

HIDDEN FEES

ESTONIA



January 2023

7WISE

What's the purpose of this report?

According to the EU's Cross-Border Payments Regulation, providers need to inform a customer "prior to the initiation of the payment transaction, in a clear, neutral and comprehensible manner, of the estimated charges for currency conversion services applicable to the credit transfer".

This report shows that despite these rules, banks still hide the bulk of the cost of a transfer in an inflated exchange rate. The rate they offer their customers is much worse than the rate you see on Google. We've put two screenshots side-by-side to expose these fees and show consumers get a worse deal than they think.



Are banks in Estonia transparent about their fees?

Sending 1,000 EUR to HUF*

Company	Markup	Markup fees	Transparency rating
Luminor	1.13%	€113.1 hidden fee	Poor
Swedbank 	4.5%	€450.1 hidden fee	Poor
SEB	2.96%	€296.3 hidden fee	Poor

* Calculations based on a 1,000 EUR transfer fee

Luminor

Sending 1,000 EUR → HUF

- There seems to be no transfer fees, so the total cost is **not clear**. In T&Cs it's written as €5 (Regular debit package).
- Luminor exchange rate is presented as **the** exchange rate.
- **4.50%** exchange rate mark-up **isn't communicated** as an extra cost.

	Mid-market exchange rate	Luminor exchange rate	Hidden markup fee	Stated transaction fee	Real total cost	Transparency rating
Luminor	1,000 EUR = 408,191 HUF	408,191 HUF = 1,045.01 EUR + 4.5%	€45.01	€5.00	€50.01	Poor

Where Luminor hides it?

Luminor exchange rate is presented as the exchange rate.

4.50% exchange rate mark-up isn't communicated as an extra cost.

Uus makse

EUROMAKSE EESTIS JA EU/EEA LIIKMESRIIKIDES MUUD MAKSED

SAAJA NIMI


SUMMA VALUUTAS HUF


408191

HUF 

Sisestatud summa ületab vabade vahendite summat.

© 408 191,00 HUF = 1 045,01 EUR Vabad vahendid 1 024,75 EUR

Maksa kontolt 


Maksepäev Täna 

There seems to be no transfer fees, so the total cost is not clear. In T&Cs it's written as €5 (Regular debit package).

Swedbank

Sending 1,000 EUR → HUF

- Total amount to be transferred and total cost is **not clear**.
- Swedbank exchange rate is presented as **the** exchange rate
- **1.13%** exchange rate mark-up **isn't communicated** as an extra cost
- Creates the impression that the only cost is €6 in fees

	Mid-market exchange rate	Swedbank exchange rate	Hidden markup fee	Stated transaction fee	Real total cost	Transparency rating
	1,000 EUR = 406,771.5 HUF	406,771.5 HUF = 1,011.31 EUR + 1.13%	€11.31	€6.00	€17.31	Poor

Where Swedbank hides it?

Swedbank exchange rate is presented as the exchange rate.

1.13% exchange rate mark-up isn't communicated as an extra cost.

Välismaksekorraldus

Valuuta konverteerimine toimub järgnevatel kursside* alusel:

- Ostetav summa 406 779.5 HUF kurs 402.231500
- Müüdav summa 1 011.31 EUR kurs 1.000000

Dok nr: 73
Makse kuupäev: 30.11.2022
Makse tüüp: Tavamakse
Ülekande kulud katab: Kahasse
Maksa nimi: ██████████
Maksa konto: ██████████
Saaja nimi: ██████████
Saaja aadress: ██████████
Makse saaja riik: Ungari
Saaja konto või IBAN: ██████████
Grupisisene makse: Ei
Saaja pank: OTP

Summa: HUF (Kattevaluuta EUR)

Teenustasu: 6 EUR
Selgitus: Payment

Creates the impression that the only cost is €6 in fees


* Data collected in November 2022

* Arvutus on tehtud hetkekursi järgi, konverteerimise hetkeks võib kursid olla muutunud.
Kahe välisvaluuta (mitte EUR) vahetuskurs on tuletatud vastavate valuutade kurssidest euro suhtes.

SEB

Sending 1,000 EUR → HUF

- Total amount to be transferred and total cost is **not clear**. It is said the amount and rate is the 'expected' result.
- SEB exchange rate is presented as **the** exchange rate
- **2.96%** exchange rate mark-up **isn't communicated** as an extra cost
- Creates the impression that the only cost is €6 in fees

	Mid-market exchange rate	SEB exchange rate	Hidden markup fee	Stated transaction fee	Real total cost	Transparency rating
	1,000 EUR = 410,641 HUF	410,641 HUF = 1,029.63 EUR + 2.96%	€29.63	€6.00	€35.63	Poor

APPENDIX

Collected exchange rate data

EUR → HUF

Nov 30, 2022

1 Euro equals
406.78 Hungarian Forint

Nov 30, 11:37 UTC · Disclaimer

1000 | Euro ▼

406779,50 | Hungarian Forint ▼

Dec 13, 2022

1,000 Euro equals
410,641.00 Hungarian Forint

Dec 13, 18:50 UTC · Disclaimer

1000 | Euro ▼

410641,00 | Hungarian Forint ▼

Dec 15, 2022

1,000 Euro equals
408,191.00 Hungarian Forint

Dec 15, 16:52 UTC · Disclaimer

1000 | Euro ▼

408191,00 | Hungarian Forint ▼

