

## **The Evolution of Philippine Banknote and Coinage**

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### **A Glimpse to the Philippine History**

The Philippines is a country with a very rich history and diverse culture in which it can be seen its banknotes and coinage. The evolution of the Philippine banknotes and coinage could tell a story of what has happened in the past. Before banknotes and coinage were used as a medium of exchange to purchase goods, Filipinos use the barter system in trading products. The pre-colonial times gave birth to the use of coins made of gold, silver and etc. Banknotes started when the first commercial bank of the Philippines, El Banco Espanol Filipino de Isabel 2A, issued the denominations of 10, 25, 50 and 200-pesos fuertes (strong peso) on May 1, 1852. These denominations were in circulation until 1896 were the Philippines is under Spanish colonization. When the Filipinos fought against the Spaniards, the first Philippine Republic or the Revolutionary Period was established. Emilio Aguinaldo, the president of the first republic of the Philippines ordered the issuance of 1,2,5,10,25, 50 and 100-peso denominations but only the 1- and 5-peso denominations were printed and circulated in some areas by the end part of the short-lived economy. In 1908 (American Period), the El Banco Espanol Filipino printed banknotes with Spanish text. The American period was followed by the Japanese regime were Filipinos describe the fiat peso banknotes as “Mickey Mouse Money”. The first denominations that the Japanese issue to the Philippine government are 1cents, 5cents, 10cents, 50cents, 1 peso, 5 pesos and 10 pesos in year 1942 and the problem on hyperinflation in 1944 has forced the Japanese to print 100, 500 and 1000 pesos banknotes.

### **Banknotes issued by the Banko Sentral ng Pilipinas (Central Bank of the Philippines)**

It was only during the English Period (1949-1970), where the banknotes that was printed and circulated was from the Banko Sentral ng Pilipinas (BSP) but it was in English language. The large denominations (1, 2,5,10,20,50,100,200 and 500 peso) remain in circulation until March 1, 1974. Pilipino series banknotes that last only for 5 years was the banknotes issued during the term of former President Ferdinand Marcos. The latter decreed for the Filipinization in the language and design of the Philippine currency. There are 6 banknotes that circulated with 1-peso as the lowest denomination and 100-pesos as the highest (1,5,10,20,50,100). Ang Bagong Lipunan Series (1973-1993) were the “Ang Bagong Lipunan” legend was printed in the banknotes, to mark the era of reform and social economic and political structure of the government. The printed legend sets the difference between the Pilipino and ABL series. During these years, President Ferdinand Marcos imposed the Martial law in the entire Philippines. The lowest denomination that was released was 2-peso and the highest 100-peso and this banknotes

were still used in circulation though the New Design Series Banknotes was used in circulation. Another banknote series was released in 1983 that was dub as the New Design Series was the first banknotes released after the Martial law. Its issuance was done gradually and was renamed into the BSP series in 1993 when the Bangko Sentral ng Pilipinas was reestablished as the central monetary authority of the country. The 1000, 500 and 100 peso bills was upgraded in 2001 with new high-tech security features to combat counterfeiting and a 200-peso banknote was introduced when former President Gloria Macapagal Arroyo seated as the president of the country. The newest set of banknotes released by the Bangko Sentral ng Pilipians (Central Bank of the Philippines) was the New Generation Series that was released in December 2010. These banknotes represents the country's unique attribute and the heroism of the personalities depicted in the portrait found in the banknotes. With the high level of spirituality among Filipinos, an adage "Pinagpala ang bayan na ang Diyos ang Panginoon" (Blessed is the nation whose God is the Lord) is printed in the obverse side of all the denominations. Aside from those features, the BSP launched the new set of denominations to meet the global trend in banknote printing in a way that ordinary cash handlers can determine the authenticity of the banknotes and at the same time making difficult and expensive for counterfeiters to imitate. Lastly, this is the only design series of the BSP that was approved by two presidents.

### **Coinage Released by the BSP**

The Bangko Sentral ng Pilipinas introduced metal coins in 1958 (during the English series era) to replace the centavo notes. These metal coins are made of bronze-1, brass-5 and nickel-10, 25 and 50. English series coinage was demonetized in August 31, 1979 except for the 10-centavo coin, which run in circulation until 1998. The Pilipino series of coinage replaced the English series in 1967 to use the Pilipino names. Portraits/profiles of Filipino heroes with legend inscribed in Pilipino, the national language, were shown in the coins and in 1998 was the year of demonetization for the Pilipino series coinage. Ang Bagong Lipunan series of coins was introduced in 1975 with a different design, specifications and dimensional mix from the Pilipino series but was also demonetized in 1998. The flora and fauna (1983-1991) and improved flora and fauna series (1991-1994) are the series of coinage that featured Filipino heroes and patriots in the obverse side of the coin and rare species of flora, fauna and marine life that is endemic in the Philippines at the reverse. In 1995 up to present, the BSP Coin Series was being used in circulation. The 5- and 1-piso and 25-, 10-, 5- and 1-sentimo with the logo of the BSP in the reverse side was first introduced. In July 10 2010, a 10-piso coin was added in circulation and is a replacement to the 10-piso banknote.

**Reference:** Bangko Sentral ng Pilipinas Website: <http://www.bsp.gov.ph/>

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