

15. Promoting a Central Government Bond Book-Entry System

A government bond book-entry system was established in September 1997. Since then, fifteen such issues of government bonds have been made, amounting to a total of NT\$493 billion. With another NT\$183 billion of physical bonds being converted into book-entry form, the total amount of book-entry government bonds circulated in the market reached NT\$675 billion, which accounted for 40 percent of the total value of the bond market. Monthly transaction amount in such bonds in the secondary market exceeded NT\$2,700 billion, accounting for 60 percent of bond market transactions. In addition, the Bank has increased the number of clearing banks from ten to seventeen to further facilitate bond market transactions.