



STAR RATINGS TRAVEL MONEY CARDS

IN THIS REPORT

We research and rate eight travel money cards from eight different providers, to see what's on offer for Aussies spending abroad.

Love to travel... need to pay

We Aussies love to travel, there's no doubt about that. Whether it's for a short break, a family holiday or even a longer "staycation", trips overseas are a part of everyday life for many.

According to Australian Bureau of Statistics figures, April 2014 saw a total of 504,400 movements (departures) through Australia's international border for the purposes of a holiday – that's a lot of overseas trips!

Travel money cards are often described as the traveller's cheques of the 21st century.

Designed to make it more convenient and secure to carry spending money in different currencies abroad, they work much like a debit card, except they need to be pre-loaded with the currencies you want to use while you're away. Once loaded, they can be used to pay for items at point of sale and online. This pre-loading means the conversion rate you pay is the conversion rate at the time you pre-load the card, not the rate on the day you make your purchase.

Where did the award go?

This year, the *CANSTAR Travel Money Cards Award* has become the *CANSTAR*

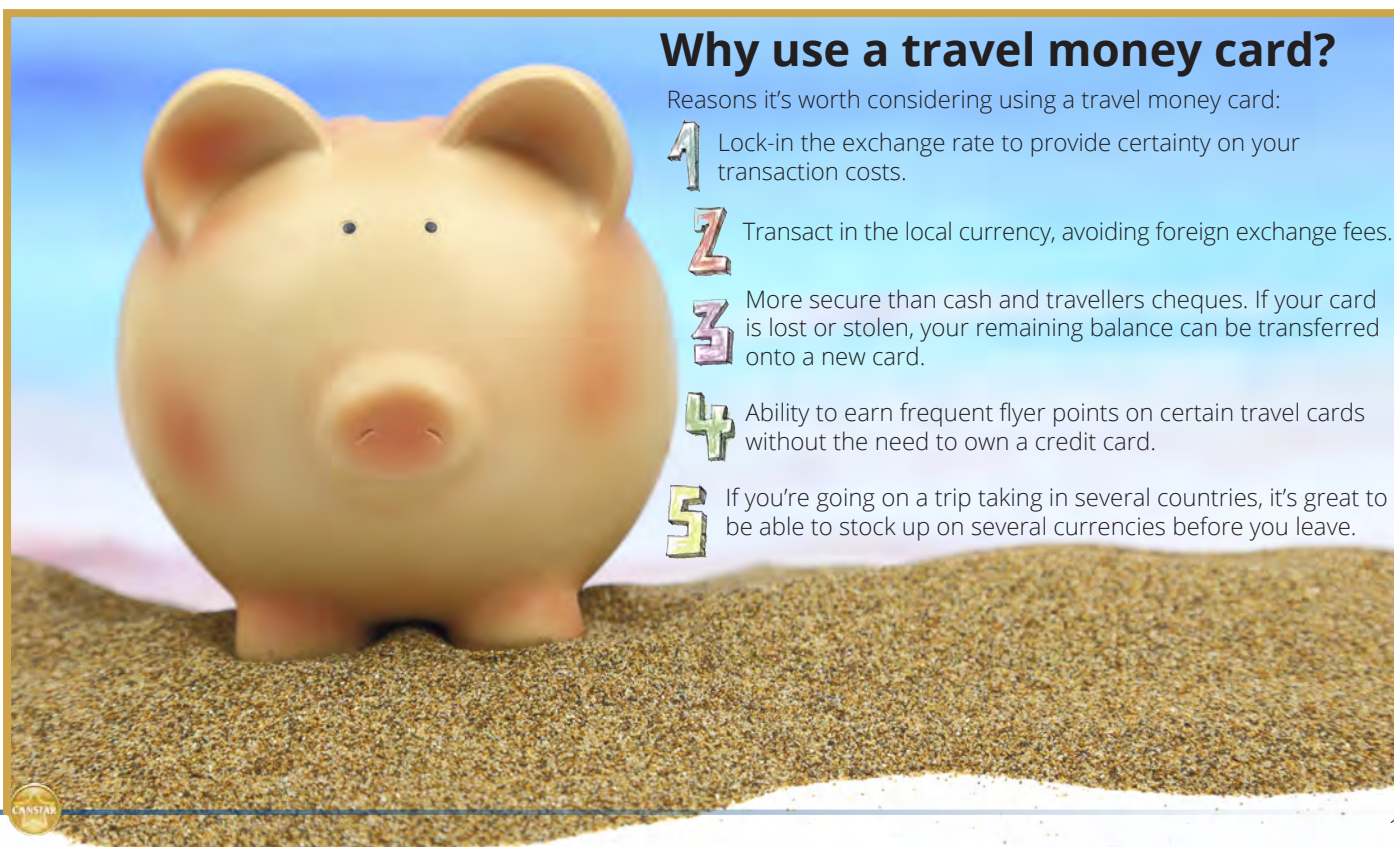
Travel Money Cards Star Ratings. The market is by no means swamped with travel money cards as yet but, as we predicted in last year's report, the inclusion of new Qantas and Virgin cards this year, along with Westpac's Global Currency card, has really shaken things up – and helped increase the products rated by 60%!

These additions plus some highly competitive offerings and the fact that the top three products were very closely matched, meant that a ratings report was more appropriate than just one award.

Why use a travel money card?

Reasons it's worth considering using a travel money card:

- 1 Lock-in the exchange rate to provide certainty on your transaction costs.
- 2 Transact in the local currency, avoiding foreign exchange fees.
- 3 More secure than cash and travellers cheques. If your card is lost or stolen, your remaining balance can be transferred onto a new card.
- 4 Ability to earn frequent flyer points on certain travel cards without the need to own a credit card.
- 5 If you're going on a trip taking in several countries, it's great to be able to stock up on several currencies before you leave.



The new battle lines

The air wars used to be restricted to the skies, with airlines battling it out using cheaper fares and bigger rewards. Now, the battle has come to the money card, as Qantas and Virgin enter the fray and all the providers try to outdo each other on features and costs.

As the CANSTAR researchers made their way diligently through the data for this year's star ratings report, some exciting new features appeared in what is clearly an effort by providers to entice new customers (as well as retain current ones).



- The accrual of frequent flyer points (available with Qantas Cash and Velocity Global Wallet).
- Speeded up payment processes – “tap and go” – thanks to near-field communication (NFC) technology in the cards – Visa payWave for the Velocity Global Wallet and MasterCard PayPass for Qantas Cash (for sales under \$100).
- More choice. The Commonwealth Bank of Australia offers a great range of currencies (13 different ones), from the Chinese renminbi to the Emirati dirham.
- Q-chip, which provides the ability to use your card as a boarding pass – this feature is only available with Qantas Cash right now (and only for domestic Qantas flights), but could be something that other providers introduce in the future.

Future features we'd like to see...

• **Immediate reload** – If your funds run out, you tend to need more money straight away. With the travel money cards CANSTAR analysed, reload times varied from one to three days, except for Commonwealth Bank customers using the CBA Travel Money Card, for whom reload is immediate. Reduced reload times would make for much more convenient cards.

• **Automatic top-up** from a registered bank account – much like many of the pre-paid transport cards available in cities across Australia, which are automatically topped up as soon as the amount on the card falls below a certain level, automatic top-up would mean not having to pay the extra costs associated with using the next currency available on your card when the local currency runs out.

• **Email warning** when your pre-paid amount is getting low. As soon as the amount your card is loaded with falls below a certain level (preferably a level you could set for yourself), an email could be sent to alert you that you need to top up before making another purchase. An email would be preferable to an SMS, because the latter could cost you quite a lot to receive depending where in the world you've travelled to.





HEAD TO HEAD

Storming to the top of the ratings in their very first year, both Qantas' *Qantas Cash* and Virgin's *Velocity Global Wallet* cards certainly made an entrance onto the market. Here's how they compare...







	Qantas Cash	Velocity Global Wallet
Number of currencies available	11	10
Maximum number of currencies able to be loaded onto card at once	11	5
Reload fees	Free	Free
Replacement card fee	\$10*	Free
Secondary card fee	Secondary card not available	\$10
International ATM withdrawal fee – New Zealand	\$NZ 2.50	\$NZ 2.50
International ATM withdrawal fee – USA	\$US 1.95	\$US 1.95
International ATM withdrawal fee – UK	£ 1.25	£ 1.25
International ATM withdrawal fee – EU	€ 1.50	€ 1.50
International ATM withdrawal fee – Singapore	\$SG 2.50	\$SG 2.50
Monthly inactivity fee	Free	\$1, charged monthly after 12 months of inactivity
Frequent flyer points earn rate	1 Qantas Frequent Flyer point for every \$2 spent in AUD 1 Qantas Frequent Flyer point per \$1 equivalent of international spend	1 Velocity Frequent Flyer point per \$2 spent in Australia 1 Velocity Frequent Flyer point per \$1 spent overseas
Waiver of flight booking fees?	Yes, on domestic bookings made at least 7 days prior to travel	No
Domestic boarding capabilities?	Yes	No
Ability to choose and change PIN?	No	Yes

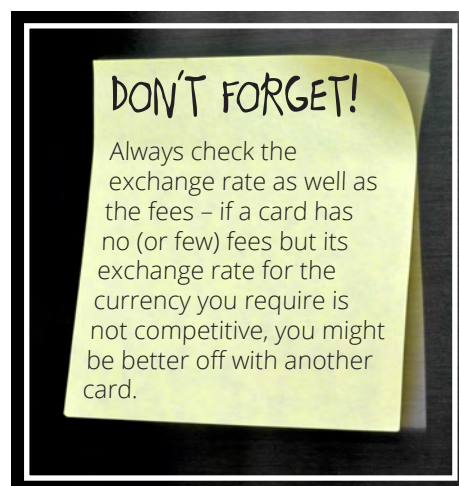
* The replacement card fee is \$10 until July 10, 2014, after which time it will be free



Watch out for the fees

Fees can sometimes catch you unaware, so it pays to keep an eye out for the following when choosing the right travel money card for you – and don't let them sneak up on you when you're already using one!

-  Initial card fee
-  Reload fee
-  Supplementary card fee
-  Replacement card fee
-  Inactivity fee
-  Non-native transaction fee (where the card uses an alternative, non-native, currency if funds in the local currency are too low).



Five-star quality on offer

Winning this year's Money Travel Card race were the Velocity Global Wallet, Qantas Cash and Multi-Currency Cash Passport, all three of which were found to give outstanding value and

were awarded a five-star rating after all the deliberations and calculations had taken place.

It's great to see the competition among travel money cards hotting up, with this year's analysis revealing more features, more choice and more things offered for free across the various products!

Equally impressive were some of the seriously high scores, with CBA Travel Money Card awarded top marks for Features.

The other maximum score to pop up in the ratings went to Qantas Cash in the Cost section, thanks in no small part to many of the fees being waived.



CANSTAR would like to congratulate the five-star rated travel money cards:

- Multi-currency Cash Passport
- Qantas Cash
- Velocity Global Wallet

Their combination of low costs and handy features ensure they offer users outstanding value for their overseas spending needs.

Whenever choosing a travel money card for your trip, always check the terms, conditions and fees to make sure it is suitable for your needs.



Travel Money Cards



STAR RATINGS TRAVEL MONEY CARDS

METHODOLOGY

What are the *CANSTAR Travel Money Cards Star Ratings*?

CANSTAR Travel Money Cards Star Ratings use a sophisticated and unique ratings methodology that compares both cost and features across travel money cards. CANSTAR star ratings represent a shortlist of travel money cards, enabling consumers to narrow their search to travel money cards that have been independently assessed and ranked. *CANSTAR Travel Money Cards Star Ratings* is a transparent analysis comparing a range of travel money cards across the market.

Ratings range from five to three stars. Five-star rated travel money cards have been assessed as offering outstanding value to consumers.

The title of "*Outstanding Value Travel Money Cards*" is awarded to institutions that obtain a five-star rating based on performance across judging criteria set down by CANSTAR.



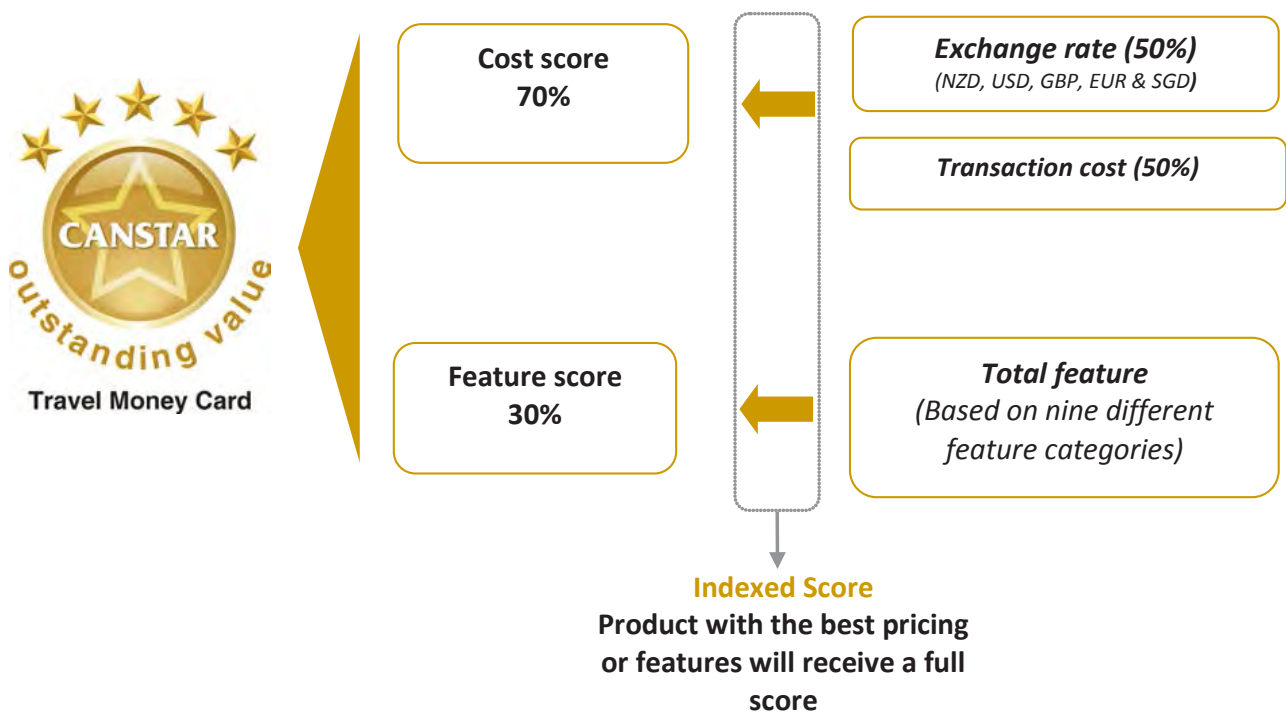
What is a travel money card?

A card that allows you to preload the currency of your choice to meet your travel expenses while overseas. Basically you can lock in the exchange rate when you purchase and load the card.

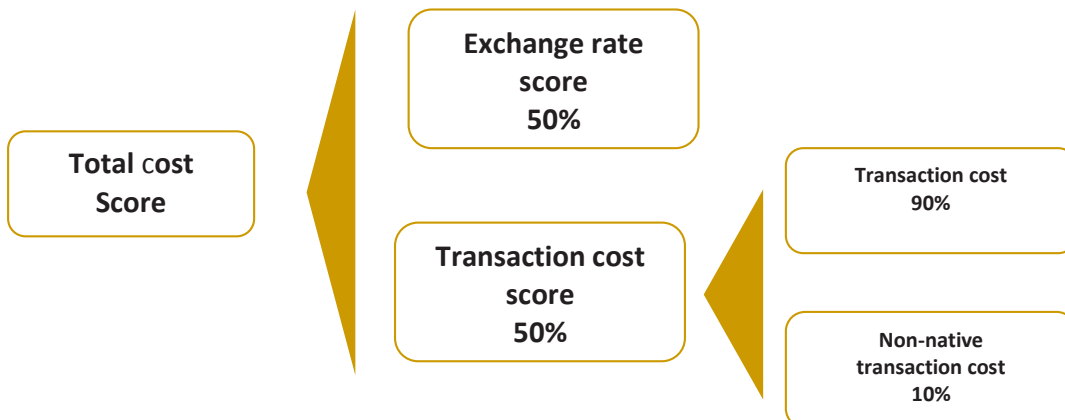
Eligibility Criteria

- Must allow you to lock in your exchange rate before travel
- Must have the ability to load multiple foreign currencies in a single travel money card
- Ability to load card with your own funds – no credit or borrowing allowed
- Must provide online exchange rate for comparison.

Ratings methodology



Cost score



Exchange rate score

To measure the exchange rate we compared five currencies' (USD, GBP, EUR, NZD & SGD) exchange rates captured over two data points across a five-week period. The product offering the best exchange rates across each currency gets the maximum exchange rate score.

Transaction cost score

Transaction cost

To measure the transaction cost we compared the following transactions in all the five different currencies:

Initial loading cost for \$3500
 +
Reload cost for \$1500
 +
10 ATM withdrawals while abroad (converted to AUD)
 +
10 POS transactions (converted to AUD)
 +
Closure fee
 =
Total transaction cost

Non-native transaction cost

A non-native transaction cost is a cost payable when there are insufficient funds available in the local currency, and funds from a different currency loaded onto the card are used.

This cost is calculated across each currency, then indexed at each currency level and then indexed at the overall level.

To calculate the total cost score the individual weightings applied across each currency are provided in the table below:

<i>Currency</i>	<i>USD</i>	<i>GBP</i>	<i>EUR</i>	<i>NZD</i>	<i>SGD</i>
<i>Weights</i>	35%	30%	15%	10%	10%

Feature score

Each individual feature is categorised into nine different categories and allocated points. Based on the points received each individual product gets a total feature score. This total is then weighted against the weights provided in the table below for their respective profile feature score. The feature scores then get indexed to provide the final feature score.

<i>Category</i>	<i>Definitions</i>	<i>Weightings</i>
<i>Terms & Conditions</i>	Ability to lock exchange rate, back-up card, emergency card replacement, emergency fund access, etc	20%
<i>Account facility</i>	Can purchase the card online, can access account online, can view transactions online, etc	20%
<i>Reload</i>	Can reload the card, reload using BPAY, can reload at time of purchase, etc	15%
<i>Convenience</i>	Can use the card for online purchase, can use it at ATMS, can use it at point of sale, etc	15%
<i>Security</i>	Chip & Pin protected, signature panel on the reverse, not linked to your bank account	5%
<i>Fees</i>	Fees for card closure, reload fees, replacement card fee, etc	5%
<i>Currency available</i>	Single-/multiple-currency card, maximum number of currencies at a time on the card, currencies available, etc	10%
<i>Distribution outlet</i>	Can purchase through credit unions, travel agents, etc	5%
<i>Limits</i>	Maximum no of cards a single person can hold, maximum amount you can load/reload, maximum ATM withdrawal, etc	5%

How many travel money cards are reviewed?

In order to calculate these ratings, CANSTAR analyses eight travel money cards.

Does CANSTAR rate all products in the market?

We endeavour to include the majority of product providers in the market and to compare the product features most relevant to consumers in our ratings. However this process is not always possible and it may be that not every product in the market is included in the rating nor every feature compared that is relevant to you.

How often are travel money cards reviewed for star rating purposes?

All ratings are fully recalculated every 12 months. CANSTAR also monitors changes on an ongoing basis.

How are the stars awarded?

CANSTAR ranks travel money cards based on value-for-money measures and then awards a star rating according to rank. The top cards will be awarded a five-star (or outstanding) rating. The number of cards awarded each of the three- to five-star ratings will ultimately depend on the dispersion of final scores.

Does CANSTAR rate other product areas?

CANSTAR researches, compares and rates the suite of banking and insurance products listed below. These star ratings use similar methodologies to guarantee quality, consistency and transparency. Results are freely available to consumers who use the star ratings as a guide to product excellence. The use of similar star ratings logos also builds consumer recognition of quality products across all categories. Please access the CANSTAR website at www.canstar.com.au if you would like to view the latest star ratings reports of interest.



- Account-based pensions
- Agribusiness
- Business banking
- Business life insurance
- Car insurance
- Credit cards
- Deposit accounts
- Direct life insurance
- Health insurance
- Home & contents
- Home loans
- Life Insurance
- Managed investments
- Margin lending
- Online banking
- Online share trading
- Package banking
- Personal loans
- Reward programs
- Travel insurance
- Youth banking & education

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Travel Money Cards Star Ratings

Report Date: JUNE 2014

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Travel Money Cards

Product Name	Purchase Online	Emergency Fund Transfer	Earn Reward Points	Maximum Balance Loaded	Maximum # Currency Loaded	Fees and Charges (as at 1 June 2014)					
						Issue*	Currency Conversion**	Reload	Refund Balance	Monthly Inactive #	Closure
★★★★★ outstanding value											
Cash Passport MasterCard	✓	✓	✗	100000	10	15	5.95%	1.10%	Nil	4	10
Qantas Cash MasterCard	✓	✓	✓	100000	11	Nil	3.00%	Nil	Nil	Nil	Nil
Velocity Global Wallet Visa	✓	✓	✓	25000	5	Nil	3.00%	Nil	Nil	15	Nil
★★★★											
Commonwealth Bank Travel Money Card	✓	✓	✗	100000	13	15	Nil	1% or \$15	Nil	Nil	Nil
Westpac Global Currency Card Visa	✗	✓	✗	50000	5	10	3.00%	1.10% or \$10	10	Nil	Nil
★★★											
ANZ Travel Card Visa	✓	✗	✗	80000	10	11	3.00%	1.10%	Nil	3	Nil
NAB Traveller Card MasterCard	✗	✓	✗	45000	10	1.00%	4.00%	0.01%	Nil	4	Nil
OzForex Travel Card MasterCard	✓	✗	✗	25000	9	15	3.00%	Nil	10	Nil	Nil

your guide to product excellence

* Issue fee applies to online applications. Application via agent or other channel may incur additional fees and charges.

** Currency conversion fee applies when undertaking a transaction in a currency not loaded on the card

applicable after 12 months of card inactivity