

Actionable Ideas for the Power to Optimize Your Trades

Tip 12: Outsourcing Market Risk

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Mr Robertson: Large volumes of local currency transactions can expose your business to FX risk, which can negatively impact profitability. How do you most efficiently manage this risk?

CashPro® Flow from Bank of America Merrill Lynch allows you to lock in a guaranteed FX rate for periods up to 180 days. You can price and invoice goods in your customer's local currency and receive payments in your own without FX risk.

You have full flexibility around the guaranteed rate period and you can lock in a guaranteed FX rate in advance. Guaranteed FX rates are based on the spot price and are time-stamped. You have full transparency and an audit trail to confirm that the pre-agreed spread was applied.

CashPro Flow creates price clarity and simplifies Treasury FX risk management, allowing you to reduce administrative costs with automated reporting and reconciliation. This extra layer of transparency and disclosure can help you navigate today's demanding regulatory environment.

The CashPro Flow guaranteed FX rate product efficiently outsources the FX rate risk inherent in your business.

For more actionable ideas to optimize risk management across asset classes, check out the rest of our Trader Insights video series.