

Foreign Exchange Risk Advisory Services

Bespoke assistance with your FX risk management program

We offer support throughout all stages of risk management:

FX risk discovery and quantification

Back-testing of risk management strategies

Analysis of hedge product tradeoffs

Hedging strategies tailored to accounting methods such as ASC 815/830

Ongoing validation and management

Do you have any pain points related to working with foreign currencies?

If no, then:

- Would you like to understand how adverse currency moves may impact your key performance metrics?
- Are you receiving pressure from overseas customers or vendors to move away from U.S. dollar pricing?
- Do you know you may be able to achieve better rates for buying or selling foreign currency via forward contracts?
- As you expand global operations, are you aware of the implications of key decisions you must make regarding choice of subsidiary, functional currency determination, and overall global corporate structure?
- Are you aware that over 60 percent of US small cap technology companies hedge their currency risk once they are public? ¹

If yes, then:

- Have you considered “natural hedging” alternatives such as asset-liability matching?
- Do you want to know what hedging tools are available to address FX risk and alleviate pain points?
- Would you like access to a model or quantitative framework to identify and quantify currency risks?
- Would you like to better understand how to align hedging strategy with derivative accounting methods such as ASC 815/830?
- Do you need assistance with developing a risk management strategy or Board presentation to seek approval for hedging?
- Have you benchmarked your practices related to currency management against peer companies?

Questions/Ready to get started?

Please contact your SVB FX Trader or Ivan Oscar Asensio, Ph.D., Managing Director, Head of FX Risk Advisory at GroupFXRiskAdvisory@svb.com

¹ SVB Report: Data Insights - Currency Management, Ivan Asensio, April 20, 2020

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Foreign exchange transactions can be highly risky, and losses may occur in short periods of time if there is an adverse movement of exchange rates. Exchange rates can be highly volatile and are impacted by numerous economic, political and social factors as well as supply and demand and governmental intervention, control and adjustments. Investments in financial instruments carry significant risk, including the possible loss of the principal amount invested. Before entering any foreign exchange transaction, you should obtain advice from your own accounting, tax, financial, legal and other advisors and only make investment decisions on the basis of your own objectives, experience and resources.

The information should not be viewed as accounting, tax, investment, legal or other advice nor is it to be relied on in making an investment or other decisions. You should obtain relevant and specific professional advice before making any investment decision.

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