

BEGINNER'S GUIDE

French Entrée to French Currency



Everything you need to know about currency exchange when buying French property or moving to France.

PAGES	CHAPTERS
03-05	<u>Where to start with French currency exchange</u> » Why is foreign currency exchange so important?
06-11	<u>Currency exchange: the basics</u> » How Currency Exchange Rates Work » Working out the real cost of your French property » Tracking Currency Exchange Rate Fluctuations
12-20	<u>Your options for currency exchange</u> » Managing your currency exchange needs » Bureau de Change » Banks » Revolut and Wise accounts » Using a currency exchange specialist
21-26	<u>Currency exchange options: getting the best rate</u> » How to get the best exchange rate » Spot contracts » Forward contracts » Market orders » Regular payment plans » The value of professional advice
27-29	<u>Your French currency exchange checklist</u> » Before you start looking for a French property » Completing your property search » Managing your second home in France
30-33	<u>French currency exchange vocabulary and essential terms</u>

Where to start with French currency exchange

» Why is foreign
currency exchange
so important?

Where to start with French currency exchange



Would you buy a property in your home country without knowing how much it costs? Probably not!

But the reality is that many overseas buyers do exactly that - by agreeing to an amount in euros without factoring in the ever-changing exchange rates between the Euro and the currency in which they hold their funds. On a large purchase such as a property, this could make a difference of thousands of euros. In extreme cases, it could even mean not being able to afford the property at all.

Thankfully, there are plenty of ways to prepare and protect yourself against this, and there are even ways to potentially increase your budget and maximise your buying power - but first, you need to understand some basics about French currency exchange.

Why is foreign currency exchange so important?

If your income or assets are in a different currency to the Euro, at some point, you are going to have to exchange that currency into Euros. For anyone who has ever travelled to a foreign country, this is nothing new. In fact, maybe you've already reaped the benefits of a high exchange rate shopping in a foreign country or lamented the fact that "everything's so expensive" in a destination with a stronger currency!

Perhaps you did your research before you went on vacation and found the best high-street exchange rate or arranged for a prepaid card to avoid additional charges. But you probably didn't spend too long worrying about currency fluctuations or tracking market rates in the run-up to your 2-week break in St Tropez.

When you're dealing with large purchases, such as buying a property in France or making regular payments overseas, these market rates and

fluctuations suddenly become a big deal. Losing a few pounds or dollars off your spending money probably isn't going to ruin your holiday, but making the same mistakes on a property purchase is a whole other matter.

Failing to lock in an exchange rate or buying at a time when the exchange rate is working against you could make a difference of thousands. That could mean not being able to afford your dream property or that you can no longer afford to pay your monthly mortgage payments.

Of course, there are steps you can take to protect against these worst-case scenarios, and there are also ways to make the system work for you. With careful planning and preparation (and a little bit of luck!), you might even be able to make savings on your property purchase.

This beginner's guide starts right at the beginning, explaining how the foreign exchange market works and talking you through all the different options available to help you secure the best rate of exchange. We'll cover forward

contracts, market orders, and international currency accounts and explore the best options for your needs, whether that's buying a French property or just enjoying your travels to France.

By the end of this guide, you'll have all the information you need to make the best choice for you and your money.

Ready? Let's get started...



	EUR		
	Australian Dollar	36.88	39.05
	Pound sterling	52.21	55.10
	대한민국 원 (: 1000)	23.60	36.50

Currency exchange: the basics

- » How Currency Exchange Rates Work
- » Working out the real cost of your French property
- » Tracking Currency Exchange Rate Fluctuations

Currency exchange: the basics

Understanding the foreign exchange market and the impact of fluctuating currency exchange rates will allow you to make smarter decisions about how and when you transfer your funds.

| How currency exchange rates work

Foreign currency exchange (Forex or FX) is a global market of banks, brokers, traders, and trading institutions that exchange national currencies across an international electronic network. It's this FX market that determines the value of each national currency against another and, therefore, the amount of one currency you can purchase with another, i.e. the currency exchange rate.

For French property buyers and owners, the most important foreign exchange rates to take note of will be those between your home currency (the country in which you receive your income or hold your funds) and France (i.e. the Euro).

Currency exchange rates

Exchange rates are listed in currency pairs, where the first listed currency (in this case, the EUR) is the base currency, and the second (the US dollar) is the quote currency.

For example, a rate of **EUR/USD = 1.2500** indicates that 1 Euro can be purchased for 1.25 US Dollars.

If the rate were to increase to **EUR/USD = 1.500** that would mean the Euro increases in strength against the Dollar, while the Dollar weakens against the Euro (i.e. you now need more dollars to purchase that same 1 Euro).

*NB: these are only example currency rates; they are not reflective of current market values.

Both taxes apply to non-residents as well as residents, with the taxe d'habitation being calculated at the maximum rate as there are no allowances to take into account income like there used to be when it was applied to French residents.

How Currency Rates Affect French Property Buyers and Owners

The Forex market is trading 24 hours a day, five days a week (from Sunday 5pm EST to Friday 4pm EST, to be exact), and during this time, these values and rates are constantly changing. This means that the amount of Euros you will be able to purchase when you exchange your domestic currency is constantly changing, too.

Sometimes, these changes are small and relatively insignificant to buyers, while on rare occasions, they can be catastrophic. And if you are exchanging large amounts, even a difference of 1% can be quite significant.

The effect of currency exchange

To take the above examples:

With a rate of EUR/USD = 1.2500 (and not accounting for any commissions or transfer fees)

Euro	USD Cost
€10	\$12.50
€100	\$125.00

With a rate of EUR/USD = 1.5000 (and not accounting for any commissions or transfer fees)

Euro	USD Cost
€10	\$15.00
€100	\$150.00

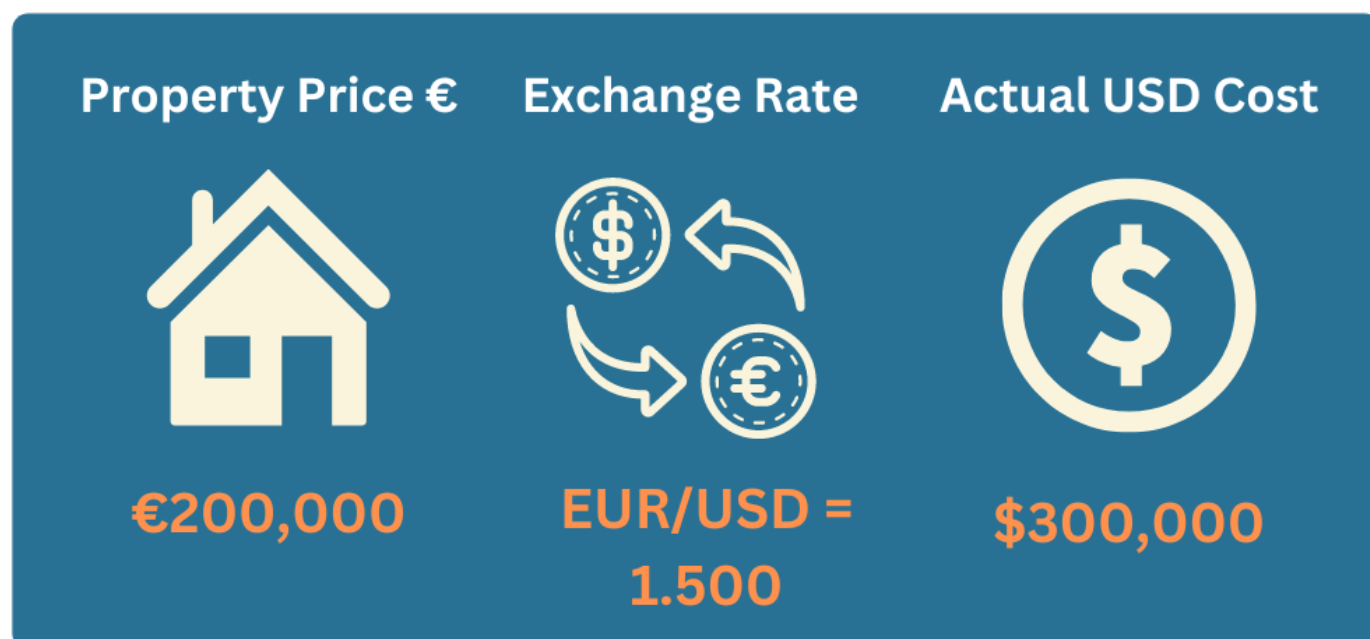
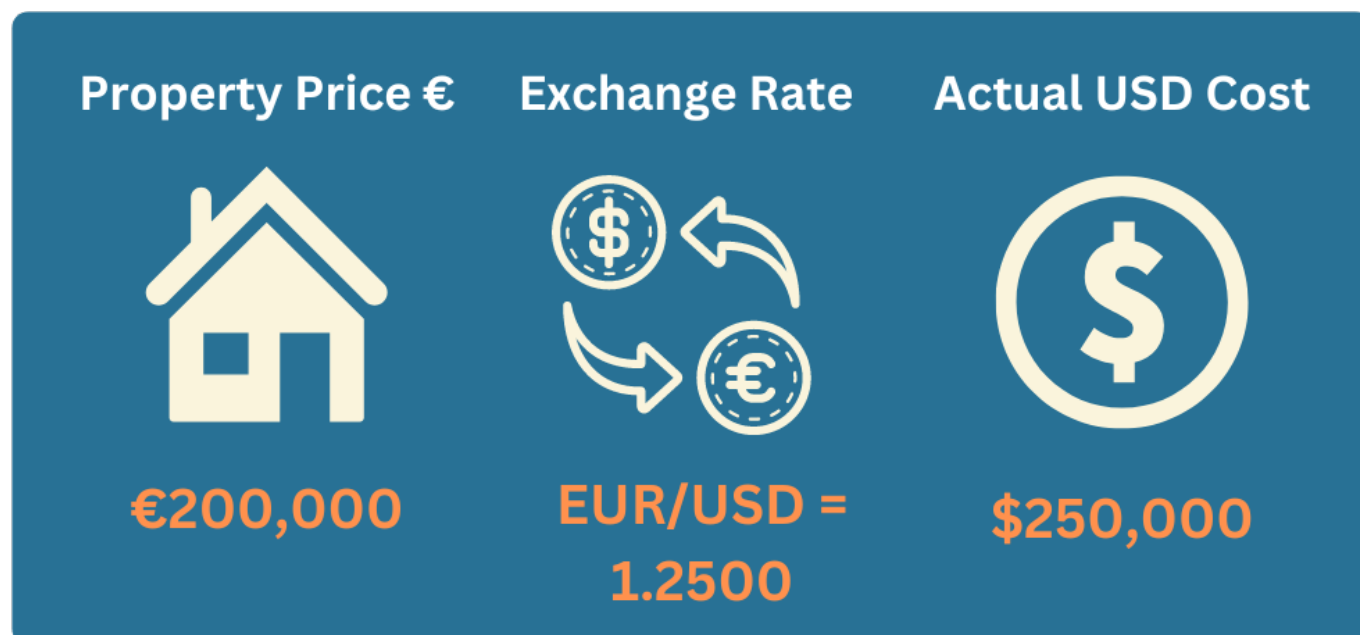
Now, if you could choose, it's pretty obvious which rate you would go with, but if you were only exchanging €10, you might not be too upset over your €2.50 loss. But what would this mean on a larger purchase?

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| Working out the real cost of your French property

For foreign buyers looking to buy property in France, it's important to recognise that the **actual cost** of the property will always be determined by the exchange rate you receive. Consequently, your budget will also be determined by the rate you exchange at.

Using those same rates:



That same property just cost you an extra \$50,000 because the exchange rate changed!

When figuring out exactly how much your property will cost, there are a few things to consider.

When figuring out exactly how much your property will cost, there are a few things to consider.

Market rate vs commercial rate

We've already established the importance of the currency exchange rate, but it's important that you understand the rate that you will actually receive - and that might not be the amount you think!

The figures you will see quoted on financial reports and on currency conversion websites such as XE.com refer to the market rate or interbank rate. This is the best possible currency exchange rate, available only to select banks and trading institutions trading on the global FX market.

Following these rates is important because they tell you what the market is doing and how strong your currency is against the Euro (the stronger it is, the better rate of exchange you'll get). However, this won't be the actual exchange rate you will receive when you change your money.

Don't make the mistake of thinking that if the market rate is EUR/USD = 1.2500 that you will be able to purchase at this rate. The commercial exchange rate offered by banks and currency exchange specialists always includes a mark-up, so

the actual exchange rate you will receive will be the market rate + the mark-up. There will also typically be transfer fees or charges added to your currency exchange transaction.

These mark-ups vary considerably between banks, exchange houses, and currency exchange specialists, which is why you will see many different exchange rates offered across the commercial market at any one time. Fees and charges can also vary greatly, and the rates and fees you pay may also be affected by the amount you have to transfer when you transfer it, as well as the type of contract you use. This is why it's so important to make an educated choice about how and where you exchange your money as well as when.

If all this sounds complicated, think of it like this: the figure you need to be most concerned with is **the amount you will pay in your domestic currency (including all fees and charges)** for the desired amount in Euros.

In other words, if you need to make a payment of €25,000 for a deposit on a property, how much will you pay the bank or currency exchange specialist in US\$, £, or AU\$ (or other currency), including all fees and commission? This will be the actual cost of the payment.



| Tracking currency exchange rate fluctuations

Now that we've established the importance of securing the best possible exchange rate, the next question is how. We'll talk about where to find the best exchange rates in a moment, but let's first look at when the best time is to transfer funds. The obvious answer is to keep an eye on the currency exchange rates and transfer your money when your currency is at its strongest. But of course, it's not quite that easy!

Holding off on transferring money when exchange rates are historically low might be a smart move, as is deciding to make the most of a good rate and make a large transfer. But waiting too long in

the hope that the rates will move in your favour can be risky.

There are many different factors that can affect exchange rates, including economic data and predictions, government debt, national interest rates, recession, national and international political situations or policy changes, and the perceived stability or instability of a currency. They may even be affected by unforeseen events such as a natural disaster or a pandemic that impacts the economy. In recent years, Brexit, Covid-19, the war in Ukraine, and national elections have all impacted key exchange rates, sometimes overnight.

How to decide when to exchange

The Forex market is so vast and complex that even expert currency advisors can often miss the mark or get caught out by unforeseen events. That doesn't mean you shouldn't listen to the experts or follow currency news, but it does mean you should never rely too heavily on predictions.

Ultimately, the best time for you to buy will depend largely on three factors:

- » Your budget
- » Your timeline
- » The market conditions

The smartest decision is the one that works for you, taking into account these factors. There's no point holding out on a better exchange rate in order to save £2,000 if that means missing out on your dream property while you wait! Similarly, if you're just looking and not planning to buy until next year, there would be little point in exchanging your money straight away unless there was a historically high exchange rate that was unlikely to ever come up again.

It's highly recommended to consult a foreign exchange expert who can weigh up the risk vs. reward for your individual financial situation and advise you on how best to proceed.

Your options for currency exchange

- » Managing your
currency exchange
needs
- » Bureaux de Change
- » Banks
- » Revolut and Wise
accounts
- » Using a currency
exchange specialist

Your options for currency exchange



There are several different options available for making payments and transfers to France, from currency accounts like Wise and Revolut to currency exchange specialists like Moneycorp.

| Managing your currency exchange needs

We've already discussed the importance of securing the best rate of exchange, but how you exchange your money is equally important. When transferring large sums of money or setting up monthly transfers, you can't just pop into your local Bureau de Change and hand over the cash! Instead, you will need to arrange to transfer funds through either a bank, an e-money or payment institution (such as Wise or Revolut), or a currency exchange specialist.

Each of these options offers pros and cons, and the best fit for you depends on your requirements. For example, when looking to transfer a large amount, securing the absolute best rate of exchange or taking advantage of options like forward contracts and market orders (more on these later) will be a huge advantage. On the other hand, if you want to easily access your funds while travelling, having a visa card and full access to your accounts via a digital app may be your priority.

In practice, many second-home owners and expats end up having all three - a current bank account or savings account in either their country of nationality and/or in France, a currency card that allows you to make payments on the go as you travel both in France and internationally, and a currency exchange account where you can benefit from the expertise of a currency exchange specialist and the full range of currency exchange options when making large or ongoing payments.

Bureaux de Change

Bureaux de changes have largely been replaced these days by internet banking and online currency exchange accounts. However, it's worth a brief mention, as you'll still see these bureau de changes or currency exchange kiosks at airports and travel hubs, as well as on high streets.

Generally speaking, we don't recommend using a bureau de change kiosk for anything other than small exchanges of currency. That being said, there are still many banks and reputable currency exchange specialists that provide such services, and they can sometimes offer competitive prices.

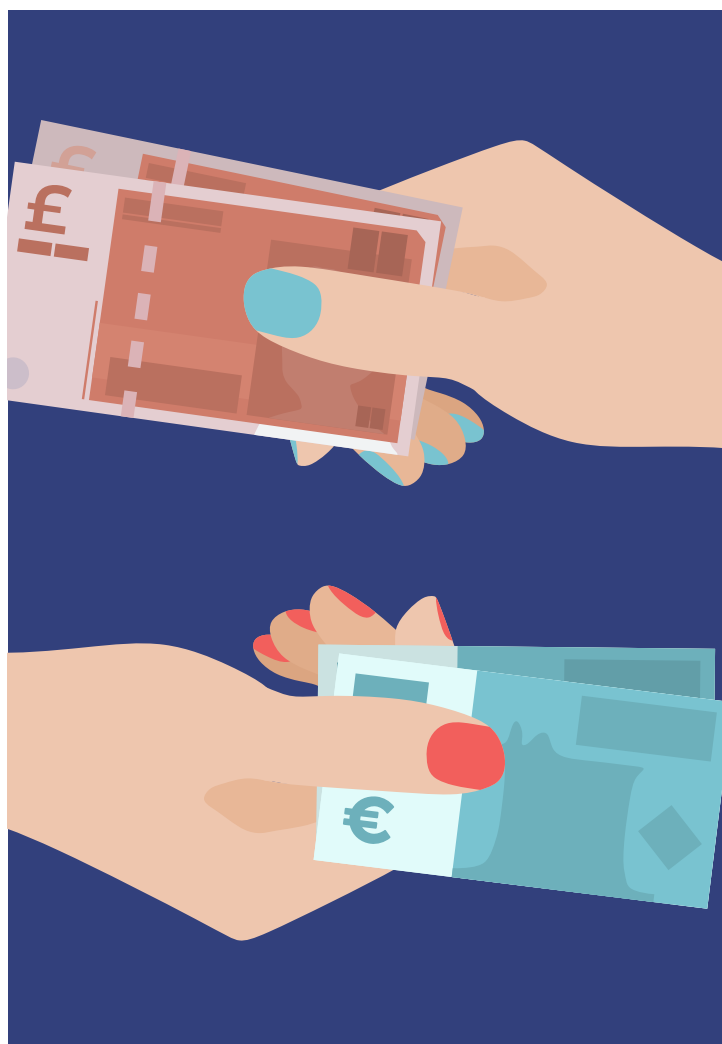
If you do use a bureau de change, make sure to compare exchange rates and watch out for added fees and commission. Note that even exchange houses that insist they are commission-free will likely add this to the exchange rate, so you'll end up paying the same. When comparing rates, make sure to compare the exact amount you will pay, including all fees. Rates will likely be more favourable the more money that you choose to exchange.

Use this for:

- » Last-minute currency exchange needs - you'll always be able to find a bureau de change at major airports and train stations.
- » Cash transactions - if you want to draw cash out before arrival, this is a convenient option.
- » Re-exchanging money - if you return from a trip overseas with extra cash, most bureau de change will also be able to buy back this currency.

Disadvantages:

- » Not suitable for very small or larger payments - most bureau de changes have minimum and maximum transaction amounts.
- » Exchange rates aren't fixed - you will likely get a better exchange rate if the amount that you change is higher.
- » Traditional bureau de change only sell cash currency.
- » Lack of security - although some reputable banks and institutions offer reliable bureau de changes, it can be difficult to verify the credentials when carrying out an over-the-counter cash transaction.



| Your bank

If it's your first time converting funds into another currency, and especially if it's the first time you've needed to make a large payment, most buyers will naturally turn to their bank. Many US, UK, and other international banks provide options for international currency transfers, and most Visa and MasterCard will allow you to make payments and withdraw cash overseas.

While this might seem convenient, your bank is likely to offer far less competitive currency exchange rates than using a currency exchange specialist. This is because buying and selling currency is just one of many services offered by a bank. Being as most banks make the majority of their money elsewhere, there is little incentive to offer competitive rates on currency exchange services.

Banks are also notorious for adding high per-transaction fees, which can quickly add up. Banks that do offer more competitive currency exchange rates often make up for this in hidden fees and charges, so watch out for this. If you do choose to use your overseas bank account or card in France, make sure you know exactly how much you will be charged for each card payment, cash withdrawal, or international transfer - you might be surprised by how high these are! Equally, you should ask if there are any upper limits to spending when overseas and ensure that your bank knows that you are travelling overseas so that you can still access your digital banking and use your card while travelling.

Opening a French bank account

If you are moving to France or buying a French property, setting up a French bank account is probably a good idea. However, this isn't always easy for a non-resident. Only a few French banks offer non-resident accounts, and these are not always available for all international citizens - US citizens, in particular, due to the FATCA tax requirements on overseas accounts, often struggle to find a French bank that will open an account for them. In addition to this, non-resident accounts often incur high fees and may have a minimum deposit requirement.

Once you move to France or become a property owner, you'll find it much easier to open a French account, so it's worth looking into other alternatives to tide you over in the meantime. In the long term, it makes sense to manage local transactions, transfers, direct debits, and standing orders from a French account if you can. Nevertheless, you'll likely need a secure and cost-efficient way of transferring overseas income or savings to this account.

See our *Beginner's Guide to Banking in France* for more on French bank accounts.

Use this for:

- » Savings: one advantage of banks over a currency account is the possibility of earning interest on your savings (although, of course, this varies depending on the bank and account), so keep your funds in your bank until you need to make the exchange.

- » Making payments in France - if you are able to open a French bank account, this will naturally be the easiest way to manage payments, bank transfers, direct debits, and standing orders within France.
- » Transferring your income to and from your specialist currency account or Wise/Revolut account - although people are increasingly moving away from traditional banking services, most people still maintain a current account with a bank.
- » Cash withdrawals: if you must withdraw cash in euros prior to arriving in France, most banks will be able to order this for you. As with the Bureau de changes, be sure to check the exchange rate, plus any fees and transactions.

Disadvantages:

- » Banks rarely offer competitive exchange rates.
- » Hidden fees and charges can be high.
- » Limited options for currency exchange: some banks may offer forward contracts and similar services, but most are limited in these options.
- » Lack of expert advice: unless your bank has a dedicated currency exchange department, they are unlikely to have currency exchange specialists available to offer advice and help you secure the best rate.



| Revolut and Wise accounts

An increasingly popular option in recent years is to open an online account with currency exchange providers such as Revolut or Wise. Neither of these are banks, although they offer many of the services you'll be familiar with from your bank, and they offer considerable advantages for those travelling overseas.

Both Wise and Revolut offer very competitive rates with little to no mark-up and low fees, making them far superior for exchanging currency. In addition to that, both offer prepaid Visa/Mastercard that can be used in France and other countries worldwide.

Revolut

A fintech company founded in 2015 in the UK, [Revolut](#) allows you to send money in 70+ currencies to 160+ countries. Although it operates entirely online, Revolut acts similar to a bank, offering plenty of cross-border payment and transfer options that make it popular with global businesses, freelancers, investors, and business travellers.

Revolut offers a subscription-based, tiered pricing model that includes a free version.

Various different plans and multi-currency cards are available, depending on your country of residence - make sure to check the advantages of each tier to ensure you choose the right one for your needs.

Revolut account holders can also choose from several different card options, including physical and virtual prepaid Visa and Mastercards, and all your financial transactions are dealt with via the app.

Wise

[Wise](#), founded as Transferwise in 2011 in the UK, is a digital banking company that offers low-cost multi-currency accounts. Wise is FCA authorised and regulated by the National Bank of Belgium, and its main focus is on currency exchange transactions, with no hidden fee or exchange rate mark-ups.

Wise offers both personal and business accounts and allows you to hold money in more than 40 currencies. There are no account or subscription fees, and you'll receive a multi-currency prepaid Visa debit card that you can use in 160+ countries.

For currency transfers, there's a low percentage fee (starting at 0.33%), but there are no hidden fees for card payments, and cash withdrawals are free up to €200. You can see a full breakdown of their fees [here](#). As with Revolut, everything is managed via the online app, so you can make instant transfers and payments.

Use this for:

- » Making day-to-day payments in France and other countries - having a multi-currency card is a game changer if you're a frequent traveller.
- » Transferring smaller amounts or topping up your balance on the go - it's hard to argue with the speed and convenience of online apps, which allow you to exchange funds within a matter of seconds.
- » Cash withdrawals: both cards offer free or low-fee cash withdrawals.
- » Business needs: both provide great functionality for receiving international transfers and payments to your business account.

Disadvantages:

- » Limited options for currency exchange: Wise and Revolut are great solutions for fast, on-the-spot currency exchange, but you won't be able to secure a forward contract or similar product.
- » Lack of personalised service: being able to manage everything online at the click of a finger is great when managing your daily finances, but when transferring large amounts, calling up and speaking to an advisor adds an extra level of reassurance.
- » Lack of personal advice: unless your bank has a dedicated currency exchange department, they are unlikely to have currency exchange specialists available to offer advice on managing the currency exchange market and help you secure the best rate.



| Using a currency exchange specialist

Your final option is to use a currency exchange specialist. These specialists typically offer the most competitive rates, charge lower fixed fees, and provide a range of different services. The reason for this is in the name—being as they specialise in currency exchange and make large purchases of foreign currencies, they benefit from the best rates and savings that they can pass onto you.

The biggest advantage of using a currency exchange specialist is that you'll be assigned your own personal advisor to help you navigate the currency exchange market. Currency specialists live and breathe foreign currency exchange. This means they know the market inside out and have likely dealt with many foreign buyers, expats, and second-home owners in a similar position to you. Getting advice doesn't cost you anything, and your advisor will be able to offer you guidance and personalised solutions, taking into account your budget, timeline, and other needs.

Another major bonus is that currency brokers offer products such as forward contracts that allow you to fix the exchange rate or services such as rate tracking to ensure you seize the moment when rates are most favourable. They also have competitive options for long-term payment plans.

See the next chapter *Currency exchange options: getting the best rate*, for more on

Setting up a currency account

Setting up a foreign currency account with a currency exchange specialist such as FrenchEntrée's trusted partner, Moneycorp, is free and there is no minimum or maximum transaction amount or any obligation to use your account. You can register online or over the phone in a couple of minutes. As an added bonus, FrenchEntrée members benefit from zero transfer fees on all international payments for life.

Use this for:

- » Making large payments: currency exchange specialists are used to handling large amounts. Moneycorp is regulated by the Financial Conduct Authority (FCA), so you can be sure that your funds are in safe hands.
- » Securing the best possible currency exchange rate: a specialist could save you up to 3-4% against high-street

banks, which equates to thousands in potential savings on a large purchase.

- » Making payments directly to a notaire, utility company or other official.
- » Advance planning: currency exchange options such as forward contracts, market orders, and payment plans offer plenty of flexibility to help you secure the best rate on future payments.
- » Personalised service and advice: your advisor can help you assess when and how to exchange funds and how best to plan for future payments.

Disadvantages:

- » There's no Visa/MasterCard card service, so you'll still need to use your bank account or seek another option for day-to-day payments while in France.

Meet our currency exchange partner

moneycorp 

FrenchEntrée's trusted partners at Moneycorp have more than 40 years of experience helping customers get the best value on their international currency transfers. They have offices in the UK, France, USA, Ireland, Canada, and the UAE, among others, and provide currency exchange services to 190 countries between 120 different currencies.

FrenchEntrée and Moneycorp have been working together for more than 15 years. During this time, they have helped thousands of our clients plan the best way to pay for their property and supported them with ongoing payment needs, from paying bills or mortgages to repatriating overseas pension payments for those retiring to France.

Currency exchange options: getting the best rate

- » How to get the best exchange rate
- » Spot contracts
- » Forward contracts
- » Market orders
- » Regular payment plans
- » The value of professional advice

Currency Exchange options: getting the best rate



Planning ahead is the key to securing the best rate on your currency exchange transactions. You might not be able to control the exchange rates or have a crystal ball to predict the future, but there are ways to 'fix the exchange rate' and protect yourself against fluctuations.

In this chapter, we'll go through various currency exchange options that you may come across when using a currency specialist to exchange your funds. We'll look at how each option works and the advantages and disadvantages.

|Spot contracts

A spot contract is the simplest way to exchange money for Euros. This is an 'on the spot' transaction, where you agree to the current rate of currency exchange and any transfer fees, and the purchase is made then and there. This is the easiest way to take advantage of a favourable exchange rate, and means you know exactly how much your transaction is going to cost you.

When to use it

A spot contract is the best way to seize the opportunity when exchange rates swing in your favour, as your transfer will be made immediately. However, relying on a spot contract for a future payment, such as a property purchase, could be risky, as you'll be tied to the current

exchange rate at the moment you need to make your transfer. Property transactions in France take a minimum of three to four months between the initial signing of the *compromis de vente* and completion (see our Beginner's Guide to Buying French Property for more on the purchase process), so

it's highly unlikely that the currency exchange rate will stay the same during that period.

If you already have the funds but have a flexible timeline to make your transfer, monitoring the exchange rate, then using a spot contract could be a smart move. You could also set up rate tracking alerts via email or SMS to let you know when the exchange rate reaches the desired level.

How to do it

With a Moneycorp foreign currency account, it's as easy as logging into your account or app. You have 24/7 access to your funds, so you can arrange a transfer of up to £100,000 or US\$100,000 online

at any time.

For amounts over this or if you need additional advice on your transfer, you can call up and arrange your spot contract over the phone. An online money transfer will typically take 2-3 working days to clear.

TIP! If you know you want to benefit from a spot contract when rates shift in your favour, it's a good idea to transfer the necessary funds into your foreign currency account so they are ready to go. While some banks can make the transfer within two hours, others can take up to two days to clear, so be aware of this if you want to seize the moment.

Forward contracts

Forward contracts allow you to take advantage of a favourable exchange by 'fixing the exchange rate' for a future exchange. You put down a deposit, and the agreed-upon rate will be kept for up to two years (depending on the length of the contract). Whenever you are ready to make your transfer within that timeframe, you will benefit from that original rate.

This will enable you to receive all your local tax bills online, file your declaration of occupation related to the property you own online, and send any requests via your online account to the tax office.

It may be possible to do the same thing if you become French resident, but you would then need to contact your local tax office, and it appears you can only apply by post or by going into your local tax office. You can find the contact details via the tax office website indicated above:

When to use it

There are two main reasons that forward contracts can be useful:

- » To take advantage of a favourable rate on a large transfer, either because rates hit a historic high or because you are worried about a downward trend. If you don't have the funds immediately available for a spot contract, a forward contract could be the next best thing.
- » To be certain of the amount of your domestic currency that you will pay for your Euro purchase. A forward contract can be ordered on a one-off transaction or set up as part of a regular payment plan. Perhaps you have a strict budget for a property purchase and want to lock in your funds, or perhaps you want to be certain about the payment amounts leaving your account each month.

This is a popular choice for property buyers as it provides a fixed amount for your property budget and alleviates the worry of fluctuating exchange rates. You could take advantage of a strong exchange rate at the beginning of your property-hunting journey or take out a forward contract once you've had an offer accepted. You probably wouldn't be willing to purchase a property in your own country without knowing the exact price,

How to do it

To secure a forward contract, you'll need to put down a deposit—typically between 5-10% of the full transfer amount. A forward contract can be arranged over the phone with a currency specialist, and you'll decide upon the transfer amount, duration of the contract, and deposit amount.

If you have monthly payments or transfers to make, you might want to look at setting up a regular payment plan with your forward contract.

Market orders

If you have a more flexible timeline, another option is to set up a market order to track a rate. You decide the exchange rate you would be happy with, and when the rate is reached, your funds will be automatically purchased for you, ensuring you don't miss out.

When to use it

A market order allows you to target a desired exchange rate and set up an automated payment conditional upon that rate being reached. Essentially, it's the same as tracking the exchange rate yourself and then making the transfer using a spot contract, but it takes all the hassle out of watching rates and setting up the transfer.

If you know the rate you're after and have the funds ready to go, this is the most convenient and fool-proof way to ensure you don't miss out. With the FX market trading 24 hours a day, five days a week, this means you won't miss your

so why would you risk it on your French property?

However, don't rush to use a forward contract if there's not a good reason to. Remember that you will be locked into this exchange rate whether it moves in the right direction or not! It's a good idea to seek the advice of your currency advisor before committing.

chance even if exchange rates shift overnight or you're not available to make your transfer.

How to do it

Market orders need to be set up over the phone with a currency specialist. You choose the amount of the transfer and the desired exchange rate in advance and transfer the funds into your currency account.

There are three options to choose from. A **limit order** is ideal when there is an upward trend in currency. You set the exchange rate to the desired amount, and the transfer is made once the rate is

reached. A **stop-loss order** provides extra security if rates look like they may fall below a certain rate, ensuring you make your transfer before any losses occur. There's also an **OCO order** (or One-Cancels-the-Other order), which combines the two to offer both the security of a stop-loss and the desired rate of a limit

order.

Which one to choose depends on a number of factors, including current market trends and your timeline for making the transfer. It's highly recommended that you seek the advice of your currency specialist in order to choose the right order for you.

|Regular payment plans

If you're an expat living in France or a second-home owner, you will probably need to exchange currency on a regular basis. Regular payment plans are ideal if you have monthly bills or mortgage repayments to pay in euros, or are receiving income or a pension from overseas.

When to use it

Making regular international payments to France can often come with excessive transfer fees and hidden charges, not to mention the effects of currency exchange rate fluctuations. When you're making monthly mortgage payments or living off an overseas income or pension, these fees can quickly add up, and changing rates can mean you never know exactly how much you're going to have to pay each month.

Setting up a regular payment plan with a currency exchange specialist takes all the hassle out of organising your monthly transfers, as well as offering peace of mind. You can set up a standing order to transfer money into your French bank account to cover utility bills and property taxes or pay your mortgage repayments directly. If you need to make any changes, you can adjust dates and transfer amounts online.

How to do it

The main challenge with making regular international payments to France is that you will always be at the mercy of the current exchange rate. This might mean that in some months, you get a welcome bump in your pension funds, while in other months, you're left short. Either way, it can be worrying, especially in times of economic uncertainty, and it's difficult to plan your finances when you never know exactly how much income you will be receiving each month or how much your bills will be.

To protect against this, there are three options available:

You can fix your domestic currency amount. This way you will know exactly how much £, US\$, AU\$, or other currency will be leaving your account with each payment. How many Euros you get for your transaction will depend on the currency rate at the time of transfer.

You can fix the Euro amount. This means you will know exactly how many Euros will be arriving in your French account each time. How much you pay for your transaction will depend on the currency rate at the time of transfer.

You can fix both with a forward contract. This means you will fix the exchange rate on your regular payment plan. When the exchange rate is at a level you are happy with, put down a deposit to lock in this exchange rate for up to two years. That way, you know exactly how much you will pay in your domestic currency and how much you will receive in Euros.

|The value of professional advice

Understanding all the options available to you will help you to make the best choice when it comes to exchanging your money into euros, but one of the biggest benefits of using a currency exchange specialist is that you'll be able to discuss your personal situation with an expert. The foreign exchange market is notoriously unpredictable, but currency exchange specialists are better equipped than anyone to advise on market trends.

Advisors know the market inside out and have likely dealt with many foreign buyers, expats, and second-home owners in a similar position to you. As a long-term client, it's in their interest to ensure you make the best decisions on when to buy, when to wait, and how best to plan for future transactions.

The more that you can share about your budget, your timeline, and your priorities, the more that your advisor will be able to tailor their advice to you. A good advisor will never push you into making a transaction. They will take the time to make sure you fully understand your options and clearly explain any potential downsides or disadvantages to each option. Their job is to help you find the best solution for your needs and protect you against losses, so don't be afraid to ask questions and be honest about any concerns or hesitation that you have.

Remember: the best rate for you is not necessarily the best rate for someone else.

Your French currency exchange checklist

- » Before you start
looking for a French
property
- » Completing your
property search
- » Managing your
second home in
France

Your French currency exchange checklist



French property sales can move quickly and advance planning not only means you'll be ready to sign once you find your dream home, but it could end up saving you thousands. Leaving it to the last minute means you risk losing the property if you can't get your deposit in on time, as well as being at the mercy of the latest foreign exchange rates. It's an expensive gamble to make, so why risk it?

| Before you start looking for a French property

First things first—read this *Beginner's Guide to French Currency Exchange* to understand how currency exchange works and all the options available to you.

- ☐ Set up your foreign currency account with a specialist currency broker such as Moneycorp—it's free to set up, and you can do it all online in just a few minutes.
- ☐ Verify your account by providing a copy of your passport or ID and proof of address.
- ☐ Once you've set up your account, you'll be assigned a personal advisor from the Moneycorp team. Take advantage of this free service, as their currency exchange experts can advise you on exchange rate trends, the best times to buy, and how to best manage your upcoming property transaction.
- ☐ If you're looking to buy straight away, consider whether it's a good idea to fix the

exchange rate with a forward contract. If your domestic currency is strong, this might be a smart move, but make sure you take advice first.

- ☐ If you're looking to buy long-term, you might want to consider targeting a rate to ensure that you transfer your funds at the best time for you.

| Completing your property search

- ☐ Once you've found your dream property and have signed the Compromis de Vente, you can go ahead and transfer your deposit. This can all be done online up to a value of £100,000 or \$100,000 (or equivalent in your domestic currency) or else just call your personal advisor to set it up for you.
- ☐ While your property purchase is going through, use the time to prepare for future transactions...
- ☐ ...perhaps lock in the rate for the balance of your property purchase, your French mortgage fees or notaire's fees on your property.
- ☐ ...or set up a regular payment plan to pay the monthly payments on your French mortgage.
- ☐ When it's time to make the final payment on the property, Moneycorp can also send this directly to the notaire - let them know the completion date so they can ensure your payment arrives on time.

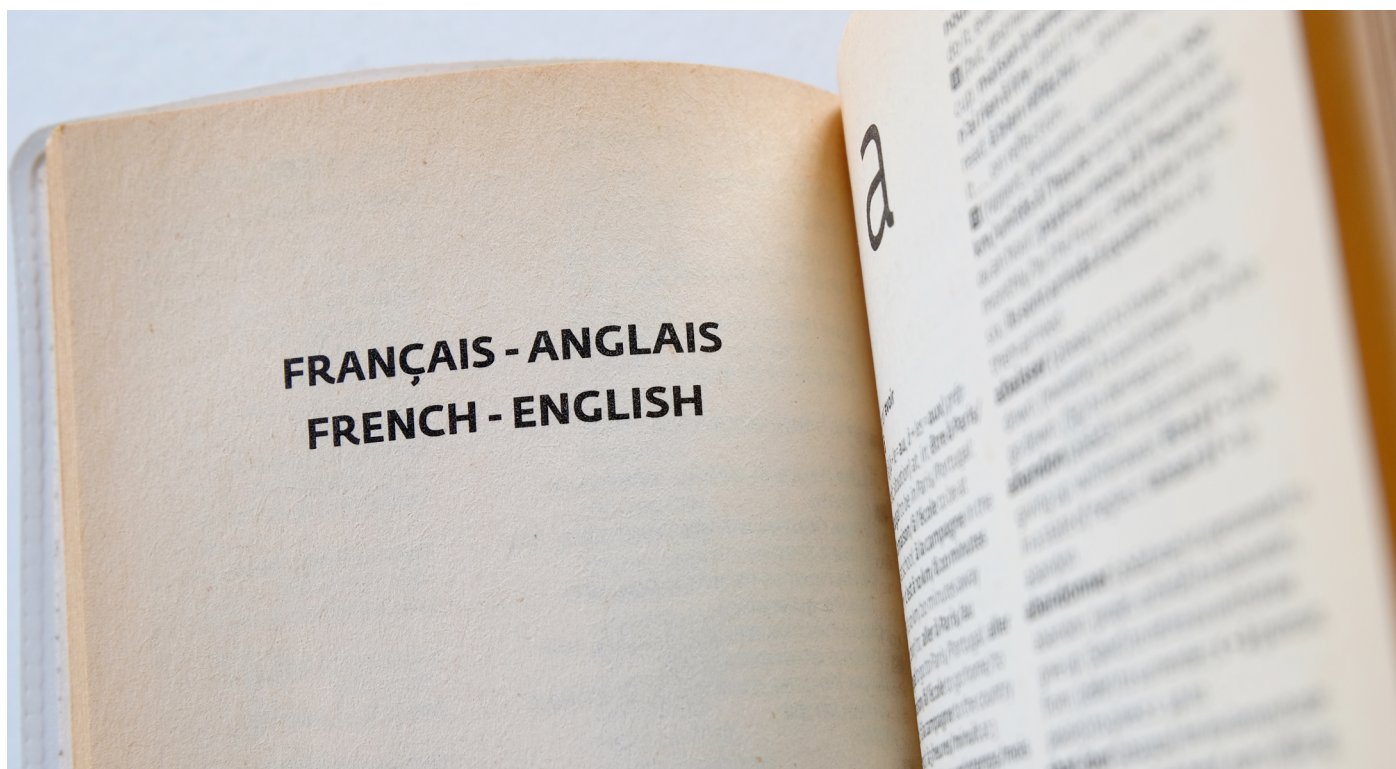
| Managing your property in France

- ☐ Make a long-term plan to ensure you are getting the best rates on all home-owner expenses, such as monthly utility bills, annual property taxes, and renovations or maintenance costs. Your Moneycorp advisor can also help with this.
- ☐ If you receive regular income or a pension that you wish to convert to euros, consider fixing the rate for up to two years to ensure a consistent rate of exchange.
- ☐ Sign up for currency exchange alerts to take advantage of favourable exchange rates.
- ☐ Keep in touch with your Moneycorp advisor - they'll be happy to help out with any other currency exchange needs you have.

Ready to set up a currency account? Get in touch with your FrenchEntrée Property & Relocation Advisor today.

French currency exchange vocabulary and essential terms

French currency exchange vocabulary and essential terms



Most currency specialists will speak English, but it's still handy to know some French when conversing with banks, notaires, and mortgage lenders. To get you started, we've put together all the essential French currency exchange vocabulary and key phrases.

| French Currency Exchange Vocabulary: Key Phrases

Useful French phrases and questions to help with banking and currency exchange.

Exchange money - **changer de l'argent**

I want to withdraw some money please: **Je veux retirer de l'argent s'il vous plaît**

What's my balance? **Quelle est la position de mon compte?**

What is the current exchange rate? **Quel est le taux de change actuel?**

When will I receive my bank card and pin number? **Quand est-ce que je recevrai ma carte bancaire et mon code personnel?**

To make a transfer from one account to another: **faire un virement d'un compte sur un autre**

To pay a sum of money into an account: **verser une somme à un compte**

To save money: **faire des économies**

| Essential French Currency Exchange Vocabulary

An A-Z glossary of all the essential words and vocabulary you might come across when exchanging French currency.

Acheteur - the buyer

Acompte - deposit or downpayment.

Acquérir - to buy (e.g. a property or land) or become the owner of

Amortissement - repayment schedule

Approvisionner (un compte) - to credit (an account)

Argent Liquide - cash

Une banque - a bank

Banque de Consignation - the bank into which you transfer the notaire's fees.

un bureau de change - currency exchange

Une carte de crédit - credit card

Compromis de Vente - a legally binding contract that sets out the terms of a property sale agreement

un compte bancaire - a bank account

Courtier (en bourse) - Broker (stock broker)

la crise financière - financial crisis

Dépenser - to spend

Déposer d'argent - to deposit money

Dépôt de garantie - The security deposit paid after signing the Compromis de Vente, typically 10%

Entrer en récession - to go into a recession

les devises/la monnaie étrangère - currency

les frais - fees

Frais de Notaire - notaire fees on the sale of a French property

Frais de tenue de compte - bank account fees

Immobilière - estate agent

Liquide - cash

le marché boursier - stock market

Mensualité - Monthly payment or repayment

la monnaie - money (coins), or currency

Montant de votre mensualité - monthly payment amounts

Notaire - the public officer legally responsible for conveyancing in France

Prélèvement automatique - Automatic direct debit authorised and signed for by account holder

Prêt Immobilier - mortgage

Prêteur - l'endettement le ralentissement économique - economic slowdown

Relevé de compte - Bank/account statement

Retirer (de l'argent) - withdraw (money/funds) les services financiers - financial services

Signer - sign

le Taux (d'intérêt) - (Interest) rate

Taux de Change - exchange rate

Titulaire - Account holder

l'unité monétaire - the unit of currency (e.g. the Euro)

Versement - Paying a sum of money into an account

Virement (bancaire) - a (bank) transfer

Virer - to transfer



| How being a FrenchEntrée+ or VIP Member can help

As an Entrée+ Member, your dedicated Property & Relocation Advisor will put together a personalised RoadMap detailing all the steps that you need to take to make your dream of moving to France a reality.

Not only that, but they can recommend professional advisors and specialists to handle all of your additional needs, whether that's international tax advice, estate planning, or a French immigration lawyer.

If you want even more of a helping hand, get in touch about our VIP member service, and we'll put together a custom-made quote covering everything that you need to make your move to France a breeze.

Note: there are other exemptions and applicable conditions that are outside of the scope of this particular subject. You can check any rules relating to capital gains with your notaire.

