



SMART CURRENCY BUSINESS

CORPORATE CASE STUDIES

SUCCESS STORIES FROM PARTNER BUSINESSES



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A NOTE FROM TOBIAS WOODWARD

Head of Partnerships at Smart Currency Business.

Since 2020, currency markets have proved predictably unpredictable. Driven by a dizzying number of disruptions – from COVID-19 and the Russian invasion of Ukraine to President Donald Trump’s aggressive tariff regime – the financial landscape has been turbulent in the extreme. For clients with international exposure, these movements present both risk and opportunity. This document showcases real-world examples where, through our partners, we’ve delivered strategic solutions that safeguarded value and improved business outcomes, using partnerships to transform uncertainty into confidence.

If anything in this document resonates with your experiences, please reach out to our partnerships team today.

GBP/USD exchange rate since 2020



1: UK NUT WHOLESALER



BUSINESS PROFILE

A UK-based nut wholesaler supplying both domestic and European markets. Approximately 95% of its products are sold under white label brands, with the remaining 5% under its own brand. The company sources nuts from Latin America, Africa, and India. It was introduced to Smart Currency by a national accountancy firm.



THE CHALLENGE

The business had an annual foreign exchange (FX) exposure of approximately \$3 million USD and €300,000 EUR, managed through a USD working capital facility. It relied on fixed forward contracts renewed once a year. However, this approach didn't align with its key contract pricing window in January and February, leaving it exposed to currency movements for several months in each cycle.



THE SOLUTION

After a series of discovery meetings, Smart Currency worked with the client to implement a revised hedging strategy. This included a mix of participating and fixed forward contracts, providing protection against adverse currency movements while allowing the business to benefit from favourable rate shifts on part of its exposure.



THE OUTCOME

The new strategy improved the company's control over currency risk and enabled it to agree supplier pricing earlier in the cycle. This not only enhanced margin stability but also allowed the business to pass on potential savings to customers. With our ongoing support, the company is now better equipped to manage currency exposures as part of its broader financial strategy.

2: EQUIPMENT MANUFACTURER



BUSINESS PROFILE

A UK-based manufacturer of bespoke retail display equipment that grew rapidly after winning a €12 million contract to supply cabinets to 1,000 new stores over three years. It was introduced to Smart Currency by a national accountancy firm.



THE CHALLENGE

Due to fixed pricing with its retail client, the company needed a EUR/GBP exchange rate of at least 1.16 to maintain margins. Without an FX strategy, and relying solely on its bank, the business was exposed to market volatility over the duration of the contract.



THE SOLUTION

Smart Currency carried out a detailed discovery process and implemented a “ratio forward” contract, which protected the target exchange rate while enabling the company to benefit from positive rate movements on a portion of its income.



THE OUTCOME

The business secured its profit margins, gained cashflow certainty, and was able to focus on delivering the contract without concerns around treasury. Smart Currency’s bespoke strategy provided access to specialist tools unavailable through traditional banks, strengthening the company’s financial position during a period of rapid growth.

‘We provide comprehensive, consultative solutions that protect your clients from risk.’

3: FOOD IMPORTER



BUSINESS PROFILE

A UK-based food import group – part of a larger company headquartered in Italy – supplying a wide range of chilled food products to both wholesale and retail markets. The group operates under two distinct business models: one focuses on general sales with dynamic pricing, while the other works on longer-term fixed contracts with major UK supermarkets. It was introduced to Smart Currency by a national accountancy firm.



THE CHALLENGE

The company had no budgeted rate in its forecasting or accounting. As GBP/EUR fluctuated, if the pound fell in value (making their stock more expensive) they had to regularly change client pricing in order to maintain a stable profit margin.



THE SOLUTION

We worked with the business to create an annual hedge, establishing a budgeted rate for the year that it could consistently base their pricing on. This hedge offered full protection against any negative rate movements (e.g. devaluation of the pound). It was also a flexible product, meaning the business could benefit from any favourable sterling rate improvements.



THE OUTCOME

With a stable budgeted rate to price its products from, the business only needed to change pricing once a year, as opposed to monthly adjustments driven by market movements.

4: OVERSEAS TOUR OPERATOR



BUSINESS PROFILE

A £25m-turnover travel company specialising in overseas school trips and tours. Clients pay for trips in GBP, while tours mainly take place in Europe and America, requiring the company to purchase up to £18m in USD and EUR annually. It was introduced to Smart Currency by a national accountancy firm.



THE CHALLENGE

Despite having 12-month visibility over cash flows—since school trips are booked and organised well in advance—the business did not have a set currency hedging strategy.

Trip prices were fixed before payments were made, so volatility in the FX market left the company exposed to negative rate movements, which eroded profit margins. Additionally, the client had a number of existing forward contracts with another counterparty, which required restructuring.



THE SOLUTION

Having gained a deep understanding of the business, Smart worked alongside the client to implement a back-to-back hedging strategy. This meant that each tour's costs were fixed to a corresponding hedge—locking in profit margins and protecting against FX volatility. Smart also led the restructuring of legacy forward contracts, helping to mitigate potential losses.



THE OUTCOME

The strategy has stabilised the business, providing a solid platform for future growth. The client has continued working with their personal account manager, booking regular hedges as part of their ongoing policy.

OUR CONSULTATIVE APPROACH

1. FACT FIND

We conduct a detailed review of your client's accounts, business model and exposure to currency risk.



2. ANALYSIS

We assess the financial implications of negative currency movements and identify appropriate hedging tools available on the market.



3. SOLUTION

We help create a bespoke hedging strategy for your client to manage all associated currency risk.

ABOUT SMART CURRENCY

Smart Currency Group was established in 2004 by CEO and chartered accountant Charles Purdy. For 20 years, Smart Currency Business has helped corporate clients manage and overcome risk by crafting bespoke treasury solutions. We are regulated by the Financial Conduct Authority (FCA), are debt-free and maintain a strong balance sheet. To ensure client accounts remain safe at all times, all funds are ring-fenced with tier 1 banks.

WHAT WE OFFER

Unlike banks and brokerages, which provide little in the way of long-term, strategic support, our process helps set businesses up for success in the long run. We conduct detailed reviews of corporate exposures to identify the hedging strategies best suited to your needs. We offer competitive pricing, a full suite of foreign exchange products, as well as a sophisticated online platform supplemented by ongoing guidance and strategic support from our expert team.



CONTACT US

Get in touch with our team for a quick, no obligations discussion of how we can help your business

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Scan the QR code to register with us today.



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