



BLUESTONE

Asset Manager Ltd

BLUESTONE MERCHANT FUND LTD OPTIMISES TRADE FINANCE MANAGEMENT WITH **SILCUBE**

CASE STUDY



Silcube helps Bluestone Merchant Fund Ltd to improve efficiency, cash flow management, and transparency to stay on top of loans and interest payments.

Company: Bluestone Merchant Fund Ltd

Industry: Trade Finance

Headquarters: Mauritius

Company Size: 2–10 employees

Founded: 2020

Website: <https://www.bluestone-am.com/>

Top Silcube Features Used: Fund Factsheet, Extend Maturity, Payment Schedule, Interest Risk Management, Cash Flow Projection

Results: Increased efficiency, streamlined cash flow management, higher transparency

Bluestone Merchant Fund Ltd is a Mauritius-based, open-ended trade finance fund offering small and medium-sized trading companies a financing alternative to banks. It is a collective investment scheme with a multi-class share capital structure providing investors with a stable, uncorrelated, above-market return rate.

The Fund aims to achieve an annual capital appreciation of about 7% (EUR) or 8% (USD) with a 0.5% volatility in various debt instruments of companies trading commodities, food products, and pharmaceuticals. It provides a legal pledge over the financed goods and the assignment of receivables.

Challenges

When Bluestone Merchant Fund Ltd founders sought a provider to set up the investment fund, they needed a reliable trade finance system to streamline loan management and cash flow projections.

They needed easy-to-use software for efficient operations.

Their previous experience at private equity firms included tremendous manual work. They had to do everything in Excel spreadsheets, including invoices, which they manually calculated and checked one by one.

“Invoices were all done manually with a predefined template in Word format,” they recall. Besides calculating invoice values, they were doing the factsheets manually. They had to enter the interest to be received, the expected reimbursement date of a given loan, and other data. All of that led to inefficiencies and losing valuable time. As the Fund’s founders said, “That was a nightmare.”

They knew they had to find a platform to streamline their workflow, save time, and ensure accuracy while providing transparency.



Solution

Bluestone Merchant Fund Ltd founders were already familiar with Silcube because they had considered setting up the Fund with one of Silcube's clients, who developed Silcube (then Cube) as its in-house software. They visited Silcube's office in Tallinn to learn more about the platform.

Although they eventually set up the Fund with another provider, they agreed to keep Silcube. **Silcube's Cash Flow Projection feature became one of their favourites.**

"This is the system through which I can manage the Fund's cash flow," says Bernard Simonin, the Head of Project and Merchant Finance.

“

That is just excellent. Thanks to Silcube, we enter the information in the system once, and it automatically calculates the invoices and reports on the projected cash flow. I can go up to one year in advance, which is very convenient.

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However, since Silcube was initially designed for a fixed-income investment fund, Bluestone Merchant Fund Ltd couldn't harness its full potential.

"At the beginning, Silcube was not addressing properly the cases where the loan was repaid at a different date and time than expected," one founder recalls. "It is probably because the system was designed initially for fixed income funds, where the payment of coupons is restricted. In our business, that is very different."

Recognising this issue, Bluestone Merchant Fund Ltd asked for customised features, and Silcube delivered them. The system now better accommodates the needs of private debt and trade finance operations and one of the changes was the Extend Maturity feature.



“We have a loan that has a maturity, but borrowers are allowed to pay earlier than the maturity for the principal. Sometimes they are also late and tell me they will pay the value tomorrow. However, the funds may appear in my bank account only two days after the initial date, so there is frequently extra interest to charge.”

That extra interest called for another feature to ensure accurate payments after the new maturity due date.

“

There is now a screen called Payment Schedule. On that screen, Silcube allowed me to enter the interest manually. That saved my life **says Bernard Simonin**

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Results

INCREASED EFFICIENCY

Implementing Silcube helped Bluestone Merchant Fund Ltd reduce time-consuming manual work and increase efficiency.

“From the beginning, I immediately realised we would gain much time thanks to Silcube. **We produce about 30 invoices monthly, and the system does it automatically,**” says one of the Fund’s founders. **“I click on an icon and get the factsheet done two minutes later.”** Another agrees that Silcube is “definitely saving a lot of manpower.”

STREAMLINED CASH FLOW PROJECTIONS

Silcube also helped Bluestone Merchant Fund Ltd streamline cash flow projections and monitoring, giving it the big picture to gain data-driven insights.

“The Cash Flow Projection is giving me the full picture,” says one Silcube user at the Fund. “We have several bank accounts and two currencies. In two clicks, the system can give me the global picture of a given currency for all bank accounts together or bank by bank, at the date and aggregate I want. That is fantastic.”

HIGHER TRANSPARENCY

Transparency was crucial for Bluestone Merchant Fund Ltd from the beginning. Silcube provided a clean overview of payments and other transactions, giving peace of mind to the Fund and its clients.

“One of the advantages, of course, is that **we can use Silcube from everywhere. It is a web platform.** Everyone can connect to the system and share the same information.”

The team also liked the option to give investors access to the system.

“We always tell our investors who invest a significant amount that we may grant them access. This function is essential to us in terms of transparency.”

Bluestone Merchant Fund Ltd continues growing with Silcube

Bluestone Merchant Fund Ltd is relatively new but has already made a name in trade finance. With Silcube by its side, it continues helping trading houses secure financing and get low-volatility, above-market, uncorrelated returns.

“We had some bugs here and there, but with the Silcube team, we always managed to fix them,” says the Fund’s team member. “Silcube has improved the system’s quality month after month.”

“When there is an emergency, the Silcube team is always there, and the matter is solved in two days, which is good,” he concludes.

With Silcube’s dedicated support and consideration of the Fund’s recommendations for system changes and new features, Bluestone Merchant Fund Ltd seamlessly scales up and streamlines trade finance management.

About Silcube

Silcube is a cloud-based platform crafted for professionals in private debt and trade finance management. We make complex tasks simple, covering everything from loan origination to covenants, to reporting. Our easy-to-navigate interface and all-in-one features save you time and enhance accuracy.

What sets us apart is our no-hassle online trial. No strings attached - just dive in and explore our tool and features. It is a first in the world of investment management software, offering you a risk-free way to discover how Silcube can transform your operations.

We are all about efficiency, simplicity, and empowering you to achieve your best performance. With Silcube, you get a reliable partner equipped with the tools and features that make a real difference.



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