**International Trade and the Exchanging of Currency**

**Countries that use the Euro –**

**Today 🡪

1 Euro = $1.27**

**$1 = .79 Euros**

France Greece
Germany Spain
Italy Portugal

**Countries that use Pounds –** United Kingdom **Countries that use the Danish Kroner –** Denmark **Countries that use the Swedish Kroner –** Sweden **Countries that use the Russian rubles –** Russia

Currency is the money people use to make trade easier. In the United States, we use U.S. dollars to buy goods and services. When we Americans work at a job, we are paid in dollars. Most of the time, when you are in a different country, you cannot buy goods and services with currency from your own country. So what do you do? You trade it in, or exchange it! More than half of the European Union countries use the euro today. This makes trade among the EU countries easier because they do not have to exchange currency. It also makes trade less expensive because people do not have to pay banks a fee to exchange their currency.

1. What is the currency people use in much of the EU called?
2. What is the currency of Russia? What is the currency of the United Kingdom?
3. What is the problem with exchanging currency?
4. Based on how much the Euro is worth, how much money would you get in Euros for 5 dollars?

1. If you were from Germany and you traveled to the United States and bought something for 8 dollars, how many Euros would you have spent (excluding the exchange fee)?