NATIONAL BANK OF SERBIA

CASH DEPARTMENT

COUNTERFEIT CURRENCY REPORT

January-June 2021

July 2021

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1 Expert analysis of banknotes and coins

In the process of expert analysis of suspect counterfeits, 1,894 counterfeit (dinar) banknotes were detected in H1 2021.

Table 1 shows the denomination structure of detected dinar counterfeits.

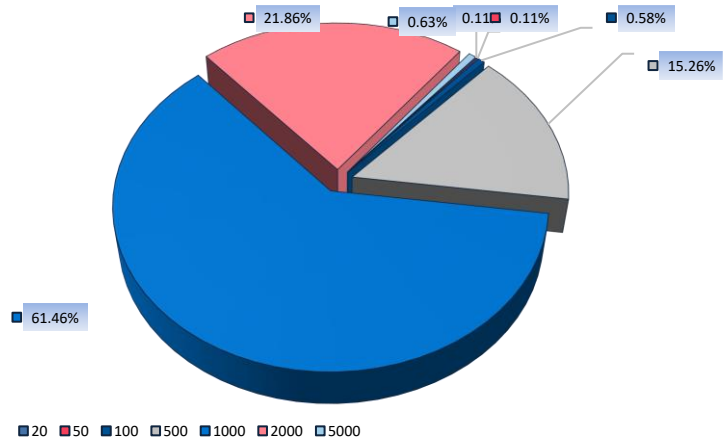
Table 1 **Dinar banknote counterfeits, January–June 2021**
(in pieces)

Denomination	5000	2000	1000	500	200	100	50	20	10	Total
Pieces	12	414	1,164	289	0	11	2	2	0	1,894
Share in %	0.63	21.86	61.46	15.26	0.00	0.58	0.11	0.11	0.00	100.00

Source: National Bank of Serbia.

In terms of the denomination structure of detected dinar counterfeits, the 1000- (61.46%), 2000- (21.86%) and 500-dinar banknotes (15.26%) accounted for the dominant shares (Chart 1). Percentage wise, these three denominations made up 98.58% of the overall number of dinar counterfeits.

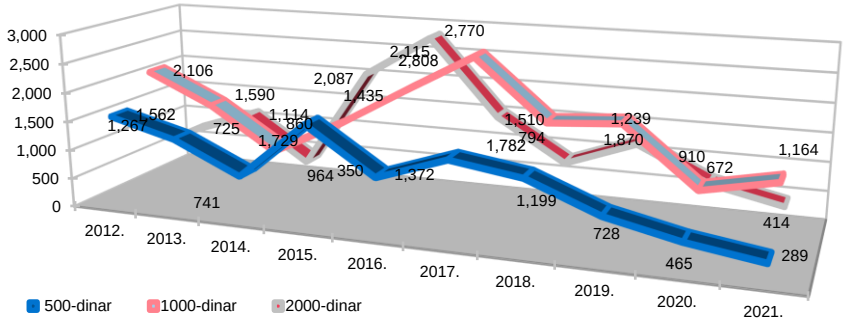
Chart 1 **Denomination structure of dinar banknote counterfeits, January–June 2021**
(in pieces)



Source: National Bank of Serbia.

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

Chart 2 **The most frequent dinars counterfeits**
(pieces)



Source: National Bank of Serbia.

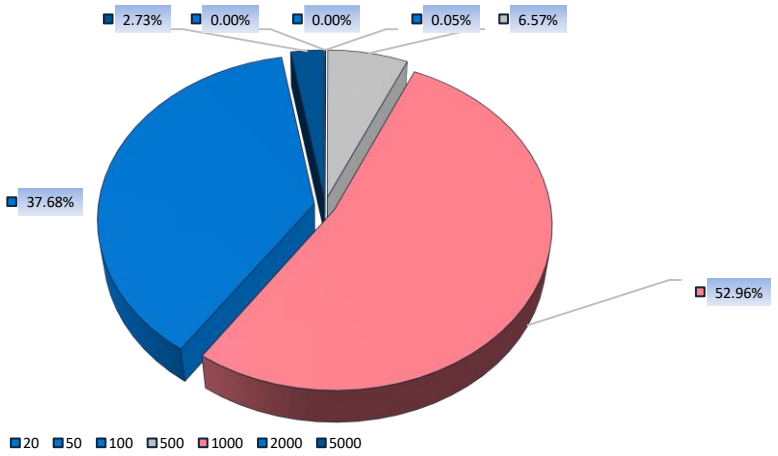
In value terms, the 1000- (52.96%) and 2000-dinar banknotes (37.68%) made up the largest share of the dinar counterfeit structure (Table 2 and Chart 3). In percentage terms, these two denominations accounted for 90.64% of all dinar counterfeits.

Table 2 **Dinar banknote counterfeits, January–June 2021**
(in RSD thousand)

Denomination	5000	2000	1000	500	200	100	50	20	10	Total
Pieces	60	828	1,164	145	0	1	0	0	0	2,197.7
Share in %	2.73	37.68	52.96	6.57	0.00	0.05	0.00	0.00	0.00	100.00

Source: National Bank of Serbia.

Chart 3 **Denomination structure of dinar banknote counterfeits, January–June 2021**
(nominally)



Source: National Bank of Serbia.

A comparison of the number of detected dinar counterfeits with that of genuine dinar banknotes in circulation reveals that 4.00 in every 1 million circulating banknotes were found to be counterfeit, i.e. there was RSD 6,586.56 worth of counterfeits in every RSD 1 billion.

2 Expert analysis of foreign currency banknotes

In the process of expert analysis of suspect counterfeits, 606 counterfeit foreign currency banknotes were detected in H1 2021. Their currency and denomination structure are presented in Table 3.

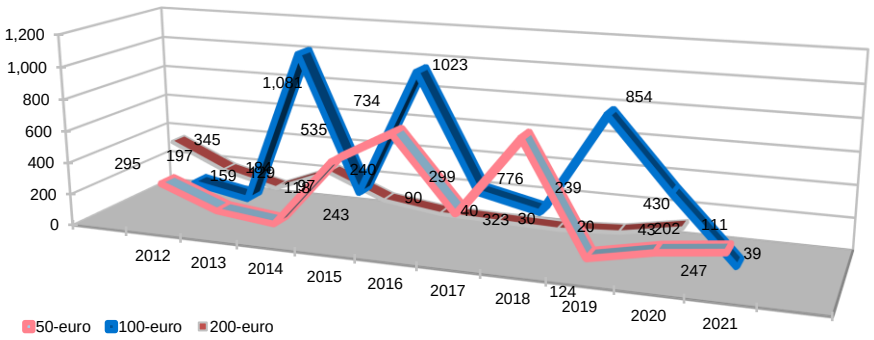
Table 3 **Foreign currency banknote counterfeits, January–June 2021**
(in pieces)

Currency	EUR							Total EUR	USD		Total USD	Other	Total
Denomination	500	200	100	50	20	10	5		50	100			
Pieces	6	111	39	247	11	3	1	418	104	4	108	80	606
Share in %	0.99	18.32	6.44	40.76	1.82	0.50	0.17	68.98	17.16	0.66	17.82	13.20	100.00

Source: National Bank of Serbia.

A total of 418 counterfeit euro banknotes were detected during the period observed, 50- and 200-denominations the most, unlike the previous years when the denomination of 100 euros was more dominant than that of 200 euros. Chart 4 illustrates the trends observed over the last ten years in terms of the number of detected counterfeits of these three denominations.

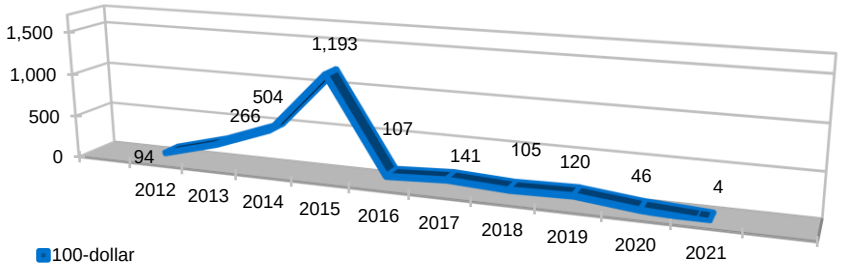
Chart 4 **The most frequent euro counterfeits**
(in pieces)



Source: National Bank of Serbia.

In H1 2021, 108 counterfeit US dollar banknotes were detected. It has been observed over the years that the 100-dollar note is the most dominant when it comes to dollar counterfeits. Chart 5 shows movements in the number of detected 100-dollar counterfeits over the last ten years.

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

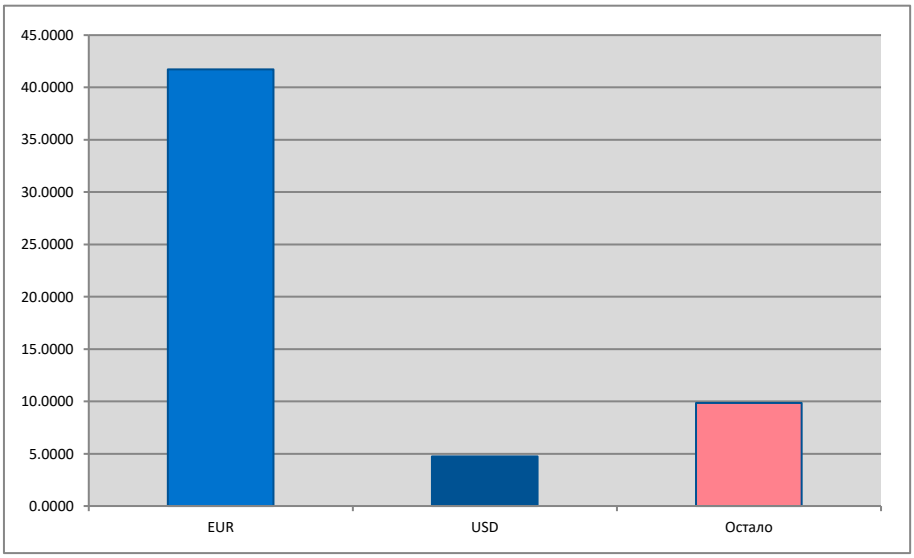


Source: National Bank of Serbia.

In the observed period, the column Other in Table 3 included 80 pieces of counterfeit banknotes of the following five currencies: convertible mark (19 pieces), Swiss franc (1 piece), Deutsche mark (2 pieces), Swedish krona (1 piece) and Croatian kuna (57 pieces).

In nominal value terms, the share of individual currencies in total counterfeit foreign currency banknotes is best illustrated if expressed in euros,[1] as shown in Chart 6.

Chart 6 **Foreign currency banknote counterfeits, January–June 2021**
(in EUR thousand)



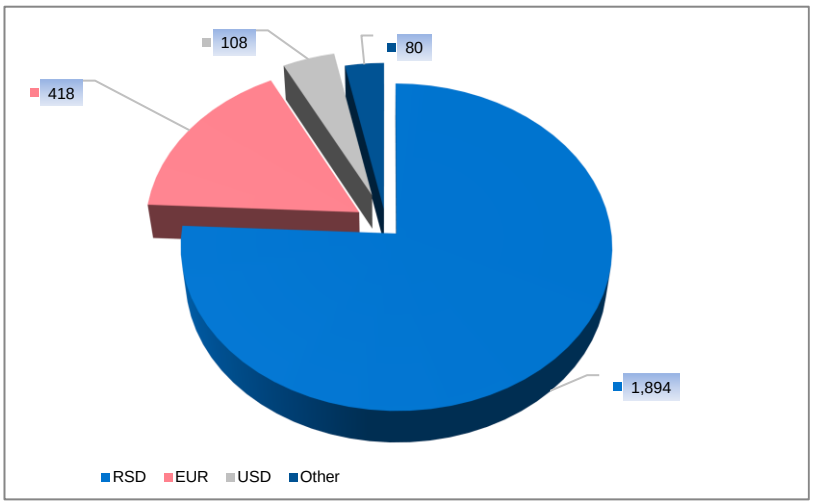
Source: National Bank of Serbia.

[1] The middle exchange rate as at 14 July 2021 was applied to convert the value of other currencies to the euro (117.5662).

3 Ratio of counterfeit dinar to foreign currency banknotes

Chart 7 shows the ratio of dinar to foreign currency banknotes in total detected counterfeits (2,500 pieces) in H1 2021.

Chart 7 **Currency structure of banknote counterfeits detected in January–June 2021**
(in pieces)



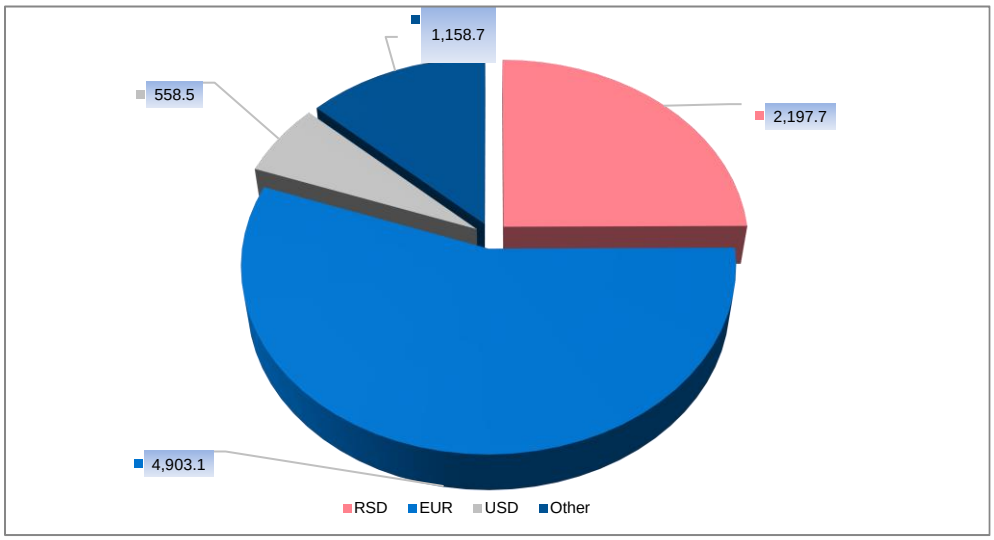
Source: National Bank of Serbia.

As can be seen, the share of counterfeit dinar banknotes is dominant (1,894 pieces or 75.76%), followed by the euro (418 pieces or 16.72%), USD (108 pieces or 4.32%) and other currencies (80 pieces or 3.20).

Further, in nominal value terms, the share of individual currencies in total counterfeits in H1 2021 is best illustrated if expressed in dinars,[2] as shown in Chart 8.

[2] The middle exchange rate as at 14 July 2021 was applied to convert the value of other currencies to the euro (117.5662).

Chart 8 **Currency structure of banknote counterfeits detected in January–June 2021**
(in RSD thousand)



Source: National Bank of Serbia.

In nominal terms, and expressed in dinars, the euro (55.60%), followed by the dinar (24.92%), other currencies (13.14%) and the US dollar (6.34%) took up the dominant share in total number of detected counterfeits.

NOTE: In H1 2021, expert analysis was performed for 8,128 counterfeit euro banknotes in 200-, 100-, 50-, and 10-denominations (nominal value - EUR 398,610), and for 493 counterfeit banknotes of Croatian kuna in 1000-denomination (nominal value - HRK 493,000), but they were seized by the police **before being put into circulation and were therefore not included in this Report.**