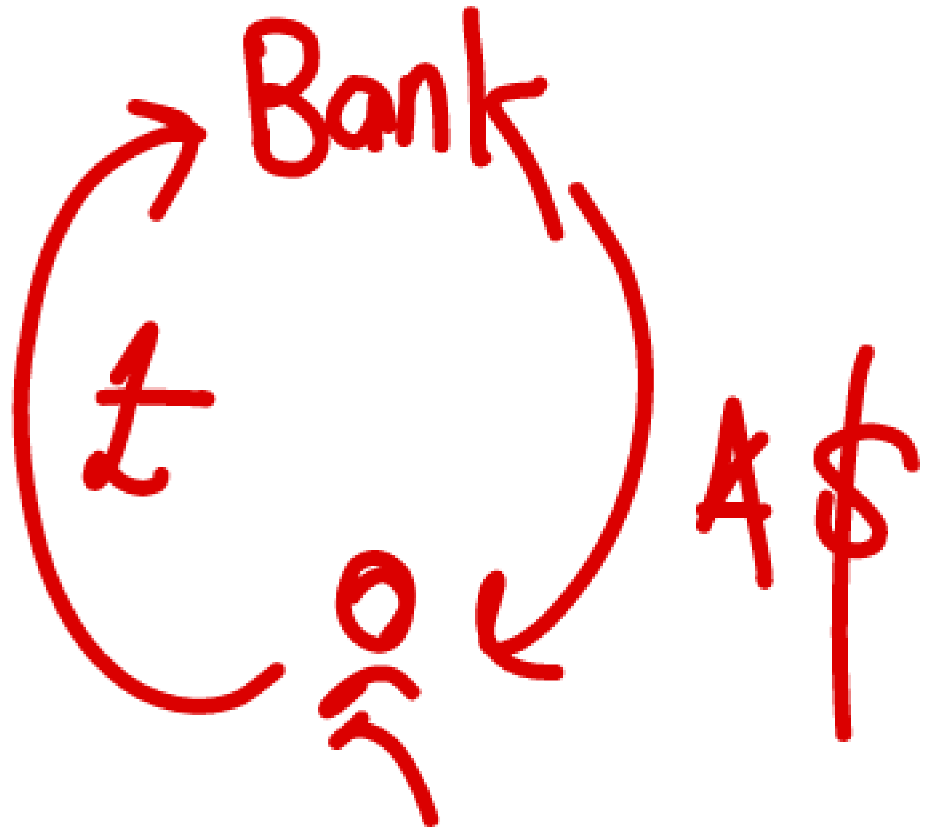
$A\$/£ \quad 1.5250 / 1.5305$

$\frac{250000}{1.5250}$

Buy A$ 250000 from Bank

£ required = ?

£



4. Appreciation & depreciation in currency

(i) ₹/\$ = 80.00

\$ will appreciate by 10%.

$₹/\$ = ₹80 \times 1.10$
$= ₹88$

\$ will depreciate by 10%.

$₹/\$ = ₹80 \times 0.9$
$= ₹72$

(ii) ₹/\$ = 80

₹ will appreciate by 10%.

₹ will depreciate by 10%.

ICAI	₹/\$ = 72	₹/\$ 88

Logically = $\frac{80}{1.10} = 72.72$

$\frac{80}{0.9} = 88.89$

Ram = Age 20 YEARS

Shyam Age 30 YEARS

Shyam : $\frac{30-20}{30} \times 100 = 33.33\%$

Ram : $\frac{30-20}{20} = 50\%$

EXAMPLE – 12

₹/\$ = 70

If \$ will appreciate by 10% what is new Exchange Rate.

FF

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EXAMPLE – 13

₹/$ = 70

If ₹ will depreciate by 10% what is new Exchange Rate.

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70×1.10

$= 77$

EXAMPLE – 14

₹/$ = 70

If $ will depreciate by 10% then calculate New Exchange Rate.

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70×0.9

EXAMPLE – 15

₹/$ = 70

If ₹ will appreciate by 10% then calculate New Exchange Rate.

(Page No. 02)

70×0.9

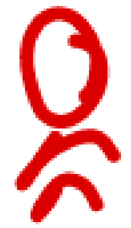
5. Cross Rates (Imp)

- **Without Bid Ask**

UK (£)

₹/\$ 80

India



Ram

\$/£ = 1.25

How Much Rupees required for 1 £ (₹/£ = 100)

$$₹/\$ = 80$$

$$\$/£ \quad 1.25$$

$$₹/£ = 80 \times 1.25$$

$$= ₹100$$

EXAMPLE – 16

₹/\$ = 60

\$/£ = 1.50

₹/£ = ?

EXAMPLE – 17

₹/£ = ₹ 90

$/£ = 1.50

₹/$ = ?

$$₹ 90 \times \frac{1}{1.50}$$

$$= ₹ 60$$

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