



Photo by Maxine Ustian

South Florida lost 1,000 banking jobs over two years: Dennis Nason. Hernan Mayol: Bank of America jobs haven't grown tremendously. "We grow because of an acquisition."

Banks tap trade for income, but more jobs might not follow

BY ZACHARY FAGENSON

Miami banks are exploring trade finance and international banking as another means of generating revenue, but the effort might be mostly limited to larger banks, and how they're bolstering ranks isn't yet clear.

"The Latin American focus by many institutions, coupled with the profitability in trade finance, has really opened up demand for bankers with traditional trade finance experience and a deep understanding of supply chain, letters of credit, bills of lading, factoring, and insurance," said Carlos J. Arboleda, executive director for headhunter Stephen James' banking and financial services group. "We expect this to create more of a war for talent as banks compete to capture market share in this space."

Whether banks are adding jobs is unclear. There were 51,320 business and financial operations employees in 2009 in Miami-Dade County, according to the Bureau of Labor Statistics. That's down about 8% from the 56,250 jobs in the sector in 2008.

Though the bureau didn't have 2010 figures available, further breakdowns within the industry seemed to run opposite to experts' observations. Logisticians, who manage clients' supply-chain payments, fell from 510 in 2008 to 360 in 2009.

Some positions possibly linked to trade finance were also down. Loan officers dropped from 4,350 to 3,960, but credit analysts grew from 400 to 490.

Hernan Mayol, Bank of America's senior vice president of trade and treasury sales, Latin America, said staff there "hasn't been growing tremendously. We grow because of an acquisition."

As chair of the Florida International Bankers Association, he also said he's seen larger institutions like Citibank and internationals like Espirito Santo Bank bolstering staff.

"There [are] some banks that are doing it well. They've hired the right people. There are others that are just sticking a toe in the water," said Nason & Nason founder and CEO Dennis Nason. "What they're realizing is trade finance usually implies a foreign risk."

Because of that risk, regulators are encouraging larger banks to tackle the business, which some say might be a mistake, given Miami's ties to Latin America.

"The regulators would prefer that the small community banks not become involved because they perceive correspondent banking, trade finance and others as a riskier business," Mr. Nason said. "The expertise of our bankers is probably superior to any other single market."

Though those pressures will contribute to trade finance remaining a sport for larger banks with international networks, it's unclear whether their hopes to improve their balance sheets through trade finance will mean more jobs.

"In the last two years we have lost about 1,000 banking

jobs in South Florida and are currently at about 9,500. What is happening in the local banking community is that jobs in banks continue to decline as banks have had to cut costs to try to eke out earnings," Mr. Nason wrote on his website's newsletter in early February.

"Some [community banks] will fold and the new banks taking over will cut their staffs, but will need other people to take advantage of their good fortune," he added. "There is some relief with the arrival of a few larger international banks that are doing modest hiring in our region."

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April 21

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