

CROATIAN NATIONAL BANK

2001

ANNUAL REPORT

6

Currency Department Operations

During 2001, the Croatian National Bank, through the regular operations of its Currency Department, received printed cash from the manufacturer, supplied cash to branches of the Institute for Payment Transactions, withdrew and processed banknotes and destroyed worn out banknotes withdrawn from circulation. In addition to the basic operations of the Currency Department, the CNB issued commemorative coins and provided expert evaluation of suspicious kuna banknotes.

6.1 Movements in Cash

On 31 December 2001, there were 74.9 million kuna banknotes, valued at HRK 8.8bn, outside the vault of the Croatian National Bank and the Institute for Payment Transactions.

In comparison with late 2000, the quantity of banknotes outside the vault of the Croatian National Bank and the Institute for Payment Transactions rose by 13.3%, while the total value of banknotes outside the vault rose by 39.6%.

On 31 December 2001, there were 769 million kuna and lipa coins, valued at HRK 0.378bn, outside the vault of the Croatian National Bank and the Institute for Payment Transactions.

In late December 2001, there was also HRK 0.123bn worth of kuna and lipa banknotes and coins in the treasuries of the Croatian Post, in addition to HRK 0.539bn in the vaults of banks. The total value of currency in circulation in late 2001 thus stood at HRK 8.5bn.

Compared with the end of 2000, the quantity of coins outside the vault of the Croatian National Bank and the Institute for Payment Transactions was 11.2% higher, while their value was 12.8% higher.

During 2001, the average amount of banknotes and coins was 17 banknotes and 171 coins per each citizen of Croatia.

In 2001, the Currency Department received 29.4 million banknotes, worth HRK 2bn, from the Institute for Payment Transactions.

In 2001, the banknote sorting system processed 31.7 million banknotes. Of the total amount, 70.66%, or 22.4 million banknotes, worth HRK 1.14bn, were destroyed, as they did not meet the quality standards set for banknotes in circulation.

According to the latest data, the renewal index (destroyed banknotes / circulation x 100) was 29.9.

6.2 Commemorative Coins

During 2001, the Croatian National Bank issued 1000 numismatic sets of kuna and lipa coins, with "2001" marking the year of minting, as well as 1000 numismatic sets of 25 kuna commemorative circulation coins.

The value of counterfeits identified over 2001 was HRK 124,870.00. In comparison with 2000, this value declined by 17.6%.

Most counterfeits were 100 kuna banknotes. Out of 1,096 identified counterfeits, 411 were in this denomination, or 38%. An analysis of the received counterfeits showed that they were mainly produced by means of computers and printed on color printers.