

Title:

Your Travel and Holiday Money Options

Word Count:

650

Summary:

With summer finally getting into full swing, many of us will be looking forward to travelling abroad for a well earned holiday. Of course, you'll need access to cash while you're away, so what are the cheapest, safest, and most convenient ways of arranging your travel money?

Keywords:

travel money, travellers cheques, currency

Article Body:

With summer finally getting into full swing, many of us will be looking forward to travelling abroad for a well earned holiday. Of course, you'll need access to cash while you're away, so what are the best and safest ways of arranging your travel money?

1) Local Currency

It's a good idea to take a small amount of local currency with you whenever you travel, if only enough to last you for your first few hours. You'll probably need to arrange travel from the airport to your hotel for example, and local currency is the easiest way to pay for these initial expenses. The exchange rates charged at airports are notoriously expensive, so buy some currency before you leave and you'll get a much better deal.

The drawback to carrying currency is that if it gets lost or stolen, it can't be replaced. For this reason it's best to use another form of travel money for most of your funds.

2) Travellers Cheques

These are the traditional way of carrying money abroad. When you buy the cheques, which can be in Sterling, Euros or US Dollars, you have to sign the stub of each cheque in the presence of the teller. Once abroad, you can convert the cheques into local currency by signing the other half of the cheque at a currency exchange, where the teller will compare the two signatures and also

inspect your passport.

This system is more secure than cash as each cheque is uniquely numbered, so if a cheque goes missing it can be quickly cancelled and replaced by the cheque issuer. There is a drawback in that you have to cash the cheques at a currency exchange, and you might not find one offering a good exchange rate.

3) Credit Cards

Credit cards are accepted virtually the world over, and may seem a good way of paying your way while abroad. As well as using them for shopping, they can be used to pay restaurant bills and even to withdraw cash. Before choosing this as your travel money option though, check your card's small print to see what interest rate is charged on overseas use - it will probably be higher than the standard rate of your card, and you'll probably have to pay exchange charges too.

4) Cash Machines

There are now several international cash machine networks in operation, for example the Cirrus network, and it's likely that your cash card can be used internationally, especially in Europe and the USA. This is a good way of financing your holiday spending, as you can draw out what you need while keeping the rest of your money safe in your normal bank account. The downside is that you may have to pay a fee for each withdrawal, and the exchange rate you're charged may not be the best available.

5) Prepaid Cards

These are a relatively new kind of plastic card, which are used in much the same way as credit or debit cards, with the big difference that you have to 'load' the card with funds before you can spend with it. They are a secure way of carrying money, as the card is replaceable if lost, and as it can only be used in conjunction with a PIN number then even if stolen it's difficult for a thief to make use of it. There will, however, still be exchange commissions payable when you use the card, and also usually a flat fee for cash withdrawals.

The main thing to bear in mind with travel money is that while each of the above options is useful, not all are suitable for use everywhere in the world. The best advice is not to rely on a single kind of travel money, but to take a sensible mixture of cash, local currency, and plastic or cheques, to make sure you can always get local currency when you need it. Enjoy your holiday!