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## **“Get specialist assistance on your currency exchange!”**

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So your visa is secured and the house is sold and you are off to your new life ‘Down Under’ and, the final step is to switch your Pounds Sterling into Australian Dollars. There is a hitch though; the exchange rate is much lower than three months ago when you last looked at the sums. This could actually jeopardise the house purchase and will certainly cut into your spending power when you get there.

This nightmare scenario is played out in hundreds of households every year because so many migrants have so much to think about when planning their move, that the exchanging of their savings and financial assets into the new currency - probably the largest foreign exchange transaction that anyone will ever personally undertake - tends to be a last minute thought.

What then compounds the problem is the fact that high street banks tend to think of these migration transactions as one-off trades and so the exchange rate offered is, shall we say, less than competitive.

If you are in the midst of or even just contemplating emigrating, it is essential that you write “Currency Conversion” at the top of your list and start planning the exchange of your funds as early as possible. And by ‘planning’ I mean, speak to a specialist currency dealer such as Halo Financial because, without the help of a specialist, all the planning in the world will probably still not allow you to get the best from your currency exchange when buying currency through the banks.

Your Halo Financial FX Consultant will offer information to help you cost your move well in advance of your departure date and then, having assessed your specific circumstances and needs, set about planning the best strategy to take advantage of the exchange rate movements. This holistic approach will ensure that you protect against the possibility that the currency exchange rate might fall before you move, robbing you of purchasing power when you arrive. It will also mean that, when the exchange rate is at its most advantageous, you not only know about it whilst you can take advantage of it but have the tools available to you to get the exchange rate you want for the date you need it.

This very simple procedure is known as a Forward Contract. This is not something that is widely available for private individuals through high street banks but is used by market professionals to manage risk and hedge exposure.

A Forward Contract allows you to reserve an exchange rate today but arrange to physically exchange your Sterling for Australian Dollars at a specified time in the future. This can be organised to coincide with your final move or perhaps the release of equity from a property sale for example. To secure the exchange rate you will need to provide a deposit of 10% of the contract value and arrange the payment of the 90% balance by the agreed settlement date (sometimes known as a ‘value date’).

In the same way that holiday organisers will always tell you the weather was great last week while you stand in a hailstorm or the snow was beautiful powder last week while you search for a sliver of white stuff on the rocks and mud, the exchange rate is usually fantastic the month before you want to or are able to move your funds. This is why Forward Contracts are popular with many Halo Financial clients who wish to avoid the risk of exchange rate falls and to capture attractive exchange rates when they are available - even if their full funds are not yet liquid.



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Knowing what is a good exchange rate is another bone of contention. You will be aware of the fact that when you are looking at houses in a particular location, you become an expert on local property almost by default. The same could be said of the GBP-AUD exchange rate as you start to monitor the rate while you plan your move. However, the exchange rate moves every second of the 24 hour trading day and often the best exchange rates are available for the briefest of times in the Australasian trading hours – whilst we sleep.

Halo Financial offers a facility to capture these overnight spikes; securing the best of the market rates when they are available.

These knowledge, facility and simplicity factors are the main reasons clients use Halo Financial but the fact that they speak to the same person each time they call – a consultant who knows their needs, understands their concerns and can explain even the most complex of market issues in jargon-free English, ensures the relationship is a trusting and rewarding one. In these times of pre-recorded automated banking services, it's hardly surprising that speaking to a human being has become such an important factor in the growth of the specialist foreign exchange dealer.

***Sophie Stride is an FX Consultant with Halo Financial Ltd, a specialist foreign exchange company providing expert currency exchange services to both companies and private individuals. If you are at the start of buying an overseas property or in the process of buying currency to migrate, it is never too soon or too late to save money on foreign exchange. Halo Financial can be contacted on +44 (0)20 7350 5474 and their website can be viewed at [www.halofinancial.com](http://www.halofinancial.com)***