



Optimising Multi-Currency Treasury Management

OPTIMISING MULTI-CURRENCY TREASURY MANAGEMENT

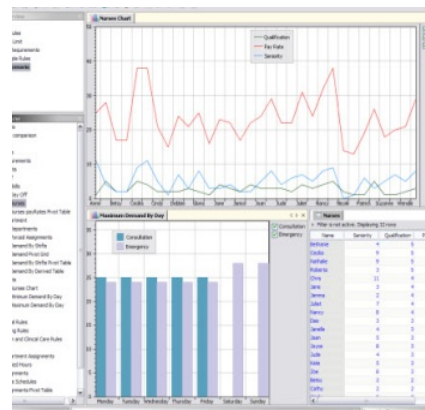
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PROBLEM

A company involved in multi currency payment processing and processing VAT refunds has multiple income and outgoing financial streams. These consist of paying off VAT claims in different currencies and in different formats (credit card, cash, cheque), and claiming appropriate amounts from governments. Timing is important here. Claims to the government can only take place within certain time windows (e.g. once a month). A delay in submitting a claim could mean a higher amount can be submitted, but it also leaves the company exposed to a shortfall possibly caused by unexpected demand (possibly incurring an expensive loan from the external market). Equally, there is a small opportunity to refund their customers slightly late, although this must not be detrimental to their service level. In addition, the company can make intra- company loans due to its multi-national locations.

APPROACH

A forecasting engine provides the data for users to run a scenario optimisation engine in order to understand and quantify better their current risk position. The whole system looks ahead for one month and determines the optimal time to put in country claims and when to accept/repay (internal/external) loans. A decision support tool has been built and is being evaluated in a live situation with an Irish- based multi-national financial services company. The model is also being extended by incorporating currency conversion predictions to further allow the aggregation of all currencies across the company. This type of application is applicable for any treasury type scenario where internal transfers and currency conversion can take place.



ABOUT THINKSMART TECHNOLOGIES

Thinksmart Technologies is a fast-growing software company based in Cork, Ireland providing the Next Generation Advanced Analytics capabilities. Our revolutionary software product 'Intellify' combines world leading technologies from data mining, clustering, pattern recognition, optimisation, planning, scheduling and complex event processing into a single unified platform. This patented technology uses methods from mathematics, computer science and artificial intelligence to create the next generation in advanced analytics suites to meet the rapidly growing demand for complex analytics. This growth is fueled by the exponential growth in data and the increasing awareness of more and more clients that they now need advanced technologies to make their business systems smarter, drive improved decision-making, create competitive advantages, unlock new values and ultimately increase profits.

FURTHER INFORMATION

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