

6. Currency Issuance

For the year 2016, the CBC conducted currency issuance with the aim of maintaining an adequate supply of currency to meet public demand, which is dependent on domestic economic conditions, seasonal factors, and the development of noncash payment instruments. In addition, the CBC also issued commemorative coin sets to mark national events.

Currency Issuance Rose in Response to Currency Demand

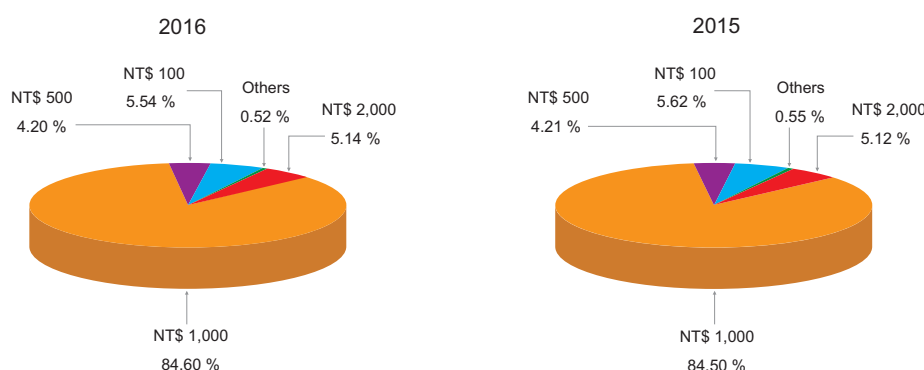
In 2016, the CBC provided an adequate amount of currency in response to currency demand. The currency issued peaked at NT\$2,233.9 billion on February 5, the business day before the Lunar New Year holidays, reflecting a temporary seasonal surge in cash demand. At the year end, the outstanding amount of currency issued was NT\$1,938.1 billion, representing an increase of NT\$133.5 billion or 7.40% over the previous year end.

At the end of 2016, the composition of NT dollar banknotes in circulation by denomination was similar to the end of 2015. The NT\$1,000 note accounted for the lion's share at 84.60%, followed by the NT\$100 (5.54%) and the NT\$2,000 (5.14%) notes.

Currency Issued



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



Source: CBC.

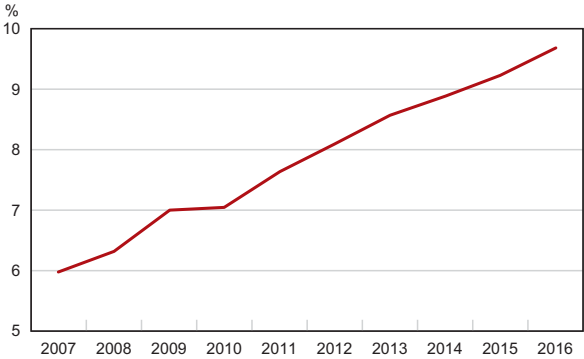
Currency in Circulation to GDP Ratio Increased

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 9.68% in 2016, a 0.46 percentage point gain over the previous year.

Three Commemorative Coin Sets Were Issued

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 2016, the CBC issued a casting set of coins for the Chinese Zodiac Year of the Monkey, the commemorative gold and silver coins for the inauguration of the Fourteenth President and Vice President of the Republic of China (Taiwan), and the fifth coin set of the National Parks of Taiwan series - Shei-Pa National Park.

The Ratio of Currency Held by the Public to GDP



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