



# Currency Management

The National Reserve Bank of Tonga is responsible for ensuring that there is an adequate supply of high-quality banknotes and coins in circulation to meet the public's currency needs.

During the financial year 2014/2015, the amount of new banknotes issued by the National Reserve Bank of Tonga was valued at T\$38.3 million. This is a decrease by T\$0.6 million from the previous year (T\$38.9 million). However at the end of June 2015, the total value of banknotes on issue in Tonga was T\$53.8 million, a 14.7% increase from the previous financial year.

All currency notes of the Kingdom are printed by De La Rue Currency in the United Kingdom.

The Reserve Bank distributes almost all of its banknotes via the commercial banks, either by adding to their on-site stocks of banknotes or to their Note Trust Depots. The Depots hold the National Reserve Bank of Tonga's banknotes in custody at the commercial banks, ready for distribution via ATMs and tellers when the need arises. The commercial banks have been reducing the amount of banknotes they hold in their Depots since the 2011 financial year, as they have become more risk averse and reduced their holdings of large amounts of cash on their premises. This has increased the frequency of the commercial banks visits to the National Reserve Bank of Tonga vault.

To maintain the quality of banknotes in circulation, the National Reserve Bank of Tonga destroyed 1.9 million (T\$26.4 million) pieces of unfit banknotes over the year compared to 1.7 million pieces (T\$28.3 million) in the previous year. There was only one (\$50 pa'anga) counterfeit note reported during the financial year, down from 20 counterfeit notes in the previous year. The counterfeit note was confirmed to be photocopied banknotes on an ink jet printer. Following these counterfeit reports, the National Reserve Bank of Tonga continued to issue public notices and brochures on identifying counterfeit banknotes both in the English and Tongan language.

At the end of June 2015, the face value of coins on issue totalled \$2.1 million, which remained unchanged compared to the previous year.

## Numismatic Banknotes and Coins

The National Reserve Bank of Tonga received royalty from the sale of numismatic banknotes and coins directly to collectors and through agreements with specialised companies. Revenue from banknotes and coins sales totalled \$261,052.89 over the 2014/15 financial year, an increase from \$12,061.55 the previous year. The Currency Division also completed the setup of a museum to help generate awareness and increase the sales of numismatic banknotes and coins in Tonga. The latest issue of numismatic bank notes and coins on sale include the 2015 King Tupou VI family of coins set, the 2015 King Tupou VI bank note folder set and the uncut banknote sheets. Each uncut sheet contains fully printed banknotes consisting of 45 notes for 2, 5, 10 and 20 pa'anga. There are 36 notes for the 50 and 100 pa'anga uncut sheet. Each banknote on the uncut sheet is numbered with the special Serial Number KT 04.07.15 to commemorate the Coronation of King Tupou VI on the 4th July 2015.

## His Majesty King Tupou VI Unveiled the Kingdom of Tonga's New Family of Coronation Currency

His Majesty King Tupou VI, launched the Kingdom of Tonga's new coronation currency series on 29th June 2015 at the Fa'onelua Convention Centre in Nuku'alofa. The new coronation currency consists of a new series of coins to replace the old coins and new banknotes with advanced security features.

The Privy Council in 2014 approved to change the portrait from His Late Majesty King George Tupou V to His Majesty King Tupou VI effigy on the banknotes with slight changes to the design and paper to improve the

quality and performance of the banknotes.

Among the major changes to Tonga's coronation currency series is the discontinuance of the 1 and 2 seniti and coining of the 1 pa'anga. Both the new notes and coins depict the portrait of His Majesty, King Tupou VI with the exception of the 1 pa'anga coin which depicts the portrait of His Majesty, the Late King George Tupou V.

The new family of coins consists of 5 coins featuring designs, themes and concepts that reflect Tonga's history, culture, economy and heritage. The sizes of the coins are now thinner, smaller in size and lighter in weight. The launch of Tonga's new coronation currency series is truly a historic event that marks the Kingdom's first coinage reform in almost 50 years.

Denominations	Obverse	Reverse (Theme)	Colour
<b>Banknotes</b>			
\$100	King Tupou VI's image	Vava'u Harbour	Cherry red and white
\$50	King Tupou VI's image	Royal Palace	Light green and yellow
\$20	King Tupou VI's image	NRBT Building	Brown
\$10	King Tupou VI's image	Royal Tomb	Blue
\$5	King Tupou VI's image	Ancient 'Otu Langi	Purple
\$2	King Tupou VI's image	Whale Watching	Light Red
<b>Coins</b>			
\$1	King George Tupou V's image	Coat of Arms	Gold
50¢	King Tupou VI's image	Milolua	Silver
20¢	King Tupou VI's image	Kalia	Silver
10¢	King Tupou VI's image	Malau	Silver
5¢	King Tupou VI's image	Heilala	Silver

