

Consumer advice for making IMTs



Compare suppliers' FX calculators and shop around for the cheapest and fastest service

Comparing suppliers' prices using FX calculators is the best way to understand who can offer the best value deal for a consumer's transaction. Suppliers who do not have an FX calculator are not following the ACCC's Best Practice Guidance for IMT transparency.

We found significant price differences across international money transfer suppliers.

Consumers should consider using non-bank suppliers as they are often better priced, and consumers can save. The more consumers that are willing to switch the more likely prices will continue to fall.

Based on the average transaction of \$3,138 for a big four bank IMT, consumers could each save approximately \$108 if they shopped around for a cheaper supplier.



Look at the total price and the amount the recipient will receive

Total price and the amount received should be the best representation of value for money when comparing suppliers.

Comparing the amount that will be received also limits any tricky calculations that consumer needs to make to account for fees and FX margins.



If you want to know more about how suppliers charge you should consider the fees and FX margins

Suppliers who advertise as fee-free may still charge a margin on the exchange rate. It is often hidden and sometime negotiable or changes based on how much is being transferred.

Also consider if other fees will be charged which aren't a supplier's own fees.

Ask the supplier if:

- any banks will deduct fees from the funds being transferred (these are often called correspondent banking fees)
- the bank or supplier that receives the money charges a fee (known as recipient bank fees).

If the supplier deducts extra fees, ask them:

- to estimate the funds they will deliver to the recipient
 - if the supplier will absorb these fees and/or refund you any fees incurred.
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Know when to transfer

If you can wait, timing may impact on the value for money you get. Currency markets can change, and high value transactions could be impacted by the time of year or even whether you make a transfer on a weekday or weekend.

Currency markets close for the weekend and some suppliers can charge an extra fee or may charge a worse value exchange rate over the weekend to mitigate for any possible movement in the market.
