## International Services

# Foreign Exchange

# Loans Denominated in Foreign Currency

## Ideas

to reach your goals.

## Advice

to make your decisions with more confidence.

## **Solutions**

to meet your challenges with greater ease.

## To learn more, call PNC's Foreign Exchange Group:

Chicago 866-245-4696

Cleveland 800-622-7400

Detroit 800-362-1066

Indianapolis 800-622-7410

Pittsburgh 800-723-9106

Philadelphia 888-627-8703

Washington, D.C., Area 877-856-6957

pnc.com

## Leverage an additional source of funding

When managing your global business, you may need to obtain financing for acquisitions, capital investment or working capital that is denominated in a currency other than U.S. dollars. A foreign currency loan provides a natural hedge on foreign assets and reduces cross-border funding transactions.

## **PNC Delivers**

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 base rate.

## Advantages of a foreign currency loan

- Provides a natural hedge to your company's foreign assets by creating a matched liability against a foreign asset
- Allows for a single source of funding, eliminating the need for multiple credit lines with foreign-based banks
- Offers loan rates that are either fixed or floating to match your desired capital structure
- Integrates with interest rate caps, collars, or swaps to more effectively manage interest rate risk and currency fluctuations

### Alternatives to foreign currency loans

- Foreign exchange swap Allows you to fund an inter-company loan on a hedged basis using a spot and forward contract.
- Cross-currency swap Allows you to fund a loan in one currency and pay principal and interest in another currency while still protecting you from currency and interest rate fluctuations.

PNC is a registered service mark of The PNC Financial Services Group, Inc. ("PNC"). FDIC-insured banking products and services, lending and borrowing of funds, and investment management and fiduciary services are provided by PNC Bank, National Association, **Member FDIC**. Capital markets activities are conducted by PNC through its subsidiaries PNC Bank, National Association and PNC Capital Markets LLC. PNC Capital Markets LLC is a registered broker-dealer and member of FINRA and SIPC. Foreign exchange and derivative products are obligations of PNC Bank, National Association. PNC does not provide legal, tax or accounting advice. Lending products and services, as well as certain other banking products and services, require credit approval.

#### Not FDIC Insured. No Bank or Federal Government Guarantee. May Lose Value.

Information on market rates is gathered from sources believed by PNC to be accurate at the time of publication. Markets do and will change, therefore, PNC makes no representations as to the current yield or market for any security.

