

# TRANSFER

TAKE A GLOBAL VIEW

AUTUMN  
2015

Property news & currency  
tips from World First

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## LET'S SET SAIL!

SAVE THOUSANDS ON STUNNING BOATS

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## PLUS

TAKE AWAY THE PENSION TENSION:  
OVERSEAS PENSION TIPS

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## EURO DEALS

A PLACE IN THE SUN COSTS LESS  
THANKS TO THE STRONG POUND

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## AUSSIE RETREATS

TOP PROPERTIES 22% CHEAPER

WorldFirst

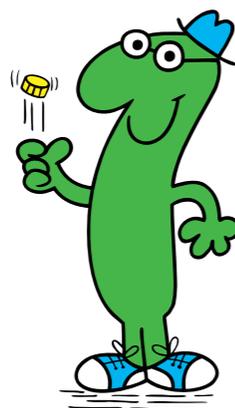
# MR. MUDDLE

hasn't the foggiest when he transfers money overseas.



# MR. FIRST

has a helpful person at World First showing him the way.



With a personal account manager you'll skip the bank fees and bag World First rates whenever you transfer money overseas. Call us on 020 3393 6020 or go to [worldfirst.com](http://worldfirst.com)

 **WorldFirst**

World First is authorised by the Financial Conduct Authority

## Welcome.

We Brits have a real obsession with property. And that obsession is not just limited to these shores; we love the idea of owning our very own place in the sun too.

The good news is that because of the exchange rates and the strong pound, we can now get more property for our money when we buy abroad.

In fact, a whole host of gorgeous homes in Europe are now over 9% cheaper than this time last year, and an Aussie retreat costs a staggering 22% less than a year ago.\*

The pound has fared well against most of the world's major currencies over the last year, which means your money goes further when you buy abroad. Look inside and see how you can take advantage!

### Big movers:

How your pounds go further so far in 2015\*\*

6% VS THE EURO

14% VS THE AUSTRALIAN DOLLAR

21% VS THE NEW ZEALAND DOLLAR

12% VS THE CANADIAN DOLLAR

\*Based on the Interbank rate, correct as of 9 September 2015

\*\*Based on the difference in the Interbank rate between 1 January 2015 and 9 September 2015

## 04

'IN FORM' POUND SET TO REMAIN STRONG - FOR NOW

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A CURRENCY STRATEGY THAT'S THE BUSINESS

# ‘In form’ pound set to remain strong – for now

The pound is looking good against many of the world’s major currencies and, according to World First’s chief economist, Jeremy Cook, the good times are set to stay – for now. Good news if you’re buying property abroad.

Sterling is strong for a number of reasons. News from the UK economy is broadly positive at the moment; employment and wages are increasing and inflation is low allowing consumers to do what they do best. Corporate profits also seem to be increasing. Elsewhere in the ‘developed’ world the news is not so good.

The focus in Europe is still on Greece and the danger that it poses to the Eurozone experiment. While recent progress means that immediate financing concerns have ceased to become an issue, longer term debt sustainability remains a very real concern within the terms of the bailout.

The European economy remains in a very fragile state with investment low, unemployment high, and industry quiet. Policies from the European Central Bank to stimulate the economy seem to be slowly working but the transformation will not happen overnight. Euro is likely to remain weak against the pound for a while yet, although I think another 10% devaluation against the pound over the next 12 months is unlikely.

The real pain through 2015 has been felt by currencies that are closely tied to commodities, particularly oil. The Canadian dollar has lost close to 12% versus the pound since September last year as oil prices have crumbled. If the stuff you are digging out of the ground is worth less, then you are worth less.

Similar movements and a 17% devaluation has been seen by the Australian dollar as tin and iron ore exports have slumped as a result of a wobbling Chinese economy.

The past year has been great for Brits looking to buy that bolthole in Bordeaux, Banff, or Brisbane, or wherever the wind takes you. For now, the next year looks pretty good too.

Sterling is in form. Like Mo Farah or Jess Ennis-Hill, the pound has been in world-beating form over the past few months. This year has seen it push to fresh seven year highs against the euro as well as the dollars of Australia, New Zealand and Canada.

One major currency missing from that list is the US dollar. Like two heavyweight boxers dancing round each other, in isolation the GBP and the USD can look strong but pitted against each other, they tend to cancel each other out.

Sterling is around 7% lower against the dollar over the past 12 months which is hardly a collapse but does make home purchases that bit more expensive than they were a year ago. The reason for the USD strength is simple; interest rates. Markets have almost unanimously identified the US’s Federal Reserve as the central bank most likely to raise interest rates first as part of the rebuilding of its economy. In all likelihood, the Bank of England may very well be close behind.

“Euro is likely to remain weak against the pound for a while yet...”

# Yes, you really can afford that home in Europe!

With the pound looking strong against the euro, **David Trumper** looks at eight properties that are over 9% cheaper than last year.

What a difference a year makes. In mid-September 2014, the pound to euro exchange rate of 1.25 meant that £500,000 could get you a property worth €625,000. A year on, the pound was around 8% stronger against the euro, and the same amount would buy a property worth around €685,000.

The bottom line is that you save by buying now rather than last year. But that’s not the end of the savings. By choosing a specialist currency exchange company rather than your bank to make the transfer, you’ll also get a better exchange rate, which could save you thousands more. Get in touch with World First and find out how you could save.

All valuations correct on 9 September 2015, based on the interbank rate.  
All the properties featured here can be found on [www.rightmove.co.uk/overseas-property](http://www.rightmove.co.uk/overseas-property)

We’ve picked out eight properties that will cost you thousands less than a year ago, all because of the exchange rates.

Contact World First to see how much you could save on your international payments.

Call 020 3393 6020  
or go to [worldfirst.com](http://worldfirst.com)

 Worldfirst

## FRANCE

SAVE £100K+



**KING OR QUEEN OF THE CASTLE**  
VAL D'OISE, 9 bedroom house  
**€1,500,000**

Cost at last year's exchange rate **£1,201,925**  
Cost at today's exchange rate **£1,093,295**  
Saving **£108,630**

NOW 9% CHEAPER



**FRENCH FANCY**  
COUTANCES, 5 bedroom house  
**€999,000**

Cost at last year's exchange rate **£800,480**  
Cost at today's exchange rate **£728,135**  
Saving **£72,345**

## SPAIN

SAVE EVEN MORE WITH WORLD FIRST!



**NO PAIN IN SPAIN**  
ANDALUCIA, 6 bedroom villa  
**€1,500,000**

Cost at last year's exchange rate **£1,201,925**  
Cost at today's exchange rate **£1,093,295**  
Saving **£108,630**

## IRELAND

NOW 9% CHEAPER



**AN ABSOLUTE CORKER**  
CORK, 4 bedroom house  
**€595,000**

Cost at last year's exchange rate **£476,765**  
Cost at today's exchange rate **£433,675**  
Saving **£43,090**

## ITALY

SAVE MORE WITH AN FX SPECIALIST



**LA DOLCE VILLA**  
LAZIO, 4 bedroom villa  
**€1,250,000**

Cost at last year's exchange rate **£1,001,605**  
Cost at today's exchange rate **£911,080**  
Saving **£90,525**

## PORTUGAL

£64K SAVING!



**ONE FOOT IN THE ALGARVE**  
ALGARVE, 5 bedroom villa  
**€895,000**

Cost at last year's exchange rate **£717,150**  
Cost at today's exchange rate **£652,330**  
Saving **£64,820**

## CYPRUS

CHEAPER STILL WITH WORLD FIRST RATES



**NO CYPRIOT MYTH**  
PAPHOS, 3 bedroom villa  
**€779,383**

Cost at last year's exchange rate **£624,505**  
Cost at today's exchange rate **£568,065**  
Saving **£56,440**

## GREECE

SAVE £80K+



**NO GREEK TRAGEDY**  
CRETE, 4 bedroom villa  
**€1,200,000**

Cost at last year's exchange rate **£961,540**  
Cost at today's exchange rate **£874,635**  
Saving **£86,905**

# END OF SEASON SAIL



Got a few million in the bank? **Matt James** takes a look at some of the most lavish boats and yachts and explains how exchange rates are making them cheaper – or pushing the price up.



**BURRASCA,**  
through Northrop and Johnson



*Factfile* 56m long, 12 guests, five cabins, nine crew, jacuzzi, speed 13 knots  
Price **€17,500,000**  
**£14,022,435** a year ago  
**£12,755,105** at today's exchange rates – a saving of **£1,267,330** compared with last year.

Many of us dream of owning a yacht and spending long, sunny days relaxing on our own personal plaything. Maybe you've thought seriously about buying your own. The thought had crossed our minds, too.

But where's the fun in looking at boats we can actually afford? Let's take a look at some of the most luxurious sailing yachts that money can buy. We'll also look at where exchange rates have made some of them so much cheaper and where the rates have conspired to make those boats more expensive if you're a British buyer.

Brace yourself: these are some very expensive boats.

**TWIZZLE,**  
through Burgess Yachts



*Factfile* 57.5m long, nine guests, four cabins, ten crew  
Price **€39,750,000**  
**£31,850,965** a year ago  
**£28,172,305** at today's exchange rates – a saving of **£3,678,660** compared with last year.

NAUTOR SWAN 75, through boatsales.com.au



*Factfile* 22.86m long, six berths, air conditioning, single hull  
Price **AU \$4,000,000**  
**£2,299,115** a year ago  
**£1,819,840** at today's exchange rates – a saving of **£479,275** compared with last year.

POLAR STAR, through Camper and Nicholsons



*Factfile* 63.4 m long, five decks, six cabins, lift, gym, spa, cinema, Jacuzzi bar  
Price **€55,000,000**  
**£44,070,515** a year ago  
**£40,087,465** at today's exchange rates – a saving of **£3,983,050** compared with last year.

2007 FEADSHIP TRI DECK, through YachtWorld.co.uk



*Factfile* 51.2m long, five cabins, accommodates ten people  
Price **US \$39,000,000**  
**£24,229,625** a year ago  
**£25,417,105** at today's exchange rates – **£1,187,480** more expensive than last year.

ZENOBIA, through Boat International



*Factfile* 57.3m long, 15 crew, 12 guests, eight cabins  
Price **€41,970,802**  
**£33,630,450** a year ago  
**£30,590,965** at today's exchange rates – a saving of **£3,039,485** compared with last year.

# Top tips to take away the PENSION TENSION

Whether you're retiring abroad or just want to know how it all works, we answer some of your questions.

## 1 Can I leave my pension in my UK plan?

Yes, you can. Your pension provider will hold onto your pension until you're ready to claim it. Then, when you get to 55 years old, you can take a quarter of your pension as a lump sum and use the rest as your pension which will see you through your retirement.

You may also be able to claim a State Pension from the country you are living in, if you are paying into its state pension scheme.

## 2 Can I transfer my pension to my new country of residence?

Through what are known as Qualifying Recognised Overseas Pensions Schemes (QROPS) – overseas pensions which meet the rules of where they are located – you can have your pension paid into a bank account in your new country of residence.

## 4 Can I live overseas and still receive a UK state pension?

Yes, you can live in another country and receive the UK state pension, but you should be aware that you will only be eligible to receive pension increases each year if you live in the European Economic Area, Switzerland, a country that has an agreement with the UK, or spend six months or more in the UK every year. Otherwise, you won't get annual increases, unless, of course, you move back to the UK.

Once you have become a tax resident in your new country of residence, you can transfer your pension fund from the UK into your QROPS just as you would between pension providers back home. You needn't worry about transferring your work pension scheme as you can transfer most types of pension, including personal pensions and those opted into through work.

## 5 How can I make the most of my money abroad?

If you're transferring your pension from the UK to your new country of residence, you should pay close attention to the exchange rates – dramatic fluctuations one way or the other could mean the amount you receive is reduced. Exchange rates can change dramatically, and sometimes in a short space of time. By managing your currency transfers, and maybe fixing your rate, there should never be any nasty surprises, and your money could end up going further.

## 3 Can I work abroad, but pay into a pension scheme back home?

If you're working overseas, but want to pay your pension into a scheme which is based in the UK, there is no longer any limit on how much you're able to pay into a UK pension scheme. However, you should be aware of any limitations on tax relief you can claim, and the exchange rate could affect how much of your money makes it back into your pension.

Contact the experts at **World First** and see how you could save money on your pension payments. Call us on **020 3393 6020**.

# A HOME DOWN UNDER to bowl you over

## ON THE BEACH

MACMASTERS BEACH,  
New South Wales

**AUD \$1,367,085**

A year ago **£785,775**

At today's exchange rates **£621,970**

Saving **£163,805**

Australia is the most popular destination for Brits moving abroad. David Trumper explores why, and looks at five properties that are a staggering 22% cheaper than a year ago.

Australia tops the list of destinations for expats from the UK, with – at the last count – over 1.27 million Brits living there. Behind Australia are the USA (759,000 Brits there), Canada (674,000), Spain (381,000) and New Zealand (314,000). Then come the likes of South Africa, Ireland, Germany, Channel Islands and Italy. Down the other end of the list, there are 10 in Bosnia, seven in Tuvalu (it's a Polynesian island in the Pacific, if you were wondering) and just four in San Marino.

Not only is Australia a popular place with British expats, but those that are out there consider it a successful place too. In a survey carried out last year by NatWest, 89% of Brits living in Australia said that their quality of life had improved since they had moved there. 82% said that the environment is better for their children and nearly three quarters said their health had improved. Unsurprisingly the sunshine is one of the top reasons for living there, and around nine in ten said they would stay there indefinitely.

One big reason to move to Australia right now is the fact that the exchange rate favours Brits looking to buy property there. A year ago, £500,000 would have bought you a property worth around AUD 870,000. At the time of writing, that same amount of money is worth about AUD 1,100,000 – that's AUD 230,000 more than a year ago.

## WHAT A VIEW!

METUNG,  
Victoria

**AUD \$951,897**

A year ago **£547,130**

At today's exchange rates **£433,075**

Saving **£114,055**



## RABY LOVE

RABY BAY,  
Queensland

**AUD \$2,784,807**

A year ago **£1,600,650**

At today's exchange rates **£1,266,975**

Saving **£333,675**



## GO WEST

VASSE,  
Western Australia

**AUD \$758,480**

A year ago **£435,960**

At today's exchange rates **£345,080**

Saving **£90,880**



## PLOT OF GOLD

PORT MACQUARIE,  
New South Wales

**Plot of land, AUD \$1,175,021**

A year ago **£675,380**

At today's exchange rates **£534,590**

Saving **£140,790**



# Making your money go EVEN FURTHER

By fixing an exchange rate when the currency rates are in your favour, you could make serious savings, according to **Jennifer Bird**, currency expert at World First.

You've already seen how a strong pound means your money goes further when you buy a property in Europe or Australia. Compared to last year, the pound is 8% stronger than the euro and a massive 22% stronger than the Australian dollar. You get more for your money, and that means you'll be able to afford a better home.

But of course, the currency rates can change at any time, and a quick weakening of the pound and/or strengthening of the currency in the country you're buying in could cost you tens of thousands of pounds. A 2% shift in the currency rate on a £1m property is the equivalent of a £20,000 swing, and that could make a real difference when it comes to securing your dream home.

**If only there was a way of being able to take advantage of this pound strength. Luckily there is.** It's all about fixing your exchange rate in advance.

Say you're buying a property in Italy and need to transfer the balance in two months' time, but you like the look of the current GBPEUR exchange rate. You can fix the rate, and guarantee the cost of the property, even if the

rate goes against you in the meantime. This is known as a forward contract, and gives you the luxury of knowing exactly what you'll pay when it's time for the payment to be made.

Bear in mind that it's possible that the rate could have gone in your favour, but you will at least have been able to budget for a certain amount and been confident that that amount wouldn't change.

For the mortgage payments, you can set up regular transfers so that payments are made every month without you having to do anything. Again, you can fix an exchange rate and know what you'll pay every time, or agree to take the exchange rate on the day every month.

**It's essential to speak to a currency specialist who will take the time to understand your requirements and offer options that would best suit your needs. And rather than getting your bank to make the currency transfer, use a currency exchange specialist like World First, who will make sure you get great exchange rates and a high level of service.**

## A CURRENCY STRATEGY THAT'S THE BUSINESS

Whether you run your own company or are the FD of a business involved in making international payments, the way you manage your currency transfers could have a significant impact on your bottom line, explains Matt James.

The foreign exchange market is the largest and fastest moving market in the world. It's open for business 24 hours a day, five days a week, and trying to navigate it can bring even the most battle-hardened finance director out in a cold sweat.

Any business exposed to currency markets should actively manage its risk – market movements can hit your margins or increase costs without warning. Our five simple tips can help you plot your way through the foreign exchange markets with confidence.

### Keep up to date

Currency markets can move quickly and suddenly in response to things like political events or significant international economic news. You could try and keep up with it all yourself but signing up to Jeremy Cook's Morning Update is probably a lot easier and quicker.

### Be clear on the price of your currency

The 'spread' is the difference between the price the broker pays for your currency and the price at which they then sell it on to you. Don't be afraid to ask your broker to explain the spread, as well as any other fees, so that you know exactly how much your currency is costing you. And a word to the wise; some brokers use 'honeymoon rates' to win business and gradually increase the spread over time.

### Make sure you consider your options

Many businesses use a combination of spot contracts, where you accept a given exchange rate 'on the spot', and forward contracts, which allow you to fix a rate for up to 3 years. Alternatively, the answer could lie in a made-to-measure currency option which could give you the protection of a forward whilst also allowing you to benefit from the upside if the market moves in your favour. There are pros and cons whichever approach you choose.

### Go to a currency specialist (hint: like World First)

Lots of businesses still default to their bank to make international payments when they would be very likely to save money by using a specialist broker instead – money that will directly affect your bottom line too. The point is this; you have options, and a good broker will take the time to understand your needs and find the best way forward for you.

### Know your budget rate

Many SMEs use a budget rate to calculate costs on goods bought in other currencies and expected revenues on overseas sales. A budget rate is an essential planning tool as it is a constant used when forecasting. The rate is often set by using prevailing forward rates and should be achievable by entering into a hedging transaction.

# MR. BUMP

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