



Exchange Rates

Activity 1

Read the information about exchange rates in Fact Sheet FD1 - Exchange Rates and research different exchange rates online.

Imagine you have been invited to make a 10 minute presentation to a group of students to help them plan their finances for an exchange visit abroad.

Plan your presentation, e.g. it could be a talk with a display of photographs or a PowerPoint presentation. What additional research will you need to do?

Your presentation needs to show:

- at least **four** reasons why currencies in countries may rise and fall
- the pros and cons of paying in different ways for goods and services abroad
- different ways of keeping your money safe when travelling abroad.

Tips for giving a good presentation:

- ✓ Make sure the information you give is simple, clear and accurate.
- ✓ Make sure the presentation is suitable for the audience.
- ✓ Make it interesting and lively. Could you make it humorous?
- ✓ Include pictures, illustrations or graphs wherever possible.
- ✓ Practise your presentation so that you can deliver it confidently.

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Exchange Rates cont'd

Activity 2

Name the currencies represented by the following codes. Then use a calculator to work out how much of each currency you would get for £150.

Code	Currency	Exchange rate to £1	Amount if £150 is exchanged
USD		1.45	
JPY		135.04	
EUR		1.07	
AUD		2.03	
ZAR		13.56	
INR		70.85	
THB		50.54	

Activity 3

Create a budget sheet to plan the finances needed for a trip you are taking abroad. The trip is for one week and you can choose your destination. You have a budget of £450. You will need to research the best deals for travel e.g. rail cards, accommodation, exchanging money, credit/ debit cards, pre-paid cards.

Your budget sheet needs to include the cost of changing money, travel, accommodation, food, entertainment, insurance, using mobile phone and extra expenses relevant for your chosen trip e.g. sun cream, clothing, vaccinations.



DISCUSSION

If you went on holiday in Europe before 2002, you needed the local currency for each country you visited – e.g. Franc in France, Deutschmark in Germany, Lira in Italy and Peseta in Spain. From January 2002, many (but not all) countries in the European Union have chosen to use a single currency – the Euro.

People from countries who use the Euro can use the same currency when travelling to or trading with most other European nations. This means they don't have to pay commission to change currency and they don't have to worry about their money losing value through fluctuating (rising or falling) exchange rates.

At the moment, people in Britain still use their own currency, the British Pound, rather than the Euro. Some people believe that Britain should get rid of its pounds and pence and adopt the Euro. Others disagree with the idea of losing their traditional currency.

Organise a class debate, discussing the advantages and disadvantages of using the Euro instead of the Pound.