

# PROGRAM ON FOREIGN EXCHANGE & FINANCING OF FOREIGN TRADE



## PROGRAM DESCRIPTION

With increased global trade, branches at many centers are being called upon to handle forex transactions connected to exports and imports, resulting in all-round demand within banks for officers trained in forex transactions. Furthermore, there is increased regulatory stress on compliance aspects with regard to import & export transactions. This course is designed to deliver knowledge and skills in this specialized area and prepare the participants for managing the day-to-day transactions.

**DURATION:** 5 days

## TARGET GROUP

Newly posted officers in Scale-I/II handling foreign exchange and foreign trade transactions at "B" Category branches or who have been identified for such assignments. No previous experience in handling forex and foreign trade transactions is assumed.

## PROGRAM OBJECTIVE

At the end the program, participants would have gained:

- Basic knowledge of forex market, market players, quoting of buying & selling rates for spot and forward transactions, forward contracts & options, market terminology.
- Detailed understanding of procedures for handling pre-shipment credit and post-shipment credit and ECGC's credit insurance products for banks & exporters.
- Familiarity with LC as payment mechanism in foreign trade, and various types of LCs used in foreign trade.

## PROGRAM CONTENTS

- Role of foreign trade in the country's economy, regulatory framework for foreign exchange transactions.
- Basics of foreign exchange: Forex market, market players, quoting of buying & selling rates for spot and forward transactions, forward contracts & options and market terminology.
- Introduction to dealing room operations.
- Letters of Credit in Foreign Trade, INCO terms, UCPDC.
- Export credit in Indian Rupees and foreign currencies, other facilities to exporters.
- Role of ECGC.
- Import Finance through LC and Trade Credit.
- Follow up of import & export transactions and reporting of transactions to RBI.
- Profitability of foreign exchange business to banks.
- NRI accounts.
- Marketing of forex business and export credit.