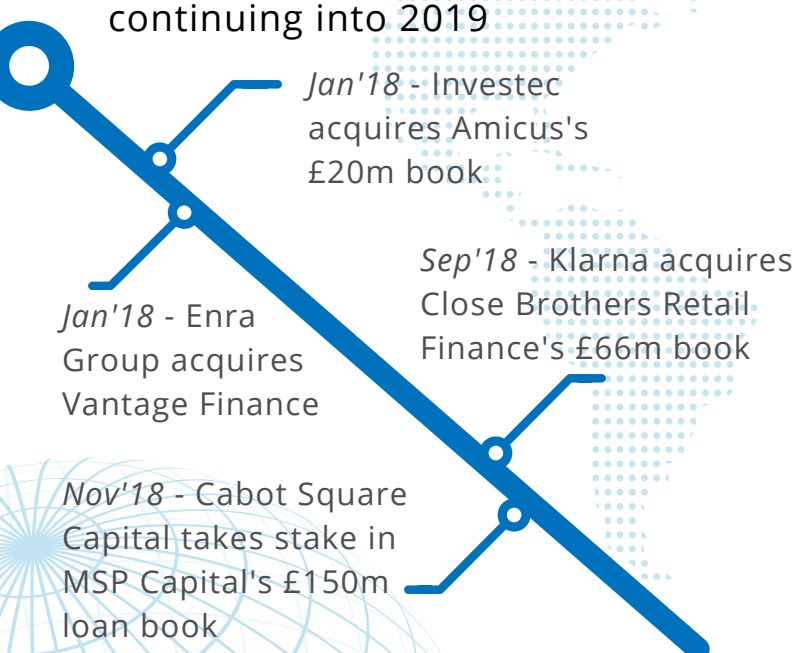


# 2018 HIGHLIGHTS

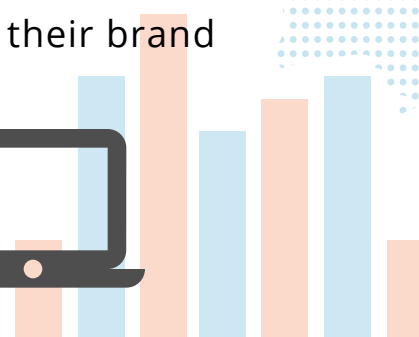
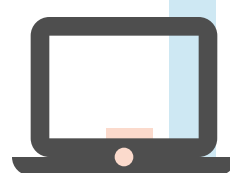
## 01 Increased M&A activity in commercial finance

2018 marked a year of acquisitions for receivables and trade, we see that continuing into 2019



## 02 Large non-bank players provide trade solutions

2018 also saw larger brands dipping their toes in the water to help service financing for mid-caps and SMEs, most notably, we saw Maersk, IBM, GSBN and Accenture forming consortiums and even jumping on the race to offer trade finance to their clients, leveraging their brand and reach



## 03 Digitilisation of trade

The investment into trade finance fintech continued in 2018, but one notable highlight in this space was SWIFT's new gpi initiative. From a DLT perspective, DLT became real in 2018, moving from proof of concept to real transactions. The first live transaction with ING and HSBC on trade finance was facilitated with the R3 consortium of 11 banks (and growing)



## 04 Geopolitical and economic perspective

Trade wars, Brexit and similar geopolitical tensions in both established and developing economies prevailed, and sets global trade (hailed universally as an economic force for good) with considerable headwind as we go into 2019



## 05 Regulatory Challenges

2018 was certainly a year of challenges from regulators, including the continued discussion on Basel iii and unfunded credit risk mitigation (CRM) through the PRA paper and EBA responses. Anti-money laundering (AML) and counter terrorist financing rules continued to be strengthened in 2018 through the 5th and 6th money laundering directive.