with another good idea. They suggested that companies could issue calls on EUR, in order to compensate premium for the bought puts and therefore involve no cash in agreement. The faith in further appreciation made it easy to agree upon that proposal.

To sum up, exporting companies were hedged against depreciation of EUR and did not have to pay for it. Unfortunately, they forgot that there is no such a thing as free lunch. They did not realize that, in fact, they transformed the risk and were now exposed to depreciation of PLN. It would not be a problem if the relation in number of contracts sold and bought was 1:1, but due to market expectations of further appreciation of PLN, premiums on calls were significantly higher, therefore the number of puts issued by companies was higher than a number of calls that they had bought.

From a perspective of time, the strategy seemed to be risky, but under the conditions of continuous appreciation companies not only felt safely, but they were earning extra profit. That was the reason why more and more companies decided to follow.

The party ended in August 2017. Facing the uncertainty, global investors started withdrawing their money from emerging markets, whatever fundamentals were in each country. As a result, relation PLN-EUR rose up to 4,55 in February 2017. Suddenly, companies faced banks willing to execute their rights and they found out that financial non-realized profits turned into to be realized losses. Moreover, one cannot forget that they sold more options, therefore they did not have an equivalent source of income to compensate the loss.

As the author mentioned beforehand, many companies were scared and suddenly the atmosphere of suspicion against «ominous» banks arose. It was also supported by some politicians and public opinion. In fact, there was a reason to fear. Some specialists estimated the potential loss to be worth more than 5 bln PLN. This data was ultimately dismissed by the recent estimation of KNF (Polish Financial Supervision Authority), which showed that approximately 80% of companies involved in FX options had not suffered and another 10% had suffered from contracts, but only because of an order withdrawal.

To summarize, there are two main conclusions. First of all, FX options are a good tool in hedging the currency risk, but one has to know how to use it. Sadly, Polish CFOs and executives showed a complete lack of knowledge in this field. Last but not least, it was proved again that misusa.

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PUBLIC FINANCE AS A TOOL OF SUSTAINABILITY TRANSITION

The purpose of this study is to emphasize the role of public finance in the sustainability transition. The main thesis can be expressed as follows: public authorities and public finance plays a leading role in sustainability transition.

Sustainability transition is a term used to describe conversion (evolution) from the existing model of economy towards one based on increased social and environmental responsibility [1]. The new model should emphasize such elements as: green economy, low emission, resource efficiency, clean technologies, responsible consumption, social justice and equality (both inter- and intra-generational). Transition to smart, efficient, low carbon economy (called sustainability transition) in conventional reception is associated with the process of multi-level transformation of the economic and socio-technological system intended to increase its environmental sustainability and social fairness.

It seems that public authorities play the most decisive role in the processes at hand, at least in the initiation of changes. After all, the political decision makers, in cooperation with scientific communities, were the ones to initiate the process of diagnosing the present crisis situation. Governments and international organizations are the obvious proponents of any strategies, policies and remedial measures designed to address the challenges associated with the systemic crises [4]. They are also responsible for construing the sets of financial instruments intended to stimulate the economy by offering incentives for entrepreneurs. The state and other public bodies take up a new role in the task of addressing the complex tangle of economic, social and environmental problems: they are expected to formulate strategic objectives and institutional frameworks in support of the transition, and serve as intermediaries for cooperation between governments, business entities, and societies.

Sustainability transition is a multilevel process, which means reaching goals of sustainable development, transforming economy towards green, low carbon, resource efficient and to combat climate change [5]. It requires substantial financial resources especially from the budget: The role of the public sector is indispensable in freeing up the flow of private finance towards a sustainable economy. The governments and multilateral financial institutions should use their own resources to leverage financial flows from the private sector and direct them towards green economic opportunities. Public finance is important for triggering a green economic transformation, even if public resources are significantly smaller than those of private markets are. Public institutions can allocate significant proportions of their new lending towards financing green economy transition projects. That process is empowered by EU policies and structural funds in financial perspective 2014-2020.

Recently many new sustainable initiatives emerged in finance: Green Climate Found and national climate founds, established as the investment vehicle for climate finance (USD 100 billion per year by 2020, from a variety of sources) [2]; National public finance - fiscal policy for green economy, budget's expenditures supporting green sectors, taxes, decreasing subsidies for harmful production, green public procurement, investment in green public infrastructure, researches and development expenditures for eco innovations and green technology. The consequences of sustainability transition in finance is a huge challenge for science to address all important issues, to help the audience to understand new process, to design survey, to create new models and tools to explain structure and function of sustainable finance system [3]. Role of science is not only describe and analyze new role of public finance in transformation but also predict future trends, which has meaning for business, governments, financial markets, university education and society.

Table 1.

Public Finance for Sustainability

European Union's Finance	Europe 2020, new financial perspective 2014-20, structural funds for green economy and agriculture, encouraging member states to invest in green sectors, adaptation to climate change policy
National Public Finance	National fiscal policy for green economy, budget's expenditures supporting green sectors, taxes, decreasing subsidies for harmful production, green public procurement, investment in green public infrastructure, researches and development expenditures for eco innovations and green technology
Local Public Finance	Financing local green growth, green public procurement, domestic low carbon economy and climate finance

Source: Author's own elaboration

The sustainability transition process has reached an unprecedented scale (planetary, global, and local) and involved many actors (international organizations, EU, national and local governments, enterprises, civil society, universities). We got aware that active role of public sector and public finance is necessary.

There is a common interest of governments and business to finance sustainability transition. Especially the state policy and actions are important, without them the power of private sector is useless. The state role as rule-setter and enforcer is crucial for successful implementation of sustainable economy. The economy-as-usual cannot get us to sustainability or secure economic and social prosperity. Public finance specially from European Union but also from national and local budgets supports sustainability transition. Recently new financial initiatives occurred: like climate finance, green finance, carbon finance. It is a structural change in financial system on many levels: international, public, corporate and household finance. The old role of finance destabilizes. Finances are slowly responding to new demand in sustainable economy to align with it. It may be observed that traditional mostly social expenditures of national budget are complemented by public spending for sustainability transition. Some of the manifestations of this process include such phenomena as financing production of energy from renewable sources, waste recycling, reduction of greenhouse gas emission, modern products and technologies with improved energy efficiency, sustainable transportation, sustainable supply chains, and sustainable consumption.

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IMPORTANCE OF CHINESE CURRENCY

According to the International Monetary Fund (IMF) announcement in 2015, China's economy, when measured by purchasing power parity, surpassed that of the United States to become the world's largest one in 2014. As the importance of China in the global economy, Renminbi (RMB), which is the currency of China, has attracted increasing attention from policymakers, investment institutions and even entrepreneurs all over the world. The global influence of RMB has been growing in recent years. One reflection of such development is the finding by the Society for Worldwide Interbank Financial Telecommunications (SWIFT) in October, 2015 that Chinese yuan overtook the Japanese yen and become the 4th in the ranking of world payment currencies. Although RMB has become the 4th most used world payment currency, Chinese yuan only accounts for 2.8% of total global payments in August, 2015. The top three currencies in the ranking list are US dollar (44.89%), euro (27.2%) and pound (8.5%). This paper is intended to provide a literature review on how important is to hedge currency risk including CNY and CNH.

In accordance with the status of Chinese economy in the world, its government has taken numerous steps to promote the international use of its currency in trade, investment and asset management. China is making effort to reform the mechanism about capital account liberalization, RMB exchange rate and interest rate issues.

Internationally, China is reaching currency swap agreement with central banks of foreign countries and pushed RMB to be included in the Special Drawing Right (SDR) which is maintained by the IMF. The milestone in the process of RMB internationalization is the establishment of RMB offshore center in Hong Kong from