



# Exporting overseas

## Payment Protection & Currency Fluctuation



# Two thirds of companies think the time is right to trade overseas

- Multinationals account for 75 per cent of all Irish exports last year
- Indigenous companies are trading overseas
  - Construction services
  - Farm machinery
  - Software / software consultancy
  - Camel feed
- Russia, Middle East, Central & Eastern Europe, Asia, Africa etc etc.
- It's profitable and complex

# What successful companies do

- Know your market
- Have a plan
- Understand risks and costs
- Mitigate payment risk
- Think long term, relationships

# Foreign Exchange



# Foreign Exchange

- Understand your exposure
- Establish company policy on FX
- Lock in your rates
  - movements can wipe out profit margins
- Predictable profits means no nasty surprises

# Payment Risk

- Buyer Risk
- Sovereign Risk
- Foreign Exchange Risk
- Transport Risk
- Risk of Fraud

# Key considerations

- Choice of trading or business partner
  - are you going to sell directly or use an agent
- Payment risk
- Foreign exchange risk
- Trade Finance cash flow products
  - Invoice Finance
  - LC Discounting
  - Supply Chain Finance
  - Receivables Purchase

# Summary

- Complex, but not too complex
- Understand and manage your risks
- Understand what financing you need
- Speak to An Bord Bia or your own bankers

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# RBS is a global leader in Trade and Supply Chain Finance

