

London Calling

Erik Timmermans reports



It hardly has to be said that the global outlook for trade in 2023 remains very open to debate. I know that this is an issue which is exercising **Business Money** readers in all their businesses.

Although sentiment is in some respects perhaps more positive than it was three months ago – say, for example, in the belief that energy prices are (for now) becoming more tolerable and predictable, and that in many economies inflation may be past its peak – there remains real concern about the overall trajectory and the particular direction in which we are heading.

Most European countries, for example, are still expecting GDP growth for the year to be significantly under 1%, a level of growth which can very easily slip to recession when placed under any additional unexpected pressure. The question is whether events and trends in the global environment will tip these vulnerable economies over the edge or, alternatively, evolve in a way that will help them improve on expectations, and in turn boost the receivables finance industry.

Economically, inflation is still generally high but is palpably reducing. Even so, a period of stagflation (low growth coupled with continuing price increases) seems likely to be widespread, even as governmental monetary control measures are slowly relaxed and real interest rates fall.

Unfortunately, the political situation remains in full flux; the continuing war in Ukraine is creating a heavy drain on resources and sentiment, and the tension between China and the USA over Taiwan is a source of real concern about future global security. And while there is relief that COVID appears to be receding, concern is growing that avian flu could take its place.



The expectations of market observers are that, globally, advanced economies may continue to teeter just above recession, and while emerging economies may do relatively better, they of course are starting from smaller and often more vulnerable bases. Trade volumes are accordingly likely to remain subdued.

But it's not all gloom and doom. For example, in the UK, the FTSE 100 recently had its highest ever level (even if it had previously been trailing behind other comparitors), and some recent ground level sentiment surveys indicate a higher and improving level of business confidence across all sectors.

The questions for us in the receivables finance industry are as follows. How will all this affect trading volumes? What effect will it have on credit risk and appetite? How will the cross-border insurance industry manage the risks? What action is needed to take advantage of the opportunities that will arise? How can strategic, operational and financial risks be minimised in a continuingly uncertain environment? What role will technology have in supporting business and de-risking decisions and activity?

At our upcoming London Calling event, which will be taking place on 3 May at the offices of our premium member Mishcon de Reya in Kingsway, World of Open Account will be addressing these questions with presentations and a panel comprising industry and technology experts. This important event will bring together a number of key figures at the forefront of the open

account RF industry, so they can discuss the issues and opportunities.

Steve Box, Simon Featherstone, John Oliver and Richard Olver need no introduction and bring with them an extraordinary level of leadership, knowledge and depth of experience, while Tom Grogan of Mischcon de Reya and Robert Meters of Schumann bring comprehensive technology expertise. Meanwhile, Steven Geerlings, John Brehcist and I will bring lifelong experience of the wider international receivables finance industry.

Kindly sponsored by WOA premium members Schumann and Gordon Brothers, this event is simply not to be missed if you have a leadership role in the RF industry or the services that support it.

However, in order to make the event as interactive and intensive as possible, we will be limiting the total number of attendees to 125; so, if you don't want to miss out, you'll need to register quickly.

As a result of the kind support we have received, we are delighted to be able to make event attendance free of cost, but it is nonetheless limited to registered WOA community members. To become part of our community, do please register at the URL listed below. Registration and participation in the community is free, while membership options confer additional benefits and opportunities.

This will be a golden opportunity to listen to, meet and talk with industry leaders, experts and peers. We at WOA really look forward to seeing you there!

"If you don't want to miss out, you'll need to register quickly."

**Erik Timmermans, co-founder,
World of Open Account
e-mail: erik@woa.community
www.woa.community**