STATISTICS ON

REGISTERED COUNTERFEIT
KUNA AND FOREIGN CURRENCY BANKNOTES

◄ 1 July – 31 December 2013 ►
Counterfeit kuna banknotes

A total of 160 counterfeit kuna banknotes were withdrawn from circulation from July to December 2013, which is an increase of 3.2% relative to the same period in 2012 and a decrease of 54.9% relative to the first half of 2013.

Given the average of 172.0 million kuna banknotes in circulation in the second half of 2013, one counterfeit kuna banknote was detected per one million genuine banknotes in circulation in the said period.

Table 1 shows semi-annual trends in the number of counterfeit kuna banknotes withdrawn from circulation from 2010 to 2013:

<table>
<thead>
<tr>
<th>Period</th>
<th>1st half 2010</th>
<th>2nd half 2010</th>
<th>1st half 2011</th>
<th>2nd half 2011</th>
<th>1st half 2012</th>
<th>2nd half 2012</th>
<th>1st half 2013</th>
<th>2nd half 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of counterfeit banknotes</td>
<td>186</td>
<td>178</td>
<td>183</td>
<td>261</td>
<td>160</td>
<td>155</td>
<td>355</td>
<td>160</td>
</tr>
</tbody>
</table>

Table 1: Semi-annual statistics on counterfeit kuna banknotes withdrawn from circulation from 2010 to 2013.

In the period from July to December 2013, 160 counterfeit kuna banknotes accounted for 16.7% of the total number of registered banknote counterfeits. The most frequently counterfeit domestic currency denominations were 200-kuna banknotes, with 64 counterfeits or 40% of total registered kuna banknote counterfeits, and 500-kuna banknotes, with 51 counterfeit or 31.9% of the total (Pie graph 1 and Pie graph 2).

Pie graph 1: Shares of individual denominations in the total number of counterfeit kuna banknotes detected in circulation and analysed from 1 July to 31 December 2013.
Graph 2: Breakdown by denomination of the number of counterfeit kuna banknotes detected in circulation and analysed from 1 July to 31 December 2013

Monthly ratios between counterfeit domestic currency banknotes and counterfeit foreign currency banknotes withdrawn from circulation in the second half of 2013 (Graph 3) show that a considerably higher number of foreign currency banknotes was registered throughout each month.

Graph 3 Counterfeit kuna and foreign currency banknotes detected in circulation and analysed by month from 1 July to 31 December 2013.
Counterfeit foreign currency banknotes

Out of a total of 957 counterfeit banknotes withdrawn from circulation, the largest share, 60%, was accounted for by counterfeit euro banknotes, followed by counterfeit US dollar banknotes (20.2%) and kuna banknote counterfeits (16.7%) (Graph 4). The remaining share of 3.1% went to convertible mark (BAM), pound sterling (GBP) and zloty (PLN) banknote counterfeits.

Graph 4 Shares of counterfeit euro, kuna and US dollar banknotes in total counterfeit banknotes detected in circulation and analysed from 1 July to 31 December 2013

Graph 5 shows the denomination structure of counterfeit banknotes by currency.

Graph 5 Counterfeit banknotes by currency and denomination detected in circulation and analysed from 1 July to 31 December 2013.
From July to December 2013, a total of 574 counterfeit euro banknotes were detected, which is an increase of 3.6% from the same period in the previous year. Compared with the first half of 2013, when 289 euro banknote counterfeits were withdrawn from circulation, the number of registered counterfeits increased by 98.6%.

Table 2 shows semi-annual trends in the number of euro banknote counterfeits withdrawn from circulation in the territory of the Republic of Croatia from 2010 to 2013.

<table>
<thead>
<tr>
<th>Period</th>
<th>1st half 2010</th>
<th>2nd half 2010</th>
<th>1st half 2011</th>
<th>2nd half 2011</th>
<th>1st half 2012</th>
<th>2nd half 2012</th>
<th>1st half 2013</th>
<th>2nd half 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of counterfeit banknotes</td>
<td>282</td>
<td>989</td>
<td>156</td>
<td>508</td>
<td>307</td>
<td>554</td>
<td>289</td>
<td>574</td>
</tr>
</tbody>
</table>

Table 2 Semi-annual statistics on counterfeit euro banknotes from 2010 to 2013.

193 counterfeit US dollar banknotes were registered in the same period, an increase of 227.1% from the same period in the previous year. Compared with the first half of 2013, when 31 counterfeit US dollar banknotes was withdrawn from circulation, the number of registered counterfeits increased slightly over five times.

Given their number and quality of production, counterfeit banknotes registered in the second half of 2013 did not cause any disturbances in the cash operations of specialised institutions and the public or a large-scale financial damage.

Cash operations always carry a risk of counterfeit occurrence and possibility of fraud. The authentication of detected counterfeit banknotes has shown that counterfeiters often imitate some security features, such as the security thread, watermark, hologram and optical variable ink element. Therefore, the Croatian National Bank calls upon the public to be on heightened alert and upon institutions and companies dealing with cash to comply with central bank decisions on banknote processing and redistribution.

Banknote counterfeits are easy to identify by checking some of their security features using a simple „FEEL-LOOK-TILT-CHECK“ method, described at the CNB website.

Since May 2009, the Croatian National Bank has been implementing a National Training Programme on Banknote and Coin Authentication for Bank and Financial Institution Employees. The details about the Programme and the application procedure are available at the CNB website.

The Croatian National Bank has published and delivered free of charge educational brochures on the security features of kuna banknotes and banknote authentication. The brochure can be ordered by filling in the form posted on the CNB’s website.