

Winner: *Texel Finance* Highly commended: *Orix Trade Capital*

Combining unique talents



Finding a niche within trade finance and being a consistent performer is no easy task. Small firms come and they go as the rigours of the market cut into operations and profitability. But one consistent performer, seemingly doing a wealth of a business is this year's winner Texel Finance.

Says Texel director Andy Lennard: "Having won a Deal of the Year last year and now Trade Finance Boutique this year, the rewards reflect the growing appreciation of the uniqueness of the Texel brand." Unfortunately with the majority of its business done on a bilateral basis, Texel is usually unable to talk about specific transactions – most of which seem to be in the metals and energy sectors.

Being active in four key areas allows Texel to participate in a very wide variety of transactions with the emphasis on emerging markets and financial liquidity. A proactive approach also allows the company the ability to create different transactions and provide the necessary services to achieve successful conclusions to deals.

Lennard states that Texel has four main activities that are able to operate separately as well as in combination.

First, insurance brokerage services and through its broker accreditation at Lloyd's, Texel enjoys direct access into all insurance underwriting markets where it places political and credit insurance risks for its diverse client base, which includes banks, traders and producers. It is also an accredited member of the General Insurance Standards Council.

Second, Texel arranges finance facilities for traders and

producers, either for specific transactions or for more general working capital and commodity-based trade finance facilities. The company has considerable relationships within the commodity finance community and is able to structure complex and innovative solutions, often enhanced by insurance packages that may allow banks or investors to accept certain risks or offer larger facilities.

Third, it is in the business of recoveries. Texel is able to utilize its expertise and contacts to assist creditors that have a claim against a defaulted obligor. Arranging the restructuring, refinancing or selling of the debt on behalf of the creditor can achieve this. This business has been most successful in the CIS and Balkan regions.

And fourth, through syndication Texel is able to assist banks that are looking to sell down part of a loan portfolio into the banking or investor market. This is of real benefit to banks with limited resources or who usually need to deal with expensive in-house syndications departments that rarely have experience of the intricacies and peculiarities of the commodity finance market.

Best Trade Finance Boutique

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Highly commended: *Orix Trade Capital*

(2003 winner: *Noble Trade Finance*)
