

Paper or Plastic?

Money Matters Around the Globe

Your banking choices while traveling internationally are much like those available to you domestically. You have a wide variety of plastic options, such as:

- International debit cards
- International [student credit cards](#)

Additionally you can spend with cash, travelers checks, or international prepaid credit cards. Exploring your options will ensure that you pick the most appropriate banking solutions for you.

International Debit Cards

It's quite possible that you already have an international debit card. These cards are simply debit cards that are hooked to [checking, savings](#) or other bank accounts and function on internationally recognized ATM networks like Visa's Plus and MasterCard's Cirrus or Maestro.

- Usually if your card has a Visa or MasterCard logo, it will function as an international debit card. To be sure, check with your banking institution.
- You should also check online to see if there are Visa or MasterCard ATMs in the areas where you'll be traveling.
- International debit cards that are connected to U.S. bank accounts offer a very simple solution to a potential issue you'll face while traveling abroad. Namely, how do you get more money when you run out? In an emergency situation your parents can deposit funds into your account making cash available to you. This is a cost-effective alternative to wiring money.
- You can also manage your [student budget](#) by depositing any funds you'll be using abroad, including those from [study abroad loans](#), into a savings account and setting up automatic transfers into a checking or other account.

You can then use your international debit card to access the travel "allowance" you've set up. This scenario will also help to keep your funds safe in the event you lose your card.

International Student Credit Cards

International student credit cards are extremely useful to have as you're traveling internationally. Not only do they provide access to funds for everyday spending or emergencies, they also provide protection against loss or theft.

- Many international student credit cards come with rewards programs where you can earn points or miles as you spend.
- As with any [student credit card](#), use your card responsibly when you spend. Also be careful to stay under your credit limit, as it's much easier to have your card confiscated while spending abroad.
- Be sure to have a plan for paying at least your minimum payment while you're traveling. The easiest way is to pay online with the [eBill Pay](#) feature of your [student checking account](#).

International Prepaid Credit Card

If you're looking for a banking product that provides access to money anywhere without risk of overspending, get an international prepaid credit card.

- Over the past few years these cards have increased in popularity with students traveling abroad because of their convenience, reliability, and safety.
- International prepaid credit cards are like a hybrid of the international debit card and the international student credit card, as it works like a credit card, but you're spending money you've already deposited into the account, like a debit card.
- Although these cards can usually be reloaded from a bank account, they aren't linked back to your bank account, thus thieves aren't able to access your bank accounts. But these cards aren't 100% risk-free. If you do lose it somehow, many times the money on the card will be lost.

Travelers Checks

Travelers checks, like those distributed by American Express, are accepted worldwide and can be purchased in U.S. dollars or in foreign currencies, eliminating the need to exchange money as you travel.

- Travelers checks have been a longtime favorite of students studying abroad as they can be replaced if lost or stolen.
- American Express has also recently introduced a new card that functions like an international prepaid credit card, but has the same benefits of travelers checks called the Travelers Cheque Card.

Don't Have Conversion Aversion

Whether you're a math major or a numerically-challenged, it's imperative that you have working knowledge of how currency works in the country or countries you visit. That includes:

- Understanding fluctuations in the exchange rate of the U.S. dollar.

- Knowing how money works in those countries because the world does not operate on pennies, nickels, dimes and quarters.

To get an understanding of current exchange rates, check out the currency converter at XE.com.

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