

Never exchange money in UK airports

Les Hatton

June 11, 2010

Abstract

The UK is one of the worst places on earth for rip-offs in my experience. This is a typical example for exchange rates.

1 London Heathrow v. Stockholm Arlanda

As you can see in the example below, UK exchange rate kiosks (they all quote the same rates - so much for competition) in London's Heathrow airport take over 10% in each direction compared with less than half that in Stockholm's Arlanda airport. GBP = UK pounds, SEK = Swedish Krona.

	UK	Sweden
To buy 1 GBP	costs 12.74 SEK	costs 11.88 SEK
Selling 1 GBP	buys 10.31 SEK	buys 10.93 SEK
Spread	$11.525 \pm 10.5\%$	$11.405 \pm 4.2\%$

Relative exchange rates GBP v SEK, London Heathrow and Stockholm Arlanda, 3rd June, 2010

In the time I have been travelling through Heathrow the spread has gradually crept up each year and they will try everything to try to make you buy more, (by always going over what you ask and by trying to get you to buy more to avoid commission which is negligible compared with their 10% take).

The only way to stop this profiteering is not to buy any at UK airports and starve them out. In most cases, currency exchange is cheaper in Europe and sometimes much cheaper.