

## 5. Currency Issuance

The Bank acts as the issuing authority for the nation's currency and is dedicated to providing a stable and reliable currency for the public to foster economic activity and maintain public confidence in the currency.

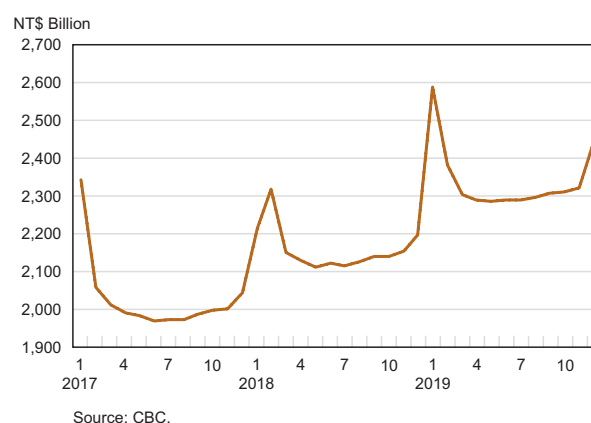
For the year 2019, the Bank maintained the supply of currency at an optimum level to meet public demand, which is subject to a variety of factors from Taiwan's economic conditions and seasonal factors to the development of noncash payment instruments. The Bank also issued commemorative coin sets featuring the Chinese zodiac of the year and national parks of Taiwan. Meanwhile, the Bank's endeavors to promote public awareness of counterfeit deterrence and encourage the use of circulating currency continued through various channels.

### Currency Issuance Rose in Response to Currency Demand

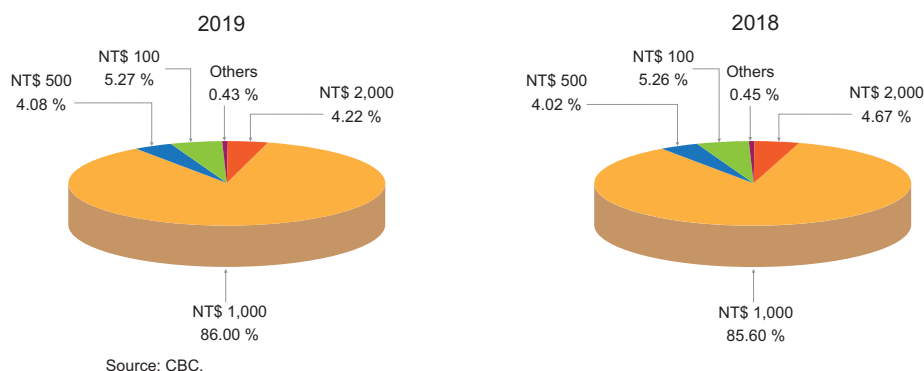
In 2019, the Bank provided an adequate amount of currency in response to currency demand. The currency issued peaked at NT\$2,617.5 billion on February 1, the last business day before the Lunar New Year holidays, reflecting a temporary seasonal surge in cash demand. At the year end, the outstanding amount of currency issued was NT\$2,447.3 billion, rising by NT\$250.0 billion or 11.38% over the previous year end.

By denomination, the composition of NT dollar banknotes in circulation at the end

**Currency Issued**



**Composition of NT Dollar Banknotes Issued  
( Year-End Figures )**

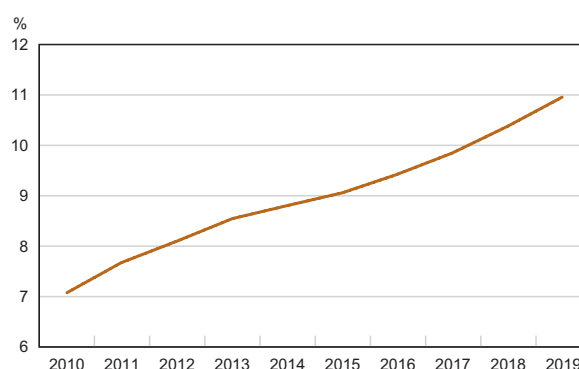


of 2019 was similar to the end of 2018. The NT\$1,000 note accounted for a dominant share at 86.00%. The NT\$100 and NT\$2,000 notes came in second and third with shares of 5.27% and 4.22%, respectively.

### Currency in Circulation to GDP Trended Up

As domestic interest rates stayed at relatively low levels and cash was still frequently used for small-value transactions, the public's demand for currency remained high. The ratio of currency in circulation to GDP has continued to rise steadily since 2010 and reached 10.98% in 2019, 0.58 percentage points higher than the 10.40% of the previous year.

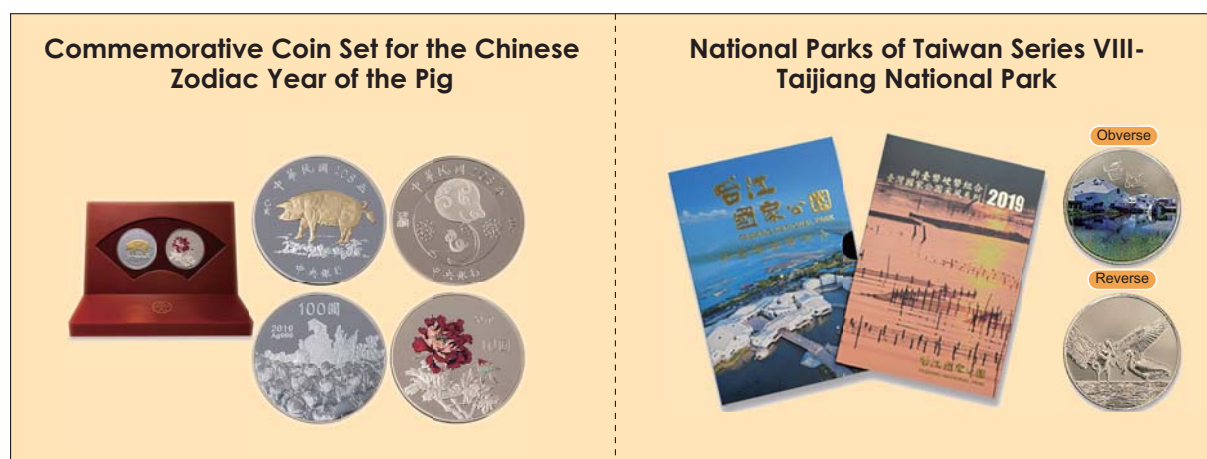
**The Ratio of Currency Held by the Public to GDP**



Sources: 1. CBC.  
2. DGBAS, Executive Yuan.

### Two Commemorative Coin Sets Were Issued

The Bank may also issue gold and silver coins and commemorative notes and coins from time to time, such as for important ceremonies, national holidays, major international events or other significant national events. During 2019, the Bank issued a casting set of coins for the Chinese Zodiac Year of the Pig, and the eighth coin set of the National Parks of Taiwan series - Taijiang National Park.



Source: CBC.

### The Bank Continued to Encourage the Use of Circulating Currency and Raise Public Awareness of Counterfeit Money

In order to deter and prevent counterfeiting, reduce currency issuing costs, and protect the environment by maximizing existing resources, the Bank launched several advertising campaigns

during the year to enhance public understanding on the security features of NT dollar notes and coins and to promote the use of circulating currency.

Meanwhile, the Bank strove to improve the cleanliness of currency by inspecting returned banknotes and destroying damaged ones. Efforts to urge the public to help maintain the cleanliness of circulating notes and coins continued in 2019.

Educational materials for these campaigns were provided through multiple channels. For example, relevant videos were broadcasted on media such as the Bank's website, the Virtual Money Museum, YouTube, and the Bank's official mobile app. Information was also posted on the Bank's Facebook fan page and displayed on public transportation. Leaflets were distributed to the public and relevant institutions.