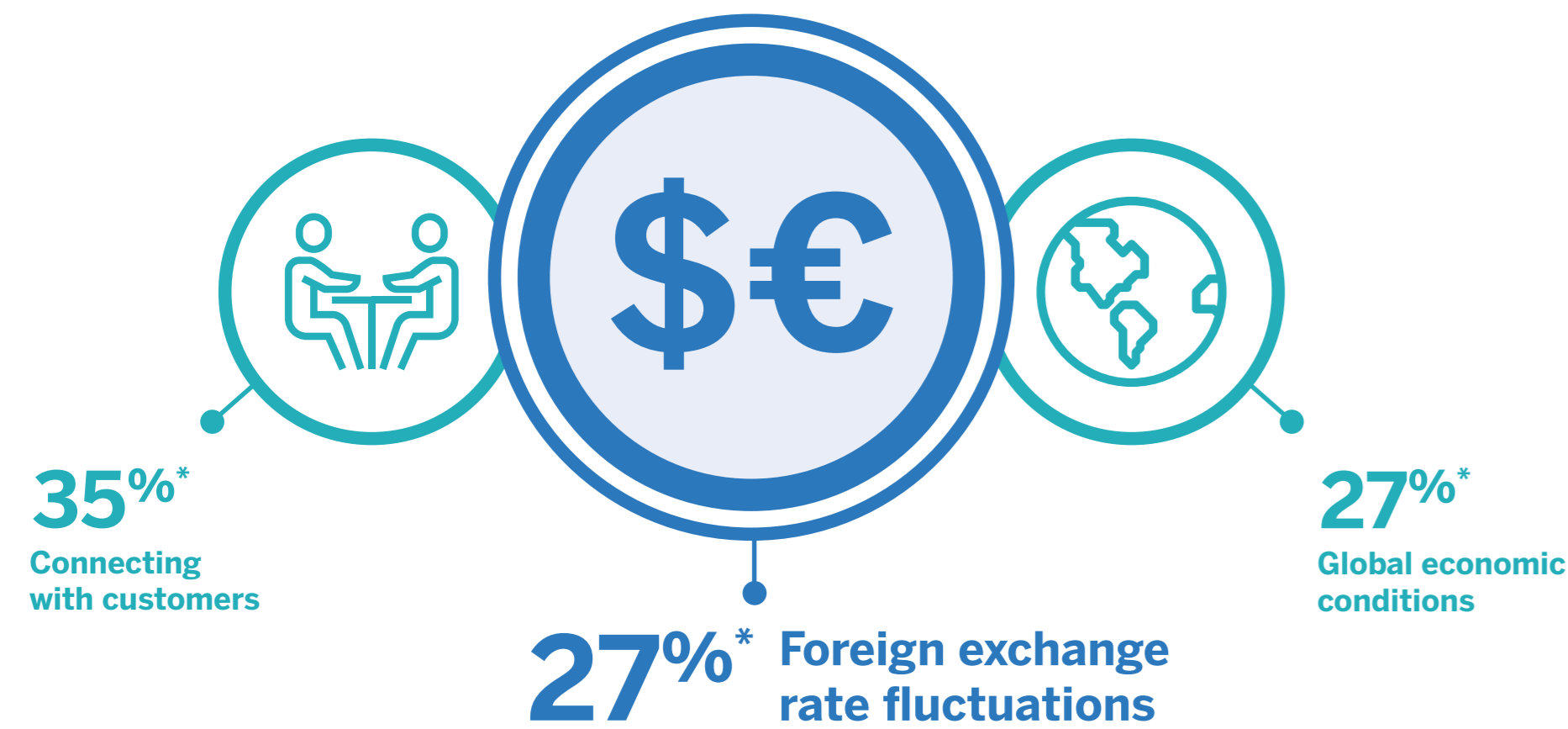


# BY THE NUMBERS: FOREIGN EXCHANGE (FX) HEDGING TOOLS THAT WILL IMPROVE YOUR BOTTOM LINE

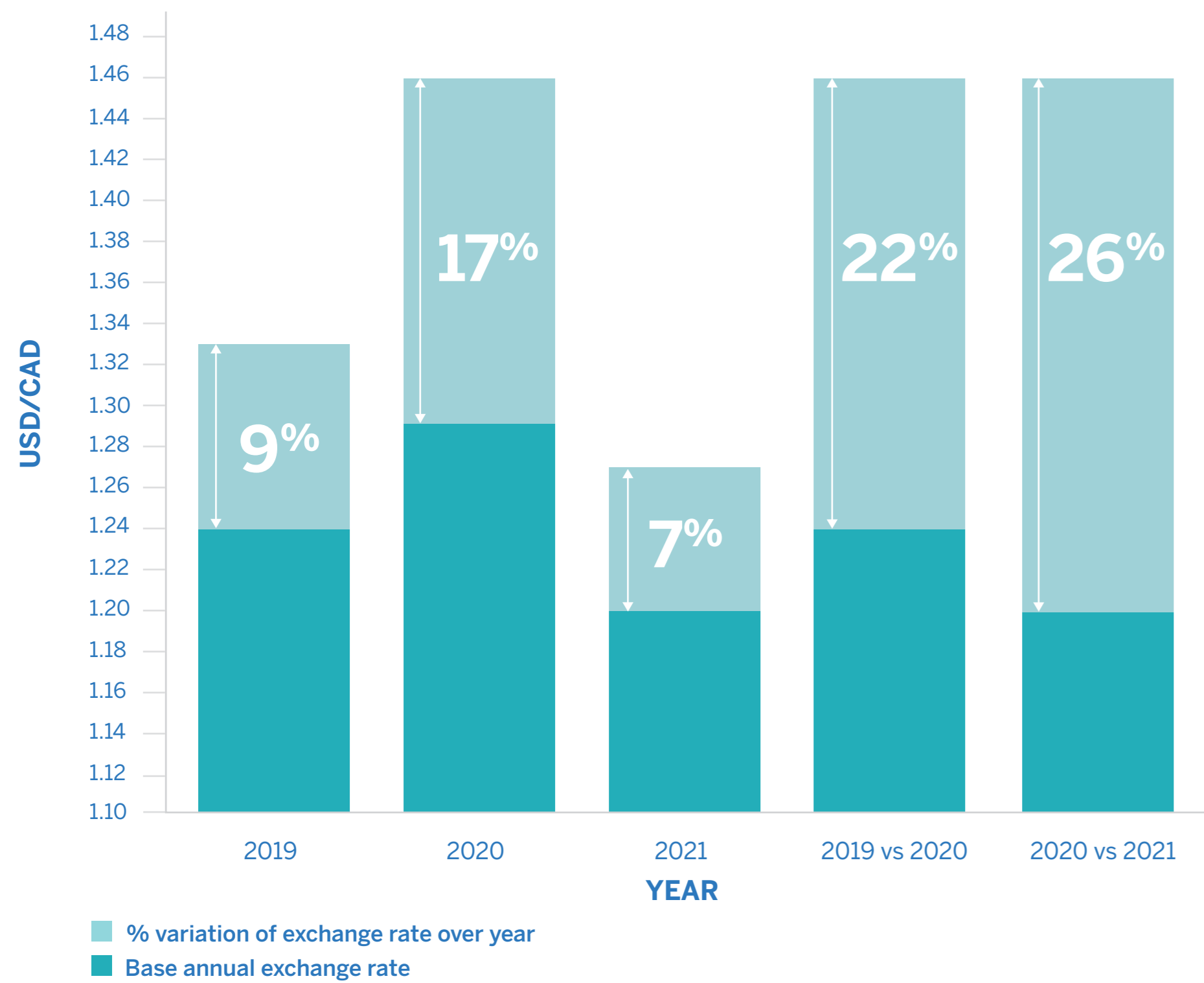
Dealing with fluctuating currency is a common challenge for exporters.



\*% of respondents to the question, "What international business challenges is your company experiencing?"

Which makes sense, given the volatility of the market.

## USD/CAD ANNUAL AND YoY VARIANCE



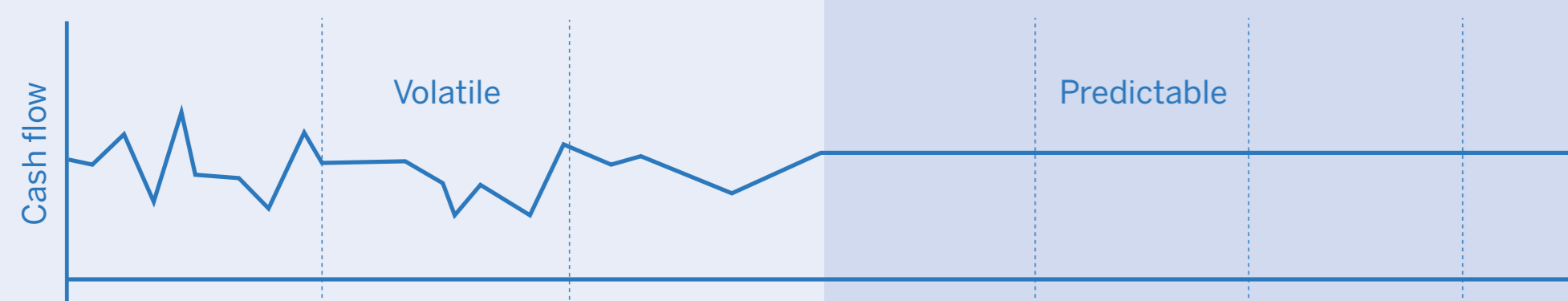
With FX hedging, you can mitigate your risk from fluctuating currency.

### No strategy

- Difficult to price contracts properly
- Unpredictable profit margins
- Difficult to budget costs and revenues in CAD

### FX hedging strategy

- Be confident in pricing your contracts
- Know your profit margins
- Accurately budget costs and revenues in CAD



EDC'S FXG ALLOWS YOU TO AVOID POSTING COLLATERAL FOR AN FX CONTRACT.

WITH ACCESS TO LIQUID WORKING CAPITAL, YOUR BUSINESS WILL BE MORE STABLE, AND YOU'LL BE READY TO TAKE ON NEW CONTRACTS AND OPPORTUNITIES.

GET OUR FREE GUIDE TO LEARN ABOUT FX HEDGING TOOLS AND EDC'S FXG

FX hedging tools often require you to post collateral—and that can hamper your businesses flexibility. Let us help you with EDC's Foreign Exchange Facility Guarantee (FXG).

## BENEFITS TO AN FXG:

- Protect your profit margin by locking in exchange rates—without tying up your working capital.
- Take the guesswork out of FX budget forecasts.
- Increase your borrowing capacity.
- Improve cash flow management.
- Potential access to more sophisticated FX hedging tools.

## HEDGE SMARTER

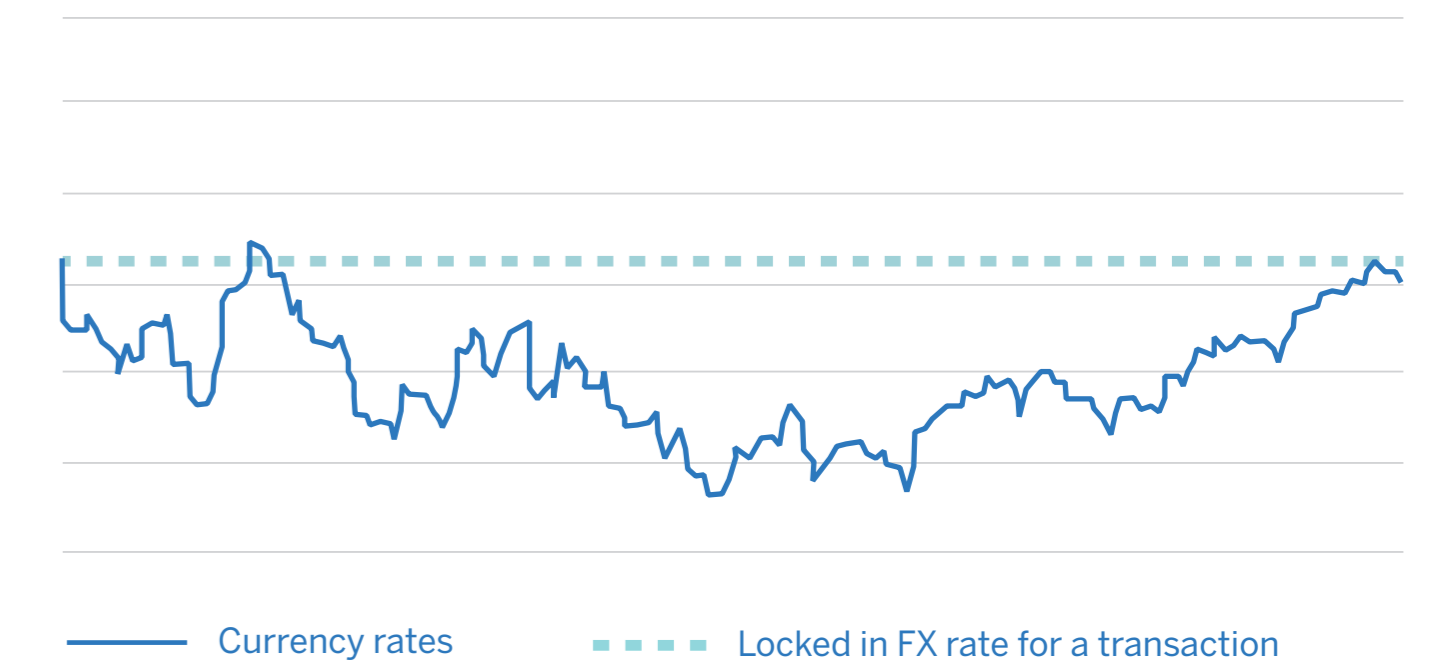
OPTIMIZE YOUR FX HEDGING STRATEGY WITH EDC'S FREE GUIDE

Find out more. Call 1-800-229-0575 or send us a question.

FX hedging tools limit the negative impact of fluctuating currency on your business.

Forward contracts enable you to lock in an agreed-upon FX rate for a transaction (not necessarily the current exchange rate) for a specific date in the future.

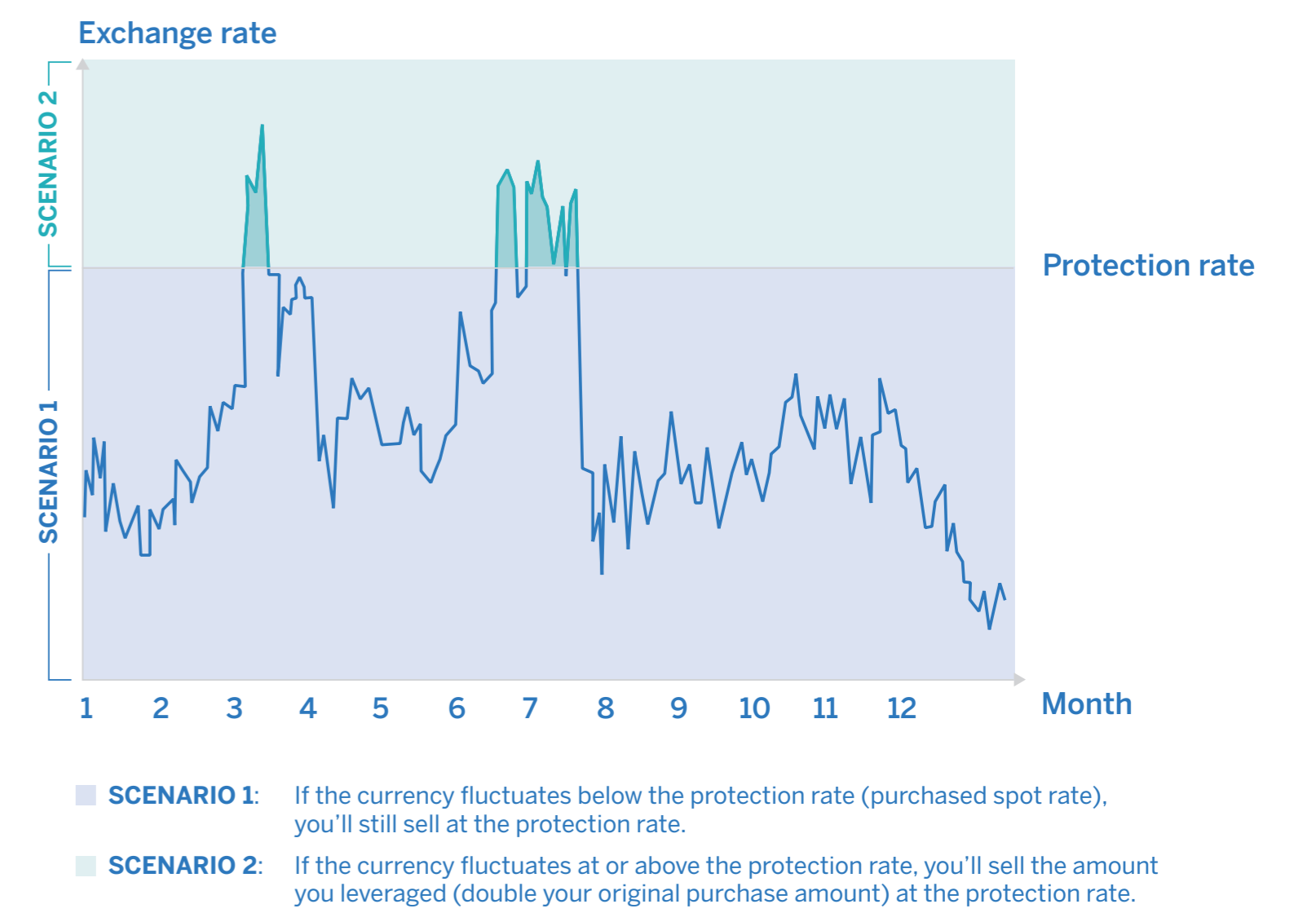
### FORWARD CONTRACTS



Currency options\* protect you against FX risk while still allowing you to profit from favourable movements in exchange rate.

\* There are multiple variations of currency options. Speak with your FX provider to find the right options for you.

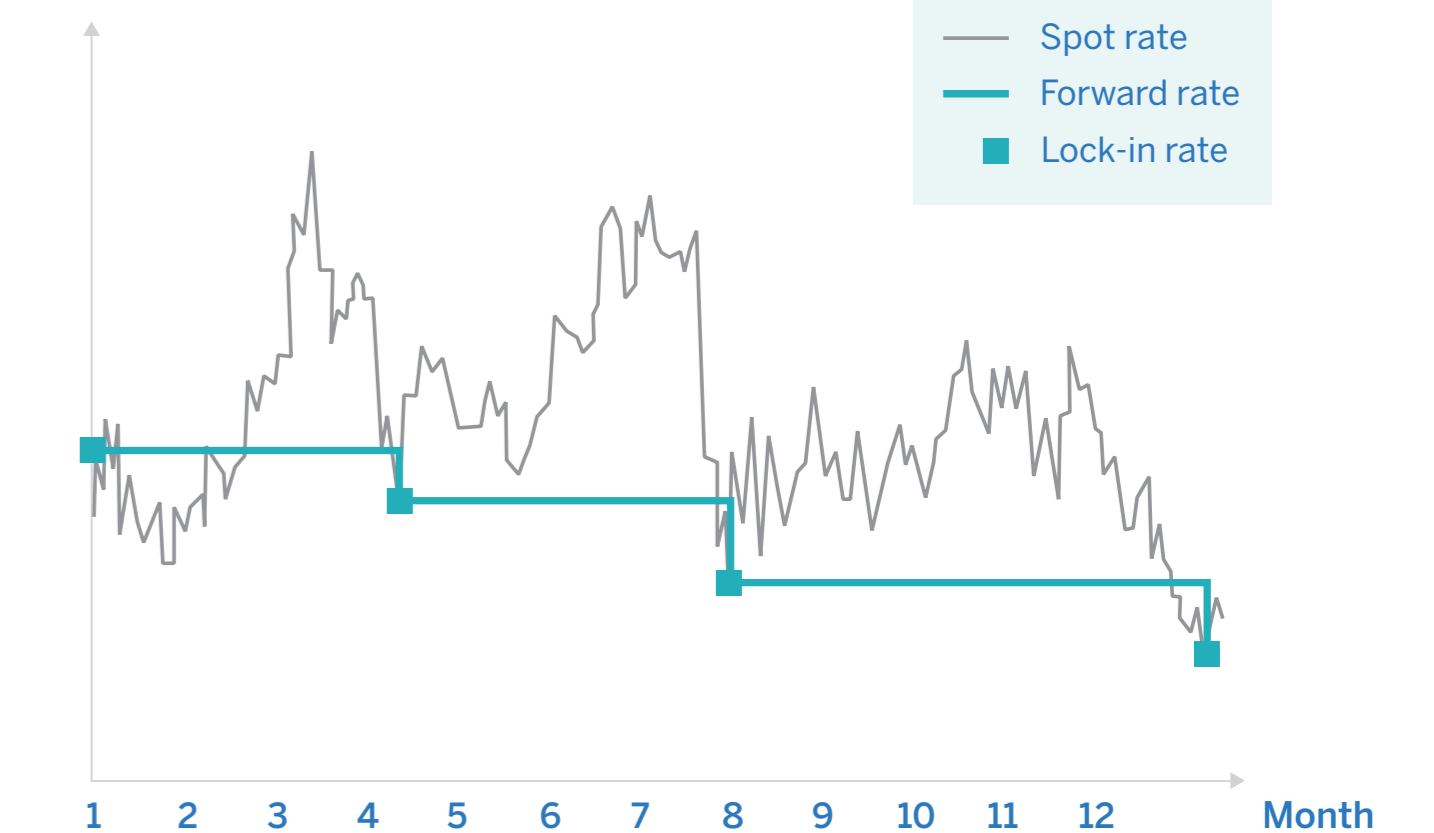
### CURRENCY OPTIONS



A spot rate locks in the value of a currency at a particular moment in time and is paid for immediately.

When the exchange rate fluctuates before you get paid, you'll know exactly how much money you'll be getting from a sale.

### SPOT RATES



Currency swaps (combination of spot rate and forward contract) involve simultaneously selling and buying a foreign currency.

They can be used for moving up or extending a forward contract or for matching cash flows.

### USING A CURRENCY SWAP TO EXTEND A FORWARD CONTRACT

