

# Navigating through Unprecedented Headwinds in European Trade Finance

*Webinar & Virtual Panel Discussion*

28 May | 2020

# About Greenwich Associates

We are the leading provider of global information based products and advisory services to the financial services industry

We provide unique market information, insights and advice to help clients:

- **Improve their business performance**
  - Enhance operational performance
  - Increase sales effectiveness
- **Drive product strategy and development**
- **Improve every aspect of customer experience**
- **Gain a significant competitive advantage**

## By the numbers

### 300+ Clients

in financial services and Fintech

### 200 Employees

throughout North America, Europe and Asia

### Unique Data Sourcing

Gather proprietary data from commercial banks, investment banks, asset managers, and third parties

### Data Collection from Buy Side

Annual inputs from over 60,000 key buyers of financial languages

### 300,000+ Universe of Experts

relationships with buy-side contacts who control global asset flows

## Firm Facts

- Founded in 1972
- Since 2020 part of CRISIL (an S&P Global company); being integrated with Coalition
- Headquartered in Stamford, CT, with regional offices in London, Singapore, Tokyo, and Toronto

# Today's Speakers



**Dr. Tobias Miarka**  
*Managing Director,  
Banking*  
**Greenwich  
Associates**



**Christine Rovelli**  
*Vice President and  
Group Treasurer*  
**Finnair Oyj**



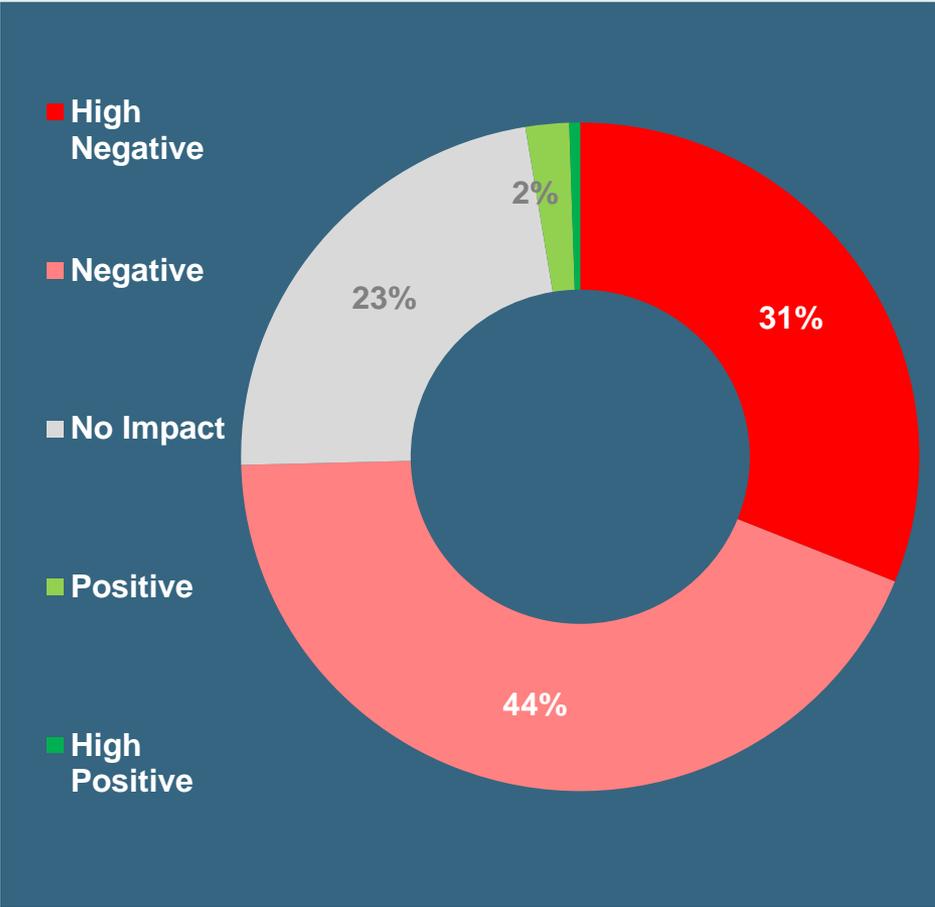
**Jean-François Denis**  
*Global Head of Trade  
Solutions and Network  
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**BNP Paribas**



**Bertrand de Comminges**  
*Regional Head of Business  
Development, Global Trade  
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Europe*  
**HSBC**

# Impact of COVID-19 on Large Corporates

To what extent has COVID-19 impacted your business and supply chain?

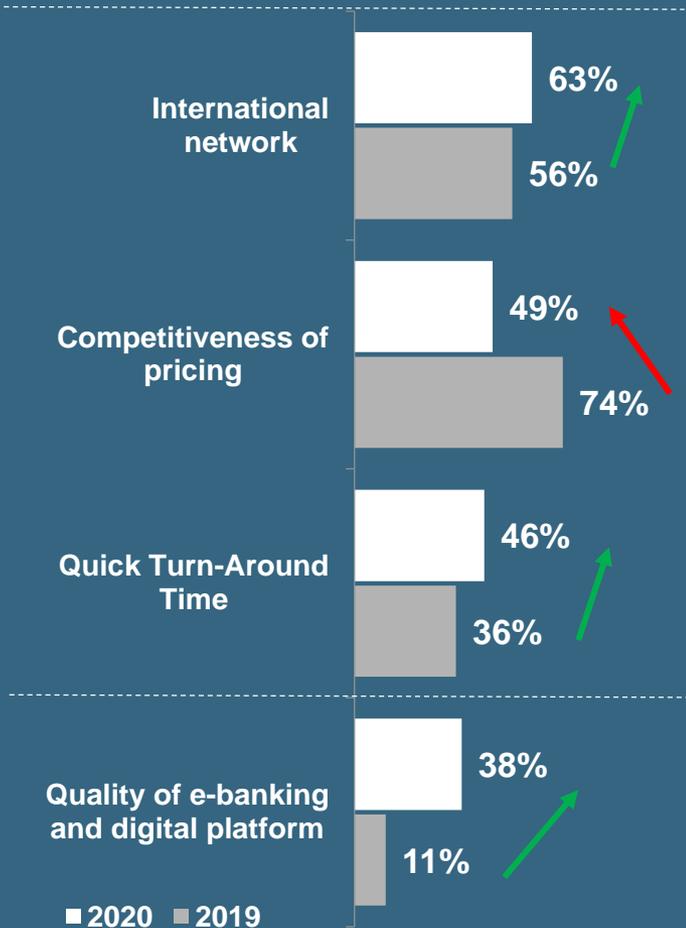


|                | High Negative Impact | Negative Impact | No Impact  | Positive Impact | High Positive Impact |
|----------------|----------------------|-----------------|------------|-----------------|----------------------|
| Austria        |                      | 100%            |            |                 |                      |
| Belgium        |                      | 100%            |            |                 |                      |
| France         | 0%                   | 58%             | 33%        |                 | 8%                   |
| Germany        | 16%                  | 47%             | <b>37%</b> |                 |                      |
| Iberia         | <b>57%</b>           | 33%             | 10%        |                 |                      |
| Ireland        | 13%                  | <b>75%</b>      | 13%        |                 |                      |
| Italy          | 20%                  | 57%             | 23%        |                 |                      |
| Netherlands    | 33%                  | 33%             | 13%        | <b>20%</b>      |                      |
| Nordics        | <b>45%</b>           | 30%             | 23%        | 2%              |                      |
| Switzerland    |                      | 75%             | 25%        |                 |                      |
| United Kingdom | 23%                  | 38%             | 38%        |                 |                      |

Source: Large Corporate Trade Finance 2020, 193 Respondents

# Main Selection Criteria evolving amid COVID

## Top 3 Selection Criteria for Trade Finance Provider



## Corporates value dialogue and maintaining of services, with importance of pricing falling in the face of crisis

“It kept ongoing strategic activities without any slowdown, with the usual full focus and commitment..”  
- Industrials, Italy

“Quick response, get back to us with info. ,good discussions, maintained all their services”  
- Real Estate, Sweden

“Reacted quickly, we had good discussions and some answers to our questions, they too are still evaluating the impact, good dialogue.”  
- Financial, Sweden

“Our plan to defend continuity and sustainability has promoted digital interface with as many suppliers and customers as possible. Our access to digital banking platforms and services has increased both for day-by-day operations and for medium-term financial activities.”  
- Industrials, Italy

Source: Large Corporate Trade Finance 2020, 97 Respondents

# Pain Points being partially alleviated by digital banking

## Top 5 Pain Points



**Paperwork and manual effort remaining the biggest pain point despite some improvement which is mainly linked to increased availability and use of digital banking capabilities**

“All of our office staff are at home and so it has made us more reliant on digital platforms. Thankfully most of our main banking is online anyway, but it has widened the gap between banks who don’t have online platforms and rely on physical signatures and others.”  
 - Industrials, United Kingdom

“We have experienced some difficulties with banking platforms due to their lacking of the possibility of using electronic signatures for the opening of new credit lines”  
 - Government Agency, Spain

Some banks are willing to dispense the need for original signatures and accepted signature via scan. This flexibility has operationally been a significant help. (Among our other banks we also experienced the opposite; some explicitly insisted on original signatures even though it makes it difficult for us right now).”  
 - Industrials, Germany

Source: Large Corporate Trade Finance 2020, 97 Respondents

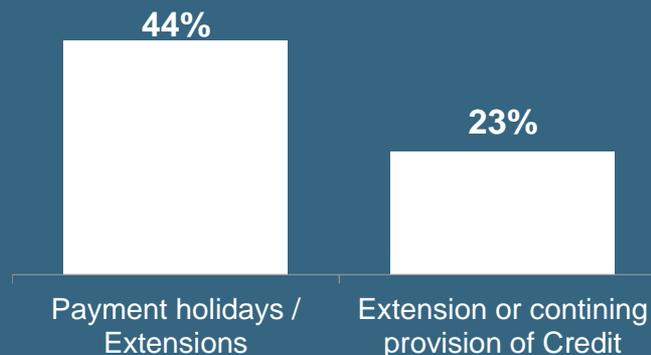
# How banks can support corporates

## Operational and Liquidity

“All the banks have provided for a lengthening of payment times without penalty. Such moratorium is well accepted due to the delay of payments suffered in this period.”  
- Industrials, Italy

“Very good in liquidity management and placing power of commercial papers”  
- Materials, Finland

“Limitless credit line, constant support on specific needs, operational continuity”  
- Industrials, Italy

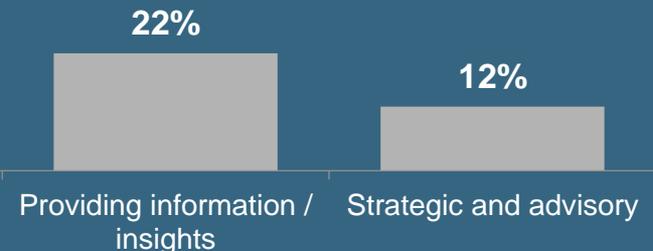


## Advisory

“Good immediate contact, good discussion/info,.”  
- Materials, Sweden

““Quick response, get back to us with info. Good discussions, maintained all their services”  
- Real Estate, Sweden

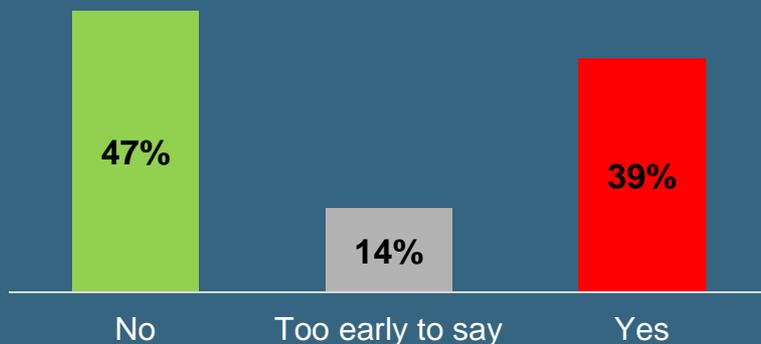
“Quick to contact and discuss our business, offered and increased the credit lines to our Co. good communication on a daily basis.”  
- Consumer Staples, Denmark



Source: Large Corporate Trade Finance 2020, 73 respondents Answering how their bank have helped mitigate the effects of COVID-19

# Supply chain strategies being re-examined

Will COVID-19 and other geopolitical risks affect your supply chain strategy?



Largest Proportion of corporates answering 'No'

|         |     |
|---------|-----|
| Austria | 75% |
| Ireland | 75% |
| Germany | 67% |

Largest Proportion of corporates answering 'Yes'

|         |     |
|---------|-----|
| Nordics | 58% |
| Spain   | 50% |
| Italy   | 48% |

Source: Large Corporate Trade Finance 2020, 163 Respondents

## Drivers of 'no'

“Our customers are to 100% in Europe, we do not see risks here.”

- Consumer Staples, Germany

“Just non relevant difficulties in supply chain, however solved at soon and not damaging the activities. Applied all the necessary actions with suppliers.”

- Industrials, Italy

## Drivers of 'yes'

“It will impact our supply chain across the board in relation to assets in the Chinese market....I suppose it is in relation to import tariffs and international trade agreements between China and Europe, and China and the US.”

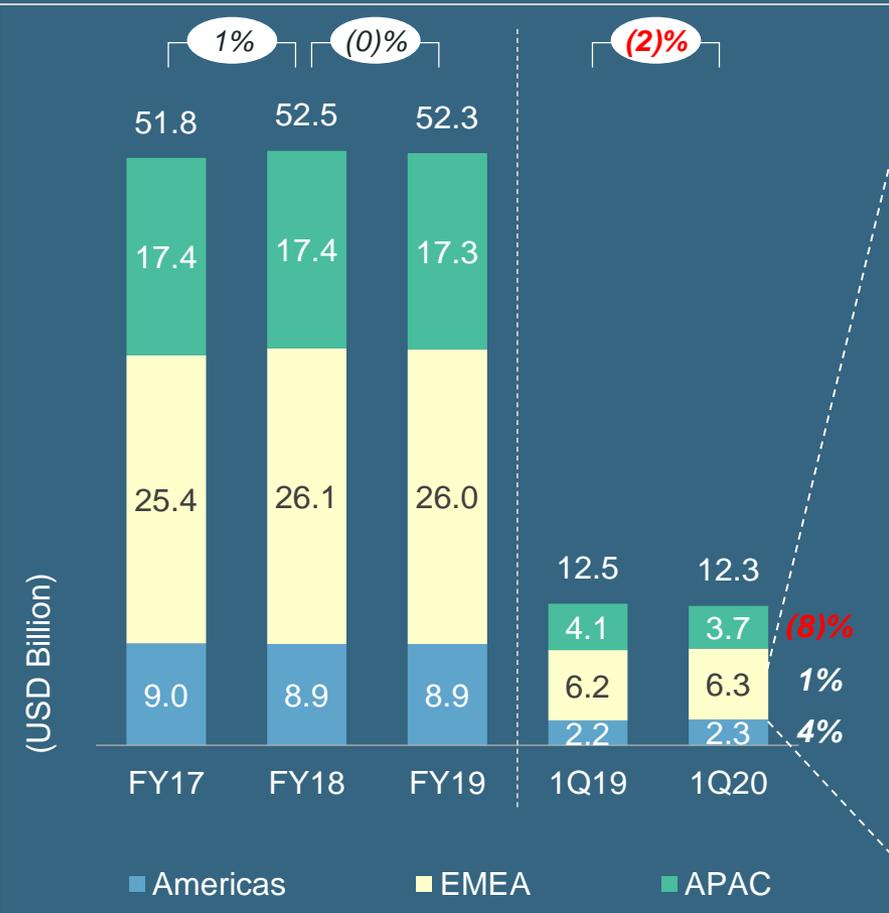
- Consumer Staples, Ireland

“We are market leaders in a complicated Industry sector, Copper and brass; COVID and USA-China tensions are our major concerns.”

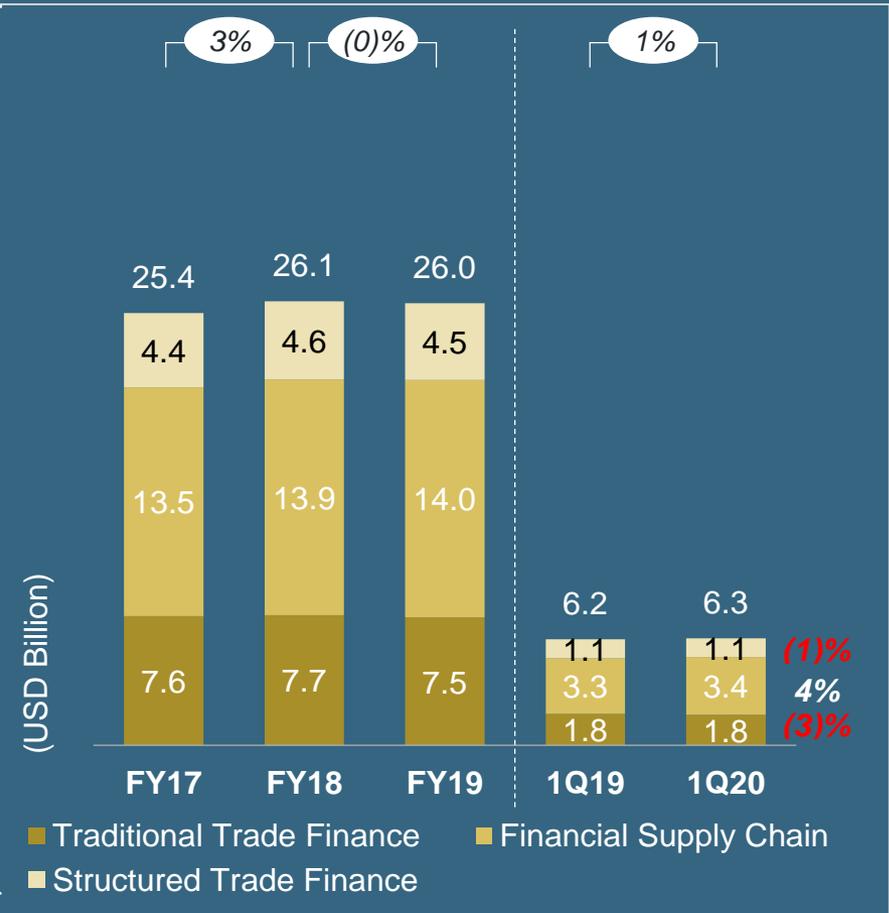
- Materials, Italy

# Trade Revenue Pool Development – 1Q2019 vs 1Q2020

## Global Revenue Pools

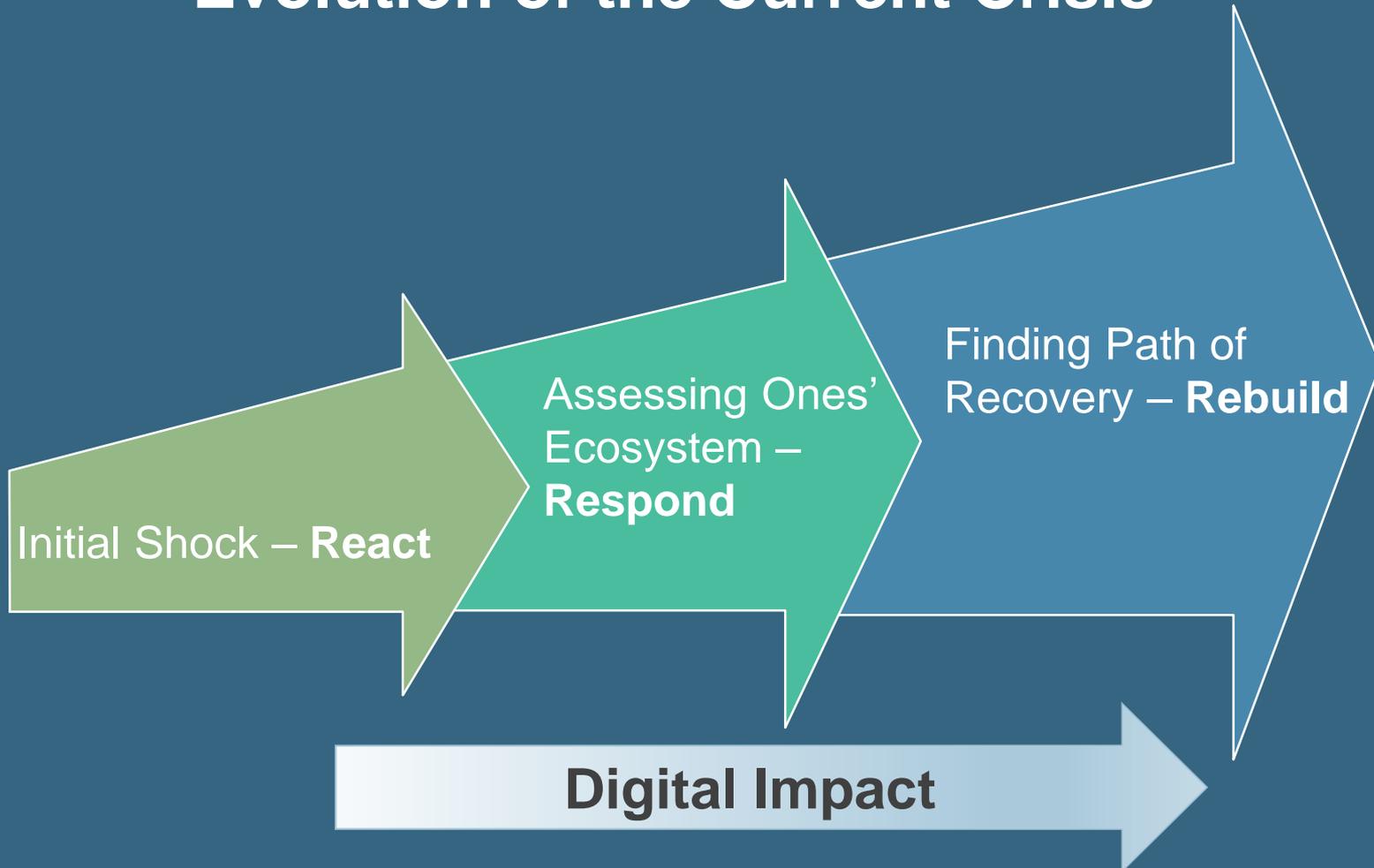


## EMEA Revenue Pools



Revenue Pools includes revenues from Financial Institutions and Corporates with turnover > USD 10 mn.  
 Source: Coalition Proprietary Analytics

## Evolution of the Current Crisis



# Question 1

Share with us your experience in the in *Initial Shock Phase* .

## Question 2

**Which actions did you take to *Respond* ?**

## Question 3

**Which Initiatives are you planning to take / have you already initiated on your *Path of Recovery* ?**

## Question 4

**Discussing the *Digital Impact***

# Questions?

## Please Submit Your Questions for the Speakers



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*Banking*  
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# GREENWICH

DATA | ANALYTICS | INSIGHTS

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