

February 2023



# Post Office Travel Money Holiday Money Index

Sterling may have slipped in value against some of the most popular holiday currencies recently, but the latest intelligence suggests the appetite for trips abroad remains resilient. Tour operators say bookings are rising steeply and currency sales analysis from Post Office Travel Money confirms the upward trend.

In its Holiday Money Index covering the 12 months to January 2023, Post Office Travel Money, which accounts for one-in-four UK foreign exchange transactions, reports that its top two currencies, the Euro and US dollar, made year-on-year sales gains of 66% and 38% respectively last month. At the same time, annual purchases of both currencies kept pace with those in the 12 months preceding the outbreak of Covid-19, when sales were strong. Significantly, the healthy year-on-year sales growth in January extends to 18 of the Post Office's top 20 bestsellers.

The most striking trend to emerge from analysis of sales for the past 12 months is that the currencies showing greatest growth compared with the pre-Covid period (February 2019-January 2020) are those for Caribbean and Latin-American countries. Led by the East Caribbean dollar, where sales rose 137%, these currencies take the top seven places in the list of Fastest Growing Currencies (table 1).

Ed Dutton, Portfolio Director, Financial Services at Post Office, said: *"The fairest measure of demand is to compare currency sales now with the busy period before the Covid-19 pandemic. Sales of Caribbean and Latin-American currencies were particularly strong then, so it is encouraging that they are even more buoyant now. However, sterling has fallen in value against many of these currencies so holidaymakers should factor this into their holiday budgeting. A destination like Sharm el-Sheikh may prove cheaper because of the Egyptian pound's steep fall in value against sterling."*

## Currency sales trends

Table 1: 10 fastest growing currencies

	February 2022 - January 2023	Annual gain since 2019-20 (Pre-Covid)
1	East Caribbean dollar	137%
2	Mexican peso	52%
3	Brazilian real	49%
4	Jamaican dollar	46%
5	Costa Rican colon	37%
6	Dominican peso	36%
7	Barbados dollar	30%
8	Mauritius rupee	30%
9	UAE dirham	25%
10	Turkish lira	16%

## Exchange Rate Monitor

Table 2: Comparison of rates for bestselling Post Office currencies – showing sterling gains and losses

Current rates are compared with those 12 months ago and in March 2020 at the start of the Covid lockdown

	£500+ rate	Sterling % gain year-on-year	£500 buys £ more/less	Sterling % gain since March 2020	£500 buys £ more/less
Egyptian pound	31.6174	72.7%	£210.41	90.0%	£236.91
Turkish lira	19.8705	25.3%	£100.98	180.1%	£321.52
South African rand	20.6939	6.3%	£29.56	4.0%	£19.31
Icelandic krona	160.8383	3.0%	£14.52	9.0%	£41.17
Japanese yen	152.9046	2.8%	£13.74	25.1%	£100.45
Norwegian krone	11.7421	2.0%	£9.84	-10.5%	-£58.62
Hungarian forint	397.5999	1.7%	£8.49	11.3%	£50.70
Swedish kronor	11.9146	0.4%	£1.76	3.4%	£16.40
Kenyan shilling	138.4691	0.2%	£0.78	20.9%	£86.53
Polish zloty	5.0469	0.1%	£0.47	7.8%	£36.16
Australian dollar	1.6786	-8.1%	-£44.05	-14.4%	-£84.00
UAE dirham	4.2206	-11.1%	-£62.34	3.0%	£14.70
US dollar	1.1721	-11.1%	-£62.58	2.5%	£12.03
Barbados dollar	2.2384	-11.1%	-£62.59	3.7%	£17.65
East Caribbean dollar	3.0247	-11.1%	-£62.60	3.3%	£15.89
Swiss franc	1.0698	-11.4%	-£64.45	-3.5%	-£17.95
Singapore dollar	1.5162	-11.8%	-£66.91	-5.7%	-£30.24
Jamaican dollar	170.4442	-13.0%	-£74.91	16.2%	£69.66
Mexican peso	20.9791	-19.0%	-£117.34	-23.3%	-£151.73
Costa Rican colon	598.8211	-22.0%	-£140.80	2.1%	£10.23

## Biggest sterling gains and losses

**Table 3:** Comparison of rates for holiday currencies showing the biggest gains and losses against sterling  
Current rates for purchases of £500+ are compared with those three and six months ago

	February 2023	November 2022	August 2022	Three month gain/loss	Six month gain/loss
Egyptian pound	31.6174	24.9374	19.745	26.8%	60.1%
South African rand	20.6939	19.5685	18.8664	5.8%	9.7%
Norwegian krone	11.7421	11.3027	11.1697	3.9%	5.1%
Kenyan shilling	138.4691	132.5198	131.8171	4.5%	5.0%
Euro	1.0946	1.1104	1.1528	-1.4%	-5.0%
Mexican peso	20.9791	21.5133	22.3937	-2.5%	-6.3%
Hungarian forint	397.5999	431.4314	439.5417	-7.8%	-9.5%
Costa Rican colon	598.8211	641.6739	712.1029	-6.7%	-15.9%

The Exchange Rate Monitor (table 2) reveals sterling falls of over 11% year-on-year against Caribbean and Latin-American currencies, with the biggest drops against the Costa Rican colon (-22%) and Mexican peso (-19%). Conversely, the collapse of the Egyptian pound in the past year means visitors to Egypt will get 72.7% more for their pounds – the equivalent of over £210 extra on a £500 currency transaction. The Turkish lira has continued to tumble in value and is worth 25.3% less year-on-year against sterling. In total, 10 of Post Office Travel Money’s top 30 currencies – including the South African rand and Icelandic krona – have fallen in value against sterling.

Recent months have seen varying fortunes for sterling. Post Office analysis of exchange rates now compared with three and six months ago (table 3) reveals an unwelcome dip in sterling’s value against many currencies. It is now 5% weaker than last August against the Euro and has dropped 9.5% against the Hungarian forint, adding to the cost of a city break in Budapest. However, Britons considering holidays in Africa will get more for their pounds – 5% extra in Kenya and almost 10% more in South Africa. Both countries already rate among the best value destinations in Post Office cost comparison barometers so the weakness of their currencies spells good news for holidaymakers.

## Currency sales trends

**Table 4:** Bestselling currencies  
2021 full year figures in brackets

February 2022 to January 2023	
1	Euro (1)
2	US dollar (2)
3	Australian dollar (5)
4	Turkish lira (7)
5	Canadian dollar (4)
6	UAE dirham (3)
7	Thai baht (10)
8	New Zealand dollar (-)
9	South African rand (8)
10	Swiss franc (9)

## Holiday Money developments

- Trips ‘down under’ look set to be popular in the coming year. The New Zealand dollar has returned to the Post Office top 10 bestselling currencies table in eighth place (table 4), indicating that holidaymakers have been swift to return to a destination only recently re-opened to international visitors. Demand for Australian dollars is also returning. Now third in the bestsellers list, purchases of the Australian currency rose by 373% compared with January 2022.
- The Turkish lira has risen from seventh to fourth place in the bestsellers table. Sales grew 16% in the last 12 months compared with the year before Covid-19 and rose 61% year-on-year in January. At the same time, the lira continued to fall against sterling last year and is now over 180% weaker than in March 2020. This means visitors will receive around £321 more in liras on a £500 transaction – an attractive incentive for British tourists.
- The Thai baht has also moved up the bestsellers top 10 to seventh place. The outlook for 2023 looks bright: January sales rose 455% compared with a year ago and are 16% higher than in January 2020 before Covid-19 took hold.



Visit [www.postoffice.co.uk/travel](http://www.postoffice.co.uk/travel) to keep abreast of current exchange rates for around 60 currencies

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