

## Currency conversion

WALT working with currency rates and how to convert currency in an appropriate country's currency. Success Criteria I know when a country has a stronger rate of exchange and I need to convert to NZ dollars I need to divide with the rate given eg 10 us dollars to NZ the rate of exchange is 1 NZ = \$0.73 eg 10 **divided** by \$0.73 = 13.69863014 I will sensibly round it to two decimal places. 13.70 If I am converting NZ dollars to US I will multiply **NZ dollars to convert to US** eg 13.69863014 x 0.79 =

[Watch the video](#)

If you are travelling overseas, the value of the Australian dollar is of great interest. The number of US dollars (USD) or Japanese Yen (JPY) you can exchange one Australian dollar (AUD) for varies from day to day.

There are a number of websites that give current information on exchange rates. [Click here to view a suitable currency converter.](#)

### Tasks for investigation:

1. Why do you think the conversions usually are quoted to at least four decimal places?
2. On today's market, what is \$1AUD worth in

	United States dollars (USD)	British pounds (GBP)	Singapore dollars (SGD)	South African Rand (ZAR)	Another currency of your choosing?
Date: Exchange rate:					
A CD costing \$AUD25 costs:					

3. If you were purchasing a CD for \$AUD25, calculate how much you would pay for it in each of the above currencies.
4. Complete the following table:

Cost of item in Australia	Currency to exchange to	Today's exchange rate	Value in new currency (Use the website calculator)	Your written calculation
example: VCR player \$AUD200	USD	0.5004	\$100.80	200 x 0.5004 = 100.80
Train ticket \$AUD150	CAD			
Television set \$AUD700	HKD			
New car \$AUD25 000	choose your currency			
<i>(do two more examples)</i>				

5. **Extension:** Some business places charge fees for exchanging money from one currency to another. Imagine that a dealer takes a percentage of the money exchanged in each transaction. Complete the following table:

Amount to exchange	Currency to exchange to	Today's exchange rate	Dealer's commission	Dealer's fee	Amount of money in new currency
\$AUD100	USD		5%		
\$AUD1000	FRF		2%		
\$AUD5000	HKD		3%		
\$AUD2500	GDM		1%		