

## ***Foreign currency or U.S. dollars?***

When sending an international wire transfer, there are two options available to you. One option is to send an international US dollar (USD) wire. The other option is to send an international foreign exchange (FX) wire.

### **International USD Wires**

International USD wires that are distributed in USD to an overseas beneficiary from a domestic U.S. account. USD wires are a good option when the beneficiary has requested to be paid in USD, has a USD account, or when the beneficiary's local currency is unstable and could experience rapid changes in value.

### **International FX Wires**

International FX wires that are distributed in the foreign currency where the overseas beneficiary resides. FX wires are a recommended option if the beneficiary's account is not a USD account and the beneficiary's local currency is stable and not likely to experience rapid changes in value.

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### ***Benefits of Sending an International FX Wire vs. an International USD Wire***

When a USD wire is sent, those dollars will likely be converted by the beneficiary's bank into their local currency because the beneficiary does not hold a USD account. An FX wire provides you the option of converting USD to the beneficiary's local currency prior to sending the wire. There are several benefits to you when sending an FX wire.

### **Favorable Exchange Rates**

The BP Federal Credit Union purchases foreign currency from Southwest Corporate Federal Credit Union. When sending a USD wire, where the beneficiary's bank converts U.S. dollars to the local currency, the exchange rate charged by the beneficiary's bank is often less favorable than the exchange rate Southwest Corporate provides.

Southwest Corporate has experienced differences in exchange rates ranging from .5% to 3% and better. An exchange rate provided by Southwest Corporate that is as little as .5% more favorable than a rate provided by the beneficiary's bank would save you \$500.00 on a single transaction valued at \$100,000.

### **Avoid Exchange Rate Fluctuations**

When sending USD wires internationally, the exchange rate is established later in the transaction, out of your control, making it unknown as to how much the beneficiary will receive from the original transacted amount. When an FX wire is transacted, the rate of exchange and costs are known up front, eliminating any guess work on how much money the beneficiary will actually receive.

### **Reduce Inflated Invoices**

Overseas suppliers that bill in USD usually add fees to protect themselves against unfavorable exchange rate fluctuations between the time of billing and settlement. Arranging to pay in the local currency minimizes this "rate risk." Further, since USD wires sent to foreign accounts ultimately are converted by the beneficiary

bank, the rates and fees are unknown to you and your beneficiary. Sending an FX wire can result in the beneficiary receiving their payment faster and at the expected amount. This may also potentially lower costs for you depending on current exchange rates.

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## Foreign Currency List

The following table lists the currencies available for FX wires. To inquire on a currency not listed, call BP Federal Credit Union to request a quote. *Please remember that not all currencies can be purchased and due to constant fluctuation, any quotes given are not guaranteed.*

Country	Currency Code	Currency
Australia	AUD	Dollar
Austria	EUR	Euro
Belgium	EUR	Euro
Canada	CAD	Dollar
Denmark	DKK	Krone
England (United Kingdom)	GBP	Pound
Finland	EUR	Euro
France	EUR	Euro
Germany	EUR	Euro
Hong Kong	HKD	Dollar
India	INR	Rupe
Ireland	EUR	Euro
Italy	EUR	Euro
Japan	JPY	Yen
Kuwait	KWD	Dinar
Luxembourg	EUR	Euro
Mexico	MXN	Peso
Netherlands	EUR	Euro
New Zealand	NZD	Dollar
Norway	NOK	Krone
Portugal	EUR	Euro
Qatar	QAR	Riyal
Singapore	SGD	Dollar
South Africa	ZAR	Rand
Spain	EUR	Euro
Sweden	SEK	Krona
Switzerland	CHF	Franc
United Arab Emirates	AED	Dirham