



EXAMPLE SERIES NO. 1 QUOTATION OF FOREIGN EXCHANGE RATES

1. The dealer quotes the USD/EUR exchange rate at 1.1612 / 1.1668 on the foreign exchange rate. What does this quotation mean and at what price will the client buy EUR?
2. Compare the current exchange rates of the Czech commercial banks and choose which bank you would buy EUR from and which bank you would sell EUR against CZK. We abstract any fees charged by commercial banks. For comparison, use: <https://www.kurzy.cz/kurzy-men/kurzovni-listek/>
3. Compare foreign exchange and currency exchange rates on the comparison tool To compare, use: <https://www.kurzy.cz/kurzy-men/kurzovni-listek/> . What is the rule of thumb?
4. The exchange rate of the dollar in the base and current periods is specified. Calculate the exchange rate of the crown in both periods as well as the percentage change in the exchange rate. Decide which currency has strengthened and which has weakened.

$$E_0 = 22,28 \text{ CZK/USD}$$

$$E_1 = 21,94 \text{ CZK/USD}$$

5. The bank's dealer quotes the following US dollar rates. Calculate the mid-rate and find the spread as a percentage.

CHF/USD	0,9538	0,9582
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6. Use the exchange rate comparator <https://www.kurzy.cz/kurzy-men/kurzovni-listek/> to find the CZK/GBP exchange rates valid for Moneta banka and Komerční banka for the current day and calculate the mid-rate and the spread in percentage terms. Which bank has the higher spread? Compare the calculated mid-rates with the rate announced by the CNB.

7. The Bank quotes the following buying and selling rates for DKK. Calculate the bid and ask rates for USD.

USD/DKK	0,1695	0,1703
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8. The Bank quotes the following rates. Calculate the spot rate for the PHP/GBP currency pair by calculating the cross rate.

USD/GBP	1,2960	1,2970
PHP/USD	65,395	65,409

9. The Bank quotes the following rates. Calculate the spot rate for the CZK/PLN currency pair by calculating the cross rate.

PLN/USD	3,3875	3,4115
CZK/USD	22,315	22,345

