



**News Release**  
**15 December 2008**

**Update: Bank of Jamaica Currency Issue**

For the period 08 - 12 December 2008, Bank of Jamaica recorded net currency issue of \$930.1 million to the commercial banks, building societies, and cambios. This resulted in net currency issue of \$417.2 million or an increase of 1.0 per cent for the month to date. Consequently, the stock of currency as at 12 December 2008 stood at \$41.4 billion, representing a decline of 3.5 per cent relative to the stock which obtained on 12 December 2007. This was in contrast to annual growth of 22.3 per cent recorded on 12 December 2007 and was also lower than the Bank’s projected decline of 0.5 per cent for the period. The decline can be attributed to the slowdown in economic activity as well as the increased use of debit/credit cards in commercial transactions. These alternative means of payment are, however, growing at a slower rate relative to the previous year.

The demand for currency is anticipated to increase significantly in the ensuing week as public sector salaries, including retroactive amounts, fall due at this time. It is expected that the flows during this period will amount to approximately \$4.4 billion putting the stock at approximately \$47.0 billion on 19 December. This will result in an annual decline of 2.0 per cent relative to the stock at 19 December 2007.

An increase in demand relative to November is, however, expected to continue to 24 December reflecting the usual intense shopping period which ends on Christmas Eve.

