



FOREIGN EXCHANGE

BY MARK GILLAN

Currency exchange

From one currency converted to another currency



Currency

Home Currency

From one currency



Rate of Exchange

Exchange rate for conversion

Conversion Rate



Currency

Foreign Currency

To another currency

Heading to the United States of America

An prime example of Pounds Sterling to US Dollars



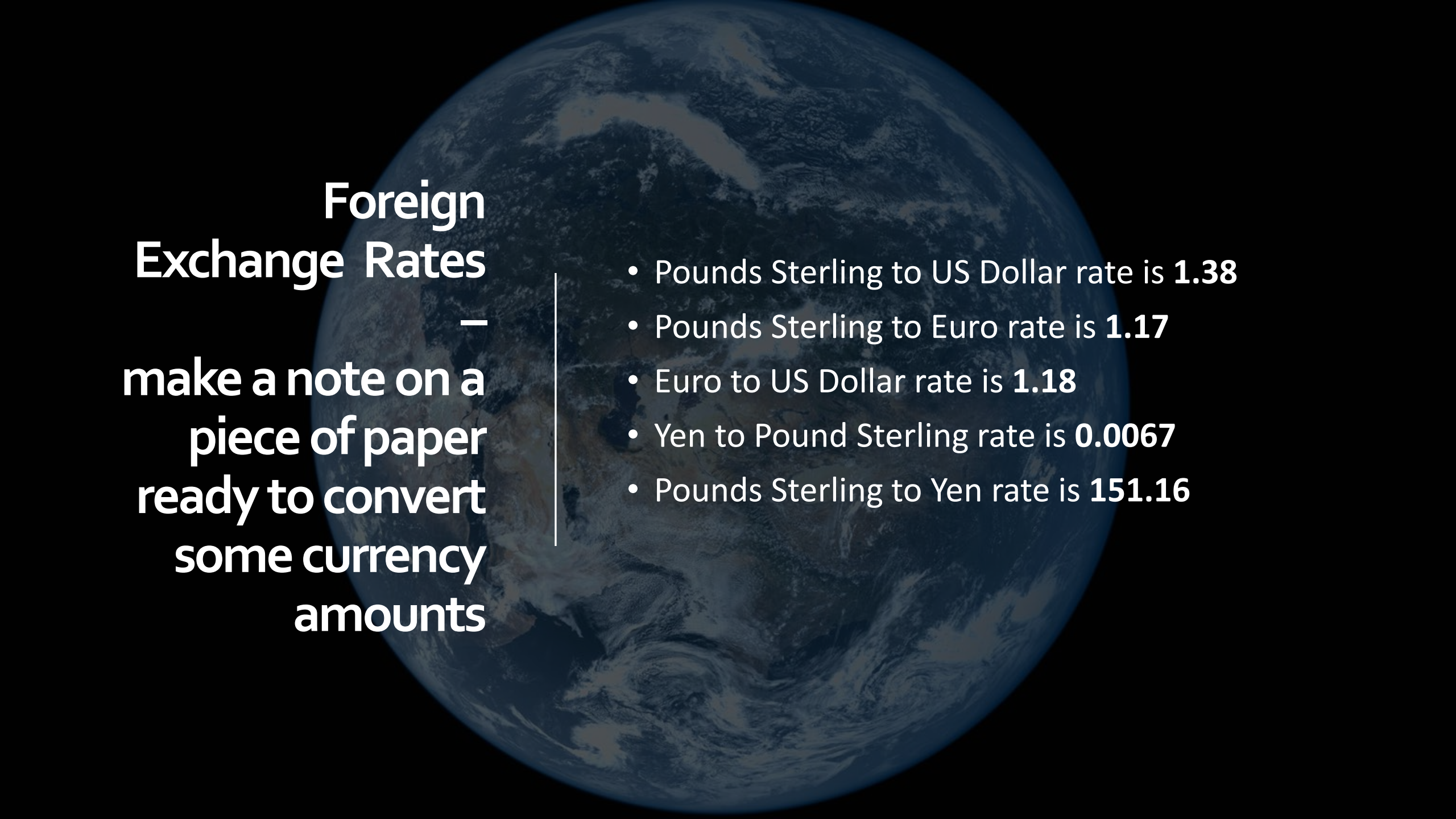
- Pound Sterling in pocket
- Requiring Dollars
- An amount of STG 500



- Sell Pounds and Buy Dollars
- Usually a commission (not in this example)
- Conversion takes place
- Rate of exchange quoted at the **moment** (alters every day, depending upon how much a currency is worth compared to another)
- Exchange rate of: 1.38
- Meaning 1 STG is the equivalent of USD 1.38
- **Dollar is the larger number based upon STG 1 equivalent to 1.38 USD**



- US Dollars required
- Soon to have Dollars
- $STG.500 \times 1.38 = USD.690$



Foreign Exchange Rates

—
make a note on a
piece of paper
ready to convert
some currency
amounts

- Pounds Sterling to US Dollar rate is **1.38**
- Pounds Sterling to Euro rate is **1.17**
- Euro to US Dollar rate is **1.18**
- Yen to Pound Sterling rate is **0.0067**
- Pounds Sterling to Yen rate is **151.16**

Try these foreign currency exchanges

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- Yen to Pound Sterling rate is **0.0067**
- Pounds Sterling to Yen rate is **151.16**
- Pounds Sterling 592 to Euros
- Pounds Sterling 154,258 to US Dollars
- Pounds Sterling 14,892 to Japanese Yen
- I am returning home from working in Tokyo with Yen 198,505 in my pocket. When I get to the Glasgow, how much will be in my pocket after converting it to Pounds Sterling?
- My friend in Germany is a buying motorhome from a colleague who lives in Texas, USA. The selling price is Euros 72,354 but the colleague in Texas wants the money sent in US Dollars, how much will the colleague in Texas receive?

Check your answers

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- Pounds Sterling 592 to Euros
ANSWER: Euros 692.64
- Pounds Sterling 154,258 to US Dollars
ANSWER: US Dollars 212,876
- Pounds Sterling 14,892 to Japanese Yen
ANSWER: Japanese Yen 2,251,075
- I am returning home from working in Tokyo with Yen 198,505 in my pocket. When I get to the Glasgow, how much will be in my pocket after converting it to Pounds Sterling?
ANSWER: Pounds Sterling 1,330
- My friend in Germany is a buying motorhome from a colleague who lives in Texas, USA. The selling price is Euros 72,354 but the colleague in Texas wants the money sent in US Dollars, how much will the colleague in Texas receive?
ANSWER: 85,378

TRY SOME YOURSELF

LOOK UP SOME FOREIGN EXCHANGE RATES AND
TEND TO SOME CALCULATIONS USING SOME OF
YOUR OWN SCENARIOS. IMAGINE TRAVELLING OR
SELLING SOMETHING USING OTHER CURRENCIES.

