



Foreign exchange

Grade 11



Local Currency

- **Currency is a country's money**
- **Includes notes and coins the country uses**
- **Local Currency-unit of currency that local people use in a particular country**



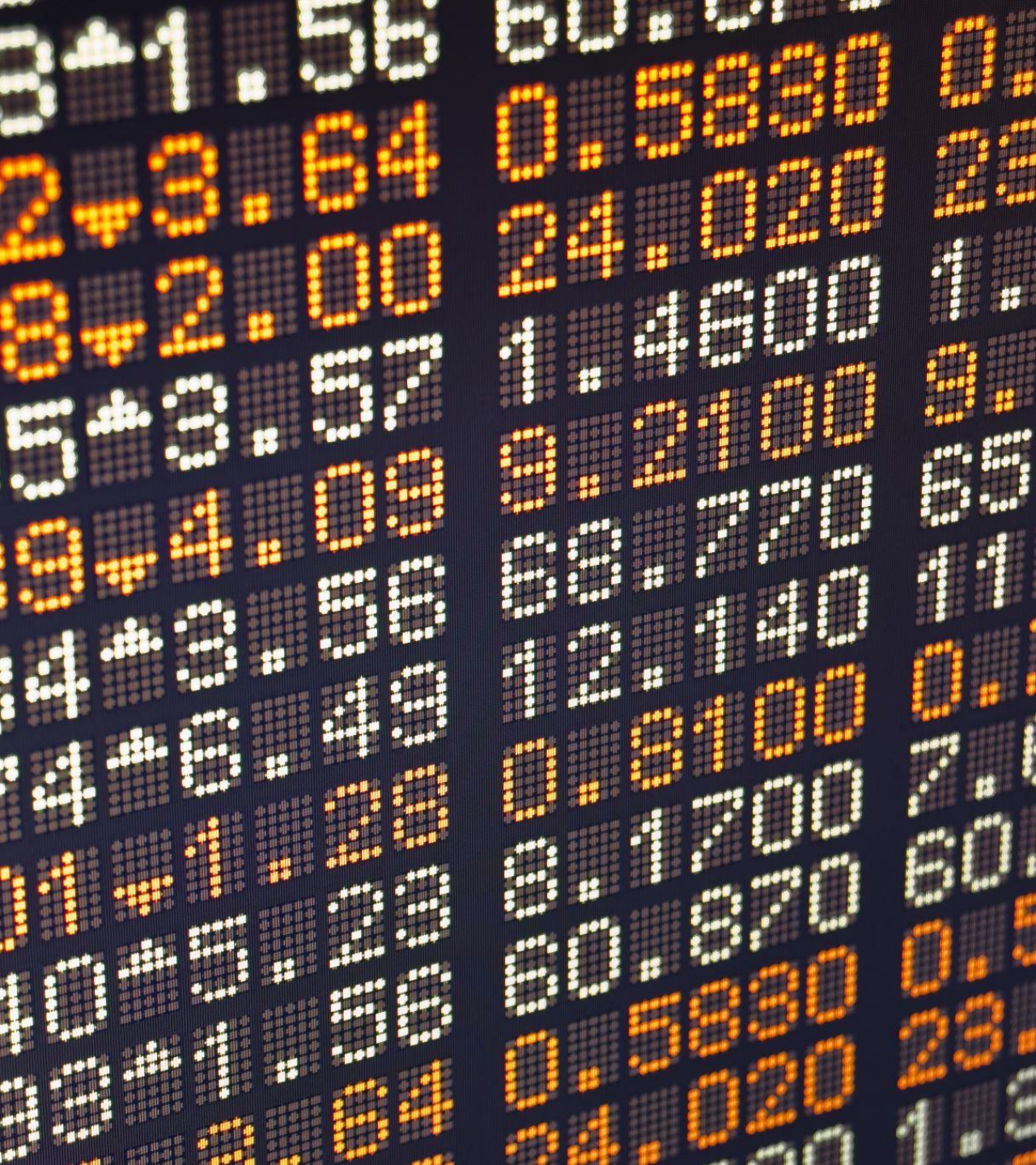
Foreign Currency

- Any currency that is in use in a foreign country but not in your home country



Foreign Exchange

**Occurs when people
exchange their money
for another currency**



Exchange Rate

- It is also known as the foreign exchange rate.
- It is the rate between two currencies at which one currency will be exchanged for another.
- It is also regarded as the value of one country's currency in terms of another currency

Rate of Exchange

- The value of one country's currency in relation to another currency.
- The ROE will determine how much foreign currency you will receive, when you exchange your money





Fluctuation

- Changes in currency value in relation to another currency
- Rise and fall of currencies on a daily basis

Major Currencies of the World



South African Rand



Euro



British Pound



Japanese Yen



Australian Dollar



US Dollar

Examples of Notes



Euro



Japanese yen





Where to exchange foreign Currencies

- Travel Agencies that have a travel exchange desk
- Major hotels and cruise ships
- Major commercial banks such as Absa & Nedbank that have a travel exchange desk
- Specialist foreign exchange retail branches e.g. Bidvest Bank or Rennie's Foreign Exchange