

## FOREIGN EXCHANGE SOLUTIONS TO EFFECTIVELY MANAGE INTERNATIONAL CASH FLOW

As the world becomes more global and interconnected, U.S. businesses today may need foreign exchange services if they buy product from overseas suppliers or if they sell product internationally and have foreign currency receivables. U.S. businesses with a global footprint need an efficient, low-cost method to make and receive payments in currency other than U.S. dollars. Whether a business has foreign currency needs on an ongoing or ad hoc basis, PNC can help manage the impact of exchange rate fluctuations on future cash flows and profitability.

### FOREIGN EXCHANGE RISK MANAGEMENT

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PNC's dedicated team of senior foreign exchange consultants can customize a solution based on a thorough understanding of your business, assist you in analyzing your company's FX exposures, and help develop a hedging policy.

Our solutions can help you to manage foreign exchange risk more effectively, reduce FX exposures, and potentially increase profits and reduce expenses.

PNC's primary FX risk management tools include:

- Spot contracts
- Forward contracts
- Foreign currency swaps
- Rolling hedges
- Call options
- Put options
- Collars & other option structures

### ONLINE FOREIGN EXCHANGE SERVICES

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PINACLE® FX offers a secure, online foreign exchange management tool with access to real-time rates for spot payments and forward hedges. It can reduce the time, effort, and cost of initiating and paying for foreign exchange transactions. The system also allows for transferring foreign currency to or from multicurrency accounts held at PNC.

PINACLE FX Netting is a cost-effective, online service that allows U.S. companies to net worldwide intra-company payables and optimize the overall efficiency of global cash flow. Each participating entity makes or receives one payment per cycle in local currency, taking advantage of natural offsets and reducing costs and risk.

### FUNDS TRANSFER

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PINACLE's Funds Transfer module allows you to initiate both domestic and international wire transfers — in U.S. dollars and in foreign currency. PINACLE allows self-administered setup, assignment of functions that each user is authorized to perform, and the establishment of repetitive instructions online (real-time update) without the exchange of documentation with PNC.

### MULTICURRENCY ACCOUNTS

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Multicurrency accounts are demand deposit accounts for foreign currency. A U.S. company with inflows and outflows in the same currency may consider opening an account in that currency as a way to reduce exchange risk. Balance reporting, payment initiation, and deposit and withdrawal detail is easily accessible through PINACLE.

## FOREIGN CURRENCY CHECKS

PNC can process and exchange foreign denominated checks. A PNC FX specialist can assist you in determining the best method to achieve improved cash flow efficiency.

## LOANS DENOMINATED IN FOREIGN CURRENCY

PNC can provide U.S. dollar-functional companies and their foreign subsidiaries with short- and long-term foreign currency loans. These loans are made in freely convertible currencies with the same flexibility as a domestic loan, using a competitive foreign currency exchange rate.



### READY TO HELP

At PNC, we combine a wider range of financial resources with a deeper understanding of your business to help you achieve your goals. For more information regarding this article or foreign exchange strategies in general, please contact your Relationship Manager or visit [pnc.com/fx](http://pnc.com/fx).

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