

It's all about the money

We reveal the places you rate best for buying foreign currency and compare the exchange rates on offer

Arriving in a destination with some local cash in our wallets seems to set our minds at ease. Nine out of 10 Which? members (88%) who travelled abroad in the past 12 months exchanged currency before leaving the UK.

Mostly we prefer to exchange our money face to face, doing a straight 'swap' using cash, rather than paying by card or using one of the many online foreign exchange providers. Which? research in June 2010, however, found that ordering currency online and having it delivered to your door could save money on high-street prices.

When it comes to exchange rate, probably the most important measure of all, Thomas Exchange is the clear winner here, giving the best rate for both euros and US dollars on the date we checked. It has only a few outlets, in London, but will deliver currency to your home (at an additional cost) if ordered over the phone or online.

The Post Office is the most used outlet – 39% of members exchanged money there in the past year. Comments were centred around the convenience of being able to collect locally, even though some did recognise that a

better rate of exchange could sometimes be found elsewhere. In our analysis of the currency exchange outlets, the Post Office's rates were above the average.

Caxton FX was used by a tiny 1% overall yet achieved the highest customer score, combining satisfaction with likelihood to recommend to a friend. Instead of cash, this online-only brand presents your currency on a prepaid card (see www.which.co.uk/prepaid for more about prepaid cards).

Holding up the rear of the table are the banks, used by 36% of members. Collectively they provide the worst exchange rates, but particularly poor are HSBC for US dollars, and RBS and NatWest for euros. Also at the bottom is Travelex. This big brand, known for its convenient airport locations, may have been treated a little unfairly here, considering its online rates are well above the average. The airport rates, however, will be less favourable, which may reflect the customer score.

If you want to pick up at the airport, you can get a better rate by reserving the money online up to four hours in advance.

CONVERTING £500 INTO EUROS

THOMAS EXCHANGE	€ 553.50
CAXTON FX	€ 553.00
ICE	€ 551.75
AMERICAN EXPRESS	€ 548.95
TRAVELEX	€ 548.25
TESCO	€ 548.20
THOMAS COOK	€ 548.15
THE POST OFFICE	€ 547.65
FIRST CHOICE	€ 546.35
THOMSON	€ 546.35
THE CO-OPERATIVE TRAVEL	€ 546.20
SAINSBURY'S ^a	€ 542.30
M&S MONEY	€ 540.10
HALIFAX	€ 536.40
LLOYDS TSB	€ 532.75
BARCLAYS	€ 531.05
HSBC	€ 528.92
NATWEST	€ 527.85
RBS	€ 527.85
AVERAGE	€ 542.40

CONVERTING £500 INTO US DOLLARS

THOMAS EXCHANGE	\$805.00
ICE	\$803.55
CAXTON FX	\$803.25
AMERICAN EXPRESS	\$800.65
TESCO	\$799.55
THOMAS COOK	\$798.95
TRAVELEX	\$798.25
THE POST OFFICE	\$798.15
FIRST CHOICE	\$795.50
THE CO-OPERATIVE TRAVEL	\$795.50
THOMSON	\$795.50
M&S MONEY	\$795.20
SAINSBURY'S ^a	\$790.60
HALIFAX	\$781.65
BARCLAYS	\$780.00
NATWEST	\$779.55
RBS	\$779.55
LLOYDS TSB	\$777.15
HSBC	\$770.61
AVERAGE	\$792.83

All rates correct on 6 May 2011

OUR RESEARCH

In January 2011, via our online panel, we surveyed 5644 Which? members who had travelled abroad in the past two years. On 6 May 2011, we then collected exchange rates for euros and US dollars from the websites of all companies mentioned.

FOREIGN EXCHANGE OUTLETS COMPARED

COMPANY (SAMPLE SIZE)	EXCHANGE RATE	CUSTOMER SERVICE	CONVENIENCE	EASE OF COLLECTION	LOCATION	CUSTOMER SCORE
 (70)	★★★★	★★★★★	★★★★★	★★★★★	n/a	89%
 (44) ^a	★★★★	★★★★★	★★★★★	★★★★★	★★★★★	80%
 (118)	★★★★	★★★★★	★★★★★	★★★★★	n/a	79%
 (1245)	★★★★	★★★★★	★★★★	★★★★★	★★★★	78%
 (162)	★★★★	★★★★	★★★★★	★★★★★	★★★★	78%
 (307)	★★★★	★★★★★	★★★★	★★★★★	★★★★	77%
 (2131)	★★★	★★★★	★★★★	★★★★	★★★★	74%
 (171)	★★★	★★★★	★★★	★★★★	★★★★	69%
 (92)	★★★	★★★★	★★★★	★★★★	★★★★	67%
 (474)	★★★	★★★	★★★	★★★★	★★★	66%
 (50)	★★★★	★★★★★	★★★★	★★★★★	★★★★	65%
 (220)	★★★	★★★★	★★★	★★★★	★★★	65%
 (269)	★★	★★★	★★★	★★★★	★★★★	63%
 (318)	★★★	★★★★	★★★	★★★★	★★★	62%
 (445) ^b	★★	★★★★	★★★	★★★★	★★★★	62%
 (93)	★★★	★★★★	★★★	★★★★	★★★★	62%
 (176)	★★	★★★	★★★	★★★★	★★★	60%
 (605)	★★★	★★★	★★★★	★★★★	★★★★	59%
 (98)	★★★	★★★	★★★	★★★	★★★	54%
ALL CURRENCY EXCHANGE OUTLETS 7850				AVERAGE CUSTOMER SCORE		71%

Star scores are based on one to five stars (the more stars the better). Customer score is based on overall satisfaction and the likelihood to recommend. All rates collected on 6 May 2011. Rates are those listed on the websites of the companies. Higher rates may incur if purchased face to face or over the telephone. ^a Operated by Travelex ^b Need a bank account with Lloyds to purchase exchange