

1. <b>appreciation</b>	an upward movement of a currency against another currency	19. <b>payables</b>	sums of money owed by the business to other businesses from whom it has purchased goods or services
2. <b>cash flow</b>	the movement of cash in and out of a business over a period of time	20. <b>payment in advance</b>	a method that allows the exporter to receive payment and then arrange for the goods to be sent
3. <b>clean payment</b>	a situation in which payment is sent to, but not received by, the exporter before the goods are transported	21. <b>profitability management</b>	the control of both the costs and revenues of a business
4. <b>cost centres</b>	the particular areas, departments or sections of a business to which costs can be directly attributed	22. <b>receivables</b>	sums of money due to a business from customers to whom it has supplied goods or services
5. <b>credit risk</b>	the risk of another party failing to complete a transaction as agreed	23. <b>sale and lease-back</b>	the selling of an owned asset to a lessor and leasing the asset back through fixed payments
6. <b>currency swap</b>	an agreement to exchange one currency in the spot market with an agreement to reverse the transaction in the future	24. <b>spot exchange rate</b>	the value of one currency in terms of another currency on a particular day
7. <b>current assets</b>	assets that can be turned into cash within 12 months	25. <b>working capital</b>	the funds available for the short-term commitments of a business
8. <b>current liabilities</b>	debts that must be repaid within 12 months, usually including overdraft and accounts payable	26. <b>working capital management</b>	the process of determining the best mix of current assets and current liabilities needed to achieve the objectives of the business
9. <b>derivatives</b>	simple financial instruments that may be used to lessen exporting risks associated with currency fluctuations		
10. <b>direct costs</b>	costs that can be allocated to a particular product (also known as variable costs)		
11. <b>foreign exchange market (forex)</b>	a market that determines the price of one currency relative to another		
12. <b>foreign exchange rate</b>	the ratio of one currency to another		
13. <b>forward exchange contract</b>	an agreement to exchange one currency for another at a certain exchange rate on a future date, usually after 30, 60, 90 or 180 days		
14. <b>hedging</b>	the process of minimising the risk of currency fluctuations		
15. <b>indirect costs</b>	costs that are shared by more than one product		
16. <b>letter of credit</b>	a commitment by the importer's bank, which promises to pay a specified amount when the documents proving shipment of the goods are presented		
17. <b>net working capital</b>	the difference between current assets and current liabilities, representing funds needed for the day-to-day operations of a business		
18. <b>option</b>	a financial instrument that gives the buyer the right, but not the obligation, to buy or sell foreign currency some time in the future		