

Gunvor Signs Factoring Deal With GE Capital

By [The Moscow Times](#)

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Oil trader Gunvor Group has concluded a deal with GE Capital to sell its receivables for 225 million euros (\$299 million), a deal it hopes will allow it to expand its German oil refinery business.

Under the deal, when Gunvor sells oil from its refinery it will resell the invoice to GE in exchange for immediate cash.

Though common in banking, factoring, as the sale of receivables is known, is uncommon for commodity traders.

The agreement is part of a recent strategy by Gunvor and other commodity traders to diversify their sources of financing away from traditional banks, Bloomberg reported Tuesday.

Gunvor, founded in 2000 to trade Russian crude oil, raised finance in May by selling \$500

million worth of five-year corporate bonds.

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