Currenxie

Helping SMEs to overcome the **payments hurdles hampering growth**

July 2026

Foreword

Daniel Woolf
Head of Policy and Government Relations, Enterprise Nation

Small businesses want to trade internationally. The barrier is rarely ambition or product quality. It is cost, complexity and uncertainty.

Our report, **Access all Areas: Markets**, found that founders hold back from exporting because of the expense and perceived risk of international trade. Our latest **Small Business Barometer** shows the appetite to export falling again over the past year.

That is a loss the UK cannot afford. **Research** from the E-Commerce Trade Commission found that removing the barriers to SME e-commerce exports could add £7 billion to UK exports over the next decade. It identified the cost of cross-border payments among those barriers.

When a small firm cannot predict what a transfer will cost or when it will arrive, trading abroad feels like a gamble. Larger companies absorb that uncertainty. Smaller ones often walk away from it.

The findings in this report add useful evidence on how those frictions play out, and on what businesses trading across borders say they need: payments that are transparent, predictable and fairly priced.

At **Enterprise Nation**, we help small businesses across the UK to start and grow, and we work with government and industry to remove the barriers in their way.

Better cross-border payments will not solve every challenge facing small exporters. But they would remove one genuine deterrent, and make the decision to sell to the world easier to take.

Geopolitical uncertainty continues to plague businesses operating internationally.

Ongoing conflicts, such as the Iran-US war and the invasion of Ukraine, have had a profound impact on consumer prices and inflation.

The widely reported disruption of the critical Strait of Hormuz trade route is the most publicised case of geopolitical challenges piling pressure on global trade. But it is not the only risk – global political tensions between countries and markets from US and China to Russia and the EU are also having a major impact on costs and trade.

The UK Consumer Prices Index (CPI) unexpectedly held steady at 2.8% in May 2026, however upward pressure is still anticipated. The lagged impacts of global energy shocks are expected to push inflation towards 4% later this year. Eurozone inflation, meanwhile, has continued to rise hitting 3.2% in May 2026, up from 1.9% in February, primarily driven by jumps in energy prices and rising costs within the services sector.

This is inevitably impacting supply chain costs. In the UK, the Chartered Institute of Procurement and Supply (CIPS) issued a stark warning that the spiralling cost of transport, energy, and raw materials will see consumer goods prices soar in the coming months. The geopolitical landscape is also impacting currency markets too. Whilst USD continues to perform strongly, other key global currencies such as the Euro and Japanese Yen underperform and the UK's political instability has impacted the value of GBP in recent months. For businesses operating internationally, shifting currency performance, foreign exchange rates and other risks are growing areas of concern.

Against a backdrop of rising costs and ever-increasing economic pressures, having reliable access to new markets – both in terms of suppliers and customers – has become crucial for businesses looking to boost their long-term prospects.

Supply chain management is also evolving with e-commerce businesses increasingly moving from just-in-time to just-in-case strategies that mitigate the risk of supply chain disruption and position them more strongly for growth.

To better gauge how businesses are weathering the storm, in April 2026 Currenxie surveyed 200 senior decision-makers at UK companies that are operating internationally. This report explores the opportunities, the challenges they face and the role that cross-border payments play in supporting their growth plans.

Streamlined cross-border payments can help SMEs to scale across borders and compete more effectively. With economic turbulence rumbling on, they will need payment solutions that offer stability and certainty.

It's important they can increase their margins wherever possible to foster growth and stay one step ahead of competitors. Reducing FX costs is seen as a significant step. Faster, simpler, and more cost-effective cross-border payments can underpin smoother global supply chains and ensure that businesses can confidently transact in the new markets they are depending on.

01

The pressing need for **diversification**

In recent months, global supply chains have been severely disrupted by ongoing global geopolitical pressures.

Since the beginning of the war involving the US, Israel, and Iran in February 2026, oil tanker traffic through the Strait of Hormuz – one of the world's most critical routes – has collapsed, dropping by more than 90%.

The ongoing conflict between Russia and Ukraine is similarly hurting the global economy given the reliance of energy and food production on these markets has been severely disrupted.

Economic tensions remain between China and the US with reciprocal tariffs and trade restrictions impacting global trade and costs. It's a similar picture between other countries as competition grows for trade superiority.

These are just a few of the most high-profile examples of continued disruption and rising costs which are prompting businesses to increasingly seek access to customers and suppliers in new markets as they attempt to reduce operational risks.

Many SMEs – particularly in e-commerce – have also adapted their operations to mitigate these risks. Shifting to a just-in-case supply chain strategy is one approach SMEs are increasingly taking to avoid disruption and boost resilience whilst providing a competitive edge to support growth.

Consumer prices are likely to further surge due to the ongoing geopolitical challenges but SMEs that find ways to minimise or absorb costs will be far better positioned to emerge from the current economic instability in a stronger position.

31%

of businesses we surveyed admit that recent geopolitical uncertainty has meant they have had to pass increased costs on to their customers by raising their prices.

28%

say unpredictable tariffs have caused major disruption to their supply chain.

25%

Our research also reveals that a quarter of businesses see increased supply chain costs as their biggest challenge over the coming year.

33%

of businesses – rising to 40% in the IT sector – have diversified supply chains to mitigate the risk from current geopolitical events, with nearly a quarter (23%) saying that expanding into new markets is now their biggest priority for the year ahead.

The indicative figure rises to three in ten (29%) of those in the retail sector who see increased supply chain costs as their biggest challenge over the coming year, with these businesses often particularly affected by supply chain volatility due to thin profit margins, complex fulfilment expectations, and dependence on spending behaviour shaped by inflationary pressures.

This international diversification and expansion is seen as key to driving future profitability. Half (50%) of business leaders say they are using more international suppliers than they were 12 months ago, while 57% say the proportion of international customers in their customer base has increased. And nine in ten (91%) of these businesses say that this has significantly boosted their bottom line.

A study from **Mastercard** mirrors these findings, with half (50%) of SME respondents saying they have expanded internationally, while two-thirds (65%) plan to source more suppliers globally to help make their operations more robust.

"

As a global distributor, we source products from within the EU and also as far afield as Japan, the US, and Mexico and then sell to our customers across the EEA, Middle East, and more. Rapid, reliable payment settlement improves our suppliers relationships and cash flow. Currenxie's FX solutions have increased our operating margins.

Ian Sutton
CEO, Pacific Trading Aquaculture

Ultimately, supply chain diversification and strategic entry into new markets is an effective approach to countering geopolitical tensions and spiralling costs. Businesses that fail to do so risk losing their competitive edge, which in turn stifles growth and prohibits profitability.

Improving cross-border payments capabilities can accelerate this necessary expansion by reducing transaction friction, lowering costs, and mitigating currency risks.

02

The critical role of **cross-border payments**

In a bid to maintain their competitiveness, businesses are increasingly sourcing suppliers from more cost-effective markets and tapping into new markets to grow their global customer base.

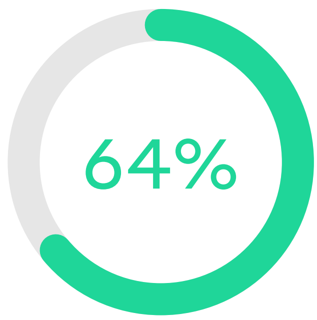
However, alongside new opportunities, this introduces new challenges to their operations, particularly around the increasing volume of international payments.

Our research shows that UK companies can be considered especially reliant on international business.

Accessing new markets is critical to diversify suppliers, reach new customers and reduce risk – it is essential to drive growth and profitability. However, there are several hurdles that come with expanding internationally. The reliability of cross-border payments is critical to cash flow management, and processing delays are common when using mainstream banks for international transactions.

Six in ten (58%) have increased the number of markets they sell in, while a similar proportion (57%) have increased their share of international customers. For businesses – especially SMEs – with margins under pressure, additional FX fees are a critical challenge that either need to be absorbed or passed onto customers. Ultimately, high FX costs or payment delays risk limiting sales, hampering profitability and curbing growth.

Nearly all have suppliers and/or customers based in foreign markets.



As a result of this growing reliance on international operations, two-thirds of businesses say the volume of cross-border payments they are making has increased over the past 12 months.

Our own research shows that more than half (52%) of businesses, rising to 57% in the IT sector, feel that slow processing and high costs are actively damaging relationships with international suppliers, while 57% agree that FX costs on cross-border payments are far too high and are curbing growth.

China is the single largest country of origin for UK goods imports, with official government data indicating that it provides around £85 billion worth of goods annually to the UK.

UK retail and e-commerce businesses in particular heavily rely on overseas suppliers. This stems from the UK's high consumer demand for cost-effective consumer goods and the continued dominance of Asia as a global manufacturing hub.

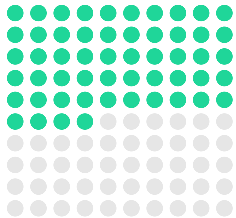
This underlines the importance of using multi-country, multi-currency payments solutions that can integrate the local payment methods favoured in different markets.

There is no doubting the crucial nature of cross-border payments in the modern business arena. And they must be affordable, fast, and reliable. Seven in ten (71%) businesses view cost-effective international payments as a critical factor in global competitiveness – rising to 80% in the fast-moving IT sector.

Many businesses are still typically reliant on their bank for critical high-value transfers and cross-border payments. However, this may not always be the best option, particularly for SMEs that rely on agility and reliable cash flow. Far too often, these payments are opaque, slow, and costly, hampered by unpredictable delays and hidden fees across the expansive correspondent bank network – all of these issues combine to further increase financial and operational pressures on SMEs.

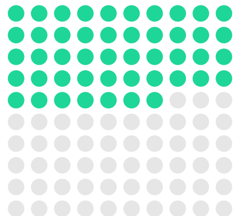
A recent **report by Bibby Financial Services** details how FX losses and delayed cross-border transactions are reducing operational liquidity, with SMEs citing an average estimated loss of £71,600 as a direct result of currency and transaction frictions.

Businesses, especially SMEs, are crying out for new payments solutions that can supercharge their growth and help to secure their future.



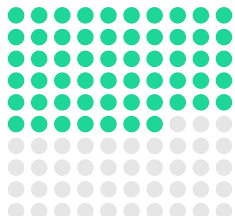
54%

of businesses say sourcing new international suppliers has become too expensive due to high FX fees on cross-border payments.



47%

told us that the spiralling cost of FX fees on cross-border payments means that their company is actively avoiding international growth.



57%

of businesses – including half (49%) of SMEs – have seen a sharp increase in the number of international customers or suppliers that have asked to pay in their local currency.

03

How SMEs can unlock growth

Businesses urgently need clarity on costs and seamless payments solutions that will help them to respond rapidly to shifting supply routes and take advantage of new opportunities in new markets.

This is a particularly prominent pain point in the e-commerce sector, where studies suggest the average cart abandonment rate now stands at 70.22%. Clearly, tackling some of the barriers that drive abandonment will support e-commerce merchants to target increased profitability and growth.

Offering enhanced payment options enabling SMEs to choose how they pay and get paid boosts flexibility, reliability and value. This could include providing access to the Single Euro Payments Area (SEPA) to enable simple, fast and secure payments or providing access to stablecoin rails if that is the preferred option and the most effective payment method.

It's also impacting confidence when working with international suppliers and customers. More than a third (34%) of businesses try to avoid international payments because they simply don't know when they are going to arrive, while a similar proportion (36%) seek to avoid them because they don't know what fees they will ultimately be charged.

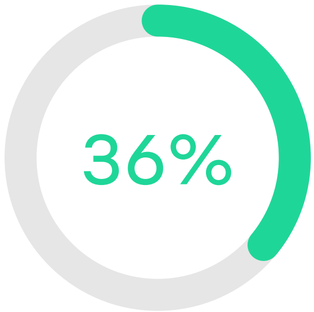
Unfortunately, many businesses don't have faith in the ability of their bank to deliver what is needed. Businesses must ensure they have access to cost-effective and reliable international payments to reduce FX fees and streamline transactions where possible – specialised fintechs can help businesses to expand into new markets while helping to keep costs down.

32%

of SMEs say they will be unable to meet demand from their international customers without access to cost-effective cross-border payments.

60%

of businesses think that poor payment infrastructure leads to increased cart abandonment.



say that their primary bank is unable to cater to the specific needs of their company when it comes to processing payments or sending money internationally.

According to **an industry study by RFI Global,** half of UK SMEs now use fintechs for their business banking needs, which is up from a third five years ago.

However, greater adoption is vital to support SME growth – this can be achieved by building trust in fintech solutions to demonstrate the capabilities to unlock cost-effective and reliable payments to supercharge growth.

Currenxie is one of these fintechs. Founded in 2014, our mission is to make global payments simple for businesses, providing everything needed to collect, exchange, and send money worldwide while increasing profits and reducing the administrative burden. We launched our multi-country, multi-currency business account across the European Economic Area (EEA) in Q2 2026, following our UK launch earlier in the year.

> *Our business has grown to include suppliers from a range of countries, as well as customers from outside Europe. Instead of handling multiple currencies in multiple countries across different bank portals, Currenxie has given us a single view of our now global treasury and reduced costs and time spent on admin.*
>
> **Ann Marie Cleary**
> *CFO, Interpac*

The Benefits of Partnering with Specialists

Cross-border payment specialists now have a key role to play when it comes to supporting SMEs and their growth aspirations. Partnering with these providers, who can offer a more personalised service and advice on entering new markets, produces a number of valuable, strategic benefits including:

True global connectivity

Specialist providers offer access to local virtual bank accounts in major markets, including the US, the UK, EEA, Canada, Australia, Japan, and Hong Kong. This enables firms operating internationally to pay and collect as if they were local entities, ensuring faster, cost-effective transactions.

Enhanced value from volume-based FX pricing

Currenxie has now spent more than a decade helping businesses to simplify cross-border payments around the world, especially in key Asian markets, providing them with savings of up to 61% on their FX payments compared to traditional competitors[1].

Proven institutional scale

The more established providers are already operating at an institutional scale, bolstering trust for users. Currenxie, for example, now serves over 15,000 clients across 100 countries, and has surpassed $6 billion in annual payment volume.

A sharper Asia-Pacific edge

While providing global coverage, platforms such as Currenxie offer market-leading depth and expertise in the vital Asia-Pacific region, giving UK and European firms a significant competitive advantage in one of the world's fastest-growing trade corridors.

Access to world-class payments solutions

Currenxie's deep tech expertise and knowledge of key global jurisdictions enables SMEs to operate like their larger corporate counterparts, with access to the same level of support. This is the reason FXC Intelligence labelled us as one of the world's most promising cross-border payment companies.

Specialists like Currenxie are helping to redefine the cross-border payment experience for SMEs from the UK and beyond, boosting their international business prospects in today's challenging economic climate.

---

[1] Based on analysis of cross-border fees charged by Currenxie and Wise on $1,000 transactions across several popular currency pairings as of 29th January 2026.

Powering payments in the IT sector

IT firms are rapidly targeting increased international growth.

This diversification and expansion has resulted in 97% seeing increased profits. Unsurprisingly, around a third (31%) say that further growth in their international customer base is now a top priority for the year ahead.

Access to efficient cross-border payments is essential to their long-term success, with 80% agreeing that cost-effective international payments are critical to competing on the global stage. More than three-quarters (77%) say the volume of cross-border payments they need to process has increased over the past year, and 72% have seen an increase in the number of international customers or suppliers asking to pay in their local currency.

However, many IT firms – particularly SMEs – remain overly reliant on banks for international transfers, which is often more expensive, less reliable, and ill-suited to their needs. This is creating unnecessary friction and often contributes to operational challenges.

This is not only increasing pressure on margins – it's leading to higher costs being passed on to customers and causing cash flow challenges linked to slow or delayed payments.

57%

are using more international suppliers than they were 12 months ago.

82%

are selling their services into more markets.

29%

say their bank simply can't cater to their needs.

65%

admit high FX costs are curbing growth.

65%

say it's making them reluctant to expand further, putting competitiveness at risk.

Specialists will always outperform generalists. To unlock their full potential, IT companies must ensure they are using specialist cross-border payment providers who can offer local market expertise and personalised client service.

Conclusion

Despite ongoing geopolitical uncertainty and economic volatility, ambitious businesses are increasingly operating on a global scale.

To do so, many are working with a growing range of international suppliers – as well as customers – which requires them to juggle multiple currencies and payment methods.

Cross-border payments will provide the foundations for the future, globalised business world. Boston Consulting Group has estimated that

by 2027, cross-border transactions will exceed

$250 trillion

representing a $100 trillion increase over the course of the past decade.

With businesses making an ever-increasing number of cross-border transactions, it's crucial that they are cost-effective, fast, and reliable. Unfortunately, opaque payments that take too long remain a major frustration for businesses when it comes to paying international suppliers and transacting with overseas customers. Our research reveals real concerns that poor payment infrastructure is hitting sales, impacting SME competitiveness and hampering growth.

More than a third (36%) of businesses don't feel that their bank is fully able to cater to their needs when it comes to processing payments or sending money internationally. This has accelerated the appetite for specialist cross-border payment providers – such as Currenxie – who understand the challenges that businesses, and SMEs especially, are facing.

These providers can better support SMEs to scale and compete globally by providing modern payments solutions that supercharge sales, drive profitability, and power their long-term growth. They offer access to secure, fast, and cost-effective cross-border payments and local market expertise, which is vital for businesses of all sizes, but especially SME retailers.

They can give businesses that are hungry for growth a much-needed sense of certainty when the global markets cannot.

Methodology

Opinium research of 200 decision makers in UK businesses that accept/send international payments between 20th and 27th April 2026.

About Currenxie

Currenxie is a global financial platform that specialises in simplifying global payments while unlocking growth for businesses. Founded in 2014, the financial technology company provides everything needed to collect, exchange, and send money worldwide.

Headquartered in Hong Kong, Currenxie is registered across multiple other jurisdictions including the UK, Ireland (unlocking access to the European Economic Area), Australia, Canada, South Africa, and the United States.

Currenxie has over 15,000 clients globally and was named as one of the most promising cross-border payment companies in 2024 by FXC Intelligence. Since launch, Currenxie has transferred over $18 billion for merchants in key markets across Europe, Asia and North America, now surpassing $6 billion in annual payment volume – with a rapid growth trajectory, the total value of funds processed grew by 23% year-on-year in 2025.

Trusted by thousands of global businesses, Currenxie helps businesses to operate across different markets and currencies, speeding up transactions and empowering companies to send and manage cross-border payments through a single, multi-currency platform with a real-time, 24-hour FX service.

Find out more at **Currenxie.com**