



Post Office HOLIDAY MONEY INDEX

Exchange Rate Monitor

How much more sterling buys against top currencies:

% change	Annually	Quarterly	Monthly
Euro	+3.8%	+0.9%	+0.8%
US dollar	+10.0%	+2.1%	+0.7%
Biggest gains:			
Turkish lira	+30.0%	-0.6%	-4.3%
South African rand	+29.5%	-0.7%	-1.8%
Indonesian rupiah	+28.9%	-3.1%	+0.8%
Russian ruble	+26.0%	+10.6%	-1.1%
Thai baht	+23.6%	+0.6%	+0.7%

Currency Purchase Monitor

Biggest sales increases¹ for currencies where sterling has strengthened by over 10% year-on-year:

	January-March 2014	
	Sales gain	Rate gain
Turkish lira	+84%	+30.0%
Dominican peso oro	+71%	+15.6%
Russian ruble	+46%	+26.0%
Indonesian rupiah	+33%	+28.9%
South African rand	+30%	+29.5%
Jamaican dollar	+24%	+21.3%

Prospects look promising for holidaymakers this summer because sterling is stronger than a year ago against Post Office Travel Money's top 20 currencies and has risen in value since January against two-thirds of these. The first Post Office *Holiday Money Index* also reveals that consumers are taking advantage of improved sterling exchange rates to buy travel cash – resulting in big sales increases for holiday currencies like the Turkish lira and South African rand, which have weakened most this year.

Andrew Brown of Post Office Travel Money said: “Sterling has not proved nearly as volatile as in recent years. Although the pound was particularly strong at the beginning of the year and has fallen back since then against a quarter of our bestsellers, these are mainly currencies like the Australian dollar and Japanese yen that had surged ahead around the turn of the year. The underlying fact is that sterling is significantly stronger than last year against two-thirds of the leading holiday currencies.

“Big increases in Post Office currency sales are an indication of the growing confidence felt by consumers that they can afford to holiday abroad this year. With the exception of the Egyptian pound, Bulgarian lev and Swiss franc, our bestsellers, including the euro and US dollar, have all put on healthy sales growth.”

Holiday Currency Facts:

- Two-thirds of the top 20 currencies have fallen in value by over 10 per cent compared with 12 months ago and a fifth of them have dropped by over 20 per cent against sterling.
- The US dollar is at a year low against sterling while the euro is worth 30 per cent more than when it launched in 2002 – but over 12 per cent less than when it hit its highest point in December 2008
- Currencies that have fallen most against sterling – like the Turkish lira – are scoring the biggest sales gains¹
- Average year-on-year sales growth among the Post Office 20 bestselling currencies is over four per cent – with 17 showing healthy increases; the Egyptian pound has weakened most – down 45 per cent.

Bestselling Currencies January–March 2014

1. Euro (1)
2. US dollar (2)
3. Australian dollar (3)
4. New Zealand dollar (4)
5. South African rand (7)
6. Swiss franc (5)
7. Thai baht (6)
8. UAE dirham (8)
9. Canadian dollar (9)
10. Turkish lira (14)
11. Norwegian krone (11)
12. Polish zloty (12)
13. Icelandic krona (18)
14. Czech koruna (13)
15. Japanese yen (17)
16. Egyptian pound (10)
17. Mexican peso (16)
18. Bulgarian lev (15)
19. Hong Kong dollar (-)
20. Hungarian forint (20)

Jan-Mar 2013 position in brackets

Half of the Post Office's bestsellers also appear in its *Fastest Growing Currencies* top 20. Led by the Turkish lira with an 84 per cent year-on-year increase, there have been gains of 30 per cent for the South African rand and New Zealand dollar, while other top 10 currencies - the Australian dollar, UAE dirham, Japanese yen, Canadian dollar, Norwegian krone and Thai baht - have registered sales growth of 12–15 per cent.

All barring the New Zealand dollar (+7.8 per cent) are down by over 10 per cent against sterling. This helped the South African Rand move up to fifth place in the top 20, while the Turkish lira has entered the top 10, unusual at this time of year. The Icelandic krone has also scored a big sales gain on the back of keen interest in seeing the Northern Lights.

Fastest Growing Currencies January–March 2014

- | | |
|-------------------------------|------|
| 1. Turkish lira (-) | +84% |
| 2. Dominican peso oro (3) | +71% |
| 3. Vietnamese dong (2) | +59% |
| 4. Russian ruble (6) | +46% |
| 5. Icelandic krona (15) | +37% |
| 6. Indonesian rupiah (-) | +33% |
| 7. Jordanian dinar (-) | +32% |
| 8. South African rand (13) | +30% |
| 9. New Zealand dollar (7) | +30% |
| 10. Jamaican dollar (-) | +24% |
| 11. East Caribbean dollar (-) | +21% |
| 12. Kenyan shilling (-) | +21% |
| 13. Danish kroner (17) | +20% |
| 14. Australian dollar (18) | +15% |
| 15. UAE dirham (19) | +15% |
| 16. Japanese yen (-) | +15% |
| 17. Qatar riyal (9) | +14% |
| 18. Canadian dollar (-) | +13% |
| 19. Norwegian krone (-) | +13% |
| 20. Thai baht (-) | +12% |

Jan-Mar 2013 position in brackets

Andrew Brown said: *"The fact that 10 of our 20 biggest selling currencies are also among the fastest growing ones is important because the high volumes we already sell make these sales increases very sizeable. It is significant that these are also currencies which have fallen heavily against sterling as this is a clear indication that holidaymakers are planning to visit places where they can get more for their money. The powerful pound means they can look forward to having well over £100 extra foreign cash when they change £500 to spend in Turkey, South Africa and Bali – and almost as much in Thailand and Jamaica."*

£ What the pound buys abroad

The 10 Biggest gains for sterling

Currency	£500 buys +/-
Turkish lira	+£115.43
South African rand	+£113.97
Indonesian rupiah	+£112.03
Russian ruble	+£103.27
Thai baht	+£95.45
Brazilian real	+£94.91
Jamaican dollar	+£87.83
Australian dollar	+£86.45
Malaysian ringgit	+£77.10
Mexican peso	+£76.45

"Although exchange rates can have a big impact on spending power, it is important to budget carefully. Our latest research found that tourists spend over £550 on average while abroad so it makes sense to carry that amount - especially as the more currency purchased, the better the rate available in our branches or online. Avoid having to change money at the airport or an ATM abroad where rates are likely to be poor."

"For those yet to book, we advise checking to see where sterling is strongest and visiting the Post Office website to find out which destinations offer the best value using our Holiday Costs Barometer price comparison of tourist staples."

Visit the Post Office website to keep abreast of current exchange rates for over 70 currencies
www.postoffice.co.uk/travel

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