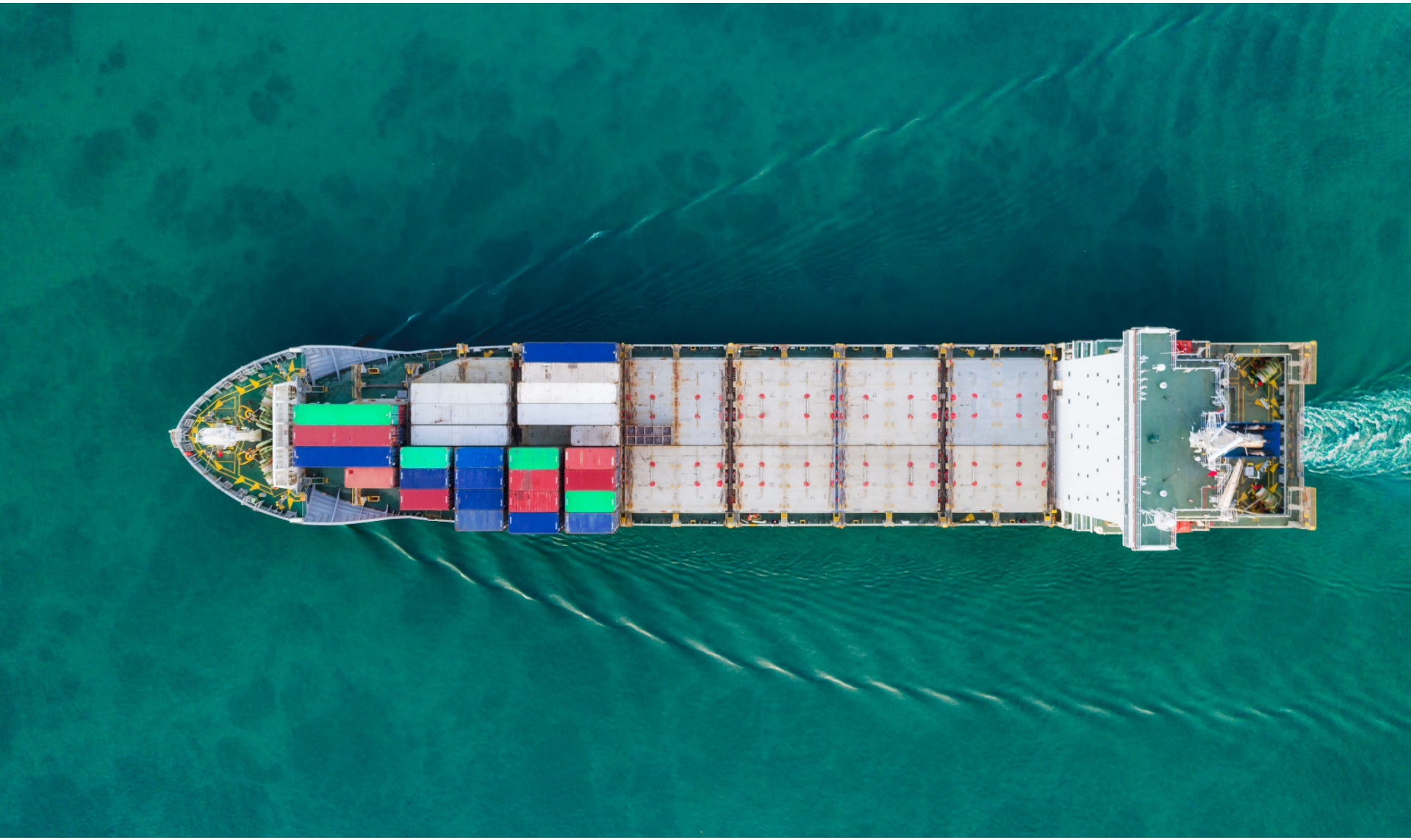

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#Tradetech

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Agenda

- Digitalisation, #tradetech
- Trade Finance Platforms
- Alternative Investors and Trade Finance as an Asset Class
- Sustainable Finance
- Trade Wars

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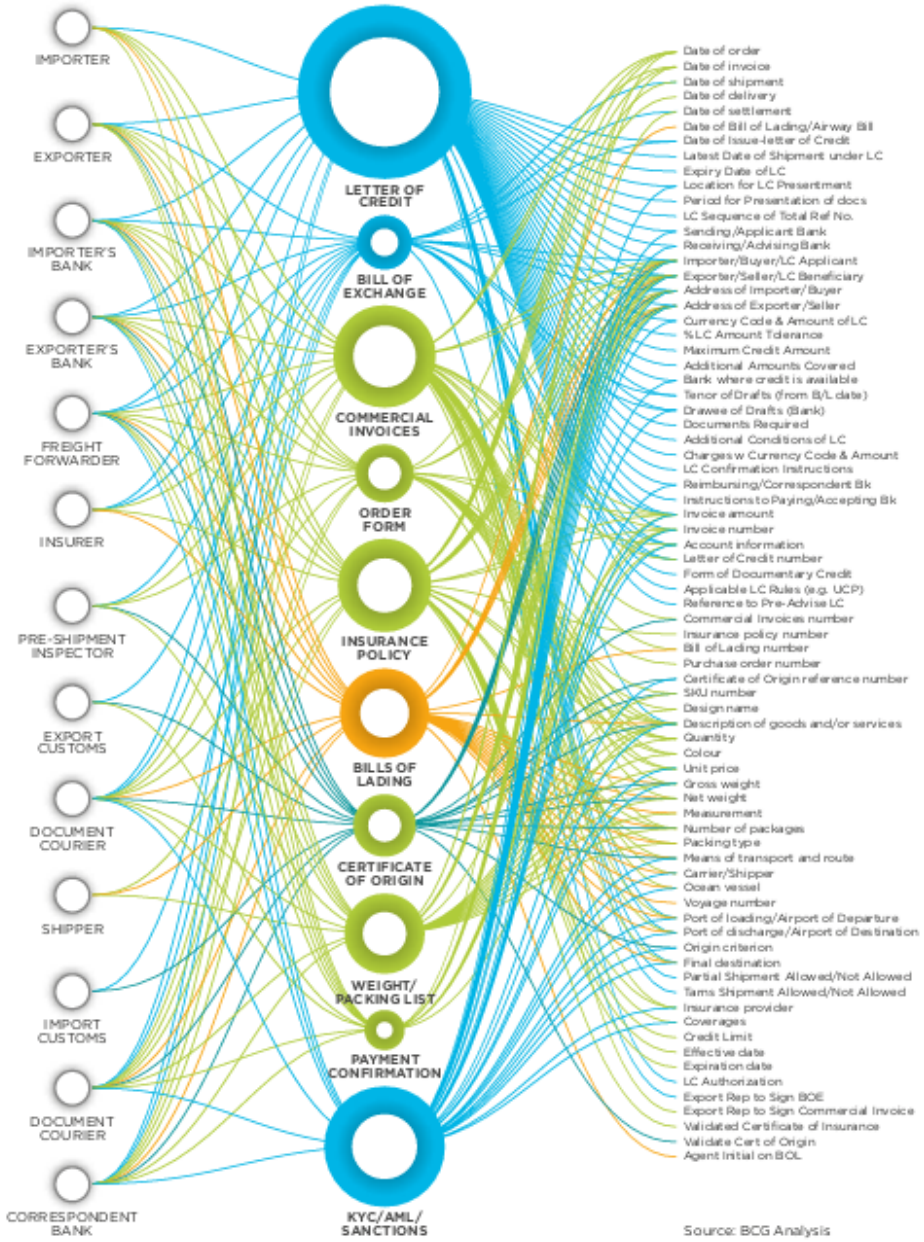
Players create about 5,000 data field interactions



Source: BCG Analysis

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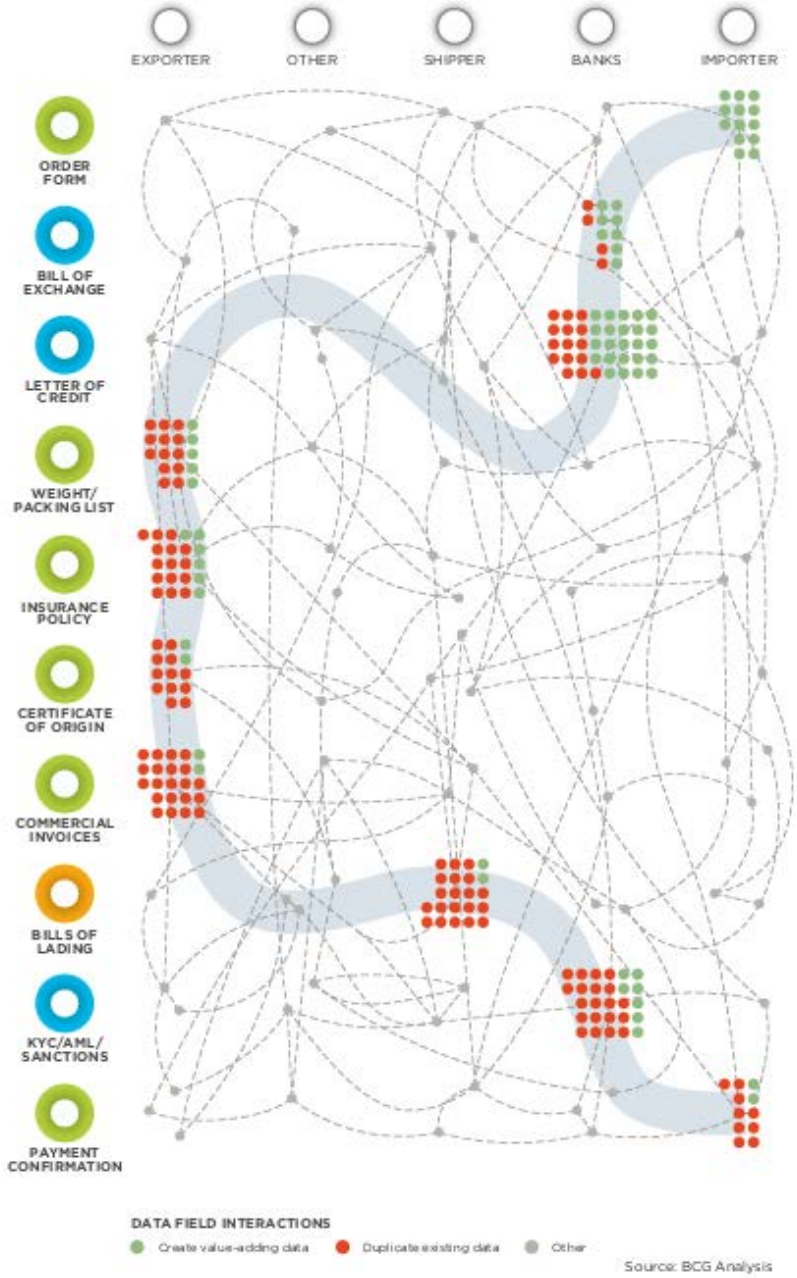
Trade information fabric results in 60 to 80 unique data fields



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“Modern technologies are having a substantial impact on international trade”

Source: Impact of Modern Technology on International Sales and Services – Singapore Conference on International Business Law

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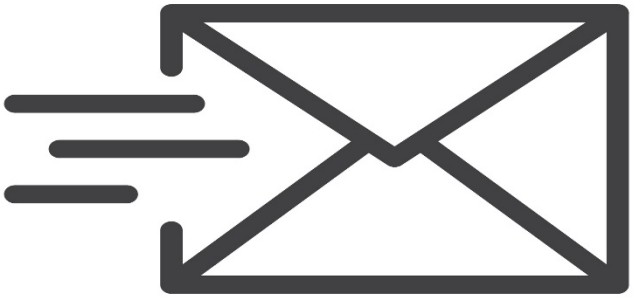

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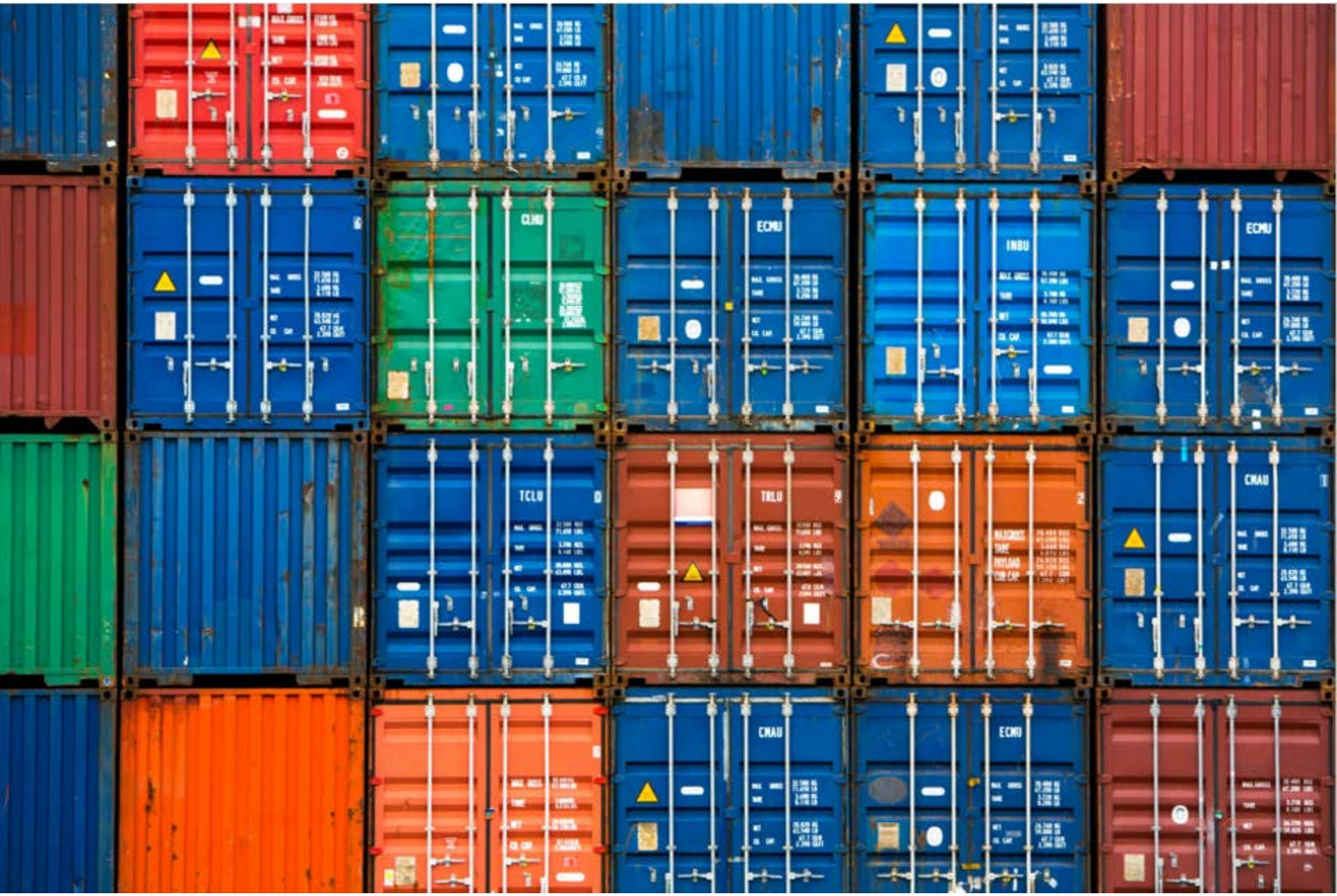

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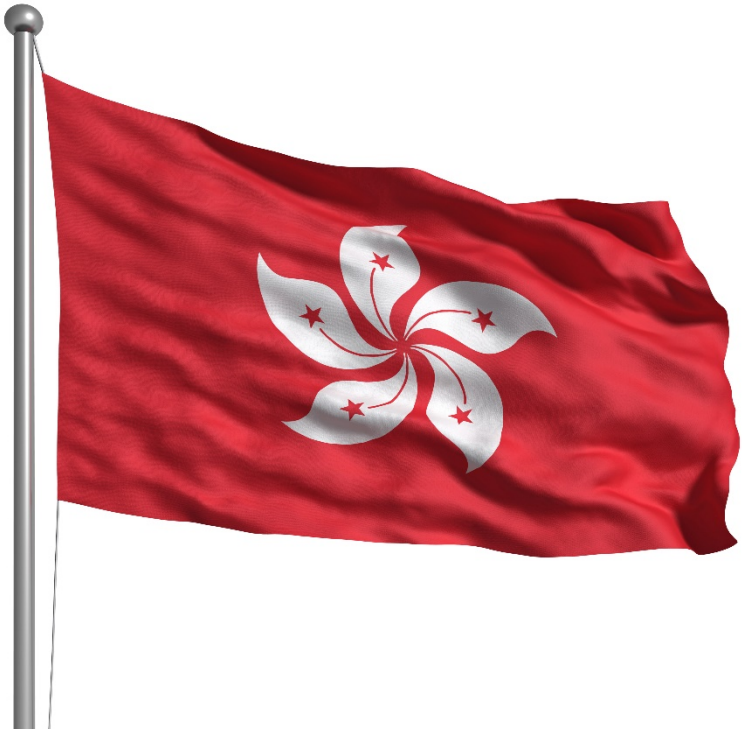

GLOBAL TRADE CONNECTIVITY NETWORK (GTCN)

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Bank Payment Obligation (BPO)

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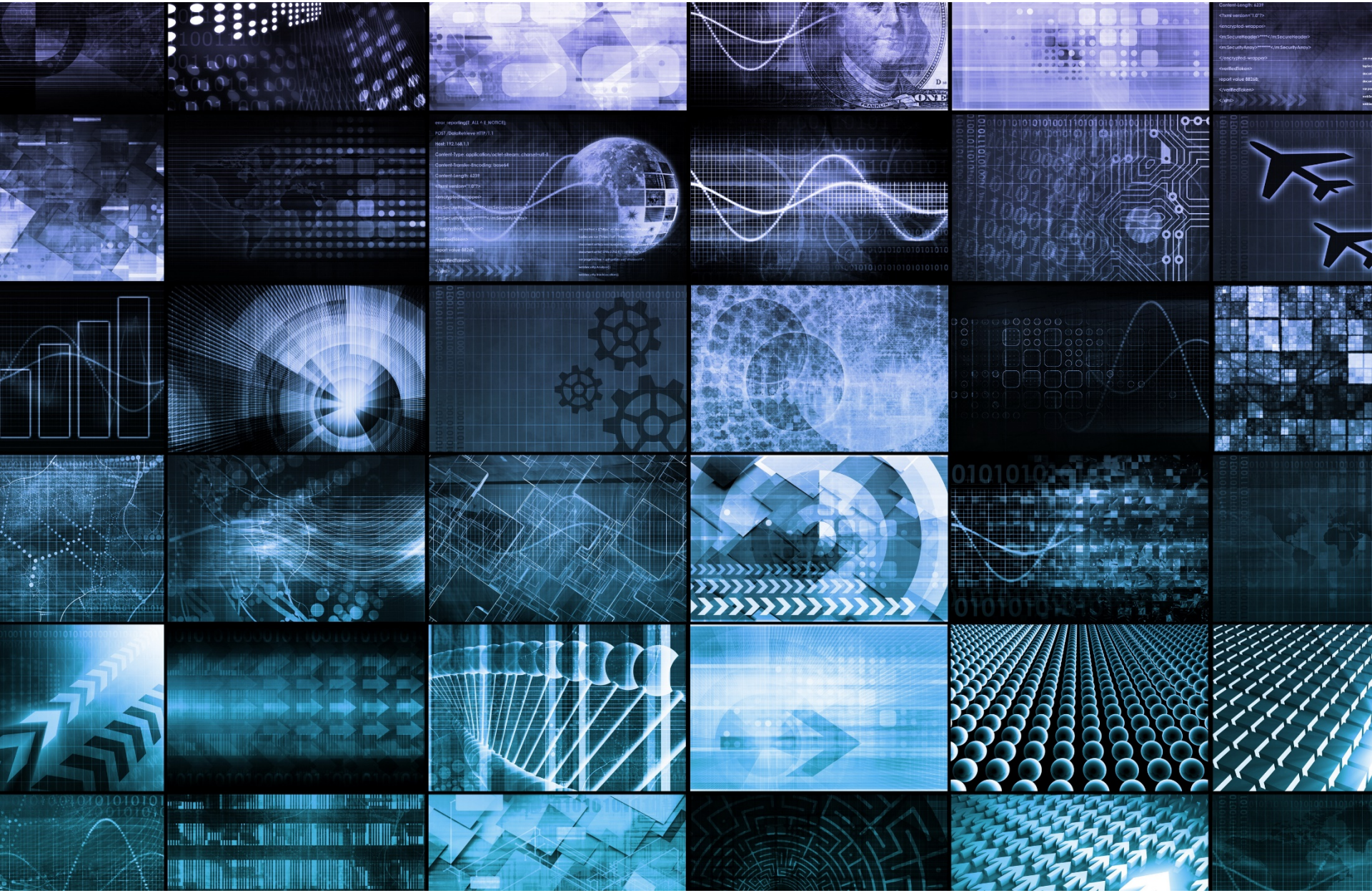

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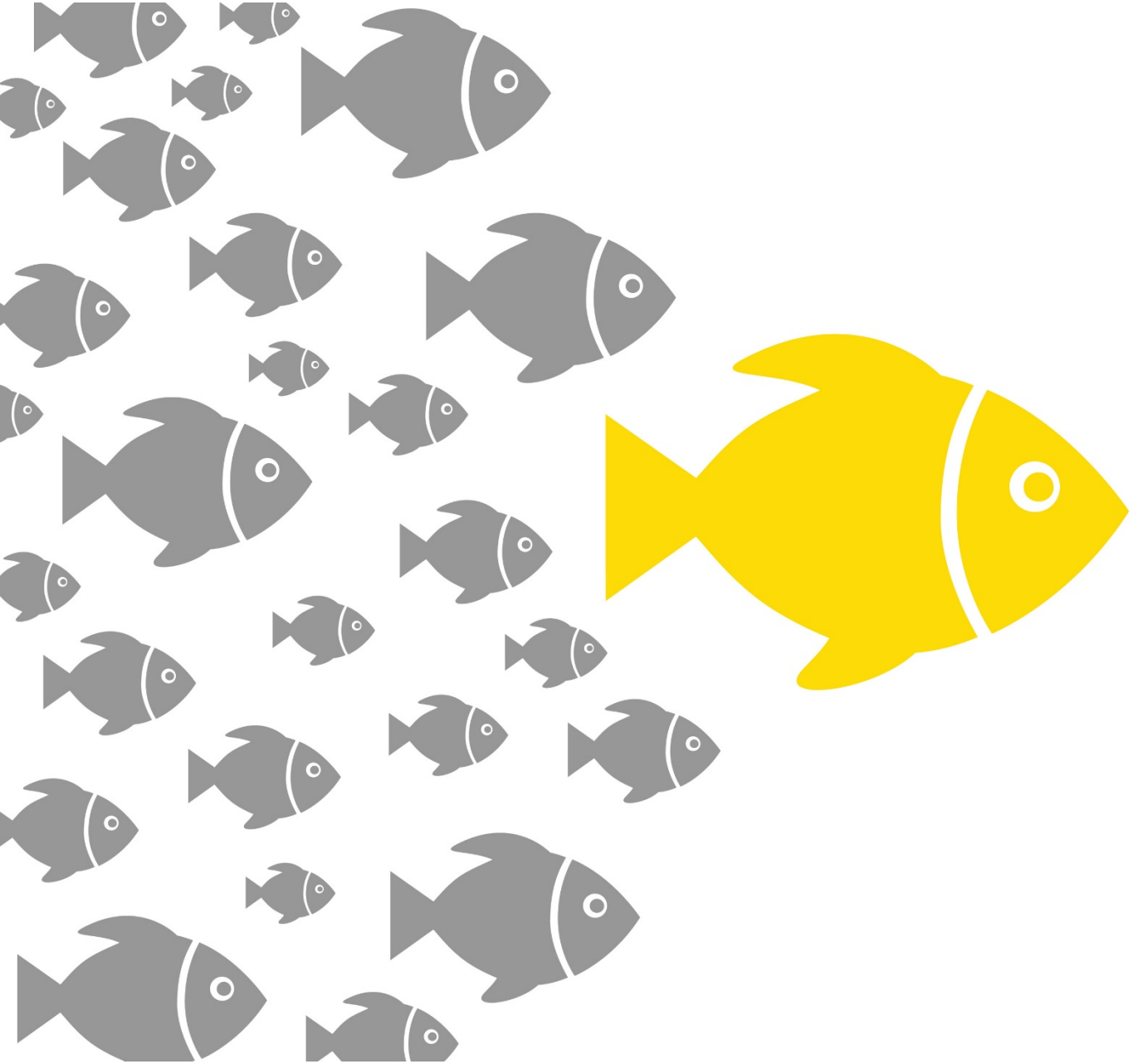

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Trade Finance as an Asset Class

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Why invest in Trade Finance?

- Short-term and self-liquidating nature of trade finance

  "*Trade finance assets deliver reliable returns and the industry has not as strict regulations as for example stock market investments which makes them the more attractive for us.*"

- Low fixed income yields as a primary navigator

  "We have many different reasons for turning to trade finance assets. Low fixed income yield is one of them."

Source: TFX & EFA Group Market Report: Investing in Trade Finance Assets, February 2018

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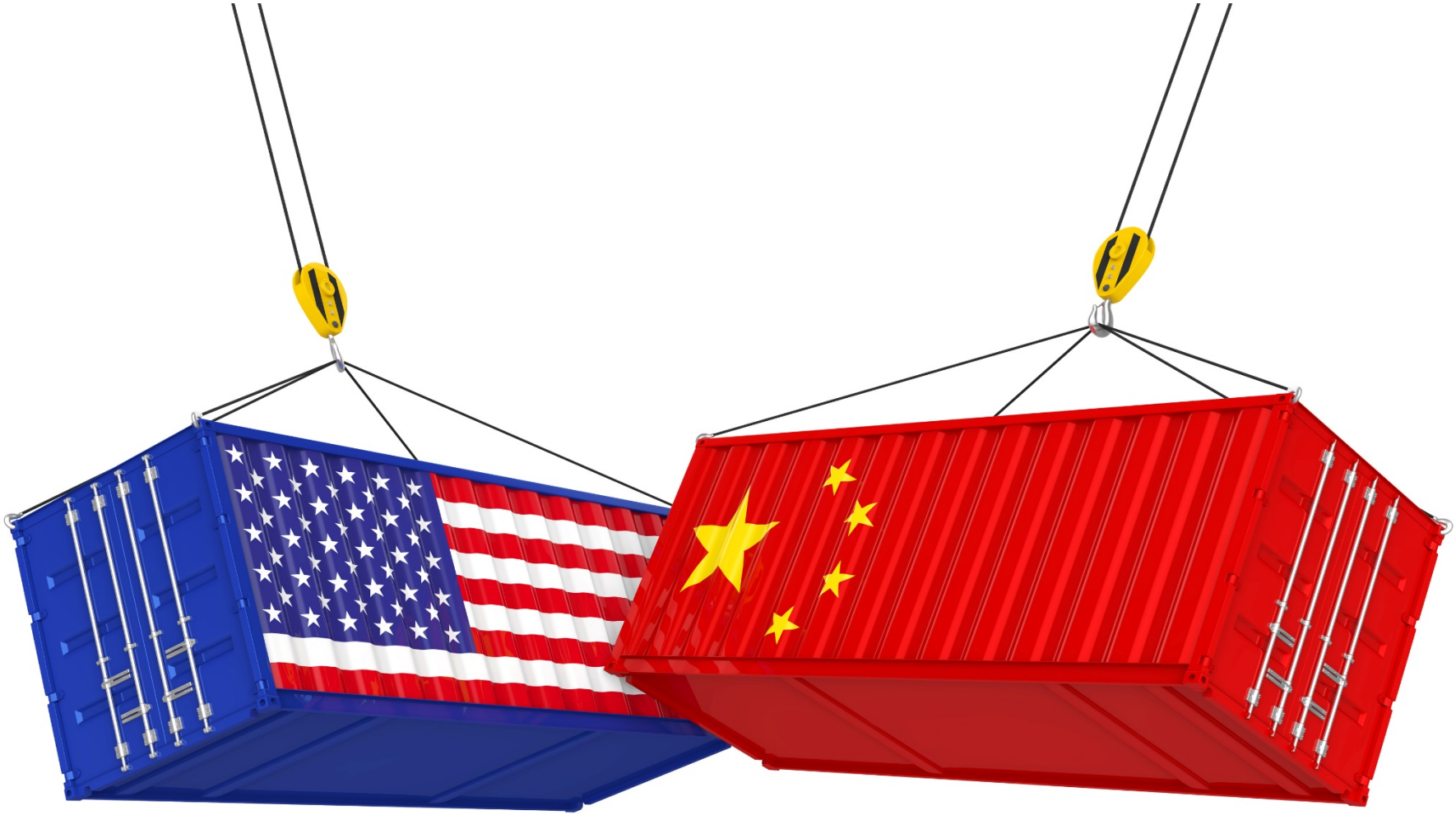

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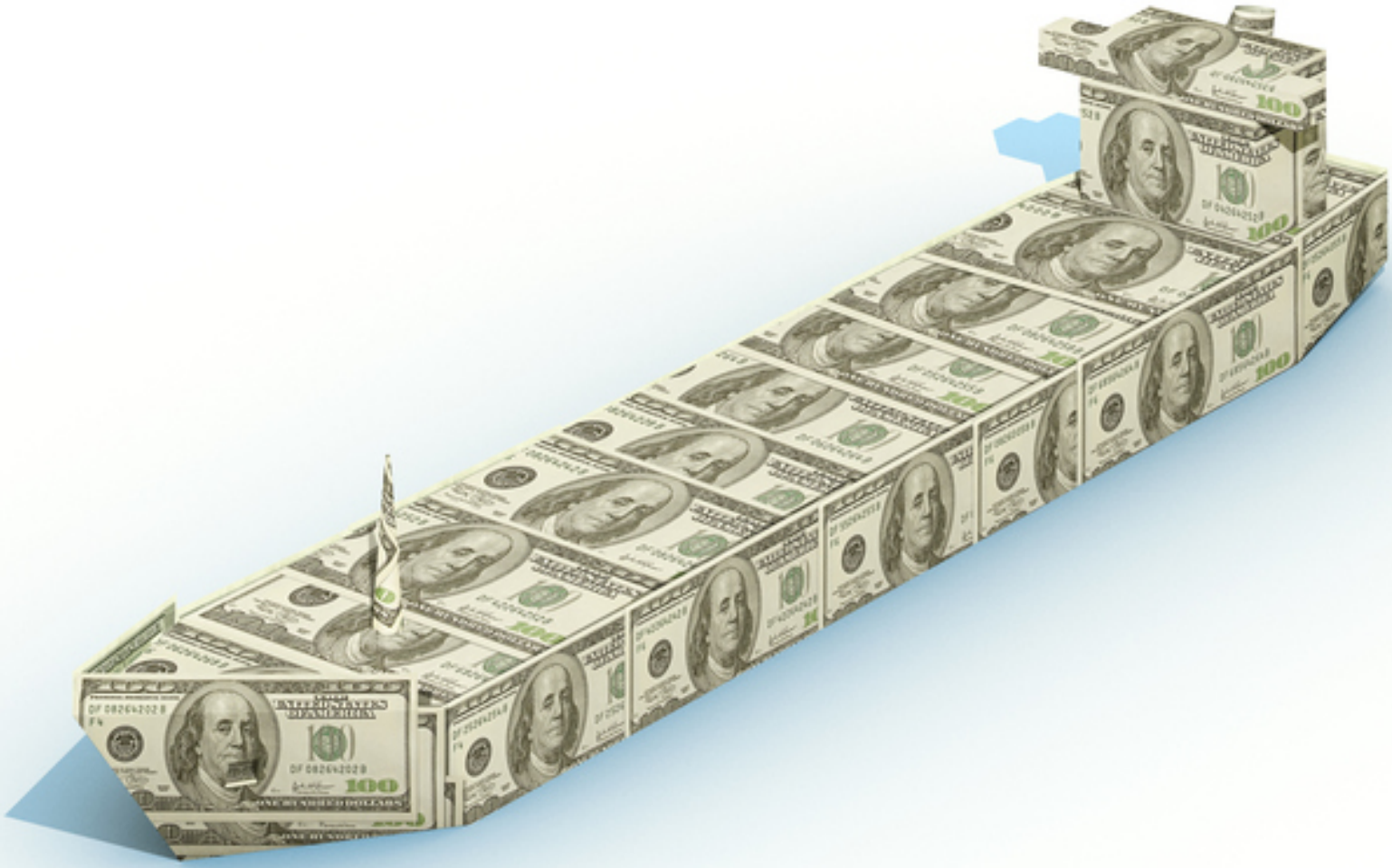

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Conclusion

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- Alternative Investors and Trade Finance as an Asset Class
- Sustainable Finance
- Trade Wars

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Jolyon is a Partner at Simmons & Simmons based in Hong Kong and a finance lawyer with a wide variety of experience in banking and finance transactions and in particular is a specialist in Trade, Receivables and Commodity Finance. He works on products such as trade receivables, trade finance, asset based and borrowing base facilities across Asia covering a diverse portfolio of underlying soft and hard commodities. Most recently he has also been recognised as a leading adviser in Trade Based Money Laundering (TBML), and Fintech for Trade Finance. Jolyon is author of Structures and Solutions in Trade Finance which is a guide to over 50 different Trade Finance techniques and products. Simmons & Simmons was named Best Trade Finance Law Firm in Asia Pacific by Global Trade Review (2015 and 2016).

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