|  |  |
| --- | --- |
| **Press release****March 18, 2015, SYDNEY** | Michelle HutchisonHead of PR & Money Expertfinder.com.au+61403 192 994+61 2 9299 7602Michelle@finder.com.au |

**Australia ranks 10th in the world for international money transfers: don't get ripped off when transferring cash!**

|  |
| --- |
| * Australians transfer over A$17 billion overseas each year
* It can be 3-times cheaper to transfer money through a broker than a bank
* finder.com.au launches international money transfer comparison and calculator: [www.finder.com.au/international-money-transfers](http://www.finder.com.au/international-money-transfers)
 |

**March 18, 2015, Sydney, Australia –** Many Australians who transfer money overseas could be paying up to three-times more in fees by not comparing banks with other providers, according to one of Australia's biggest comparison websites [finder.com.au](http://finder.com.au/)[[1]](#footnote-1).

An analysis of the international money transfer market by [finder.com.au](http://finder.com.au/), which compares IMT providers, found that more people are sending money overseas from Australia than ever before, with record outgoings recorded over the past four years.

Australia ranks 10th highest in the world for transferring money overseas, with about US$15 billion (A$17 billion) transferred in 2012 – 11 percent more than in 2010, according to World Bank data analysed by [finder.com.au](http://finder.com.au/).

In 2009, Australia was ranked number 26 in the top remittance sending countries according to the World Bank.

A total ofUS$528.7 billion (A$694.2 billion) was transferred worldwide in 2012, with the United States in the number one spot, transferring US$123 billion (A$161.5 billion).

**Top 10 countries with highest international money transfers**

**Country Remittance total ($US Million)**

United States $123,273

Saudi Arabia $27,645

Canada $23,909

United Kingdom $23,601

Germany $21,031

United Arab Emirates $20,347

French Polynesia $19,283

Spain $18,595

Hong Kong $17,110

Australia $15,049

Michelle Hutchison, Money Expert at [finder.com.au](http://www.finder.com.au/international-money-transfers) said with more people sending money overseas than ever before, finding the best deal has never been more important.

“International money transfers have skyrocketed in Australia and it’s set to continue with more money being transferred and more people searching for money transfer options than ever before.

"We've seen triple the number of Australians searching for international money transfers on Google in one month compared to the same time last year. There was about 156,000 Google searches by Australians looking to transfer money internationally in the past year, with over 13,000 searches every month on average.

“More than one in four people in Australia were born overseas (6.4 million people or 28 percent), which shows it’s an industry that’s likely to continue growing as awareness builds for the importance of fast access to international remittance services to support their families offshore.

“With the growing demand for sending money overseas and more providers with different rates and fees charged, we have launched a comparison of 12 [international money transfer](http://www.finder.com.au/international-money-transfers) providers to help people understand their options and save money on international money transfers.”

Half of these money transfers is going to recipients in just five countries: United Kingdom, China, India, Lebanon and Vietnam. Recipients in the UK received US$2.15 billion (A$2.8 billion) from Australia, followed by China with US$2.11 billion (A$2.8 billion) and India of US$1.34 billion (A$1.8 billion).

**Top 10 countries Australians send money to (US$ Million)**

1. United Kingdom$2,152
2. China $2,107
3. India $1,338
4. Lebanon $1,085
5. Vietnam $881
6. Philippines $862
7. New Zealand $689
8. Germany $506
9. Italy $490
10. Korea $382

“Too much of the money sent by Australians is not reaching the people on the receiving end because it is diminished by fees.

“In fact, our research shows that it can be three times cheaper to transfer money overseas through a broker compared to a bank, with some brokers having next to no fees for recurring customers. This is why it is so important to compare.”

There are three main elements that make up the total cost to the consumer of a remittance transaction:

1. The fee charged at the time of transfer by the sending service provider (broker/bank)
2. Fees charged at the time of disbursement by the service provider in the recipient country (receiving fees)
3. The exchange rate applied to the transaction (margin).

Research by [finder.com.au](http://finder.com.au/) revealed the cost of sending US$1,000 to the UK ranged from $0 to $18.20. This is the fee charged by the provider. In some cases there may be intermediary bank charges from the receiving bank overseas. And the cost of converting funds into US dollars generally incurs an intermediary charge of between US$20-30 as an example.

According to finder.com.au research, banks generally take 3-5 percent margin off the interbank rate (the rate that the banks buy their currency from each other) whereas brokers tend to take under 3 percent.

“Brokers generally don't offset their exchange rates with the lower commissions they charge. It's generally the case that the smaller brokers are able to offer lower fees and rates because they have access to better deals as they have higher volumes of transactions than other banks, they specialise in it and some even do peer-to-peer which gives them access to a potentially cheaper method of transfer.

“The drawback is it's a relatively new market and non-bank providers are less likely to have their security kinks ironed out compared to big banks. If you pay more when going with a bank it's because you're paying for the security of a trusted brand.

“However, this sort of competition between providers is a previously untapped opportunity to improve costs and services to consumers.”

List of fees that people need to watch out for according to [finder.com.au](http://finder.com.au/international-money-transfers):

* Fees are usually charged per transfer and will range between providers, and will also generally be more expensive inside a branch.
* There are three main elements to the cost of transferring money overseas:
	+ the fee charged at the time of the transfer;
	+ the fee charged at the time of disbursement by the service provider in the recipient country (receiving fees); and
	+ the exchange rate applied to the transaction.
* Fees can also be charged for cancelling or amending a transaction.
* If you want to investigate a transaction you'll probably be charged a fee too.
* Exchange rates can also vary and cost a lot more than necessary if you don't shop around.

###

**For further information:**

**Michelle Hutchison**

Head of PR & Money Expert

finder.com.au

+61403 192 994

+61 2 9299 7602

Michelle@finder.com.au

**About finder.com.au:**

[*finder.com.au*](http://www.finder.com.au/) *is one of Australia’s biggest comparison websites and has helped over 4.8 million Australians find better credit cards, home loans, life insurance, shopping deals and more since 2006. finder.com.au compares 250 credit and debit cards from 31 providers, over 300 home loan products, and information from 13 life insurance providers as well as online shopping promo codes, mobile phone plans, travel insurance and more. One Australian every five minutes is using* [*finder.com.au*](http://www.finder.com.au) *or one of its network sites* [*creditcardfinder.com.au*](http://www.creditcardfinder.com.au/) *and* [*lifeinsurancefinder.com.au*](http://www.lifeinsurancefinder.com.au/) *to find better (Source: Google Analytics).*

**Disclaimer**:

*Hive Empire Pty Ltd (trading as finder.com.au, ABN: 18 118 785 121) provides factual information, general advice and services on financial products as a Corporate Authorised Representative (432664) of Advice Evolution Pty Ltd AFSL 342880. Please refer to our* [*FSG*](http://www.finder.com.au/resources/Finder-Financial-Services-Guide.pdf) *and Credit Licence ACL 385509. We are also a Corporate Authorised Representative of Countrywide Tolstrup Financial Services Group Pty Ltd. ABN 51 586 953 292 AFSL 244436 for the provision of online travel insurance. We are not owned by any Bank or Insurer and we are not a product issuer or a credit provider. Although we cover a wide range of products, providers and services we don't cover every product, provider or service available in the market. We also don't recommend specific products, services or providers. If you decide to apply for a product or service through our website you will be dealing directly with the provider of that product or service and not with us. We recommend consumers understand the Product Disclosure Statements before deciding if a product is right for them (c) 2013.*

1. Experian Hitwise 2014, 2015 [↑](#footnote-ref-1)