

Kantox In-House FX

Centralise FX risk management with enhanced automation, visibility and control

As group treasurers increasingly demand tools to centralise FX management, **Kantox In-House FX** rolls out a unique, **automated** software solution providing enhanced **visibility** and **control**.

Kantox In-House FX tackles the main pain points of existing offerings: high trading costs, lack of perfect end-to-end traceability to assess performance at all levels, and lack of all-round FX liquidity for subsidiaries.

Kantox In-House FX is an automated solution that eases, optimises and automates FX centralisation across the group

FX CENTRALISATION MADE EASY

- ▶ **Enhanced automation, visibility and control.** As economic uncertainty becomes the norm, group treasurers demand **enhanced visibility and control** over all **cash- and liquidity-related issues**, including FX.
- ▶ **Internal and external FX trades.** While subsidiaries carry out 'internal' FX transactions, Headquarters (HQ) is the **only entity** that actually executes '**external**' **FX spot and derivatives transactions**.
- ▶ **Headquarters as liquidity provider.** HQ is the **liquidity provider at group level**, providing up to **24/7 access to FX liquidity** to subsidiaries — with customisable markups based on tenor, amount, timing and currency pair.



BENEFITS AT **SUBSIDIARY** LEVEL

1

Segregation

Segregation by subsidiary in terms of **FX policy**, trading, accounting

2

All-round internal trades

24/7 internal **FX liquidity** with customisable markups set by HQ

3

Netting and FPs

Netting and forward points optimisation at subsidiary level



BENEFITS AT **HEADQUARTERS** LEVEL

1

Netting and FPs

Netting and forward points optimisation at consolidated level

2

Reduced trading costs

Better terms with banks as only **one entity** executes external trades

3

Perfect traceability

Perfect **end-to-end traceability and control** with API connectivity

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Operations flow

A solution for consolidated groups comprising a parent company and its subsidiaries, **Kantox In-House FX** allows treasury teams to centralise FX risk management with an automated solution that goes well beyond existing offerings. How does it work?

Subsidiaries execute **internal FX transactions** with rates and confirmation provided by headquarters (HQ), which is their **only FX liquidity provider**. HQ controls all internal trades, manages the FX risk and carries out **exposure netting** at group level, on top of the netting executed at subsidiary level.

