

# TRADE SMARTER WITH ANZ ON YOUR TEAM

ANZ's growing network in Asia and the Pacific, coupled with the expertise of our people, outstanding service and our global technology platform make us a logical choice for companies trading abroad.

When the ANZ Trade and Supply Chain team heard that the Australian subsidiary of a Chinese corporation had won a contract to export products to the Pacific and required letters of credit to be confirmed and discounted, they swung into action. ANZ's Shanghai and Sydney offices set about demonstrating the benefits and advice we could offer the customer.

Thanks to our strong presence in the Pacific, ANZ was already the customer's banker, and therefore also the issuing bank in this situation. We also had Chinese speakers in Australia who were able to communicate with executives in the Chinese subsidiary. Our competitive offerings and superior service proposition resulted in ANZ winning the business

## CLOSE-UP ADVANTAGES

Superior service has helped make ANZ the dominant player in the trade space in Australia and New Zealand and is supporting our Super-Regional strategy as we expand in Asia and the Pacific.

"Significant progress has been made, with ANZ running trade finance teams in 15 countries in Asia and in 12 countries across the Pacific, both key markets, providing on-the-ground benefits for customers buying or selling in the region," says Mark Evans, Global Head of Trade and Supply Chain.

Our network and presence in countries including China, Singapore, Hong Kong, Taiwan, Vietnam, Cambodia, Indonesia and across the Pacific region helps customers at both ends of their transactions, whether they be the importer or exporter, to manage risk, fund cashflow and cut costs, get paid quicker, build key relationships and develop new business. "These are the benefits of being linked to a truly global business," says Mark.

A LARGE AND INCREASING ON-THE-GROUND PRESENCE MEANS ANZ SPECIALISTS CAN ACCESS RESOURCES AND KNOWLEDGE TO PROVIDE CUSTOMERS WITH THE BEST BANKING SOLUTIONS.

## INTEGRATED SOLUTIONS

ANZ provides a broad range of solutions from traditional documentary services through import and export financing to larger, more sophisticated structured trade finance and supply chain solutions. Our size and global reach means we have invaluable knowledge of the markets our customers trade in. ANZ Trade and Supply Chain specialists can provide precisely the right banking solutions to support customers' cross-border trade.

"The value of this market intelligence was evident during the Global Financial Crisis, when sinking commodity prices and worries about overseas buyers' ability to pay added to widespread uncertainty," says Mark.

"With teams on-the-ground providing service across our customers' key geographies, ANZ was able to monitor and stay in touch with buyers, limit our own exposures and manage customers' transactions through the crisis," says Mark. "It actually meant we all stayed open for business."

## MORE EFFICIENT WORKING CAPITAL CYCLES

ANZ offers much more than the traditional trade products. "Where we especially add value is in understanding events that take place during a customer's working capital or trade cycle, and matching services, financing and products specifically to the customers' underlying needs," says Mark.



"This can save time and effect savings that go straight to the bottom line. For instance, it can include accelerating receivables so customers can reinvest the cash in their business, or helping them offer their suppliers cash up front in exchange for discounts."

### RISK MANAGEMENT

Along with cashflow management, risk management is one of the first topics we discuss with customers. ANZ discusses our customers' businesses to understand their working capital cycles, terms with buyers, the length of time goods sit in inventory and other factors. "Together we seek solutions which recognise the various risks and ensure they are managed appropriately throughout the trade cycle," says Mark.

### ANYWHERE THE CUSTOMER GOES

Another key benefit for ANZ customers doing business internationally is that our trade business operates from a global platform, so customers enjoy a similar experience whether at home or abroad. This can help iron out the notorious complexities of cross-border trade and boost efficiency for exporters and importers.

"Our aim is to ensure customers have a consistent experience with ANZ no matter where they trade," explains Mark. "For a letter of credit, they'll find consistent terms and conditions and the same level of service if they use ANZ in Christchurch, Perth, Port Moresby, Jakarta or Shanghai."

### A STRONG FRANCHISE

We understand that you can have a great network, a strong franchise in your domestic market and a great suite of products, but for it to work cohesively you need a strong service ethic.

**THE ANZ TRADE BUSINESS OPERATES FROM A GLOBAL PLATFORM, PROVIDING CUSTOMERS A SIMILAR BANKING EXPERIENCE AT HOME AND ABROAD.**

"Presence is one thing," says Mark, "but if you don't have good people you won't be able to identify opportunities. We know customers value a professional on-the-ground presence with whom they can establish a relationship."

### BUILDING BUSINESS

In the coming years ANZ is preparing for an increasing number of customers to move more of their business to transactions conducted on open-account. A big and growing component of international trade business is already undertaken on open account as customers seek more efficient means of transacting internationally and as they become more familiar with their counterparties. As an example, while some banks bemoan the trend away from letters of credit, ANZ views this, again, as an opportunity to find new ways to support our customers.

A typical open-account receivables financing is where we take assignment of an invoice from our customer. For example, a customer in manufacturing is selling on 30-day terms to an overseas buyer. We pay our customer up front and receive repayment directly from the buyer in 30 days.

In a payables financing scenario, our customer may seek to offer early payment financing terms to its suppliers, who avail themselves of this through ANZ. We pay the supplier and then receive payment from our customer when the invoice is due.

"This can be used to strengthen the relationship between supplier and buyer, provide liquidity arbitrage and support extended payment terms, suiting both parties," says Mark.

"Helping customers to integrate their operations across their working capital cycles and using our people, technology and front-end system to improve their relationships with their cross border suppliers and customers is an evolution to which we are very much committed."

### HOW TO CONTACT US

To find out how ANZ can help with your TSC needs please call our TSC Trade Finance Desk on 1300 ANZ 4 TRADE (1300 269 487), email: Tradebb@anz.com, contact your ANZ Relationship Manager or visit [anz.com/trade](http://anz.com/trade)

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