

Global Currencies and Your Exports



U.S. Commercial Service – Discover 2013
September 18, 2013



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The FX Market

MARKET FACTS

- Largest financial market in the world
- Nearly 24 hours a day, 7 days a week
- \$4 Trillion daily turnover
 - SPOT: 37%
 - Forwards: 31%
- Major Currency Pairs
 - EUR/USD: 28%
 - USD/JPY: 14%
 - GBP/USD: 9%
- In 2010 the USD was involved in 85% of all global currency exchange transactions

*2010 Triennial Central Bank Survey – Bank for International Settlements

Exports – Pricing & Billing Strategies

GOALS

- Make it easy to buy from you
- Protect your profits
- Project a global image
- Take control

CONSIDERATIONS

- Location of customers
- Tolerance to currency movements
- Ability to adjust
- Predictability of sales/payments



Exports – Pricing & Billing Strategies

TOOLS & STRATEGIES

- Spot Payments
- Forward Contracts
- Other Hedging
- Dual Billing
- Billing in USD is a Strategy

Polish Zloty to U.S. Dollar



Exports – Pricing & Billing Strategies

TOOLS & STRATEGIES

- Spot Payments
- Forward Contracts
- Setting the Price
- Dual Billing
- Billing in USD is a Strategy

Japanese yen to U.S. Dollar



THANK YOU

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