



News Release
18 May 2009

Address by
Governor Derick Latibeaudiere
Launch of \$5000 Note
May 18, 2009

Ladies and Gentlemen,

It is with enormous pleasure that I welcome you to the Bank this afternoon to witness the launch of Jamaica's \$5000 dollar banknote. We are especially honoured by the presence of the Most Honourable Dr. Denise Elder mire-Shearer and as usual very pleased to have our Minister, the Hon. Audley Shaw with us this morning. We have come a long way with our currency and I must use this opportunity to thank the Prime Minister and his Cabinet, in particular the Minister of Finance, for their support and endorsement of the new banknote.

Banknotes and currency in general are usually taken for granted, representing only a means of payment. But in a very real sense well designed and executed banknotes are pieces of craftsmanship that can provide a window to the country, its people, its heritage and its culture - portraying one may say, significant aspects of its national character. Part of the policy underlying the development of Jamaica's currency is that the coins and banknotes bear the image of our national heroes and our deceased Prime Ministers, in that order of priority. The Rt. Hon. Hugh Lawson Shearer is next in line to be placed on a banknote.

Today, the Bank of Jamaica is pleased to launch the \$5000 banknote bearing the image of the Most Hon. Hugh Lawson Shearer, a former Prime Minister of Jamaica and Trade Unionist *extraordinaire* – and we have specially arranged the launch to coincide with what would have been his 86th birthday.

Ladies and gentlemen, currency development is important to the advancement of any sovereign nation. The Bank's decision to introduce a higher denomination Note stems from the need to rebalance the denominational structure of the banknotes in circulation, in keeping with the developments that have taken place since we introduced the \$1000 Note in April 2000. Indeed, the internationally accepted principle is that the highest value denomination should account for no more than 60 per cent of the total value of the notes in circulation. Jamaica had exceeded this limit for some time and had therefore taken the decision to introduce the new Note. At 31st March 2009, Jamaica's highest value banknote (the

\$1000) accounted for **76.65 per cent of the total value of notes in circulation** or 16.65 percentage points above the recommended international standard.

Jamaica's highest value note (the \$1000) was well below a second international benchmark which suggests that the optimum highest denomination should be five (5) times the average day's pay. Available data indicate that Jamaica's highest denomination should be in the region of \$8,000. In our view it is not necessary to issue a note of this denomination at this time. In any case we are not aware of any country with a note of this denomination.

In addition to these international benchmarks, the equivalence of the highest denomination to a major trading currency, such as the United States dollar (USD), is also used in assessing the need for a higher value denomination. Jamaica's highest denomination (the \$1000) is equivalent to **US\$11.26**. When compared to our neighbours and trading partners, this is very low (See Table 1 in the Handout). With the introduction of the \$5000 banknote, the US dollar equivalent of our highest note will now be US\$56.30, using today's exchange rate.

Table 1

Countries	Highest Denom.	USD Equivalent
Bahamas	100	100.00
Mexico	1,000	69.83
Dominica Republic	2,000	55.94
Barbados	100	50.00
Venezuela	100	46.57
Eastern Caribbean States	100	37.04
Trinidad and Tobago	100	15.94
Jamaica	1,000	11.26
Guyana	1,000	5.01

Source: FT Guide to World Currencies – 27 March 2009.

I mentioned earlier that a banknote is a piece of craftsmanship that can provide a window to the country. This speaks to the design of the note. Norbert Bryan, the Director of the Currency Department will brief you fully on this. However, let me just say that the \$5000 banknote that we are launching today not only bears the image of a significant Jamaican figure, but it depicts aspects of our flora and fauna as well as an aspect of our economic development. In addition to the image of the Rt. Hon. Hugh Lawson Shearer, the front of the \$5000 Note features the Jamaican Nightingale (*Minus polyglotto*) while the back of the Note features the blossoms of the Frangipani (*Plumeria rubra*) as well as an aerial view of Highway 2000.

The printing of our banknotes is a very complicated, highly security-conscious and sophisticated technical task, that requires long lead times and a lot of tedious processes. This is necessary to ensure not only a high quality product, but more so, a high level of security for the finished note. Indeed, our banknotes have always been highly regarded, both nationally and internationally for their design and their security features. One of their strengths has been their ability to withstand counterfeiting challenges over the years. In addition to the standard security features on the existing banknotes -

magnetic thread and ink, iridescence, fluorescence and the portrait watermark - this high value note will have a special security feature known as **Optiks™** to further guard against counterfeiting.

Against this background I want to stress that the \$5000 Note that we are launching today, will not be available for issue to the public until sometime in September this year. It is important that this is clearly understood. The Bank of Jamaica will inform the public beforehand as to the precise date in September when the \$5000 Note will be issued for circulation.

In closing, let me say again that I am very grateful that you were all able to join us at this launch.

Thank you.