

Currency



The system of money a country uses.



Australia



Dollar





Germany *Euro*





Yen



Japan



Scotland



Pound





Dollar



Singapore





Switzerland

Franc



Egypt



Pound



Buying Rate



The rate at which a currency exchange buys money from customers.
(The Bank is Buying From You)

Dealing with Foreign Money



Selling Rate



The rate at which a currency exchange sells money to its customers.
(The Bank is Selling to You)

Exchange Rate

The price of one country's currency in terms of another nation's currency.



Canadian Dollar		
click on values to see graphs	1 CAD	in CAD
American Dollar	1.0146	0.98561

What \$1 Canadian is worth in U.S.

What \$1 American is worth in Canadian

Exchange Ratios

$$\frac{\$1 \text{ (For)}}{\text{Rate}} = \frac{\text{Foreign}}{\text{Canadian}}$$

Think - BANK

On a specific date, the selling rate for the Danish kroner compared to the Canadian dollar is 0.221778. How many kroner will you receive for \$500.00 CAD?



1. Let $x = ?$
2. Set up ratio (words)
3. Set up proportion
4. Solve

Let $x =$ the number of kroner you will receive for \$500 CAD

$$\frac{1}{\text{rate}} = \frac{\text{Kroner}}{\text{CAD}}$$

$$\frac{1.00}{0.221778} = \frac{x}{500.00}$$

$$0.221778x = 500.00$$

$$x = 2254.50675901126$$

$$x = 2254.51$$

You will receive 2254.51 kroner for 500 Canadian dollars.

On the same day as the previous example, the buying rate for kroner was 0.210778. If, after purchasing your kroner, you decided not to go to Denmark and sold the kroner back to the bank, how much would you lose?

2254.51



1. Let x = ?
2. Set up ratio (words)
3. Set up proportion
4. Solve

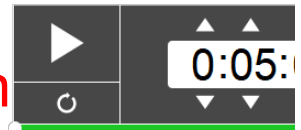
$$\begin{aligned} \text{Let } x &= \text{CDN } \$ \\ \frac{\text{rate}}{\text{rate}} &= \frac{\text{kroner}}{\text{CAD}} \\ \frac{1.00}{0.210778} &= \frac{2254.51}{x} \\ 1x &= 475.20110878 \\ x &= \$475.20 \end{aligned}$$

$$\longrightarrow \$500 - \$475.20 = \$24.80$$

You would lose \$24.80 by selling the money back to the bank.



Use the table on page 45 to answer the following question



Calculate the amount of money you would receive in Canadian dollars if you sold 4500 Kenya Shillings to the bank. *Bank is buying*



Arnold is making a movie in Thailand, his travel allowance is \$3000. How much money will he have in bahts for his expenses in Thailand.



Use the table on page 45
to answer the following questions.

Calculate the amount of money you
would *buying rate = 0.012510*
receive in Canadian dollars if you sold
4500 Kenys shillings to the bank.

Let x = CAD \$

BUYING RATE

$$\frac{\text{rate}}{\text{rate}} = \frac{\text{shillings}}{\text{CAD}}$$

$$\frac{1}{0.012510} = \frac{4500}{x}$$

$$x = \$56.30$$



You would receive \$56.30.



Use the table on page 45 to answer the following questions.

Arnold is making a movie in Thailand, his travel allowance is \$3000. How much money will he have in the local currency for his expenses in Thailand.

bank is selling

Let $x = \text{baht}$

SELLING RATE
0.035120

$$\frac{\text{rate}}{1} = \frac{\text{baht}}{\text{CAD}}$$

$$\frac{0.035120}{1} = \frac{x}{3000}$$

$$0.035120x = 3000$$

$$x = 85421.41$$

He would receive 85 421.41 bahts.

Calculate the amount of money you would receive in Canadian dollars if you sold 6000 Mexican pesos to the bank. *bank is buying*



Let $x = \text{CAN}$

$$\frac{1}{\text{rate}} = \frac{\text{pesos}}{\text{CAN}}$$

$$\frac{1}{0.083443} = \frac{6000}{x}$$

$$x = \$500.66$$

You would receive \$500.66 Canadian dollar for 6000 Mexican pesos.

Homework

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