



Valufin has the people, business knowledge, market expertise, accounting skills and risk awareness complemented by bespoke online systems to support your foreign exchange strategy and transaction activity.

1. What we do

Valufin is your forex treasury department. We combine currency market knowledge and your specific needs to tailor a proactive, risk focused forex management service.

Assessment of this strategy has proved, across varying industries, a return in excess of 2% on the value of the annual forex turnover.

We are independent of any bank or broker and revenue is not transaction driven. Our income is an agreed monthly retainer.

2. Can you do it for yourself?

Yes, any organisation can set up its own dedicated treasury but very few can afford to employ the skills and systems which are appropriate. This is what we do for you.

3. Reason your bank cannot provide the Valufin service

- ✗ The bank requires a transaction to occur to earn revenue.
- ✗ The information the bank has on which to advise you is limited to what you give them at the time
- ✗ Bankers are typically not experienced commercial business people.

4. Independent Adviser

✓ Earning Model

Valufin is independent and earns retainer fees.

✓ Counterparties

Valufin is independent and can therefore choose most the appropriate currency providers.

5. Valufin Services

✓ Expertise

International treasury specialists who have run outsourced forex treasuries for in excess of 350 global companies.

✓ Online systems

A bespoke online system designed for the purpose of running a company's forex needs.

✓ South African expertise

In addition to global treasury services Valufin offers specific South African forex regulatory related support

✓ Multi-currency accounts

We set up additional forex bank and broker relationships that may be required.

✓ Portfolio management

We manage the business currency needs and the hedging requirements within your risk appetite.

✓ Currency transactions

Valufin will negotiate the purchase and sale of all currency requirements.

✓ Reporting

Valufin provides all forex management information, also available to you 24/7.

✓ Currency hedging strategies

We provide bespoke hedging solutions for your company.

6. Focus on the company

a. Business and underlying reason for forex

Businesses have different reasons as to why forex has arisen.

b. Risk Appetite

This is a function of people, policy, industries and competitors.

c. Costing

Costing rates are monitored and policies reviewed if necessary.

d. Cash flows

Management, accounting and rate impact of cash flows on maturing and instrument utilisation is integrated into "effective rates".

e. Tenders or projects

Support your need to "do something special" or be required to hold a rate for a period of time on a tender.

f. Consolidated risk awareness

Where there are multiple subsidiaries or group structures either within the country or globally.

7. Filter forex market noise

It is the largest traded market in the world and the most liquid. You have no control over it or any of the currencies.

8. Instrument and rate negotiation

9.

Valufin will determine what instruments are best, what currency pairs provide best solutions and flexibility and then negotiate the rates.

10. Multi-national solutions

Many organisations have international subsidiaries which could benefit from the services that Valufin offers.

11. Bank administration

We handle the frustration of working with the back office to trace elusive funds, fix errors and process paper work.

12. Exposures - management and accounting information

It is critical that the forex activity of a company is correctly accounted in the books. Accurate, real recording of forex gains, losses, costs and cash flows is critical.

13. Forex instruments – management and accounting information

Spots, various kinds of forwards and other instruments are a function of spot, time, interest rates, margins, cash, volatility and have conditional behaviours that need full understanding to use the right ones for your needs. Valufin advises on vanilla instruments.

14. Research – Masters' Thesis

Research conducted proved that the strategy followed by Valufin delivers gains over a fully hedged or totally unhedged policy.

Case Studies

15. Your Forex Treasurer

Sharon Constançon ACIS MBA CDir



Sharon has worked in the currency markets since 1981. Her experience includes the corporate side as a Group Treasurer of a multi-national, as a Forex Chief Dealer of Societe Generale and as MD of Constancon Currencies, a forex outsourcing company, later listed on the stock exchange.

16. Contact Valufin

Valufin charges either a monthly retainer, a percentage or gain or value – as appropriate to your needs. To determine the best solution we need to understand your needs.

For a no commitment first meeting, please contact Valufin on:

Website: www.valufin.com

Tel: +44 207 612 9557 / 1494 565 947

Mobile: +44 7773 777 495

Email: sconstancon@valufin.com

LinkedIn: [sharonconstancon](https://www.linkedin.com/in/sharonconstancon)

FCA Registration: 592294

FSB Registration: 415524

Understanding your company's forex profile

1. Structure

Company structure, decision making, delegation of responsibility ...

2. The exposure source?

What are the causes of the forex exposures?

3. Exposure nature?

Currencies, lead times, risk transfer, changes, delays ...

4. Currency timing

Payment cycles, dates, flexibility, restrictions ...

5. Currency provider relationships

Bank, broker, accounts, online, relationship, margins ...

6. Accounting and internal market

Costing rates, product pricing, recognition in accounting system, reporting ...

7. Cash and liquidity

Currency related flows – payments, receipts, instrument usage, instrument maturity, premiums, margin calls ...

8. Risk profile

Reporting, risk appetite, recognition of risk, revaluations, market risk, business risks ...

Case Study - Medium Forex Turnover		
To determine the impact on profitability of foreign currency management		
Manufacturing Company Importing components and exporting manufactured product	Values in Accounting Currency	Ratios
Information about the Company		
Company's gross turnover	50,000,000.00	
Company's net profit before tax	5,833,300.00	11.67%
Forex value of imports (Contributor to CoGS)	4,650,000.00	9.30%
Forex value of export of product (Portion of Turnover)	22,710,000.00	45.42%
Total value of forex portfolio	27,360,000.00	
Gains and Costs as a result of Valufin's services		
Margin gained by Company due to rate negotiation	489,744.00	1.79%
Margin gained by Company due to portfolio management	456,912.00	1.67%
Valufin Annual fees charged to the client	82,080.00	0.30%
Forex gains by Company net of all fees	864,576.00	
Profit Analysis		
Current Net Profit / % of Gross Turnover	5,833,300.00	11.67%
Net forex gains / % of forex turnover	864,576.00	3.16%
Net Profit with currency management / % of Gross Turnover	6,697,876.00	13.40%
Forex gains as a percentage of Current Net Profit		14.82%

Case Study - Small Forex Turnover		
To determine the impact on profitability of forex currency management		
Music Industry Company Paying for licences, tours, fees, and services and receiving foreign earned income	Values in Accounting Currency	Percentages
Information about the Company		
Company's gross turnover	5,000,000.00	
Company's current net profit before tax	750,000.00	15.00%
Forex value of foreign payments / percentage of turnover	2,500,000.00	50.00%
Gross forex value of foreign revenues / percentage of turnover	3,250,000.00	65.00%
Total value of forex activity before any net off	5,750,000.00	
Payment frequency is high with foreign transfers occurring regular	100	
Company pays a bank charge for foreign payments and receipts	21.00	
Forex Bank charges	2,100.00	
Gains and Costs as a result of Valufin's services		
Margin gained by Company due to rate negotiation	172,500.00	3.00%
Margin gained by Company due to portfolio management	115,000.00	2.00%
Valufin Annual fees charged to the client	-28,750.00	0.50%
Saving on bank charges	2,100.00	
Net improvement to profitability	260,850.00	4.54%
Projected profitability for Company with managed forex portfolio	1,010,850.00	20.22%
Improvement to net profit before tax		34.78%