

**THE EFFECTS OF EXCHANGE RATES ON MULTINATIONAL FIRMS PROFITABILITY:
A case study of Total Energies**

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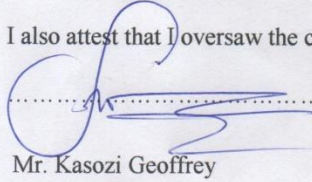
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Approval

This is to certify that the report was completed and filed with the supervisor's approval.

I also attest that I oversaw the completion of this field attachment.



.....

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Date: 6th Sept 2023

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Declaration

I, Omellea Jeraldyn, hereby certify that the work contained in this report is wholly unique to me and has never before been considered for academic awards at any university or any other training institute.

STUDENT: OMELLEA JERALDYN

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Date:6th September 2023.....

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ABSTRACT

This study examines the impact of exchange rates on the profitability of multinational firms. Through a comprehensive analysis of financial data and case studies, it investigates how fluctuations in exchange rates influence key financial metrics, such as revenue, costs, and overall profitability. The findings shed light on the complex relationship between exchange rate movements and multinational firm performance, highlighting both potential advantages and challenges. The study contributes to a deeper understanding of the global business environment and offers insights that can inform strategic decision-making for multinational corporations.

The purpose of the study was to examine the relationships between foreign exchange on profitability of Multinational Firms, case of coca cola. A cross sectional survey design with a population of 56 respondents from which a sample of 54 was drawn and undertaken. Self-administered questionnaires were used to collect responses. Measurement of the relationships of the study were done and subjected to rigorous data processing and analysis using the relevant statistical computer software packages.

Findings indicated that there were positive and significant relationships between foreign exchange rate and the profitability of Coca cola. Results from correlation analysis revealed that foreign exchange rate has a strong impact on the profit margin of an organization. In conclusion, the findings revealed that all the independent variables were significant predictors of profitability reduction as a result of foreign exchange rate.

The results demonstrate a positive correlation ($r=0.834$) between rising interest rates and rising exchange rates. Consequently, a shift in interest rates was responsible for 80% of the changes in exchange rates. Findings also demonstrate the importance of low inflation. Given a 0.000 p value and a coefficient of 0.742 that demonstrates that it explains a.0742 variation in the rate of inflation, a country that exhibits a higher value of its currency when there is low inflation is considered to be significant.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

This chapter provided the definition of key terms that is being used in the study. It provided an insight and overview of the study. An overview of the volatility of foreign exchange rate in the market and how it affects corporate profitability is precisely seen in this section. Exchange rate is defined as the price and value of a currency in unit terms of a currency of another country. The market by which buying and selling of different currencies occur is referred to as the foreign exchange market. Corporate profitability is an effective tool designed to give an overview on how a company operates in terms of strategic planning, marketing and financial aspects (Grambovas and McLeay, 2006).

The purchasing power parity, interest rate theory and the theory of International Fischer Effect are the theoretical perspectives that are used to explain the effects of exchange rate volatility on firm's profitability (Bergen, 2010).

Exchange Rate Movement

Volatility of foreign exchange rate is defined as the tendency of the foreign exchange rate to change rapidly and unpredictably in the foreign exchange market (Bergen, 2010). Volatility of foreign exchange rate is an important indicator which portrays stability and is also a channel through which the resultant chattels of external shocks are communicated and diffused through in the economy. The international monetary system or otherwise referred to as the money market is characterized by a combination of both fixed exchange rates as well as freely floating managed exchange rates.

There is thus no single theory that is available to forecast and predict exchange rates under all conditions. However, there exists certain basic financial relationship referred to as parity conditions that help to describe movements of exchange rate. The freely floatingsystem of exchange rate is where future spot exchange rates are hypothetically determined by the interaction of differing interest rates, national rates of inflation, discount or forward premium on each currency. All these are factors that help explain the foreign exchange rate movements (Stonehill, 1999).

Corporate Profitability

Fluctuations in foreign exchange rates affect the operating cash flows and the value of the firm through transaction, translation, and economic effects of risk exposure brought about by volatility of foreign exchange rates. Volatility of foreign exchange rate has been a major concern for shareholders, managers, investors and financial analyst ever since the Bretton Woods fixed exchange rate system was abolished in 1971. The system was later replaced by freely floating rates system where the price of currency is determined by forces of demand and supply of money. Value of the firm refers to the economic measure that reflects the market value of the business that is the value to be allocated to both the debt holders as well as the shareholders of the company. The most accredited method of computing the value of the firm is the net present value (NPV) where the present and future cash flows of the firm are discounted to a present value, (Pandey, 2009).

Volatility of foreign exchange rates could affect a firm in a variety of business models of operation (Choi and Prasad, 1995). For instance, a firm could produce commodities and services locally for domestic sales as well for export sales. A firm could also produce using local as well as imported components of production. A firm could also produce identical products or different products at foreign plants. The last firm described would be a multinational firm such that the firm produces and sells both at home and abroad and uses both domestic and foreign components of production. Therefore, the model of the firm should be comprehensive enough to incorporate all of the above conduits.

Foreign Exchange Rate Volatility and Corporate Profitability

Foreign exchange rate volatility drives foreign currency debt to huge repayments in form of the principal and interests resulting in reduction in aggregate demand which further leads to currency depreciation. Depreciation in turn deteriorates the current account and tightens borrowing constraints across the economy. Economic theory proposes that volatility of foreign exchange rates produces dynamic shifts in profitability for items that are direct to importing and exporting firms, multinational firms, firms that import part of their factors of production and affect other firms indirectly. Volatility of exchange rate affects both the costs of imported factors of production as well as the purchase price of imported finished products, consequently influencing competitors of such

firms (Grambovas and McLeay, 2006).

Foreign currency risk exposure related to foreign exchange rates arise when a firm has revenue or expenses, assets or liabilities that are in a currency other than the standard currency of the statement of financial position. These foreign currency risk exposures can also arise even for companies without revenue, expenses, assets or liabilities in a different currency from the currency of the statement of financial position. According to Grambovas and McLeay, (2006); if there exists a prevalent condition such that the foreign exchange rates are extremely volatile, then volatility of exchange rates will result to cash flows of a firm being destabilized significantly. The risks from foreign currency exposures are thus brought about by such destabilization of the cash flows which affect the corporate profitability. It is for this background that this study sought to find out the effects of volatility of exchange rates on firm's corporate profitability case of Coca-Cola.

Coca-Cola

The Coca-Cola Company is a total beverage company with products sold in more than 200 countries and territories.

The company's purpose is to refresh the world and make a difference. Their portfolio of brands includes Coca-Cola, Sprite, Fanta and other sparkling soft drinks. Their hydration, sports, coffee and tea brands include Dasani, smart water, vitamin water, Topo Chico, Powerade, Costa, Georgia, Gold Peak, Ayataka, and Body Armor. Their nutrition, juice, dairy and plant-based beverage brands include Minute Maid, Simply, innocent, Del Valle, fairlife and AdeS.

The company is constantly transforming their portfolio, from reducing sugar in their drinks to bringing innovative new products to market. They seek to positively impact people's lives, communities and the planet through water replenishment, packaging recycling, sustainable sourcing practices and carbon emissions reductions across their value chain. Together with their bottling partners, they employ more than 700,000 people, helping bring economic opportunity to local communities worldwide.

The extract from FinBox.com indicates series of foreign exchange adjustments for Coca-Cola across different years. For fiscal years ending December 2018 to 2022, Coca-Cola averaged -124.4 million. It operated at median foreign exchange rate adjustments of -159 million from fiscal years ending December 2018 to 2022. Looking back at the last 5 years, Coca-Cola's foreign exchange rate

adjustments peaked in December 2020 at 76 million. Coca-Cola's foreign exchange rate adjustments decreased in 2018 (-262 million, -208.7%), 2021 (-159 million, -309.2%), and 2022 (-205 million, +28.9%) and increased in 2019 (-72 million, -72.5%) and 2020 (76 million, -205.6%).

1.2 Problem Statement

Variable fluctuations of foreign exchange rates in Uganda have been experienced with seasons of rapid depreciation of the Uganda shilling which unfavorably affects the corporate profitability of firms in Uganda. Developing nations including Uganda borrow heavily in foreign currency specifically USD which has resulted into low current account balances and macroeconomic externalities in the economy (Korinek, 2010). Strategies and policies aimed at addressing external imbalances are important in ensuring stability of the foreign exchange rates in the long run which ought to be achieved in the quest to achieving the desired foreign exchange rate outcomes. The extract from FinBox.com indicates series of foreign exchange adjustments for Coca-Cola across different years. For fiscal years ending December 2018 to 2022, Coca-Cola averaged -124.4 million. It operated at median foreign exchange rate adjustments of -159 million from fiscal years ending December 2018 to 2022. Looking back at the last 5 years, Coca-Cola's foreign exchange rate adjustments peaked in December 2020 at 76 million. Coca-Cola's foreign exchange rate adjustments decreased in 2018 (-262 million, -208.7%), 2021 (-159 million, -309.2%), and 2022 (-205 million, +28.9%) and increased in 2019 (-72 million, -72.5%) and 2020 (76 million, -205.6%).

Even though there are several studies that have been carried out on the exchange rate systems, regimes and the repercussions for management of macroeconomic variables and the management of risks of foreign exchange rates (Abor, 2005), not much has been done on how the effects of foreign exchange rate movements on corporate profitability of Multinationals. It is in this framework that this research sets to examine the effect that volatility of foreign exchange rates has on the corporate profitability of Multinational firms.

It is because of this backdrop that the study seeks to find an answer to the question: what are the effects of exchange rate movements on corporate profitability of Multinationals?

1.3 Research Objective

This study determined the effects of volatility of foreign exchange rates movement on corporate profitability of Multinationals.

1.4 Specific Study Objectives

- i. To examine the aspect of foreign exchange volatility.
- ii. To examine the aspect of profitability of multinational firms.
- iii. To draw a relationship between the foreign exchange rate volatility on profitability of multinational.

1.5 Research Questions

- i. What is the exchange rate volatility of multinational firms?
- ii. What are the profitability metrics of multinational firms?
- iii. What is the relationship between the foreign exchange rate volatility on profitability of multinational?

1.6 Scope of the Study

1.6.1 Content Scope

The study discussed in details the impact of foreign exchange rate on the profitability of Coca-Cola Uganda.

1.6.2 Time Scope

The research was scheduled to take a period of 2 months that is to say June to Aug 2023 when all the deliverables will be achieved. The researcher reviewed the profit performance of Coca-Cola for the last five years (2019-2023) for easy analysis of their trends. The choice of the period was determined by the fact that Coca-Cola has been experiencing fluctuation in profits a for the past 4 years, this period therefore provides the best opportunity to measure their revenue growth.

1.6.3 Geographical Scope

The study conducted at the Coca-Cola Head office located in Namanve industrial area where all the respondents to the questionnaire were traced.

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1.7 Significance of the Study

To the Coca-Cola (management)

The finding of the study is of great importance to managers of Coca-Cola as they have understood the effect of foreign Exchange rate on profitability of their company, this has assisted them in making decision on procuring some of the firm inputs, assets and raw materials from the local market or import them.

It has helped the institutions in predicting their profit trends based on the existing money market conditions.

Policy Makers

The study finding has enlightened the policy makers in the beverage industry on the expected effect of foreign exchange rate on profitability of the firm; this has assisted them in designing appropriate policy for managing such fluctuations.

Future Scholars

The study is of great importance to future scholars and academicians as it will form basis for future research as well as providing literature for future studies on foreign exchange rates on the profitability of a firm.

1.8 Conceptual Framework

INDEPENDENT VARIABLE

- Exchange rate volatility
- Value of country's currency
- Changing commodity prices
- Changing inflation rates
- Changing lender rates
- Increased domestic prices

INTERMEDIATE VARIABLE

- Appropriate hedging strategy.
- Risk committee
- Independent exchange rate risk management
- Responsive pricing strategies
- National price regulations
- Inflation control strategies

DEPENDENT VARIABLE

- High interest rate
- High inflation rate
- Insufficient lending institutions

Figure 1: conceptual framework.

Source: (Rapach and Wohar, 2002).

The conceptual framework above indicates different causes of exchange rate volatilities, its intervening factors and resulting factors leading to low profitability among the multi-national organizations. According to the framework, the foreign exchange rate is associated with exchange rate volatility, changing Value of country's currency, changing commodity prices, changing inflation rates, changing lender rates and Increased domestic prices. The intervening factors include: Appropriate hedging strategy, Risk committee, Independent exchange rate risk management, Responsive pricing strategies, National price regulations and Inflation control strategies. The impact of exchange rate affects the profitability of a multi-national organization because of: High interest rate, High inflation rate and Insufficient lending institutions

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This section provides an overview of what scholars in the field of finance have reported on the topic of exchange rate movements and corporate profitability. The researcher elaborated different theoretical reviews on foreign exchange rate volatility and determinants of foreign exchange rate in this chapter. The empirical studies on the effects of volatility of exchange rates on corporate profitability as well as the conceptual framework and the summary of literature review were portrayed in this section.

In depth literature on theories that relates to exchange rate movements such as the purchasing power theory, interest rate parity and international fisher effect theory were discussed at length in this section. Determinants of foreign exchange rate such as interest rate, current account balance and external debt is seen at length. Empirical literature review that includes both global and local studies on effects of exchange rate movements was also covered in this section. Lastly conceptual framework that explains how determinants of foreign exchange rate affect corporate profitability as well as summary of literature review was discussed in this chapter.

2.1 Theoretical Literature Review

The theoretical literature review assists in establishing the theories that already exist, the relationships between the different theories, the degree that the existing theories have been explored, and in development and formulation of new hypotheses to be tested. There are several theories that are attributed to foreign exchange rates with major focus being theory of purchasing power parity, theory of interest rate and theory of International Fischer Effect.

2.1.1 Theory of Purchasing Power Parity

The theory of purchasing power parity (PPP) is founded on the law of one price. Under this law, the prices in two countries of commodities and services of similar quality should be identical when stated in unit terms of the same currency. However, it is assumed that there are no or minimal transportation costs and that no trade barriers exist. Mishkin (2012) stipulates that under PPP theory the exchange rates between any pair countries should adjust over time with respect to the changes in their corresponding price levels. There are three forms of PPP namely; absolute PPP, relative PPP and ex ante PPP.

Under absolute PPP the equilibrium, the foreign exchange rate between pair countries is obtained majorly by the national price levels. A single market therefore integrates both domestic and foreign market. The balance of international payments and money market are not considered in this form of PPP and hence partial equilibrium theory is demonstrated. The theory of PPP under the absolute form is impractical as it requires preconditions that are strongly impractical (Kanamori et al, 2016).

Relative PPP acknowledges the existence of imperfections in the market and that prices of similar goods could have different prices when stated on the same currency. This form of PPP postulates that the rate of change of the portfolio should be similar to some degree when measured in one currency provided that trade barriers and transportation costs are not changed. According to Mishkin (2012), the percentage change in the actual spot rates for two pair countries is entirely determined by the differences between actual inflation rates of the currencies. These differences between actual inflation rates of the currencies are obtained by the difference of the actual inflation figures for counter currency less base currency.

PPP on the other holds that the percentage change in the spot rate will be determined by the anticipated differences in national rates of inflation. Economies that are anticipated to be susceptible to persistently high rates of inflation should anticipate a depreciation of their currency over time (Mishkin, 2012). Similarly, to relative PPP, these differences between actual inflation rates of the currencies is obtained by the difference of the actual inflation figures for counter currency less base currency.

2.1.2 Theory of Interest Parity Rate

This theorem was developed by Keynes in 1930. The law of one price also applies to this theory. The law of one price applies to commodities and services under PPP whereas the securities market applies under IRP. Under this theory, it holds that identical securities for different countries should have a similar price when quoted in the same common currency. This is however irrespective of the prevailing interest rates between the different countries. The exchange rates are adjusted by the forward markets under IPP such that the resultant arbitrage gains earned from investing in countries with high levels of interest rate are wiped out by the depreciation of the domestic currency.

This theory also has two forms; covered interest rate parity (CIRP) and the uncovered interest rate parity (UCIRP). Under CIRP, a riskless arbitrage relationship will exist a foreign market investment instrument is hedged completely against risks of exchange rates and an identical return should be yielded to the local currency money market investment instrument.

UCIRP on the other hand holds that the expected return on the unhedged foreign currency investment instrument should be equivalent to the comparable return to the local currency investment currency. Investors however face uncertainty over future prices of security. If new information is considered, a forward exchange rate will be influenced strongly by expectations in the market about the future. Similarly, unhedged interest rate parity conditions will hold where their information is uncertain.

2.1.3 Theory of International Fisher Effect

This theory was developed by Irving Fisher, an American economist. The theorem stipulates that nominal interest rates are a function of a premium for expectations of inflation and real interest rates. It suggests that foreign currencies higher interest rates will tend to depreciate due to higher nominal rates of interest which reflect the expected rates of inflation (Madura, 2010). Understandably, there exists a relationship between the differentials of interest rates and consequent changes in the spot exchange rate in the long run. Considerable deviations however, exist in the short run (Hill, 2004) due to a series of different factors that cause fluctuations in exchange rates among them supply and demand forces of exchange rates, problems of balance of payments, rising rates of inflation and interest rates, monetary policies, national income, speculations and expectations (Khalwaty, 2000).

Evidence of substantial deviation in the relationship between differential Of the rate of inflation and exchange rate were all found by Adler and Dumas (1983), Mishkin (1984), and Abuaf and Jorion (1990). However, Hakkio (1986) established that the relationship between differentials of rates of inflation and exchange rates is not perfect in the long- run, nevertheless he notably recognized the use of differentials of rates of inflation in forecasting long-run exchange rates movements.

According to Fisher (1930), he put forward that the relationship between rates of interest and rates inflation, such that the nominal rate of interest for a particular period should be equivalent to the sum of the real rate of interest as well as expected inflation rate termed as the Fisher Effect. He postulated that the nominal rate of interest could be broken down into two components, an anticipated rate of inflation plus a real rate of inflation. He further claimed a direct relationship between rate of inflation and rates of interest in a perfect world, where real rates of interest are unrelated to the anticipated inflation rate and entirely determined by the real dynamics in an economy, for instance capital productivity time preference of investors.

2.2 Intervention.

Exchange rate risk management is an integral part in every firm's decisions about foreign currency exposure (Allayannis, Ihrig, and Weston, 2010). Currency risk hedging strategies entail eliminating or reducing this risk, and require understanding of both the ways that the exchange rate risk could affect the operations of economic agents and techniques to deal with the consequent risk implications (Barton, Shenkir, and Walker, 2002). Selecting the appropriate hedging strategy is often a daunting task due to the complexities involved in measuring accurately current risk exposure and deciding on the appropriate degree of risk exposure that ought to be covered.

The issue of currency risk management for non-financial firms is independent from their core business and is usually dealt by their corporate treasuries. Most multinational firms have also risk committees to oversee the treasury's strategy in managing the exchange rate (and interest rate) risk (Lam, 2013). This shows the importance that firms put on risk management issues and techniques. Conversely, international investors usually, but not always, manage their exchange rate risk independently from the underlying assets and/or liabilities. Since their currency exposure is related to translation risks on assets and liabilities denominated in foreign currencies, they tend to consider currencies as a separate asset class requiring a currency overlay mandate (Allen, 2013).

Multinationals concentrate on the major types of risk affecting firms' foreign currency exposure, and pays more attention to techniques on hedging transaction and balance sheet currency risk.

DEFINITION AND TYPES OF EXCHANGE RATE RISK

A common definition of exchange rate risk relates to the effect of unexpected exchange rate changes on the value of the firm (Madura, 2009). In particular, it is defined as the possible direct loss (as a result of an unhedged exposure) or indirect loss in the firm's cash flows, assets and liabilities, net profit and, in turn, its stock market value from an exchange rate move.

To manage the exchange rate risk inherent in multinational firms' operations, a firm needs to determine the specific type of current risk exposure, the hedging strategy and the available instruments to deal with these currency risks. Multinational firms are participants in currency markets by virtue of their international operations.

To measure the impact of exchange rate movements on a firm that is engaged in foreign-currency denominated transactions, i.e., the implied value-at-risk (VaR) from exchange rate moves, we need to

identify the type of risks that the firm is exposed to and the amount of risk encountered (Hakala and Wystup, 2002).

The three main types of exchange rate risk that we consider in this paper are (Shapiro, 2006; Madura, 2009):

1. Transaction risk, which is basically cash flow risk and deals with the effect of exchange rate moves on transactional account exposure related to receivables (export contracts), payables (import contracts) or repatriation of dividends. An exchange rate change in the currency of denomination of any such contract will result in a direct transaction exchange rate risk to the firm;
2. Translation risk, which is basically balance sheet exchange rate risk and relates exchange rate moves to the valuation of a foreign subsidiary and, in turn, to the consolidation of a foreign subsidiary to the parent company's balance sheet. Translation risk for a foreign subsidiary is usually measured by the exposure of net assets (assets less liabilities) to potential exchange rate moves.

In consolidating financial statements, the translation could be done either at the end-of-the-period exchange rate or at the average exchange rate of the period, depending on the accounting regulations affecting the parent company.

3. Economic risk, which reflects basically the risk to the firm's present value of future operating cash flows from exchange rate movements. In essence, economic risk concerns the effect of exchange rate changes on revenues (domestic sales and exports) and operating expenses (cost of domestic inputs and imports).

MANAGEMENT OF EXCHANGE RATE RISK

After identifying the types of exchange rate risk and measuring the associated risk exposure, a firm needs to decide whether to hedge or not these risks. In international finance, the issue of the appropriate strategy to manage (hedge) the different types of exchange rate risk have yet to be settled (Jacque, 2006). In practice, however, corporate treasurers have used various currency risk management strategies depending, *ceteris paribus*, on the prevalence of a certain type of risk and the size of the firm (Allen, 2013).

A.

Hedging Strategies Indicatively, transaction risk is often hedged tactically (selectively) or strategically to preserve cash flows and earnings, depending on the firm's treasury view on the future movements of the currencies involved. Tactical hedging is used by most firms to hedge their transaction currency risk relating to short-term receivable and payable transactions, while strategic hedging is used for longer-period transactions. However, some firms decide to use passive hedging, which involves the maintenance of the same hedging structure and execution over regular hedging periods, irrespective of currency expectations that is, it does not require that a firm takes a currency view.

The currency and maturity composition of a firm's debt determines the susceptibility of its net equity and earnings to exchange rate changes. To reduce the impact of exchange rates on the volatility of earnings, the firm may use an optimization model to devise an optimal set of hedging strategies to manage its currency risk. Hedging the remaining currency exposure after the optimization of the debt composition is a difficult task. A firm may use tactical hedging, in addition to optimization, to reduce the residual currency risk.

Therefore, hedging translation risk often involves careful weighing the costs of hedging against the potential cost of not hedging.

Economic risk is often hedged as a residual risk. Economic risk is difficult to quantify, as it reflects the potential impact of exchange rate moves on the present value of future cash flows. This may require to measure the potential impact of an exchange rate deviation from the benchmark rate used to forecast a firm's revenue and cost streams over a given period.

Also, if exchange rate changes follow inflation differentials (through PPP) and a firm has a subsidiary that faces cost inflation above the general inflation rate, the firm could find its competitiveness eroding and its original value deteriorating as a result of exchange rate adjustments that are not in line with PPP (Froot and Thaler, 1990). Under these circumstances, the firm could best hedge its economic exposure by creating payables (e.g., financing operations) in the currency that the firm's subsidiary experiences the higher cost inflation (i.e., in the currency that the firm's value is vulnerable).

Sophisticated corporate treasuries, however, are developing efficient frontiers of hedging strategies as a more integrated approach to hedge currency risk than buying a plain vanilla hedge to cover certain foreign exchange exposure (Kritzman, 1993). In effect, an efficient frontier measures the cost of the

hedge against the degree of risk hedged. Thus, an efficient frontier determines the most efficient hedging strategy as that which is the cheapest for the most risk hedged.

Given a currency view and exposure, hedging optimization models usually compare 100 percent unhedged strategies with 100 percent hedged using vanilla forwards and option strategies in order to find the optimal one. Although this approach to managing risk provides the least-cost hedging structure for a given risk profile, it critically depends on the corporate treasurer's view of the exchange rate.

B.

Hedging Benchmarks and Performance Hedging performance can be measured as a distance to a given benchmark rate (Jacque, 1996). The risk embedded in the hedge is usually expressed as a VaR number that will be consistent with the performance measure.

Hedging optimization models, as methods for optimizing hedging strategies for currency-denominated cash flows, help find the most efficient hedge for individual currency exposures, while most of them do not provide a hedging process for multiple currency hedging.

This strategy is the lowest possible effective hedge rate for an acceptable level of uncertainty. In this way, when the firm's currency view entails a perception of volatility, options generate a better or similar effective hedge rate at lower uncertainty than the unhedged position.

Such benchmarks could be the hedging level (i.e., a certain percent), the reporting period, especially for firms that use forward hedging to limit the volatility of their net equity, (e.g., quarterly or 12-month benchmarks), and budget exchange rates, depending on the prevailing accounting rules. Moreover, benchmarks enable the performance of individual hedges to be measured against that of the firm.

C.

Hedging and Budget Rates Budget exchange rates provide firms with a reference exchange rate level (Madura, 1989). Setting budget exchange rates is often linked to the firm's sensitivities and benchmarking priorities.

After deciding on the budget rate, the corporate treasury will have to secure an appropriate hedge rate and ensure that there is minimal deviation from that hedge rate. This process will determine the frequency and instruments to be used in hedging. It should be further pointed out that persistent moves

relative to the numeraire (functional) currency should be reflected in the budget rates, or strategic positioning and hedging should be considered. Firms have different practices in setting budget exchange rates (Lam, 2003).

Many corporate treasurers of multinational firms prefer to use PPP rates as budget exchange rates, often with the understanding that tactical hedging may be needed over the short-term where the forecasting performance of the PPP model is usually poor.

However, other multinational firms prefer to set the budget rate in accordance with their sales calendar and, in turn, with their hedging strategy.

Accordingly, this will necessitate four hedges per year, each of one-year tenor, with hedging being done at the end of the period, using the end-of-period exchange rate as its budget rate. Alternatively, a firm may decide to set its budget exchange rate at the daily average exchange rate over the previous fiscal year (Barton, Shenkir, and Walker, 2002).

This type of hedging strategy is fairly simple and easier to monitor.

The relative version of the PPP theory states that bilateral exchange rates would adjust to the relative price differentials of the same good traded in the two countries. Setting budget exchange rates is also crucial for a firm's pricing strategy, in addition to their importance for defining the benchmark hedging performance and tenor of a hedge (as the latter generally match cash flow hedging requirements).

In this connection, it should be noted that forecasting future exchange rates is a key aspect of a firm's pricing strategy (Papaioannou, 1999). Since it has been well-documented that forward rates are poor predictors of future spot rates, structural or time-series exchange rate models need to be employed for such an endeavor (Bansal and Dahlquist, 2000; Fama, 2004). This becomes evident if we compare a firm's net cash flows estimated by using the forecast rate and the future spot exchange rate. For an investment in a foreign subsidiary, moreover, the budget exchange rate is often the accounting rate, i.e., the exchange rate at the end of the previous fiscal year.

D.

Best Practices for Exchange Rate Risk Management For their currency risk management decisions, firms with significant exchange rate exposure often need to establish an operational framework of best practices (Allen, 2003; Jacque, 1996).

These practices or principles may include:

1. Identification of the types of exchange rate risk that a firm is exposed to and measurement of the associated risk exposure. As mentioned before, this involves determination of the transaction, translation and economic risks, along with specific reference to the currencies that are related to each type of currency risk.
2. Development of an exchange rate risk management strategy. After identifying the types of currency risk and measuring the firm's risk exposure, a currency strategy needs to be established on how to deal with these risks. In particular, this strategy should specify the firm's currency hedging objectives whether and why the firm should fully or partially hedge its currency exposures. Furthermore, a detailed currency hedging approach should be established. It is imperative that a firm details the overall currency risk management strategy on the operational level, including the execution process of currency hedging, the hedging instruments to be used, and the monitoring procedures of currency hedges.
3. Creation of a centralized entity in the firm's treasury to deal with the practical aspects of the execution of exchange rate hedging. This entity will be responsible for exchange rate forecasting, the hedging approach mechanisms, the accounting procedures regarding currency risk, costs of currency hedging, and the establishment of benchmarks for measuring the performance of currency hedging.
4. Development of a set of controls to monitor a firm's exchange rate risk and ensure appropriate position taking. This includes setting position limits for each hedging instrument, position monitoring through mark-to-market valuations of all currency positions on a daily basis (or intraday), and the establishment of currency hedging benchmarks for periodic monitoring of hedging performance (usually monthly).
5. Establishment of a risk oversight committee. This committee would in particular approve limits on position taking, examine the appropriateness of hedging instruments and associated VaR positions, and review the risk management policy on a regular basis. Managing exchange rate risk exposure has gained prominence in the last decade, as a result of the unusual occurrence of a large number of currency crises. From the corporate managers' perspective, currency risk management is increasingly

viewed as a prudent approach to reducing a firm's vulnerabilities from major exchange rate movements (Van Deventer, Imai, and Mesler, 2004).

2.3 Determinants of Foreign Exchange Rates

Otuori (2013) stipulates the determinants of exchange rate fluctuations on corporate profitability as; rates of interest, balance of payment or otherwise referred to as the current account, external debt and rates of inflation.

2.3.1 Rates of Interest

A change in the rate of interest will affect the value of the currency versus USD. A relationship exists between interest rates, inflation rates and foreign exchange rates. An increase in the interest rate will result in appreciation of the country's local currency because high levels of interest rates provide higher rates to the lenders which translates to more foreign capital attraction and consequently a rise in foreign exchange rate. High rates of interest in an economy offer lenders higher returns comparatively to other economies (Dornbusch & Fisher, 2003).

2.3.2 Current Account Balance

The current account of an economy plays a vital role in the determining the rate of foreign exchange such that a rise or an increase in the foreign exchange rate represents current account balance improvement referred to as the appreciation of the shilling. When domestic prices increase on the other hand, the Kenya shilling said to be depreciated Karfakis & Kim (2005).

Trade openness measured as total sum of Kenya's exports and imports provides the real income. Strategies and policies aimed at addressing external imbalances are important in ensuring stability of the foreign exchange rates in the long run which ought to be achieved in the quest to achieving the desired foreign exchange rate outcomes. When there is an increase in the price of exports by a rate smaller than the increase in the price of imports, the value of the currency decreases with regards to the value of the currency of the trading partner (Solnik, 2010).

2.3.3 External Debt

Firms and corporates are faced with financial constraints limiting their investment decisions and thus resort to external funding through debt. The choice between local currency debt and foreign currency

debt is a trade-off between risk and return. More often than not, the foreign exchange rates are over the counter in most emerging economies (Bergen, 2010). Local currency debt ensures aggregate volatility but commands interest rate premiums since foreign public debt lenders are averse to emerging market risks.

Investors and borrowers decide on the currency compositions of their liability portfolios by weighing the expected cost of foreign exchange rate volatility against any savings obtainable from the spread of interest rates between the domestic currency and USD. Foreign exchange rate volatility drives foreign currency debt to huge repayments in form of the principal and interests resulting in reduction in aggregate demand which further leads to currency depreciation. Depreciation in turn deteriorates the current account and tightens borrowing constraints across the economy.

2.3.4 Rates of Inflation

A change in the rate of inflation in the market causes a change in the exchange rate of country's currency. An economy with a lower rate of inflation relative to another country will have its local currency appreciate. Similarly, prices of commodities and services increase at a slower rate when the inflation rate of the country is low. A country that is consistently characterized by low levels of inflation exhibits a higher value of its currency whereas a country with levels of inflation reveals depreciation in her currency which is customarily accompanied by high interest levels (Bergen, 2010).

2.4 Empirical Literature Review

Previous studies that have been carried out have dwelled mainly on the role that current accounts plays in determination of exchange rate. This means that an increase in the exchange rate is a representation of an improvement current account balance. While several studies have focused on this formulation, Hooper and Morton (1997) advocated for consideration of portfolio approach with regard to exchange rate relative to price of nominal assets. This approach focuses specifically on the connection between the adjustments of balance of payments in stocks.

Several empirical studies on the purchasing parity have been carried out severally. Results from these studies have revealed the purchasing power parity to be weak. Literature which concentrates on explaining why there are deviations from purchasing power parity exists (Joosip and Izo, 2006). Balassa (2004) argues that deviations from the purchasing power take time to revert back in cases where sectorial productivity shock exists. Edison and Klovland (1997) used data of exchange rate

between Britain and Norway; their study found evidence on existence of productivity differential effect.

Some authors have however pointed out failure of purchasing power parity to limited innovations and developments in econometrics. They have argued that cross sectional data and bilateral exchange rates leads to achievement of marginal rejections (Abuaf and Jorian, 2007). The most recent developments in econometric techniques allows one to test for weaker versions of purchasing power parity but nevertheless limitation of adequate data in development of these studies makes the validity of the purchasing power parity hypothesis to still remain as an on-going controversy.

Devereux and Lane (2003) established an empirical model of bilateral exchange rate volatility. They comprehensively studied the determinants of bilateral exchange trade between countries using optimal currency area (OCA) variables such as the country size, trade dependence and differences in economic shocks. Further, a set of fiscal and monetary variables were included: First is the indicative of internal finance, showing the degree of financial depth within the countries. The other set focused on external financial factors, among them foreign currency debt and liabilities as well as bilateral portfolio debt and liabilities between countries.

Their empirical results established that financial variables played a substantial role in determination of exchange rate volatility together with the typical OCA set of variables. This study elaborated that economic size increased volatility while bilateral trade was perceived to reduce bilateral exchange rate volatility. The findings were seen to hold for both developing and developed countries. In addition, the results indicated that bilateral exchange rate volatility for developing countries had strong negative effects on the external debt. However, for developed countries, OCA variables were more important than external debt in elucidating bilateral exchange rate volatility.

Fixed price and floating price models of determining exchange rate have been tested severally with mixed results being found. According to monetary model, long-run changes in exchange rate provide a predictive component and in short-run it is dominated by noise that disappears with time (Marks, 1997). Rapach and Wohar (2002) used panel analysis on the data of the United States of America, their study sort to find out support for the application of monetary model. The study did not support the assumption of homogeneity and it observed that since there was lack of homogeneity, then it is not a good basis for dismissing the results for panel data. A similar conclusion was given by Pesarn et al (1999). For the case of developing economies (Chile, Argentina and Israel); study by McNown and

Wallace (1999) found fundamental role of the model in the determination of exchange rate. Co-integration between the two fundamentals was largely supported in the three countries under study.

There are several local studies relating to exchange rates and different aspects of profitability of firms in East Africa that have been carried out. Ndung'u (2000) and Ngugi (1999) used modified uncovered interest parity in their studies. They found out that prevailing exchange rate reflects the monetary policy to be adopted and the effect of trade account is not taken into consideration. Kenya is classified as a developing economy and is characterized by substantial volume of foreign exchange that arises from international trade. Her exchange rate is also determined by short-term capital flows which are attributed to the difference between local interest rate and foreign exchange rates.

A study was conducted by Onyancha (2011) on the impact that volatility of foreign exchange rate has on the corporate profitability of International Non-Governmental Organizations (INGOs). The study was based on three variables; investment capacity, asset holding and liability management. The data collection and analysis established that out of the indicators tested on corporate profitability, there was a substantial indication that financial performance may be affected by gains and losses from foreign exchange transactions and any other factors particularly on management support of INGOs.

Were et al (2001) in their study attempted to find out the impact of trade account balance on the exchange rate. They used more robust methodology and recent data in their study and they found out that fiscal policies being put in place by governments are not guided by prevailing exchange rates. A case study was done by Diffu (2011) that sought to determine the relationship that exist between risk of foreign exchange rate and the financial performance of the national carrier, Kenya Airways for the period between 2007 to 2010. The study established significant statistically coefficients for the variables that were used in the model. The results of his findings indicated that there exists a negative relationship between the risks of exposure of foreign exchange rates and the financial performance of Coca-cola.

Relationship between exchange rate and profitability

It was expected that a negative link between volatility of foreign exchange rates and level of corporate profitability exists. Increase in foreign exchange rates means that the firm will have to incur more in terms of interest rate and external debt thus reducing the level of firm's profitability. Foreign exchange

gain translates to a decrease in foreign exchange volatility hence an increase in corporate's profitability.

In summary increase in interest rate, increase in level of external debt as well as a decrease in foreign gain leads to a negative correlation/relationship with corporate profitability. A foreign exchange loss has a negative effect to firm's profitability level hence a negative relationship exists between the two variables.

2.5 Summary of Literature Review

The literature on determinants of foreign exchange rate volatility is vast and no much empirical studies have been carried out in context of African countries despite the crucial role which volatility of exchange rate plays in developing financial markets for African countries such as Kenya (Ndung'u, 2000). Empirical studies that have been carried out by different scholars have revealed that volatility of exchange rates have implications on corporate profitability. Increase in local prices for local commodities is associated with depreciation of local currency and increase in foreign prices for imports is an indication of deterioration in trade account balance and depreciation of local currency.

Research findings from earlier studies have shown the feedback effects between foreign exchange rate and local price level of commodities exists although its feedback effect is not significant if the effect of trade account balance is considered (Rapach and Wohar, 2002). Previous studies points out at the need for addressing external imbalances and structural predispositions for imports for example through promotion of high-value exports which enables a country to boost her foreign exchange flows relative to her import demands. A concern for disequilibrium or volatility of exchange rate which destabilizes local or domestic prices is reduced by addressing external imbalances in the trade account balances in the long-run.

Few studies in Uganda have attempted to demonstrate the relationship between exchange rate movements and financial performance of the listed firms at NSE. For instance, Masuku (2012) did an investigation of the effects of external debt of Kenya on exchange rate fluctuations of USD to the Uganda shilling between the year 1971 and 2012. The study showed that external debt had positive and substantial effects on exchange rate. Nonetheless, the study did not establish the effects of other determinants of volatility of foreign exchange such as interest rates and current account; this is the research gap that this study intends to fill. This study therefore sought to establish the kind of

relationship that exists between volatility of foreign exchange rate and level of corporate profitability of listed firms at the NSE.

CHAPER THREE

METHODOLOGY

3.0 Introduction

Among the subjects discussed in this chapter are the methods deployed in data collection and analysis, it looks at research design, study population, sampling method, sample size, data collection tools, and data processing and analysis.

3.1 Research Design / Approach

The researcher used case study design, where both qualitative and quantitative approaches are being used. Qualitative approach involved the use of tables and graphs to portray visual impression of the finding whereas quantitative involves the use of word of mouth gathered from different data collection instruments regarding the impact of exchange rate on the profitability of Coca-cola.

3.2 Study Population and Sampling

3.2.1 Study Population

The study focused on a population of 56 people from which the sample size was drawn. They mainly featured the key employees necessary to help the researcher make a constructive decision during data analysis. Among the departments to be featured were the Marketing, Research and Development departments, PR and Finance departments. Both female and male gender are essential during data collection.

3.2.2 Sample Size

According to Krejcie & Morgan, a population of 56 is equated to a sample size of 54. Therefore, the researcher narrowed this population to a sample size of 54 respondents across all the departments indicated in the table.

Table 1 (Population and sample size)

Categories		Population	Sample size	Sampling techniques
Finance				
	Head of department	1	1	Purposive sampling
	Chief accountant	5	5	Purposive sampling
	Accounting officer	5	5	Purposive sampling
PR		10	10	Purposive sampling
Research and development		20	19	Random sampling
Marketing and sales		15	14	Random sampling
TOTAL		56	54	

Source: Krejcie and Morgan (1970) and HR report 2018.

Figure 2: Sample size.

3.2.3 Sampling Techniques

Purposive sampling technique (critical case sampling) was used to gather the data from the population structure articulated above. A purposive sample is a non-probability sample that is selected based on characteristics of a population and the objective of the study. One major advantage of this type of sampling is that it's easier to make generalizations about your sample compared to, say, a random sample where not all participants have the characteristic you are studying.

3.3 Data Sources

The researcher adapts the information from both primary and secondary sources. Primary sources basically focussed on the first hand information from channels such as interview, questionnaires, direct observation whereas secondary sources look at second hand information from sources such as newspapers, journals, articles and so many others.

Primary Data

This method involved contacting the management of Coca-cola where series of interviews was done, a number of questionnaires were administered and where need be direct observation was made. On the other hand, the researcher mainly used interview and questionnaires to gather the information from customers regarding the consumer behaviors.

Secondary Data

On the other hand, the information gathered from the primary sources has been supplemented with data from journals, magazines, articles, newspapers which basically derived Secondary data. This has been very pivotal for comparing the opinions of other scholars about the aspect of exchange rate.

3.4 Data Collection Methods

3.4.1 Data Collection Tools/Instruments

Questionnaire

A questionnaire was used because of its ability to reduce any bias and the collection of authentic data important for data analysis. The researcher includes both close and open-ended questionnaires aiming at testing the impact of exchange rate on the performance of a multinational firms. Observations and Beliefs sought was measured on a three-point Likert Scale, with 3 being the highest using (Tull & Hawkins, 2003).

Interview Guide

The researcher targeted broader perspective about exchange rate through the use of both closed and open-ended questions aimed initiating interactions with all the intended respondents.

3.5 Measurement of Variables

Both independent and dependent variables were being measured. The variables were being measured by operationally defining concepts. For instance, the questionnaires were designed to ask respondents about the impact of exchange Rate on profitability of Coca-cola and the general performance of the firm involving all the potential stakeholders. These were channeled into measurable elements to enable development of an index of the concept. A three (5) point rating scale has been used constituting of 1-disagree, 2-neutral, 3-agree.

3.6 Validity and Reliability of research instruments

3.6.1 Validity

The proper design of the sample size, study population was the major attributes for the validity of the collected information. Validity is important in determining whether the statements in the questionnaire instrument and interview manuals are relevant to the study. Content and construct validity have been obtained by the help of the supervisor's input.

3.6.2 Reliability

Reliability aimed at testing for how reliable the instruments are to the study (i.e. ability of instrument to test for the same results over time). The conclusion section of the questionnaire was tailored towards justifying from the respondents about the reliability of both structured and unstructured questions in the questionnaire.

3.7 Data Process and Data Analysis

3.7.1 Data Process

The data collection method was structured and more specifically a self-administered one. A letter addressed to the respondents, assuring anonymity was attached to the questionnaire. In order to improve returns (response rate), the researcher has employed the drop and pick later method and follow up updates through phone call and email on staff and management but interview the prevailing customers about the impact on exchange rates on their consumption behavior.

3.7.2 Data Processing

The data was presented in a convenient and informative way including frequency tables, graphs and charts for easier analysis and interpretation. Descriptive analysis was used to determine the proportions and frequency of the variables and Microsoft excel was used to facilitate the data analysis. The results were presented in the form of tables, figures and pie charts for better visual feedback.

3.8 Ethical Consideration

A University letter introducing the researcher addressed to management of the company was obtained and submitted requesting for permission to carry out the research. The researcher ensured integrity of the information gathered, that is to say, the information was purposively used to analyze the impact of exchange rates on the organizational profitability other than any other selfish interest. There has been totally non-disclosure of any data or organizational materials provided to aid researcher's work whatsoever.

3.8.1 Limitation of the Study

- i. Bureaucracy: The communication chain was very long and nagging at times that the response rate was so slow.
- ii. Confidentiality and data sensitivity: some respondents may decline to give information for fear of releasing personal and confidential information. The researcher has solved this problem through signing a non-disclosure form with the management of coca-cola before issuing out the questionnaires
- iii. Time constraints: The problem may arise from the respondents who do not have the researcher's time to attend to interviews and even fill in the questionnaires. This has lead to limited information from the respondents. The researcher has solved this through making the questionnaires concise and precise, making it easy to fill.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

4.0 Introduction

This chapter focused on the presentation, analysis and interpretation of data collected from the field. The purpose of this study was to establish the effect of exchange rate on profitability of Coca-Cola. The findings are presented in line with the sole objective of the study and were intended to give answers to the research questions which were asked in relation to the study. The tools used for presentation and analysis included tables and percentages.

4.1 Background Information

4.1.1: Showing Gender of Respondents

In the table below, the researcher is interested in determining the ratio of male to female gender.

Table 4.1.1 Gender of respondents

Gender	No. of respondents	Percentage (%)
Female	25	46
Male	29	54
Total	54	100

Source: Researcher 2022

From the table 4.1.1 above, among all the respondents interviewed, 25 were Female presented by 46% and 29 were Male presented by 54%. Therefore, the ratio of male to female 29:25 which implies that Coca-Cola employs Male than Female counterparts. This was based on the nature of the business that is why female are more than male.

4.1.2: Showing age respondents

The interest is centered on identifying if the respondents were of the right age in order to establish the basis for better quality control of the collected data. The age groups can be distributed as follows.

Table 4.1.2 Age of respondents

Age group	No. of respondents	Percentage (%)
20-30 years	20	37.03
31-40 years	22	40.74
41-50 years	10	18.51
50 years and above	2	3.70
Total	54	100

Source: Researcher 2022

From the table 4.2 above, respondent of age group 20-30 years were 20 presented by 37.03%, 31-40 were 22 presented by 40.74%, 41-50 were 10 presented by 18.51% and above 50 years were 2 represented by 3.70% of the respondents. Therefore, for the success of this report, most data was got from respondents in the age bracket between 31-40 years which was presented by 40.74%. This age group is associated with experience in any work places due to perceived longer period in service, thereby ensuring quality feedback.

4.1.3: Showing level of education attained

Here the objective is determined if the respondents were of the right knowledge based on their level of education. The detailed breakdown can be seen below:

Table 4.1.3 Respondents' education levels

Level of education	No. of respondents	Percentage (%)
Certificate	17	31.5
Diploma	10	18.5
Degree	20	37.0
Post graduate	8	14.8
Total	54	100

Source: Researcher 2022

The results in the table 4.1.3 above shows that 10 members were Diploma holders presented by 18.5%, 20 members were degree holders with 37.0% of the respondents and 8 members had Post Graduate Diploma holder represented by 14.8% and 17 respondents had certificate represented by 31.5%. Having the biggest percentage of degree holders (37.0%) implies that most people had the required knowledge and understanding of the effect of exchange rate on profitability of Coca-Cola.

4.1.4: Period spent in organization

The period of service in Coca-Cola was very important in determining the experience about the institution's services. More experience has been attributed to the longevity of the periods served in an institution, that is to say, employees with more years of experience most likely provided credible information about the institution that their counterparts with lesser years of service.

Table 4.1.4: Shows period spent in organization

Period	No. of respondents	Percentage (%)
1-3 year	17	31.5
4-7 years	27	50.0
8-11years	10	18.5
Total	54	100

Source: Researcher 2022

From the table 4.1.4 above, from the research carried out, it was found out that 31.5% of the respondents have been working with Coca-Cola for 1-3 years, 50.0% for 4-7 years, 18.5% have been working for 8-11years. This meant the majority of employees have been working for a period of 4-7 years which is regarded as the best years in service for the employees to have better experience.

4.2 How the exchange rate variations affect multinational firms' profits.

Table 4.2.1 showing effect of exchange rate variations on multinational firms' profits.

Question	Agree		Disagree		Not sure		Total	
	Freq	%age	Freq	%age	Freq	%age	Freq	%age
A change in the rate of inflation in the market causes a change in the exchange rate of country's currency.	25	46	20	37	9	17	54	100
An economy with a lower rate of inflation relative to another country will have its local currency appreciate.	35	65	18	33	1	2	54	100
Prices of commodities and services increase at a slower rate when the inflation rate of the country is low.	33	61	15	28	6	11	54	100
A country that is consistently characterized by low levels of inflation exhibits a higher value of its currency whereas a country with high levels of inflation reveals depreciation in her currency.	30	56	31	27	7	13	54	100
A change in the rate of interest affects the value of the currency versus USD.	35	65	10	19	9	17	54	100
A relationship exists between interest rates, inflation rates and foreign exchange rates.	25	46	20	37	9	17	54	100
An increase in the interest rate results in appreciation of the country's local currency.	30	56	14	26	10	19	54	100

High levels of interest rates provide higher rates to the lenders which translates to more foreign capital attraction and consequently a rise in foreign exchange rate.	28	64	10	23	6	13	54	100
High rates of interest in an economy offer lenders higher returns comparatively to other economies.	29	54.5	15	28	10	18.5	54	100
The current account of an economy plays a vital role in determining the rate of foreign exchange such that an increase in the foreign exchange rate represents current account balance improvement referred to as the appreciation of the shilling.	27	50	16	30	11	20	54	100
When domestic prices increase on the other hand, the local currency depreciate.	27	50	17	31	10	19	54	100
Strategies and policies aimed at addressing external imbalances are important in ensuring stability of the foreign exchange rates in the long run.	30	56	20	37	4	7	54	100
The value of the currency decreases with regards to the value of the currency of the trading partner.	28	64	10	23	6	13	54	100

Source: Researcher 2022

From the research study carried out, it was revealed that 25 respondents represented by 46% agreed that A change in the rate of inflation in the market causes a change in the exchange rate of country's currency. This was followed by 37% who disagreed with the statement 17% were not sure about the whole concept. This meant that at Coca-Cola, a change in the rate of inflation in the market causes a change in the exchange rate of country's currency witnessed by the majority of the respondents contacted.

The findings revealed that 35 (65%) of the respondents agreed that An economy with a lower rate of inflation relative to another country will have its local currency appreciate. This was followed by 18 (33%) of the respondents who disagreed and 1(2%) were not sure if an economy with a lower rate of inflation relative to another country will have its local currency appreciate. Therefore, an economy with a lower rate of inflation relative to another country will have its local currency appreciate as witnessed by the majority of the respondents consenting its impact.

From the field study carried out, it was discovered that 33(61%) of the respondents agreed that Prices of commodities and services increase at a slower rate when the inflation rate of the country is low. This was followed by 15(28) % who disagreed and 6 (11%) respondents were not sure whether Prices of commodities and services increase at a slower rate when the inflation rate of the country is low.

From the field study carried out, it was discovered that 30 respondents with 56% agreed that A country that is consistently characterized by low levels of inflation exhibits a higher value of its currency. This was followed by 14 (26%) who disagreed with the fact that A country that is consistently characterized by low levels of inflation exhibits a higher value of its currency, 10(19%) were not sure of the fact. This therefore means that with Coca-Cola as an example of multi-nationals, A country that is consistently characterized by low levels of inflation exhibits a higher value of its currency. as witnessed by the majority of the respondents consenting.

The findings discovered that 35 respondents represented 65% agreed that a change in the rate of interest affects the value of the currency versus USD. This was followed by 10 respondents of 19 % who disagreed and 9 (17%) were not sure of the fact that a change in the rate of interest affects the value of the currency versus USD.

From the research study carried out, it was revealed that 25 respondents represented by 46% agreed that A relationship exists between interest rates, inflation rates and foreign exchange rates. This was

followed by 20 (37%) who disagreed with the statement, 9(17%) were not sure of the issue that A relationship exists between interest rates, inflation rates and foreign exchange rates.

From the field study carried out, it was discovered that 30(56%) of the respondents agreed that an increase in the interest rate results in appreciation of the country's local currency. This was followed by 14(26 %) who disagreed and 10 (19%) respondents were not sure. This therefore agrees with the fact that an increase in the interest rate results in appreciation of the country's local currency.

From the field study carried out, it was discovered that 27(50%) of the respondents agreed that high levels of interest rates provide higher rates to the lenders which translates to more foreign capital attraction and consequently a rise in foreign exchange rate. This was followed by 17(31) % who disagreed and 10 (19%) respondents were not sure if high levels of interest rates provide higher rates to the lenders which translates to more foreign capital attraction and consequently a rise in foreign exchange rate. This still agrees with the fact that High levels of interest rates provide higher rates to the lenders which translates to more foreign capital attraction and consequently a rise in foreign exchange rate.

From the field study carried out, it was discovered that 30(56%) of the respondents agreed that High rates of interest in an economy offer lenders higher returns comparatively to other economies. This was followed by 20(37%) who disagreed and 4 (7%) were not sure if High rates of interest in an economy offer lenders higher returns comparatively to other economies. Based on the general outcome of the study, most respondents responded positively meaning High rates of interest in an economy offer lenders higher returns comparatively to other economies.

From the field study carried out, it was discovered that 28(64%) of the respondents agreed that the current account of an economy plays a vital role in determining the rate of foreign exchange such that an increase in the foreign exchange rate represents current account balance improvement referred to as the appreciation of the shilling. This was followed by 20(37) % who disagreed and 3 (6%) respondents were not sure. This still agrees with the fact that the current account of an economy plays a vital role in determining the rate of foreign exchange such that an increase in the foreign exchange rate represents current account balance improvement referred to as the appreciation of the shilling.

SECTION C

4.3 The tactics employed by multinational firms to control the risks associated with exchange rates and keep profits stable in the face of currency changes.

Table 4.2.2 The tactics employed by multinational firms to control the risks associated with exchange rates

Question	Agree		Disagree		Not sure		Total	
	Freq	%age	Freq	%age	Freq	%age	Freq	%age
Coca-Cola has found hardships in selecting the appropriate hedging strategy due to the complexities involved in deciding on the appropriate degree of risk exposure that ought to be covered.	32	59	15	28	7	13	54	100
Coca-Cola has a risk committee to oversee the treasury's strategy in managing the exchange rate.	30	56	16	30	9	17	54	100
Coca-Cola usually, but not always, manage their exchange rate risk independently from the underlying assets and/or liabilities.	35	65	17	31	2	4	54	100

Source: Researcher 2022

From the research study carried out, it was revealed that 32 (59%) respondents agreed with the fact that Coca-Cola has found hardships in selecting the appropriate hedging strategy due to the complexities involved in deciding on the appropriate degree of risk exposure that ought to be covered, 15 (28%) of the respondents disagreed that Coca-Cola has found hardships in selecting the appropriate hedging

strategy due to the complexities involved in deciding on the appropriate degree of risk exposure that ought to be covered. and last 7 (13%) of the respondents disagree.

From the study carried out, it was revealed that 30 (56%) respondents agreed that Coca-Cola has a risk committee to oversee the treasury's strategy in managing the exchange rate. This was followed by 16 (30%) of the respondents disagreed and 9 (17%) respondents were not sure if Coca-Cola has a risk committee to oversee the treasury's strategy in managing the exchange rate. This meant that employees of Coca-Cola agree with the fact that Coca-Cola has a risk committee to oversee the treasury's strategy in managing the exchange rate.

The study revealed that 35 (65%) of the respondents' agreed that Coca-Cola usually, but not always, manage their exchange rate risk independently from the underlying assets and/or liabilities. This was followed 17 (31%) and 2 (4%) respondents were not sure of the fact.

4.4 The relationship between exchange rate and profitability

Table 4.2.3 The relationship between exchange rate and profitability

Question	Agree		Disagree		Not sure		Total	
	Freq	%age	Freq	%age	Freq	%age	Freq	%age
The prices of the commodities and services sold by multi-nationals are of identical prices across every area of their establishments.	40	74	9	17	5	9	54	100
The foreign exchange rate between pair countries is obtained majorly by the national price levels.	38	70	9	17	7	13	54	100
The percentage change in the actual spot rates for two pair countries is entirely determined by the differences between actual inflation rates of the currencies.	38	70	9	17	7	13	54	100
The differences between actual inflation rates of the currencies is obtained by the difference of the actual inflation figures.	30	55	19	36	5	9	54	100

Source: Researcher 2022

The study revealed that 40 (74%) of the respondents agreed that The prices of the commodities and services sold by multi-nationals are of identical prices across every area of their establishments. This was followed by 9 (17%) who disagreed with the fact that the foreign exchange rate between pair countries is obtained majorly by the national price levels and only 5 (9%) are not sure if The foreign exchange rate between pair countries is obtained majorly by the national price levels.

From the research study carried out, it was revealed that 38 (70%) of the respondents agreed that The foreign exchange rate between pair countries is obtained majorly by the national price levels. This was followed by 9 (17%) who disagreed and 7 (13%) of the respondents were not sure of the fact.

The study discovered that 38 (70%) of the respondents agreed that The percentage change in the actual spot rates for two pair countries is entirely determined by the differences between actual inflation rates of the currencies. This was followed by 9 (17%) who disagreed that the percentage change in the actual spot rates for two pair countries is entirely determined by the differences between actual inflation rates of the currencies, and 7 (13%) were not sure if the percentage change in the actual spot rates for two pair countries is entirely determined by the differences between actual inflation rates of the currencies.

The findings revealed that 30 (55%) of the respondents agreed that the differences between actual inflation rates of the currencies is obtained by the difference of the actual inflation figures. This was followed by 19 (36%) of the respondents who disagreed with the fact that the differences between actual inflation rates of the currencies is obtained by the difference of the actual inflation figures and 5 (9%) of the respondents were not sure of the fact that The differences between actual inflation rates of the currencies is obtained by the difference of the actual inflation figures.

4.4.1. The relationship between exchange rate volatility and high interest rate

Regression

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.834 ^a	.696	.690	.333

a. Predictors: (Constant), a relationship between inflation rates plus currency.

The above statistic adjusted r squared 0.834 shows that changes in inflation rates and exchange rate cause a .80% change in interest rates.

Regression coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.173	.090		1.925	.060
A relationship between inflation rates and exchange rates	.702	.064	.834	10.900	.000

a. Dependent Variable: change in interest rates

Given p value 0.0 shows that there is a significant relationship between changes in interest rates and a relationship between inflation rates and exchange rates i.e., changes in inflation rates and exchange rates cause a 0.702/70% variation in interest rates.

Correlations

		Change in interest	A relationship	Change in exchange rates
Change in interest	Pearson Correlation	1	.834**	.834**
	Sig. (2-tailed)		.000	.000
	N	54	54	54
A relationship between inflation and exchange rates	Pearson Correlation	.834**	1	1.000**
	Sig. (2-tailed)	.000		.000
	N	54	54	54
Change in exchange rates	Pearson Correlation	.834**	1.000**	1
	Sig. (2-tailed)	.000	.000	
	N	54	54	54

** . Correlation is significant at the 0.01 level (2-tailed).

From the above output a change in interest rates causes a positive correlation in exchange rates i.e., interest rates rise as exchange rates rise given a 0.834 correlation coefficient.

4.4.2. The relationship between the values of the country's currency and insufficient leading institutions

Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.029	.321		3.206	.002
	Manage exchange rate	.174	.185	.131	.940	.352
	Risk committee	-.044	.147	-.042	-.301	.765

a. Dependent Variable: change in exchange rates

Correlations

		Risk committee	Manage exchange rate	Change in exchange rates
Risk committee	Pearson Correlation	1	-.108	-.056
	Sig. (2-tailed)		.436	.687
	N	54	54	54
Manage exchange rate	Pearson Correlation	-.108	1	.136
	Sig. (2-tailed)	.436		.328
	N	54	54	54
Change in exchange rates	Pearson Correlation	-.056	.136	1
	Sig. (2-tailed)	.687	.328	

N	54	54	54
---	----	----	----

4.4.3. The relationship between changing commodity prices and high inflation rates

Regression

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.857 ^a	.735	.719	.322

a. Predictors: (Constant), change in exchange rates, higher value currency

Given the adjusted r squared value 0.857 it shows that the variables change in exchange rates, lower rate of inflation and a higher value of the currency explain 85% variation in prices of commodities.

Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.029	.145		-.201	.841
	Higher value currency	.742	.108	.791	6.853	.000
	Change in exchange rates	-.002	.096	-.002	-.019	.985

a. Dependent Variable: rate of inflation

From the above table on only one variable i.e., a country that exhibits a higher value of its currency when there is low inflation is considered to be significant given a 0.000 p value and it also shows given its coefficient 0.742 that it explains a .0742 variation in the rate of inflation while the rest are not significant hence can't be included in the model.

Correlation

		Slower rate of inflation	Higher value currency	Change in exchange rates
Slower rate of inflation	Pearson Correlation	1	.834**	.576**
	Sig. (2-tailed)		.000	.000
	N	54	54	54
Higher value currency	Pearson Correlation	.834**	1	.738**
	Sig. (2-tailed)	.000		.000
	N	54	54	54
Change in exchange rates	Pearson Correlation	.576**	.738**	1
	Sig. (2-tailed)	.000	.000	
	N	54	54	54

4.5 DISCUSSION AND SUMMARY OF FINDINGS

This section presents the summary and discussion of findings. The preceding four chapters have laid down a basis on which the report milestones can be reached. This chapter focuses on the findings as compared to the purpose and objectives that the study is intended to achieve.

How the exchange rate variations affect multinational firms' profits.

From the research study carried out, it was revealed that 25 respondents represented by 46% agreed that A change in the rate of inflation in the market causes a change in the exchange rate of country's currency.

The findings revealed that 35 (65%) of the respondents agreed that an economy with a lower rate of inflation relative to another country will have its local currency appreciate.

From the field study carried out, it was discovered that 33(61%) of the respondents agreed that Prices of commodities and services increase at a slower rate when the inflation rate of the country is low.

From the field study carried out, it was discovered that 30 respondents with 56% agreed that A country that is consistently characterized by low levels of inflation exhibits a higher value of its currency.

The findings discovered that 35 respondents represented 65% agreed that a change in the rate of interest affects the value of the currency versus USD.

From the research study carried out, it was revealed that 25 respondents represented by 46% agreed that A relationship exists between interest rates, inflation rates and foreign exchange rates.

From the field study carried out, it was discovered that 30(56%) of the respondents agreed that an increase in the interest rate results in appreciation of the country's local currency.

From the field study carried out, it was discovered that 27(50%) of the respondents agreed that high levels of interest rates provide higher rates to the lenders which translates to more foreign capital attraction and consequently a rise in foreign exchange rate.

From the field study carried out, it was discovered that 30(56%) of the respondents agreed that High rates of interest in an economy offer lenders higher returns comparatively to other economies.

Based on the general outcome of the study, most respondents responded positively meaning High rates of interest in an economy offer lenders higher returns comparatively to other economies.

From the field study carried out, it was discovered that 28(64%) of the respondents agreed that the current account of an economy plays a vital role in determining the rate of foreign exchange such that an increase in the foreign exchange rate represents current account balance improvement referred to as the appreciation of the shilling.

The tactics employed by multinational firms to control the risks associated with exchange rates and keep profits stable in the face of currency changes.

From the research study carried out, it was revealed that 32 (59%) respondents agreed with the fact that Coca-Cola has found hardships in selecting the appropriate hedging strategy due to the complexities involved in deciding on the appropriate degree of risk exposure that ought to be covered

From the study carried out, it was revealed that 30 (56%) respondents agreed that Coca-Cola has a risk committee to oversee the treasury's strategy in managing the exchange rate.

The study revealed that 35 (65%) of the respondents' agreed that Coca-Cola usually, but not always, manage their exchange rate risk independently from the underlying assets and/or liabilities.

The relationship between exchange rate and profitability

The study revealed that 40 (74%) of the respondents agreed that the prices of the commodities and services sold by multi-nationals are of identical prices across every area of their establishments.

From the research study carried out, it was revealed that 38 (70%) of the respondents agreed that the foreign exchange rate between pair countries is obtained majorly by the national price levels.

The study discovered that 38 (70%) of the respondents agreed that the percentage change in the actual spot rates for two pair countries is entirely determined by the differences between actual inflation rates of the currencies.

The findings revealed that 30 (55%) of the respondents agreed that the differences between actual inflation rates of the currencies is obtained by the difference of the actual inflation figures.

The literature on determinants of foreign exchange rate volatility is vast and no much empirical studies have been carried out in context of African countries despite the crucial role which volatility of exchange rate plays in developing financial markets for African countries.

Empirical studies that have been carried out by different scholars have revealed that volatility of exchange rates have implications on corporate profitability. Increase in local prices for local commodities is associated with depreciation of local currency and increase in foreign prices for imports is an indication of deterioration in trade account balance and depreciation of local currency.

Previous studies point out at the need for addressing external imbalances and structural predispositions for imports for example through promotion of high-value exports which enables a country to boost her foreign exchange flows relative to her import demands. A concern for disequilibrium or volatility of exchange rate which destabilizes local or domestic prices is reduced by addressing external imbalances in the trade account balances in the long-run.

Few studies in Uganda have attempted to demonstrate the relationship between exchange rate movements and financial performance of the listed firms at NSE. For instance, Masuku (2012) did an investigation of the effects of external debt of Kenya on exchange rate fluctuations of USD to the Uganda shilling between the year 1971 and 2012. The study showed that external debt had positive and substantial effects on exchange rate. Nonetheless, the study did not establish the effects of other determinants of volatility of foreign exchange such as interest rates and current account; this is the research gap that this study intends to fill. This study therefore sought to establish the kind of relationship that exists between volatility of foreign exchange rate and level of corporate profitability of listed firms at the NSE.

The study revealed that 40 (74%) of the respondents agreed that the prices of the commodities and services sold by multi-nationals are of identical prices across every area of their establishments. From the research study carried out, it was revealed that 38 (70%) of the respondents agreed that the foreign exchange rate between pair countries is obtained majorly by the national price levels. The study discovered that 38 (70%) of the respondents agreed that the percentage change in the actual spot rates for two pair countries is entirely determined by the differences between actual inflation rates of the currencies. The findings revealed that 30 (55%) of the respondents agreed that the differences between actual inflation rates of the currencies is obtained by the difference of the actual inflation figures.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 CONCLUSIONS

The low levels of profitability in Coca-Cola was attributed to the exchange rate volatility as reflected by the feedback from the responses generated from the respondents. Respondents were asked to suggest the level of profitability at Coca-Cola through regular interviews focus groups, comment cards and surveys as a result exchange rate. It turned out that exchange rate has been associated with a number of challenges such as fluctuation in prices of items, low profitability, fluctuating cost of materials, to mention but a few.

A Proper exchange rate administration is an integral part of ensuring stability in profit pursuit of any business and Coca-Cola is not exceptional. This is regarded as a key for any business to survive the devastating impacts of harsh exchange rates.

5.2 Recommendation

1. Identification of the types of exchange rate risk that a firm is exposed to and measurement of the associated risk exposure. As mentioned before, this involves determination of the transaction, translation and economic risks, along with specific reference to the currencies that are related to each type of currency risk.
2. Development of an exchange rate risk management strategy. After identifying the types of currency risk and measuring the firm's risk exposure, a currency strategy needs to be established on how to deal with these risks. In particular, this strategy should specify the firm's currency hedging objectives whether and why the firm should fully or partially hedge its currency exposures.
3. Creation of a centralized entity in the firm's treasury to deal with the practical aspects of the execution of exchange rate hedging.
4. Development of a set of controls to monitor a firm's exchange rate risk and ensure appropriate position taking. This includes setting position limits for each hedging instrument, position monitoring through mark-to-market valuations of all currency positions on a daily basis (or intraday), and the establishment of currency hedging benchmarks for periodic monitoring of hedging performance (usually monthly).

5. Establishment of a risk oversight committee. Managing exchange rate risk exposure has gained prominence in the last decade, as a result of the unusual occurrence of a large number of currency crises.

5.3 Areas for Further Studies

Having explored the impact of exchange rate on profitability of multinationals case of Coca-Cola, the study has created a room for further research in areas like:

- Forex administration strategies.

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APPENDICES

APPENDIX I

Population and sample size determinant by Kregcie and Morgan 1970

<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—*N* is population size. *S* is sample size.

Source: Krejcie & Morgan, 1970

APPENDIX II
WORK PLAN

TASKS	JUNE	JULY	AUG	SEPT	OCT
1. Topic suggestions					
2. Problem statement					
3. Chapter one					
4. Chapter two					
5. Chapter three					
6. Data collection					
7. Data presentation					
8. Discussion of finding					
9. Conclusion and recommendation					

Figure 3: Work plan.

APPENDIX III

BUDGET

ITEMS	QUANTITY	UNIT	AMOUNT
1. Rims	2	15,000	30,000
2. Printing	3 booklets	25,000	75,000
3. Transport	-	150,000	150,000
4. Binding	3 booklets	10,000	30,000
5. Communication	-	100,000	100,000
		TOTAL	385,000

Figure 4: Budget.

APPENDIX IV:

QUESTIONNAIRE

UGANDA CHRISTIAN UNIVERSITY

QUESTIONNAIRE FOR THE MANAGEMENT OF COCA-COLA

Dear respondent,

I am a student of Uganda Christian University pursuing a BACHELOR OF SCIENCE IN ACCOUNTING AND FINANCE, and carrying research on the *“The effect of exchange rate on the profitability of the multi nationals, case of Coca-Cola”*. The questionnaire is intended specifically for academic purposes and is highly confidential. Therefore, the information gathered will be treated with high confidentiality. Feel free to kindly fill in the spaces provided below:

SECTION A: DEMOGRAPHIC INFORMATION

Tick what is appropriate

Gender

Male	Female
☐	☐

What is your age bracket?

20 – 30 Years	30 – 40 Years	40-50 Years	Above 50 Years
☐	☐	☐	☐

Education: What is your highest level of education?

Primary level	Certificate	Diploma	Bachelor's Degree	Master's degree
☐	☐	☐	☐	☐

Employees only

In which department do you operate in?

Finance	Information technology	Accounting	Marketing	Research and Development
☐	☐	☐	☐	☐

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SECTION B: How the exchange rate variations affect multinational firms' profits.

5=Agree (A), Disagree=4(D), 3= Not sure (NS)

Question	A	D	NS
A change in the rate of inflation in the market causes a change in the exchange rate of country's currency.			
An economy with a lower rate of inflation relative to another country will have its local currency appreciate.			
Prices of commodities and services increase at a slower rate when the inflation rate of the country is low.			
A country that is consistently characterized by low levels of inflation exhibits a higher value of its currency whereas a country with high levels of inflation reveals depreciation in her currency.			
A change in the rate of interest affects the value of the currency versus USD.			
A relationship exists between interest rates, inflation rates and foreign exchange rates.			
An increase in the interest rate results in appreciation of the country's local currency.			
High levels of interest rates provide higher rates to the lenders which translates to more foreign capital attraction and consequently a rise in foreign exchange rate.			
High rates of interest in an economy offer lenders higher returns comparatively to other economies.			
The current account of an economy plays a vital role in determining the rate of foreign exchange such that an increase in the foreign exchange rate represents current account balance improvement referred to as the appreciation of the shilling.			
When domestic prices increase on the other hand, the local currency depreciate.			
Strategies and policies aimed at addressing external imbalances are important in ensuring stability of the foreign exchange rates in the long run.			

The value of the currency decreases with regards to the value of the currency of the trading partner.			
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SECTION C

The tactics employed by multinational firms to control the risks associated with exchange rates and keep profits stable in the face of currency changes.

5=Agree (A), Disagree=4(D), 3= Not sure (NS)

	A	D	NS
Coca-Cola has found hardships in selecting the appropriate hedging strategy due to the complexities involved in deciding on the appropriate degree of risk exposure that ought to be covered.			
Coca-Cola has a risk committee to oversee the treasury's strategy in managing the exchange rate.			
Coca-Cola usually, but not always, manage their exchange rate risk independently from the underlying assets and/or liabilities.			

SECTION D

The relationship between exchange rate and profitability

5=Agree (A), Disagree=4(D), 3= Not sure (NS)

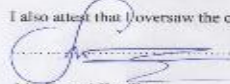
Question	D	A	NS
The prices of the commodities and services sold by multi-nationals are of identical prices across every area of their establishments.			
The foreign exchange rate between pair countries is obtained majorly by the national price levels.			
The percentage change in the actual spot rates for two pair countries is entirely determined by the differences between actual inflation rates of the currencies.			
The differences between actual inflation rates of the currencies is obtained by the difference of the actual inflation figures.			

Thank you in advance

Approval

This is to certify that the report was completed and filed with the supervisor's approval

I also attest that I oversaw the completion of this field attachment.



Mr. Kasizi Geoffrey

Field Supervisor

Date: 6th Sept 2023



UGANDA CHRISTIAN UNIVERSITY

A Centre of Excellence in the Heart of Africa

SCHOOL OF BUSINESS

1st Aug 2023

TO WHOM IT MAY CONCERN

Name:

Reg. No.

A bachelor's student who is seeking permission from your office to collect data for his/her dissertation titled

“ THE EFFECTS OF EXCHANGE RATES ON MULTINATIONAL FIRMS PROFITABILITY ”

We shall be grateful if you could render assistance to him/her in collecting the necessary data for his/her dissertation

The Uganda Christian University School of Business thanks you in advance

Mukisa Simon Peter
Research coordinator