

NAVIGATING INTERNATIONAL TRADE TODAY:

How Businesses Can Manage Risk in a Volatile Global Market



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Global trade has always come with a level of uncertainty, but the pace and complexity of change today require businesses to stay more alert and adaptable than ever. For companies that operate across borders, the challenge goes well beyond moving goods from point A to point B. It means working in an environment where rules, costs, and risks can shift quickly and unexpectedly, often affecting pricing, supply chains, and financial performance. Tariffs, geopolitical tensions, currency swings, and supply chain pressures all play a role in the decisions leaders make every day.

These forces influence nearly every part of a company's strategy. A change in tariff policy or a shift in global politics can alter market access, disrupt long standing supplier relationships, or tighten margins even when demand is steady. Businesses of all sizes are feeling this pressure, and many are being pushed to make faster, more informed decisions in a world that offers fewer guarantees.

Even so, international trade continues to be a powerful engine for growth. Companies that understand the risks, stay ahead of change, and build the right support systems are better positioned to protect their margins and uncover new opportunities.

TARIFFS: AN ALWAYS CHANGING FACTOR

Tariffs remain one of the most unpredictable parts of global trade. Policy changes can happen quickly, and the impact is often felt immediately. Import costs can rise without warning, supplier pricing may need to be revisited, and forecasting margins or inventory becomes more challenging.

These pressures force companies to regularly revisit their sourcing strategies, pricing, and cash flow planning. In moments like these, real time information and thoughtful scenario planning become essential tools for staying steady and protecting profitability.

GEOPOLITICAL INSTABILITY AND EXPORT RISKS

Geopolitical shifts continue to reshape trade routes and regulatory expectations. Conflicts, regional tensions, and changing alliances can interrupt supply chains, introduce new sanctions, or limit access to certain markets. U.S. exporters, in particular, may face country specific restrictions that slow or complicate their operations.

At the same time, compliance requirements have grown more complex. Businesses must keep up with evolving sanctions, export controls, and documentation standards that vary across regions. Global events can also influence commodity prices and currency values, creating ripple effects for companies that rely on international trade. These shifts can have immediate and wide reaching consequences for day to day operations.

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SUPPLY CHAIN CHANGES AND RISING COSTS

In response to ongoing uncertainty, many companies are taking a fresh look at their supply chains. Some are exploring new international suppliers, while others are considering nearshoring or reshoring. Some are negotiating contracts in different currencies to help reduce foreign exchange exposure. These moves can also bring new challenges, such as longer lead times, higher transportation costs, or increased inventory needs.

Making these decisions requires time, resources, and specialized expertise. Many companies simply do not have the internal capacity to evaluate new suppliers, assess geopolitical risks, or model the financial impact of shifting regions or currencies. As a result, the need for outside guidance continues to grow.

MANAGING TRADE RISKS TODAY

Businesses gain a real advantage when they have knowledgeable partners who can help them navigate uncertainty, and that support becomes even more valuable as global conditions shift. Banking partners strengthen resilience and competitiveness by offering:

- **Tools to manage currency and FX fluctuations.** Hedging strategies, multi currency solutions, and market analysis help protect margins and support more predictable cash flow.
- **Support for supplier and sourcing decisions.** Banks can help evaluate alternative currencies, renegotiate supplier terms, and explore domestic or nearshore options.
- **Trade finance solutions that reduce risk and improve liquidity.** Letters of credit, export financing, and supply chain funding help businesses move goods with confidence while reducing the risk of nonpayment.
- **Expertise in compliance and geopolitical risk.** As regulations grow more complex, companies benefit from partners who can help them navigate sanctions, export controls, and cross border requirements.

STAYING RESILIENT IN A CHANGING WORLD

Uncertainty will always be part of global trade, but it does not have to stand in the way of growth. Companies that stay informed, flexible, and well supported are better equipped to succeed. With the right strategies and partners, businesses can navigate challenges, protect their margins, and uncover new opportunities in the global marketplace.

