

NCI MINUTE

your quarterly trade credit update

A word from the MD

The end of financial year is fast approaching and as we move forward into this busy time there are increasing pressures in domestic and international markets.

Locally we have seen the demise of household names such as Dick Smith Electronics and Arrium. Credit risk has increased and this is supported by a recent global insolvency outlook issued by specialist insurer Euler Hermes, which notes insolvency risk scores per country. To view the outlook, [click here](#).

We encourage all to be vigilant in the coming months. Ensure terms are tight with your debtors, refer your debts early, make sure you report overdues and if you have any concerns at all, contact NCI.



Kirk Cheesman
NCI Managing Director

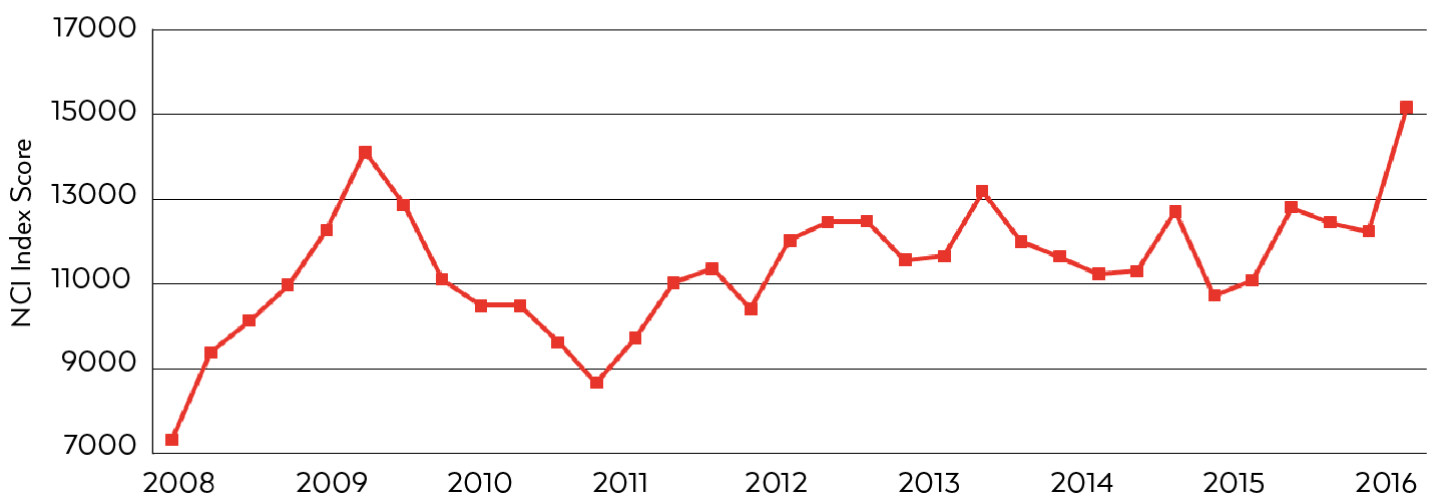


Latest Information

What an exciting trade credit index we released for the first quarter of 2016. We recorded our highest score ever, surpassing that of the GFC. This large score was due to increased claims activity, adverse alerts and overdue reporting. The graph is mirroring reports from major bank and financial institutions, there are definitely some uncertain times ahead.

To view the entire index please [click here](#), furthermore if you would like to see the index featured in The Australian, [click here](#).

Q1 INDEX SCORE 15,169



Compliance Tip

It is important to pursue overdue debts in a timely manner. Not only does this increase the chance of payment but it also protects your insurance position. Insurers require prompt legal / recovery action to be taken on overdue debts and NCI Collections is here to help.



News

Remain competitive in an export market! Many international buyers are looking for credit terms and often the ability to offer this comes at an increased risk to you.

The document [here](#) highlights different types of payment methods and their associated risk.

It is important to remember that a \$100,000 loss on a 5% profit margin is approximately \$2,000,000 in lost sales. Would you be able to sleep at night knowing you might not get paid?

Enter new markets and grow your business with confidence. Free trade agreements are in place to promote trade, however these are rendered useless if you do not receive the money you are entitled to in exchange for your goods.

If you are not already exporting or trading on credit terms in overseas markets, talk to NCI today.

Product in Review

Credit Consultancy Report

Have you ever wanted to review your debtor's ledger to see where your major risks lie? A credit consultancy report from NCI could be what your looking for.

The credit consultancy report includes:

- An assessment of your top clients
- 12 month monitoring of your top debtors
- A review of your current credit procedures
- Access to our online database, NCINet
- Compliance matching of your current debtors

If you're an adverse aware company or just want to see where your major risks lie, talk to NCI about a credit consultancy report. Alternatively you can read more about the report [here](#).

