



NATIONAL BANK OF SERBIA
CASH DEPARTMENT

COUNTERFEIT CURRENCY REPORT

January–December 2018

January 2019

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1. Expert analysis of banknotes and coins

In 2018, expertise of suspected counterfeit banknotes showed that a total of 3,854 notes were indeed counterfeits, which is 34% less than in the same period last year, when a total of 5,834 false banknotes were detected. The face value of the counterfeits detected fell by 41% (RSD 4,197,970.00 from January to December 2018 vs. RSD 7,126,600.00 in the same period of 2017). Table 1 shows the denomination structure of detected dinar counterfeits.

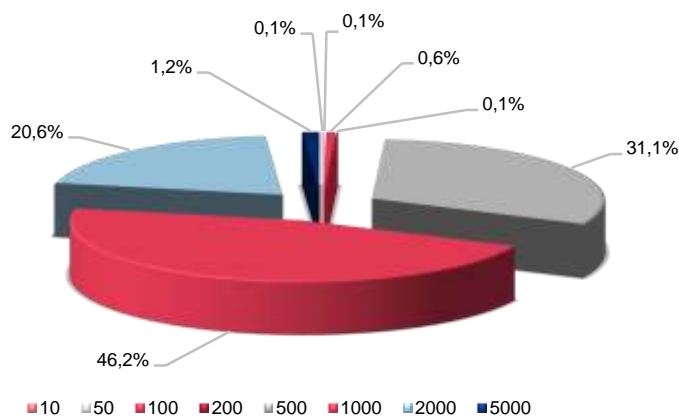
Table 1 Dinar banknote counterfeits, January–December 2018
(pieces)

Denomination	5000	2000	1000	500	200	100	50	10	Total
Pieces	45	794	1.782	1.199	4	25	3	2	3.854
Share in %	1,2	20,6	46,2	31,1	0,1	0,6	0,1	0,1	100

Source: National Bank of Serbia.

In terms of the denomination structure of detected dinar counterfeits, the 1000-, 500- and 2000-dinar banknotes accounted for the dominant share (Chart 1). Percentage-wise, these three denominations made up 98% of the overall number of dinar counterfeits.

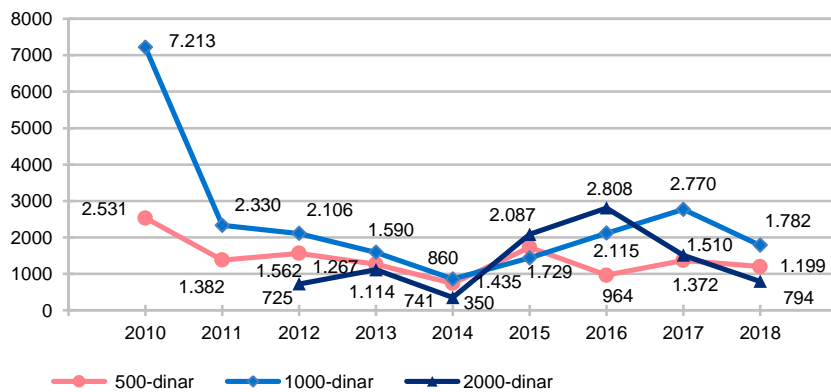
Chart 1 Denomination structure of dinar banknote counterfeits, January–December 2018
(pieces)



Source: National Bank of Serbia.

Chart 2 illustrates the trends observed over the last nine years in terms of the number of detected counterfeits of these three most frequent denominations.

Chart 2 The most frequent dinars counterfeits
(pieces)



Source: National Bank of Serbia.

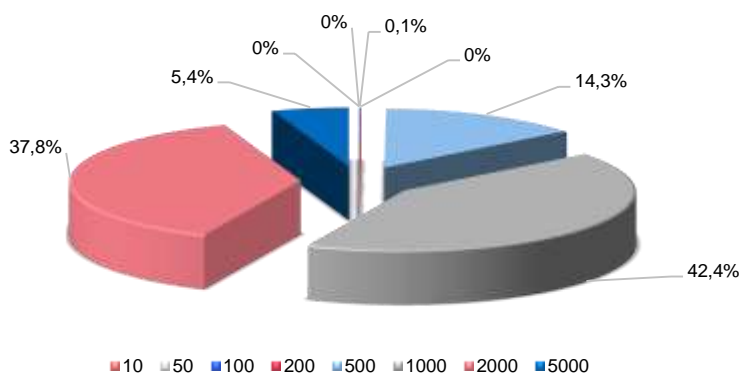
In value terms, the 1000-dinar banknote took up the largest share of the dinar counterfeits structure, followed by 2000-, 500- and 5000-dinar banknotes (Table 2 and Chart 3). In percentage terms, these four denominations accounted for 99.9% of all dinar counterfeits.

Table 2 Dinar banknote counterfeits, January–December 2018
(RSD thousand)

Denomination	5000	2000	1000	500	200	100	50	10	Total
Pieces	225	1,588	1,782	599,5	0,8	2,5	0,2	0	4,198
Share in %	5,4	37,8	42,4	14,3	0	0,1	0	0	100

Source: National Bank of Serbia.

Chart 3 Denomination structure of dinar banknote counterfeits, January–December 2018
(nominally)



Source: National Bank of Serbia.

A comparison of the number of detected dinar counterfeits with that of genuine dinar banknotes in circulation, which at 31 December 2018 numbered 367.7 million pieces or RSD 229.7 bn (Table 3), reveals that 10.5 in every 1 million circulating banknotes were found to be counterfeit, i.e. there was RSD 18,276 worth of counterfeits in every RSD 1 billion.

Table 3 **Circulating banknotes as at 31/12/2018**

Denomination	Pieces	Amount
5000	4.159.224	20.796.120.000
2000	61.920.451	123.840.902.000
1000	61.203.597	61.203.597.000
500	25.729.901	12.864.950.500
200	23.502.495	4.700.499.000
100	28.907.838	2.890.783.800
50	31.495.172	1.574.758.600
20	51.375.217	1.027.504.340
10	79.397.425	793.974.250
Total:	367.691.320	229.693.089.490

Source: National Bank of Serbia.

2. Expert analysis of foreign currency banknotes

From January to December 2018, expertise of suspected counterfeit foreign currency banknotes revealed 1,225 pieces of counterfeits, which is 29.6% more than in 2017, when 945 such counterfeit banknotes were detected. Their currency and denomination structure is presented in Table 4.

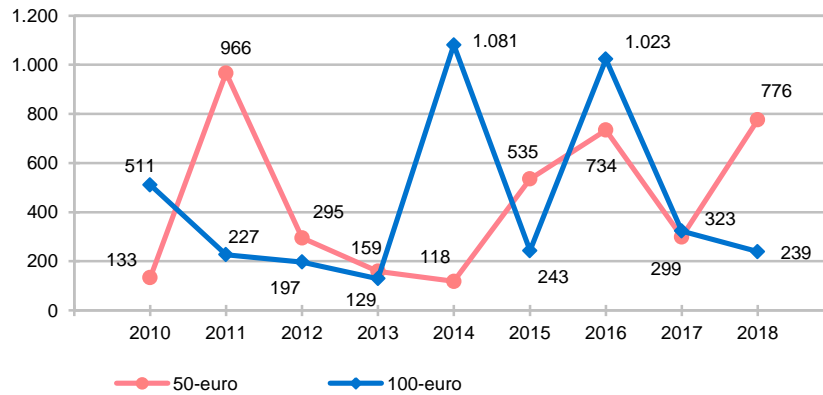
Table 4 **Foreign currency banknote counterfeits, January–December 2018**
(pieces)

Currency	EUR						Total EUR	USD					Total USD	Other	Total
	500	200	100	50	20	10		100	20	10	5	1			
Pieces	25	30	239	776	22	4	1.096	105	1	1	1	1	109	20	1.225
Share in %	2	2,5	19,5	63,4	1,8	0,3	89,5	8,5	0,1	0,1	0,1	0,1	8,9	1,6	100

Source: National Bank of Serbia.

A total of 1,096 counterfeit euro banknotes were detected during the period observed, up by 40.9% relative to the same period last year, when 778 of such banknotes were detected. The ratio between the number of pieces of the most frequently detected euro counterfeits – 50- and 100-euro banknotes over the last nine years is presented in Chart 4.

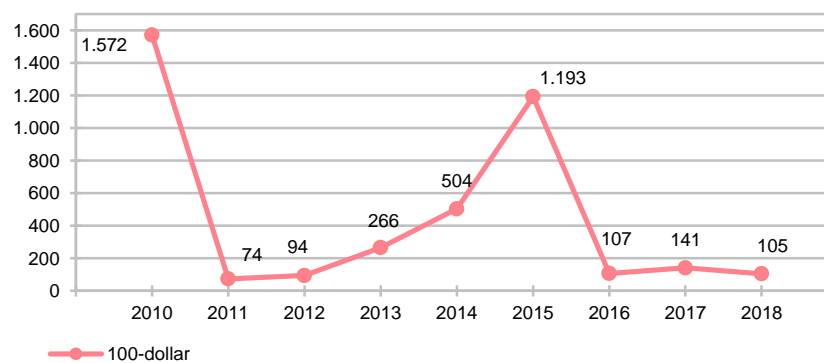
Chart 4 The most frequent euro counterfeits
(pieces)



Source: National Bank of Serbia.

In 2018, a total of 109 counterfeit US dollar banknotes were detected, which is 25.3% less than last year, when 146 dollar banknotes were established to be counterfeits. The predominant counterfeit banknotes were those of 100 dollars. Chart 5 shows movements in the number of detected 100-dollar counterfeits over the last nine years.

Chart 5 The most frequent US-dollar counterfeit
(pieces)



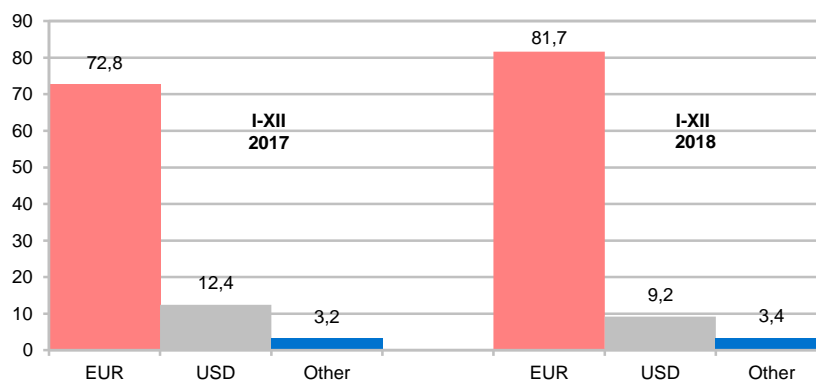
Source: National Bank of Serbia.

The item “Other” in Table 4 refers to fake banknotes in six different currencies – the Swiss franc (three pieces), German mark (five pieces), pound sterling (six pieces), Australian dollar (three pieces), Bosnian convertible mark (two pieces) and Chinese yuan (one piece).

In nominal value terms, the share of individual currencies in total detected foreign currency counterfeits and their percentage vis-à-vis the figures from a year earlier are best illustrated if expressed in euros,¹ as shown in Chart 6.

**Chart 6 Foreign currency banknote counterfeits,
January–December 2017 and 2018**

(EUR thousand)



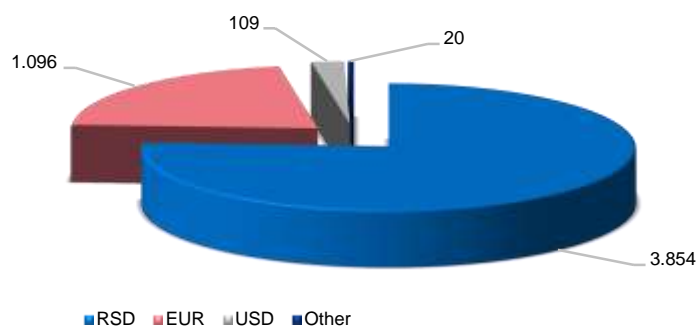
Source: National Bank of Serbia.

3. Ratio of counterfeit dinar to foreign currency banknotes

Chart 7 shows the ratio of dinar to foreign currency detected counterfeits (in terms of the number of pieces) in 2018.

**Chart 7 Currency structure of banknote counterfeits
detected in January–December 2018**

(pieces)



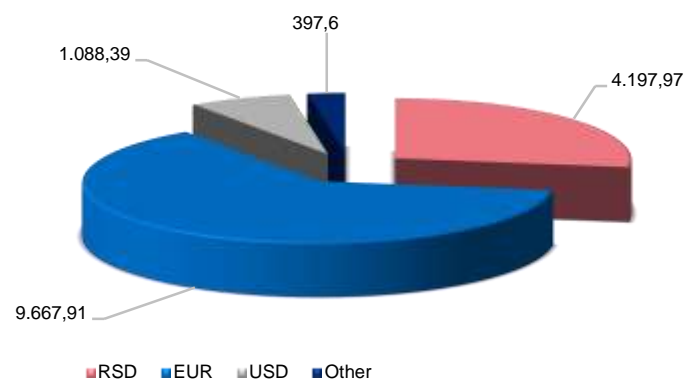
Source: National Bank of Serbia.

¹ For conversion of other currencies into euros, for the years of 2017 and 2018, we used the middle exchange rate as at 9 January 2019.

As shown, the share of counterfeit dinar banknotes (75.9%) exceeds the share of all detected foreign currency counterfeits.

However, in nominal value terms, the share of individual currencies in total counterfeits in 2018 is best illustrated if expressed in dinars,² as shown in Chart 8.

Chart 8 Currency structure of banknote counterfeits detected in January–December 2018
(RSD thousand)



Source: National Bank of Serbia.

The euro (63%), followed by the dinar (27.3%) and the US dollar (7.1%) took up the dominant share in total discovered counterfeits.

² For conversion of other currencies into euros, we used the middle exchange rate as at 9 January 2019.