

Export Financial Risk Management

This course will improve your career prospects, contribute to your personal development and keep you current and relevant in your industry.



Course Information

Course Name	Export Financial Risk Management
Course Designer	IMM Graduate School
Course Category	Supply Chain
Course Duration	10 weeks
Cost of Course	R5 100 including VAT
Course Delivery	Online Short Course

Course Overview

Every course is broken down into bite-size chunks – manageable modules that will help you assimilate and apply your knowledge in record time. Our courses are pointed for the current market, simple and sharp like the tip of an HB pencil. You'll be able to study online from anywhere in the world, in your own space, at your own pace, guided by our industry experts. With our practical and business-relevant material, you'll be given hands-on tools to help you deal with real-world scenarios.

Export Financial Risk Management	
Who Should Attend?	<ul style="list-style-type: none"> Clerks and similar levels wanting to move into the export - or import - division and seeking a quick way to get a feel for international trade and some qualification to justify being transferred. This includes manufacturers and traders. International Logistics Managers, Area Managers, Shipping & Export Managers, Business Development Export Managers, communications Managers, Project Managers, Operations Export Managers, Business Managers, Export Sales Managers, Ship Chandelling Operation Managers, Airfreight Export Controllers, Export Co-ordinators, Distribution Managers, Logistics Managers Those wanting to move into the international trade service sector including bankers, insurers, freight forwarders and others Those currently unemployed and looking for a practical way to upskill and gain employment in the above fields, including university graduates and school leavers.
Course Description	<ul style="list-style-type: none"> Ever heard of the saying, “Look before you leap”? Nowhere is this more profound than when you have to put your money where your mouth is. In the complexities of export finance, you need to fully understand the risk, processes and systems at play in order to put your money to work effectively. This short course will help you do just that. As a core part of your export management journey, this program will give you a broad understanding of the foreign exchange market, the workings of foreign currency and the management of exchange rate and risk fluctuation. You’ll explore export costings according to Incoterms® 2010 and the payment options available to the international trader. And you’ll be given practical tools on how to ensure your costings are correct, how to obtain payments, and when and how to apply for funding – the essential components to a financial risk management policy for your international operations.
Professional Recognition	<p>Certificate of Successful Completion - On completion of your short course, you’ll be awarded a certificate that’s approved by the IMM Graduate School and our respective partners, recognising the skills and key competencies you’ve developed along the way. This certificate can be used to document your commitment to continuing professional development in your personal portfolio (including your LinkedIn profile or CV), or to provide evidence to employers or other</p>

<p>Professional Recognition</p>	<p>professional bodies of your achievement. Moreover, you'll be better equipped to face workplace challenges, enhance your professional performance and, thereby, boost your career.</p>
<p>Course Content</p>	
<p>Course Modules</p>	<p>Week 1 (Module 1)</p> <p>Operating in the Foreign Exchange Market:</p> <ul style="list-style-type: none"> • Explain what is meant by 'foreign exchange' and discuss how the foreign exchange market operates • Explain what is meant by 'free currencies', 'major currencies' and 'exotics' and give an example of each • Explain the purpose of the 'base currency' in foreign exchange transactions • Discuss the role of the central bank • Discuss the operation of a bank's foreign exchange dealing room • Explain why some countries have exchange control regulations • Discuss the implications of South Africa's system of exchange control for South African exporters <p>Week 2 (Module 2)</p> <p>Exchange Rates and Foreign Exchange Risk Management:</p> <ul style="list-style-type: none"> • Explain what is meant by an 'exchange rate' • Differentiate between a bank's 'selling rate' and 'buying rate' • Explain how the 'spread' is derived • Discuss the rule underlying the use of the base currency when quoting buying and selling rates • Explain how the 'mid-rate' is derived • List the most common categories of exchange rates quoted by banks • Explain what is meant by a 'public rate' • Differentiate between a 'spot rate' and a 'forward rate' • Explain what is meant by a forward exchange contract • Discuss the advantages and disadvantages of each of the following: fixed date contracts, partially optional contracts and fully optional contracts • Explain what is meant by a 'swap' • Explain what is meant by the terms 'liquidity' and 'solvency' • Name the two main activities associated with foreign exchange risk management

<p>Course Modules</p>	<ul style="list-style-type: none"> • Name six ways in which a company can protect itself or 'hedge' against adverse movements in the exchange rate, and explain how each method works • Discuss three ways in which the success rate of a company's overall foreign exchange risk management programme can be measured <p>Week 3 and 4 (Module 3)</p> <p>Payment – Pre-Payment and Documentary Credit:</p> <ul style="list-style-type: none"> • Name the two key considerations relating to payment in an international trade transaction • Explain the importance of payment methods and terms in the export sales 'package' • Name the factors that should be taken into consideration when you are establishing a credit policy • Briefly explain how international business transactions are settled through the international banking system • Name the four basic methods of payment used in the settlement of international business transactions • Explain the function of a draft (bill of exchange) • Explain the difference between a sight draft and a term draft • Explain what is meant by the following terms: 'endorsement', 'negotiate/discount', 'holder in due course' and 'with recourse' • Discuss the circumstances in which Pre-payment and Documentary Credits (D/C) (respectively) would be appropriate • Discuss the impact of Uniform Customs and Practice for Documentary Credits (UCP600) on the operation of letters of credit • Name the two main types of D/C and discuss the general features of each • Name four other more specialised types of Documentary Credits <p>Week 5 (Module 4)</p> <p>Payment – Bank Collection, Open Account and Credit Insurance:</p> <ul style="list-style-type: none"> • Distinguish between documentary collections and clean collections • Discuss the circumstances in which bank collections and open account, respectively, would be appropriate
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Course Modules

- Outline the procedures involved in payment by clean collection, documentary collection and open account respectively
- List the instructions that should be included in the collection order to the bank for transactions involving both clean collections and documentary collections
- Discuss the impact of the Uniform Rules for Collections on transactions involving bank collections
- Discuss the aspects which should be considered when considering payment by bank collections
- Discuss the circumstances in which it would be necessary to act against an importer who is refusing to pay/accept a draft
- Discuss the measures that can be taken to recover money from a defaulting buyer
- Discuss ways in which the risk of non-payment can be minimised under bank collections
- Describe the respective functions of: a banker's draft, an importer's cheque, SWIFT and other electronic transfer
- Discuss ways in which the remittance of funds from the importer to the exporter can be speeded up
- Discuss the role of export credit insurance in international trade
- Give a brief overview of export credit insurance in South Africa
- List the risks that are covered by export credit insurance
- Discuss the procedures involved in following up overdue accounts

Week 6 (Module 5)

Export Costings:

- Distinguish between the cost of producing goods for export and the cost of delivering them to the buyer
- Explain why it is essential for an exporter to cost accurately
- Discuss the errors that are commonly made in export costing
- Name two direct product costs and two indirect product costs
- Name three direct export-related costs and three indirect export related costs
- Explain how the delivery term agreed upon by the exporter and the foreign buyer will influence the export delivery costs in a particular export transaction
- List the delivery-related costs applicable to Incoterms® 2010
- Discuss the advantages of using an export costing sheet

<p>Course Modules</p>	<ul style="list-style-type: none"> • List the items of information which should appear at the top of an export costing sheet • Explain/list Incoterms® 2010 progression in export costings with regard to the type of cargo/mode of transport involved <p>Week 7 (Module 6)</p> <p>Calculating Export Costs According to Incoterms®2010:</p> <ul style="list-style-type: none"> • Distinguish between known delivery costs and unknown delivery costs, by means of examples • Apply the steps involved in costing to FCA, CPT, CIP and DDP, by means of examples • Name those costs that can be included under 'disbursements' • List ten countries that have convertible currencies <p>Week 8 (Module 7)</p> <p>Sources and Methods of Financing</p> <ul style="list-style-type: none"> • Discuss the circumstances giving rise to an exporter's need for financing • Briefly explain the difference between pre-shipment finance and post-shipment finance • Discuss the procedures associated with accessing the following facilities: <ul style="list-style-type: none"> ➤ Bank overdrafts (pre-shipment) ➤ Foreign currency-denominated trade finance (pre-shipment) ➤ Loans from financial institutions (pre-shipment) ➤ Foreign currency or offshore loans (pre-shipment) ➤ Discounting/financing of a medium-term supply agreement (pre-shipment) ➤ Factoring facilities (post-shipment) ➤ Confirming house facilities (post-shipment) ➤ Discounting of bills of exchange (post-shipment) ➤ Bank overdrafts in SA rands (post-shipment) ➤ Off-shore loans (post-shipment) ➤ Forfaiting (post-shipment)
<p>Career Opportunities</p>	<ul style="list-style-type: none"> • Manager or Clerk in the manufacturing and trading field • International Logistics Manager • Area Manager • Shipping & Export Manager • Business Development Export Manager • Operations Export Manager

<p>Career Opportunities</p>	<ul style="list-style-type: none"> • Export Sales Manager • Communications Manager • Project Manager • Business Manager • Ship Chandelling Operation Manager • Airfreight Export Controller • Export Co-Ordinator • Distribution Manager • Logistics Manager • International Banking • Insurer • Freight Forwarder
<p>About the Team</p>	
<p>Your Success Team</p>	<p>Melinda du Preez Head Tutor <i>Expert Consultant, Trainer, Researcher and Developer in International Trade and Export</i></p>  <p>While you study this course, you will be supported by your head tutor Melinda du Preez, an industry leader and trainer extraordinaire. Melinda will be your 'go-to' person, facilitating online discussions with your fellow students in your group, as well as, being available for individual queries and help if you need it. She'll also be the one carefully marking your assignment. For any content- or course-related questions, you can contact Melinda on: melindadp@imm.co.za</p> <p>Melinda in a Nutshell: As a specialist consultant, trainer and course developer in the intricate world of international trade, Melinda is able to impart both knowledge and skill. Her end-goal is not only to build businesses, but also to develop people. She's powered-up on knowledge to give her trainees pointed insights into exporting and international trade, backed up every step of the way by real-world experience – from the banking sector and foreign payments, to the manufacturing industry as an export manager.</p>

<p>Your Success Team</p>	<p>Her super skills are honed in on the highly complex and key areas of Incoterms®, international payments, logistics and documentation. The proud business owner of Tradewize International CC for over 15 years, Melinda has worked with companies in many different sectors, in a research, consulting and training capacity. She has also developed and presented export training programmes for key companies and departments including: Wesgro, the Small Enterprise Development Agency, the Department of Trade and Industry, the Cape Regional Chamber of Commerce & Industry, and the Cape Craft & Design Institute.</p> <p>Christa Kavungo Course Administrator <i>Academic Liaison Expert</i></p>  <p>As your Course Administrator, Christa Kavungo is the one who connects the dots and connects people. If you have any admin-related questions or concerns, she's the one in the know who will be able to assist you. You can email her on shortcourses@immisc.co.za or call 011 628 2000.</p> <p>Christa in a Nutshell: Think of Christa as a professional liaison, bringing people and processes together. With a wealth of experience in academic sales, support and administration, she's passionate about making sure things run smoothly for a business, particularly in the field of education.</p> <p>Although she's an administration pro, her super skills go far beyond that... Christa thrives on keeping open channels of communication with students, as well as, professionals that collaborate to provide student services. She's well-versed in sales, advising, counselling, supporting and consulting and has recently completed her BPhil Honours in Marketing Management.</p>
<p>How to Register</p>	<p>We've made registering for our professional short courses as easy as can be. Simply visit the IMM Graduate School website (www.imm.ac.za) and click on the Online Short Courses button which will take you to our dedicated short course platform and register there.</p>

<p>How to Register</p>	<p>Click on the Register button and fill out the registration form, fast-tracking the sign up process when you've decided on the short courses you'll be taking.</p> <p>To sign up for any course, just click on the Add to Basket or Buy Now button, and when you've finished selecting your courses, proceed to make payment online. Once you've completed your payment, we'll send you all the information you need outlining the way forward. Your course/s will be ready for access and commencement once payment or part payment has been made, launching you into your career-boosting adventure.</p>
<p>Payment Details</p>	<p>All short courses through the IMM Graduate School are to be paid via the website using the PayFast payment facility. PayFast is an easy, secure and instant payments processing service, offering you a variety of payment options making it more affordable for you to make this worthwhile investment in your future career.</p> <p>To make sure we're all on the same page, we'd just like to highlight the fine print of the short course payment terms for you.</p> <p>Here's the nitty-gritty:</p> <ul style="list-style-type: none"> • All fees stated in the official website are inclusive of VAT. • Fees are fixed for each short course cycle, however, the IMM Graduate School reserves the right to change fees on a subsequent cycle without notice. • In order to commence the short course, a student must pay a minimum of 60% of the fee prior to the course commencement date. • The balance of the fee is payable within four (4) weeks after the course commencement date. • In the event that the balance is not paid, the student will not be allowed to access the balance of the modules to complete the short course. <p>We know that life can sometimes throw curveballs at us, so we do have a cancellation policy should you enrol and need to backpedal due to unforeseen circumstances. Here are the details of our cancellation policy – please read them carefully:</p> <ul style="list-style-type: none"> • Students who have paid the minimum of 60% by commencement date will be granted a 75% refund of monies paid if the course is cancelled prior to the commencement date.

Payment Details	<ul style="list-style-type: none">• Students who have paid the minimum of 60% by commencement date will be granted a 50% refund of monies paid if the course is cancelled prior to the four (4) week cycle post the commencement date.• Any cancellation requests after the four (4) week cycle post the commencement date will not result in any refund of money whatsoever. <p>Cancellations and subsequent refunds will only be considered if it is as a direct result of:</p> <ul style="list-style-type: none">➤ Death➤ Temporary/Permanent disability➤ Dread disease➤ Force majeure <p>IMM Graduate School reserves the right to request information that supports the reason for cancellation.</p> <p>And that's it! It was a mouthful wasn't it, but very necessary to ensure a smooth, worthwhile and enjoyable learning experience all round.</p>
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