

The background of the cover features a magnifying glass with a gold rim and black handle, focusing on a line chart with multiple colored lines (black, red, green, blue) on a grid. Below the chart, a pen with a silver and black body is positioned over a document with various numbers and text. The overall theme is financial analysis and precision.

The Expert Guide to International Currency Transfer

HAWK FX

Clarity Through Perspective

Introduction

Our horizons are becoming more global, and as our lives expand, we need to find better ways to make our money work for us. The old way of doing things — going to your bank or waiting in line at the Bureau de change to exchange your currency might be convenient, but it means you will end up paying more — sometimes a lot more.

We want to change that.

Here at Hawk FX we give you the insight and services you need to help your money go further. We've created this guide to highlight the hidden costs you could be paying, explain what goes into a currency exchange, and ultimately reduce how much you pay for international money transfers.

By the time you've read through you'll understand the facts and fees of currency transfers, together with the tools you can use to make your money go further.

We know that currency exchange is something you might not think about that much. Don't worry, we're going to break things down and show you how to save hundreds or thousands of pounds a year, all while keeping things simple, fast, and convenient.



The reasons why we transfer money abroad

Before getting into the details, it's worth exploring why you might be sending money to, or receiving money from overseas.

Money for moving abroad

Exchanging currency because you are starting a new life overseas.

- ✓ Buying a new home in another country.
- ✓ Emigrating abroad and making sure you have enough living expenses.
- ✓ Getting paid by your employer and transferring your salary.

In 2016, over 300,000 Brits left the UK to start a new life abroad! Do you want to be next?

Money for Growing Wealth

Exchanging currency to invest in overseas property, businesses, and financial markets abroad.

- ✓ Contributing a pension or retirement plan.
- ✓ Investing in businesses overseas.
- ✓ Investing in stock markets and other financial instruments in another country.
- ✓ Receiving money from investments or your retirement plan.

Money for Friends and Family

Exchanging currency to help out your friends, family, and loved ones.

- ✓ Paying for general living expenses.
- ✓ Paying for college tuition or living expenses.
- ✓ Paying for family support and elder care.
- ✓ Paying for a wedding or other special occasion.
- ✓ Gifts to your loved ones.
- ✓ Receiving money from family and friends.

UK people and businesses send over £20 billion overseas every year to France, Spain, Portugal, Australia, New Zealand, Canada, Germany, Poland, India and many other countries. People send money for many reasons, with the most popular being to support their families, as a gift, for a holiday, transfers to their foreign accounts, or for business.



The basics of currency exchange

The most important factors in getting more out of your international money transfers are:

- ✓ Getting better exchange rates than those offered by high street banks.

- ✓ Avoiding extortionate bank fees.

- ✓ Protection against currency market fluctuations and the certainty of locking in a rate.

We will dig into these a little more...

Hawk FX Real World Insights: Taking a few minutes to improve how you transfer money can make a big difference to the bank balance of you, your business, or your family. For example, if you're paying £200,000 for a property in Europe, you could save yourself up to €10,000.

Your Guide to Currency Exchange Fees

One of the best ways to help your money go further is to reduce the currency exchange fees you pay. These come in three not so delicious flavours:

- ✓ The “commission” or “margin” - the difference between the baseline exchange rate and the rate your bank or currency provider offers you. This margin varies significantly between banks and currency providers.

- ✓ Flat fees that are charged on a “per transaction” basis. These are most often levied by banks on all transactions, but are not typically levied by brokers on higher-value transactions.

The exchange rate from your bank or currency exchange provider

The exchange rate is simply how much of one currency you get, when you're buying or selling a different currency – a "currency pair." There are two types of currency exchange rates:

- ✓ **The Interbank rate** – this is the rate that banks and other large financial institutions use when they are exchanging currency between themselves.

- ✓ **The bank or provider rate** – this is the rate that you get as a private or business customer.

Hawk FX Real World Insights: Hawk FX are a FSA-authorized Foreign Exchange specialist that carries out hundreds of millions of GBP worth of FX deals each year on behalf of its customers. Because of our volumes we get wholesale rates from our partners - and unlike our competitors we pass these savings on to you our customers.

The bigger the difference between the two, the less money the recipient will get. The differences between the exchange rates may be small, but quickly add up to be significant amounts of money.

The diagram shows the impact of seemingly small differences to the exchange rate between Hawk FX and high street banks for a transfer of £100,000 pounds to euros in mid-May 2018.

	GBP/EUR Rate	Euros	Difference
Hawk FX	1.1314	113,140	2,340 More euros than using high street banks
High street banks	1.1080	110,800	

Wholesale, interbank currency exchange rates are made available to banks and other large financial institutions. Typically, banks do not offer cost-effective exchange rates to consumers. In contrast, specialist currency exchange providers can offer exchange rates much closer to the interbank rate, meaning that you save a lot more when transferring money.

Bank Fees

Banks charge a transfer fee for each currency exchange. These fees vary greatly, and could run from £10 a transfer up to £50. While these transfer fees may not be much by themselves, if you're regularly funding international transfers, they quickly add up.

Banks typically apply a margin of up to 4% more than Hawk FX and also apply additional fees ranging between £20 - £50 for each transfer.

There is another, much less expensive way – use a dedicated currency exchange provider like Hawk FX. Because of our expertise and the scale of services we provide, we're able to pass our cost savings on to you, in the form of lower fees.

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The expert's guide to savings using a dedicated money transfer specialist

Just how much could you save when you use Hawk FX? We're glad you asked. For higher-value transfers, the only fee we charge is the difference between the wholesale exchange rate and the rate we charge you – and we keep that as low as possible. Even better, the more you transfer with us, the more competitive our rates get.

We're experts in high-value and high-volume transfers. Because of the number and value of the currency exchange transfers we process, we keep fees incredibly low – you can save as much as 5% of the value of your transfer, compared to using a bank.

We don't charge any fees at all if you choose to transfer £5,000 or more with us. We do not charge fees to receive money and we do not apply transfer fees to foreign exchange transactions.

Here's an example – imagine you're fulfilling your dream of emigrating to Australia. You've been saving for a long time and you have £100,000 to transfer. The amount you would get based on different ways of transferring money would be:

- ✓ Typical UK bank: **AUD \$170,409**

- ✓ With Hawk FX: **AUD\$179,130**

You would be over **AUD \$8,500** better off by using our specialist currency exchange services, compared to a bank. That's not all – we provide several other services to help your money go further.

The services we provide

We offer several different money transfer services, tailored to your exact needs. Whether you need a fast transfer right now, a predictable future exchange rate, the reassurance of putting “targets” on your currency exchange, or something else, we can help. All our services are backed by our deep industry expertise, and a friendly, personal touch, to help your money work for you.

Spot contracts for one-off currency transfers, Right Now

A “spot contract” is simply a one-off currency exchange, similar to what we covered above. The spot contract is a straightforward way to send money, and you get the prevailing exchange rate at that moment in time when you decide to send your money. Transfer times range between the same day or up to two days, depending on the currency you’re exchanging and the destination country.



Forward contracts for certainty around the exchange rate

If you want to lock in a fixed exchange rate for up to two years, then a “Forward Contract” is the right solution. For a small deposit, we guarantee an exchange rate at some point in the future.



The forward contract is ideal if you want to transfer a large amount but you don't have the money yet, and want to avoid the unpredictable foreign exchange markets. For example, if you're buying property abroad you can lock in the rate now so there are no surprises.



Limit and stop loss market orders to take advantage and protect your transfer

Market orders are a special type of order that we use to help you take advantage of fluctuating currency exchange rates. They're very effective if you're not limited by payment deadlines, since you can:

- ✓ **Limit Order** – Set a rate you want to make your money transfer at – we won't make the transfer until that rate is met. This ensures you don't need to sit in front of your computer just so you don't miss out on a great exchange rate!
- ✓ **Stop Loss Order** – *Protect your money from falling exchange rates, by setting a "lowest price" you want to exchange at, this limits any potential losses and acts as a "safety net" for your transfer.*
- ✓ Combine the two types of order to aim for a favourable exchange rate whilst also ensuring that, should the markets turn, you are protected.



Market insights to keep you in the know

If you're regularly transferring money overseas, you need to keep up with the currency exchange markets. We provide regular insights and commentary on the currency exchange markets so you can take advantage, including highlighting future events that might influence the currency markets.

The team at Hawk FX have a bird's eye view of the currency markets, able to analyse millions of bits of data and see the most important information relevant to our clients.



The Hawk FX advantage

Here at Hawk FX, we work closely with you so you get the support you need to maximize the value of your money transfer. From understanding your reasons for exchanging currency to talking you through our products, our client managers take pride in maximizing the value of your money.

We give you the expert help you need to avoid big losses so you can plan ahead and get the most out of your currency exchange.

It's time to broaden your horizons by talking to Hawk FX. Contact us now on +44 (0)330 380 30 30 or through our website at HawkFX.com.



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