

FX Risk Management Survey reveals key currency management priorities and challenges in a post-COVID world.

London, October 20th 2020 - [Kantox](#), a leader in currency management automation software for businesses, today announced the findings of its 2020 FX Risk Management Survey, a study conducted in collaboration with [Treasury Management International \(TMI\)](#), a well-respected and independent editorial voice in the treasury world. The survey evaluated the effect of COVID-19 on FX risk management processes and policies across various industries.

Key highlights from the study:

Why you need to consider the strategic value of treasury

- 52% of those polled described their current FX hedging programs as either inadequate, partially adequate or non-defined in handling the COVID-19 crisis.
- 56% considered that the importance of FX risk management would increase within treasury after COVID, as treasurers realise the impact a suboptimal FX policy may have on the overall results of the company.
- However, only 30% of respondents have an FX hedging strategy approved by senior management outside of finance, demonstrating that FX is still not seen as an essential strategic task.

Top pandemic pain points facing treasurers today

- 64% describe increased volatility as one of their predominant FX pain points during COVID-19. This is generally due to a lack of confidence in FX policy.
- However, 65% highlighted exposure collection and monitoring as the most relevant FX challenge in the last 3 months. This is usually caused by a lack of systems and clearly defined processes in place.

Solving traditional FX challenges via technology

- Respondents are starting to realise the need for technology with 73% revealing that technology would help in the pre-trade phase of the workflow (forecasting and exposure collection)

- However, 53% say that insufficient technology budgets, followed by internal resistance to change stated by 46%, are the main two hurdles preventing treasurers from reaching their primary goals.

"Through the results of our survey, we can see that alongside new processes; there will be a demand for more technology after the COVID-19 crisis. In the current economic climate, there is a big focus on efficiency and effectiveness, and this will require companies to reconsider traditional strategies and engage essentially new approaches when it comes to FX management " says **Antonio Rami, Co-Founder and Chief Growth Officer at Kantox.**

"Now, more than ever, treasurers need to be aware of the negative impact that suboptimal FX risk management can have on the wider organisation and act accordingly. The results indicate that while some have a fairly robust existing approach to FX risk, the world is changing faster than most of us ever expected – and some corporates are not yet well-positioned to catch up" explains **Eleanor Hill, Editor of TMI.**

The survey was conducted with 154 participants and took place from June to July 2020. It included responses from various verticals such as manufacturing, retail and financial services. The revenue of the responding companies ranged from under €20m to those in the €1billion-€10billion revenue bracket, where most participants were placed.

The full report and results can be found [here](#).

About Kantox

Kantox provides Currency Management Automation software that enables companies to effectively manage their currency workflow. More than 5,100 clients in 72 countries trust Kantox with their currency needs and have exchanged more than \$12.5 billion through the award-winning platform. Kantox currently works with thousands of clients across a wide spectrum of industries, including the food, travel, chemical, e-commerce, retail, oil and gas sectors.

The company is headquartered in London and authorised by the Financial Conduct Authority (reference number 580343). For more information, visit www.kantox.com, [@Kantox](#), [LinkedIn](#). **Press contact:** lorraine.finn@kantox.com

About TMI

Treasury Management International (TMI) is a well-respected and independent voice in the treasury world, renowned globally for its sharp editorial focus and breadth of opinion. With real-life experiences from practitioners, TMI showcases topical, pragmatic solutions and strategic insights providing valuable material for all practitioners, from experienced treasurers and CFOs to those new to the profession. For more information, visit Treasury-management.com.