

Indirect FX

Indirect FX is for clients seeking convenient access to market-leading infrastructure to outsource execution and automate their foreign exchange trades.

Product Overview

We offer this service to our clients who have their funds under our custody, specifically for the foreign exchange needs that relate to the purchase or sale of a security. It can be used for two types of transactions: security settlement and income repatriation. The user profile of this automated, convenience-led service is broad, ranging from the world's largest asset managers to boutique investment firms.

We offer execution services for a broad range of currencies including G20, Restricted markets as well as Frontier Markets also. However, there is one common denominator: our clients can rely on State Street's market expertise and processing scale to provide timely execution to meet client needs.



Convenient FX execution for security settlement and income repatriation transactions



Reliable, outsourced execution of developed, emerging and restricted market FX trades



Product Overview (cont.)

In today's cost-focused world, financial firms are increasingly focused on margins. Establishing and retaining a full-time trading desk to maintain routine FX execution tasks can be an expensive and time-consuming business. For many, the decision to outsource such tasks makes financial sense.

Our Indirect FX service offers an automated STP solution, and detailed reporting that clients can determine the frequency and how they would like that delivered (push vs pull) accessible through the MyStateStreet portal.

Clients choose the Indirect FX service they require, based on the type of transactions they wish to perform, which is typically for security settlement activity and income repatriation.

FX orders are priced either daily or hourly depending on the service. Those seeking support for both income repatriation and security settlement transactions have the option of hourly gross pricing, or if they prefer, once per day for all orders on a net basis.

With Indirect FX service, clients can expect consistency in their pricing. We determine both the execution rates and times using a clearly disclosed methodology. The market rates for any given currency pair are from independent third-party sources, obtained at the time that each transaction price is set.

We also specify the maximum amount that the indicative spot bid and offer rates can be marked up or down, allowing our clients to anticipate how much they are likely to pay for each service and weigh that against our other alternative arrangements or those offered by our competitors.

Users of the service are safe in the knowledge that we take on responsibility for all associated risk in the FX process, with the automated service supported by straight-through processing.

No Surprises — our standardized pricing methodology coupled with comprehensive reporting means clients can be assured of complete transparency.

Absolute Convenience — clients can choose from multiple services based on anticipated transaction flow, potential trade aggregation and appetite for netting.

A Complementary Service — clients within our custodial network will have execution automatically linked to their security settlement and income cycle.

To learn more about Indirect FX, e-mail:

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