ARITHMETIC (Q 1, PAPER 1)

LESSON NO. 5: FOREIGN EXCHANGE

2000

1   (b)   1 euro = IR£ 0.787564
               1 euro = DM 1.95583
       (i)   Calculate the value of IR£100 in euro, correct to two places of decimals.

       (ii) Hence, calculate the value of IR£100 in Deutschmarks (DM), correct to two places of decimals.

1998

1   (c) A supplier agrees to buy 300 computer parts for 1060 Deutschmarks (DM) each. He plans to sell them for a total of IR£138,000.
       (i)   Calculate the percentage profit (on the cost price) he will make if the exchange rate is IR£1 = DM 2.65?

       (ii) By how much will the percentage profit (on the cost price) change if the exchange rate becomes IR£1 = DM 2.50? Give your answer correct to one place of decimals.

ANSWERS
2000   1   (b) (i) 126.97 euro   (ii) 248.34 DM
1998   1   (c) (i) 15%   (ii) Decreases by 6.5%