Locked in and loaded

Travel money cards let you beat currency fluctuations when you are heading overseas

Life of Brian

I NEVER feel like a winner when I exchange my hard-earned Australian dollars for overseas currency at money changers.

The exchange rates on offer are not even close to the official rates.

And don't get me started on charges. Why should I have to pay an $8 fee when I am already being taken to the cleaners on a dodgy exchange rate.

In April, when I travelled to the Middle East, I put everything (cash advances and purchases) on my credit card. Bad idea. Lots, I mean lots, of fees and charges.

For my next trip I tried the Commonwealth Bank's Travel Money Card. It was the first time I had used a travel money card.

Travel cards are debit cards that allow you to load foreign currencies (six at once with the Commonwealth) before you start your holiday. That means you can load the currency when the exchange rate suits you. If the rate plummets, you won't lose a cent. On the other hand, if the rate goes up, you do miss out because you are locked and loaded.

You can use the card at ATMs to get cash out, use it online or use it like a credit card.

According to Michael Cant from the Commonwealth Bank, close to $3 billion in funds have been loaded on to the bank's travel cards since they started in 2009.

"Prepaid travel cards are becoming increasingly prevalent, with travellers looking to manage their money overseas. From families, to backpackers, to business and well-seasoned travellers, prepaid cards provide travellers with a simple, convenient and safe way to access money overseas," Cant said.

I loaded it with euros and used the card in France, Italy, Malta and Croatia without a hitch. You can use it wherever you see the MasterCard sign.

CANSTAR, an independent company that provides data and ratings about a host of financial products, has just announced its first travel money card award.

"We compared all five multi-currency travel money cards that you can load up with various currencies, and found you can save up to $US125 ($A118) or £83 by using the right card and using it intelligently when travelling," CANSTAR head of research Steve Mickenbecker said.

CANSTAR looked at products from Cash Passport, ANZ Travel Card, Commonwealth Bank Travel Money Card, NAB Traveller Card and OzForex Travel Card.

They loaded $5000 on each card – $3500 initially, topped up later with $1500. The exchange rate was noted at several points and then averaged out. They used 10 ATM withdrawals, 10 point-of-sale transactions and a closure fee after arriving back on home soil to compare the products. Cash Passport picked up the CANSTAR award.

"You can load up to seven major currencies and it does not charge international ATM fees," Mickenbecker said. "That's a big deal, particularly if you have been stung with exorbitant fees to withdraw small amounts of cash.

"Cash Passport is accepted wherever you see the MasterCard sign which basically means one of the biggest ATM and retail networks in the world."

Cash Passport can be bought online or at Australia Post, Jetset and Flight Centre.

Brian Crisp is News Limited's National Travel Editor.

According to CANSTAR, here are the top six things to consider with multi-currency travel money cards

1. Shop around for your card in advance of your trip to get the best exchange deal.

2. Look for a card that charges no fees on ATM withdrawals and Eftpos transactions.

3. Think carefully about the allocation of currencies as you will be charged a currency conversion fee if you spend in a currency other than what is on your card.

4. Pay attention to the re-load fee and load your card when the fee is either absent or at its lowest.

5. Monitor your card online as it is easy to lose track of what you are spending.

6. Be aware that it often takes time for an online transfer or BPAY to be credited to your card.

MULTI-CURRENCY TRAVEL MONEY CARDS

Product	Use online	Use at ATM	Use point of sale	Purchase card online	Number of currencies	Max balance	Chip/ pin	Emergency replacement	Emergency fund access	ATM fee	Initial card fee	Reload fees	Card closure fee	Replacement fee	Conversion fee*	Monthly inactive fee**