



# FX Risk Advisory

## Bespoke assistance with your FX risk management program or strategy

### 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

ASC 815/830 accounting modeling and adoption assistance

Ongoing management and validation of program

### 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: top-line revenues, cash burn rates, OpEx margins, IRRs?
- Are you receiving pressure from overseas customers or vendors to move away from U.S. dollar pricing? Or have you considered the benefits of non-USD pricing?
- When funding overseas operations, did you know you can receive a “discount” for locking in rates today for future purchases of emerging market currencies such as the Indian rupee or Chinese renminbi?
- Would you like to understand how adding global subsidiaries may introduce FX risk or alter your risk-reward profile?
- Are you aware that over 60 percent of U.S. small cap technology companies hedge their currency risk once they are public?<sup>1</sup>

#### If yes, then:

- Have you considered “natural hedging” alternatives, such as invoicing revenues in currencies that you currently have expenses in or prefunding multicurrency accounts (MCAs) in advance of future foreign currency needs?
- Do you want to know what hedging tools are available to counter FX risk and alleviate pain points?
- Would you like a model or other framework to quantify and communicate the value of hedging?
- Would you like to better understand the accounting impact of using derivatives to hedge FX risk and the benefits of ASC 815/830 hedge accounting adoption?
- Do you need help writing an FX risk management policy or preparing content for a board presentation to seek approval for an FX risk management policy?

**If you're not sure, would you like to schedule a whiteboard session with us to help you figure it out?**

<sup>1</sup> According to company filings through 2017 for a sample of 71 public companies in the Dow Jones US Small Cap Technology Index (Bloomberg ticker: DJUSSTH).

### Questions/Ready to get started?

#### Please contact

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