

exercise 1-428-700
March 31, 2008

Understanding Exchange Rates Quiz (B)

Question 1

At the beginning of March 2008, the following exchange rates applied:

- 1.0427 Swiss Franc/USD
 - 1.5211 USD/EUR
- A. What is the Swiss Franc/EUR exchange rate?
- a. 1.459
 - b. 1.586
 - c. 0.685
 - d. 0.6
 - e. 30
- B. If the US dollar appreciated by 20% against the euro, what is the new USD/EUR exchange rate?
- a. 1.216
 - b. 0.789
 - c. 1.825
 - d. 1.268
- C. If the USD depreciated by 15% against the Swiss Franc, what is the new Swiss Franc/EUR exchange rate?
- a. 0.548
 - b. 1.824
 - c. 1.349
 - d. 0.742
- D. If the Swiss Franc appreciated by 10% against the euro, what is the new Swiss Franc/EUR exchange rate?
- a. 1.442
 - b. 0.694
 - c. 1.762
 - d. 0.567



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