



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



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"

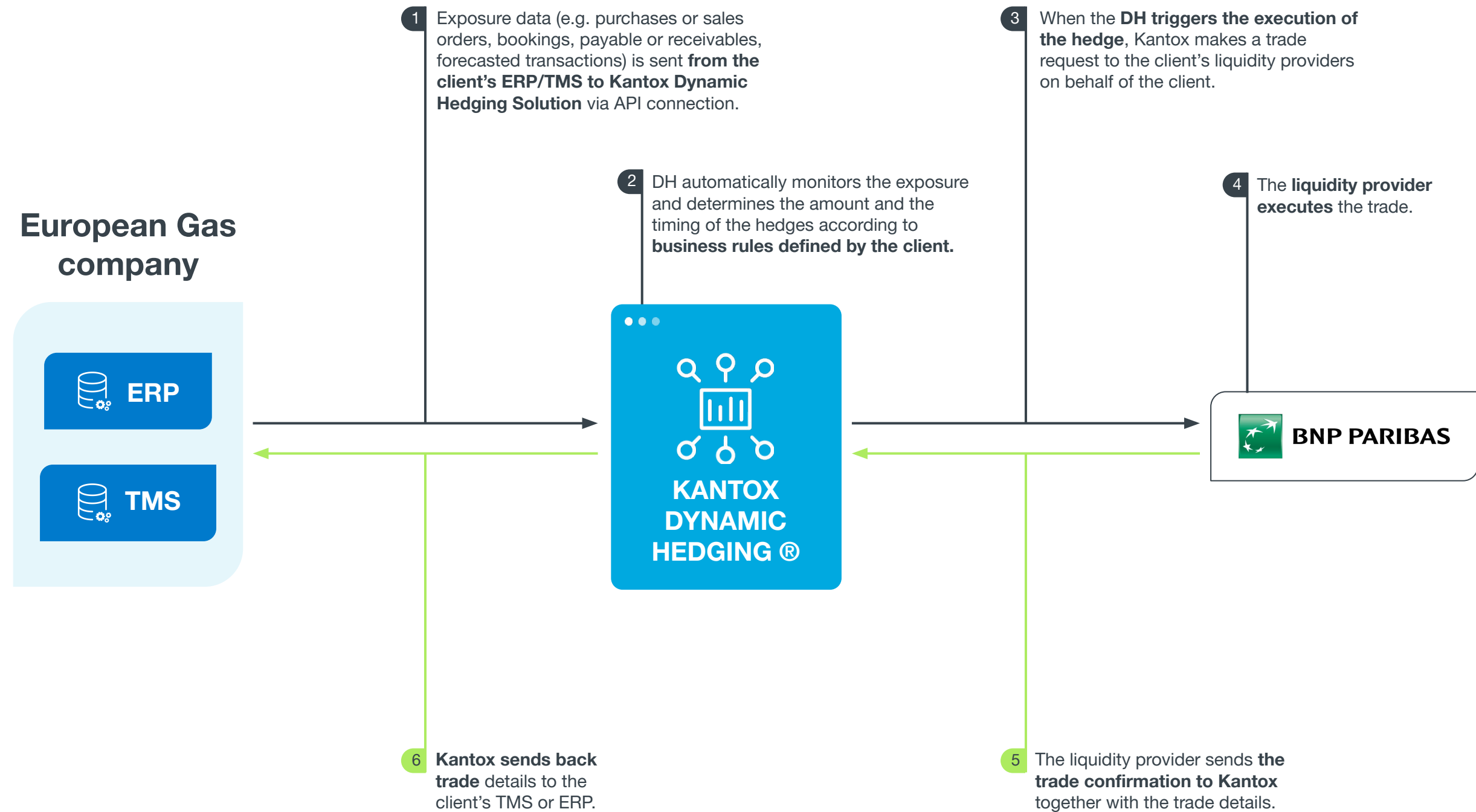
Maurizio,
Gas Company Treasurer

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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 200 professionals from across 75 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](#)

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