


The Kantox logo is displayed in a large, dark, sans-serif font.

Kantox Solutions: how a European Gas company protects profit margins from FX risk

A low-angle, perspective shot of a long, white metal walkway with railings, leading towards a large, circular industrial structure, likely a gas storage tank, under a clear blue sky.

This European company, a leading Liquefied Petroleum Gas (LPG) wholesaler, purchases gas internationally and distributes it through its retailer network in two ways: with semi-annual contracts with pre-established total volumes and by filling orders from extra-contractual demands. The company was looking for an automated solution to protect its operating margins from currency risk while hedging both its forecasted and transactional exposure.

Kantox Dynamic Hedging®, Currency Management Automation software for end-to-end FX automation

FX CHALLENGES

- The **high sensitivity of the business to FX** underlined the need to protect operating profit margins from market fluctuations
- The **extended time lapse between firm commitments and cash settlement** required an efficient solution to hedge transaction exposure
- The **excessive burden** that **manually-executed FX risk management** was putting on the firm's treasury resources

KANTOX SOLUTIONS

- A micro-hedging program for firm commitments allows the company to **remove FX risk on its transactional exposure**
- A static hedging program **combined with conditional orders** does away with the risk of over-hedging forecasted FX exposures
- An interface provides the firm's risk managers with **real-time visibility** over both forecasted and transaction exposure

BENEFITS

- The company protects its profit margins from currency risk while effectively **hedging all cash-flow FX transaction exposure**
- Quickly hedging the forecasts and firm orders allows the company to **maximise the impact of favourable forward points**
- The automated solution **streamlines the entire FX workflow**, thereby doing away with 'key-person risk' in FX management

99.7%



Hedging
precision

15%



Margin
enhancement

€198 M

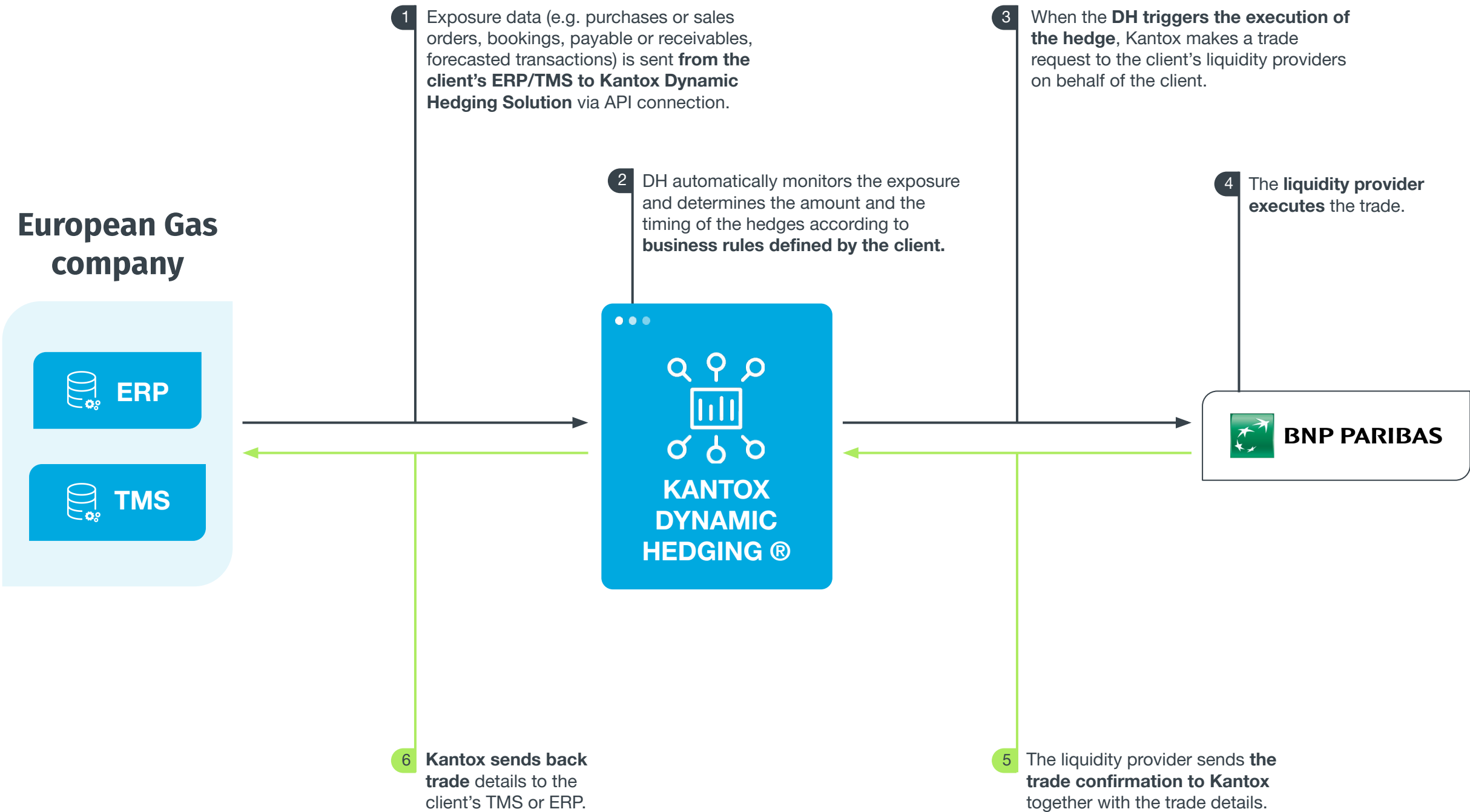


Annual
turnover

"As well as protecting margins and standardising our approach to FX risk management, Kantox Dynamic Hedging® solution has enabled us to implement procedures that can be easily applied"

Maurizio,
Gas Company Treasurer

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Kantox is a **leader in Currency Management Automation software** that enables businesses to automate their end-to-end corporate FX workflow, remove currency risk and leverage foreign currencies to increase competitiveness.

With offices in **London and Barcelona**, we have grown into an international team of **over 120 professionals from across 36 nationalities**.

OUR AWARD WINNING SOFTWARE



Best Risk
Management Solution



Best Solution
Innovation – FX Risk



Best e-FX platform
for corporates

Interested in learning more?

Book a session with one of our Currency Management Specialists, and discover how Currency Management Automation can help your business

[Request a demo](#)