

6. Currency Issuance

For the year 2015, the CBC conducted currency issuance with a focus on maintaining an adequate supply of currency to meet public demand, which is dependent on the level of economic activity, seasonal factors, and the development of noncash payment instruments, etc.

Rise in Currency Issuance in Response to Currency Demand

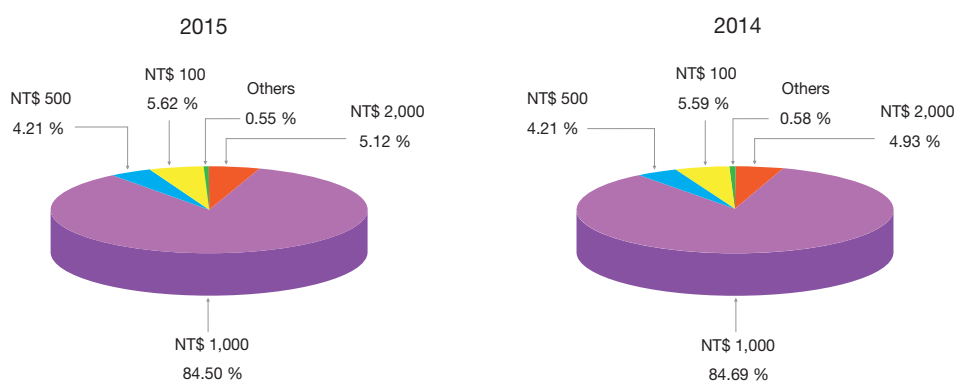
In 2015, the CBC implemented an appropriate currency issuance plan for delivering banknotes and coins in response to currency demand. The currency issued peaked at NT\$2,126.8 billion on February 17, the day before the Lunar New Year holidays, reflecting a temporary seasonal surge in cash demand. At the year end, the outstanding amount of currency issued was NT\$1,804.6 billion, representing an increase of NT\$97.9 billion or 5.74% over the previous year end.

At the end of 2015, the composition of NT dollar banknotes in circulation by denomination was similar to the end of 2014. The NT\$1,000 note accounted for the lion's share at 84.50%, followed by the NT\$100 (5.62%) and the NT\$2,000 (5.12%) notes.

Currency Issued



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



Source: CBC.

Currency in Circulation to GDP Ratio Increased

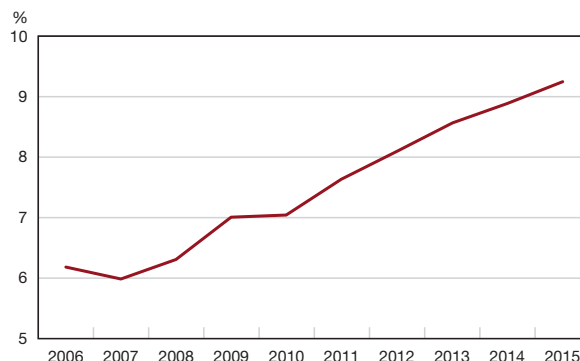
Owing to the low interest rate environment since September 2008, the public began to increase their currency holdings, and the ratio of currency in circulation to GDP continued to rise. It stood at 9.25% in 2015, a 0.36 percentage point gain over the previous year.

Three Commemorative Coin Sets Were Issued

In addition to normal currency issuance, the CBC 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 2015, the CBC issued a casting set of coins for the Chinese Zodiac Year of the Goat, a coin set for commemorating the 70th Anniversary of Victory in the War of Resistance Against Japan and the Retrocession of Taiwan, and the fourth coin set of the National Parks of Taiwan series - Taroko National Park.

Moreover, the CBC issued the commemorative silver coin for the 150th Anniversary of the Birth of Dr. Sun Yat-sen, Founding Father of the Republic of China.

The Ratio of Currency Held by the Public to GDP



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