

Buying and Selling Rates

When you travel to non-euro zone countries, you have to change your money. Can you name three locations where this can be done?

- 1.
- 2.
- 3.

In airports it is usual to see a board showing the rates at which currencies are bought and sold.

Selling Rates: when you are leaving the euro-zone and changing your euro to say, sterling, the company is selling you sterling.

Buying Rates: when you have come back and want to change your sterling back to euro, the company is buying your sterling from you.

Read the table below:

Currency	Selling Rate	Buying Rate
€1 to sterling	£0.8477	£0.8706

- Is there a difference between the two rates?
- If so, which is the better rate for the customer?
- Why do you think a difference might exist?

You and two friends are going on a weekend trip to the UK. Each of you has a certain amount of money to convert to sterling. Using the sterling rate above, work out how much sterling you and your friend will get.

Amount in euros	Euro to sterling conversion selling rate: €1= £0.8477
€500	$500 \times 0.8477 = \text{£}423.85$
€650	
€700	

