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New Q5 will be put into circulation

The new Q5 banknote on polymer substrate will be put into circulation next Monday, as a part of a strategic and durability plan, it will replace the current ones produced on cotton substrate.



The new Q5 banknote is made from polymer substrate, which reinforces its security features, improves its visual appearance and it is more durable.

Édgar Barquín, President of Banco de Guatemala (Banguat), said at a news conference that 110 million banknotes of the Q5 on this material were acquired, equivalent to an emission of Q550 million, of which 1 million of pieces will go into circulation on Monday.

The change of material for the production of this banknote is part of a security and durability plan, said Baquin.

"It has an economic impact for the country, as the emissions will not be as frequent as before, because this is a more resistant material, in addition, new security measures mean less scope for counterfeiting", said Baquin.

According to Sergio Recinos, General Manager of the Banguat, the cost of producing the Q5 on polymer substrate is Q0.74, while the cost of a paper based banknote is Q0.44.

"The cost of issuing this banknote will be compensated with the durability of this new banknote, as it is estimated to last an average of 3.8 years, while the cotton substrate is 1.6 years" said Barquin.

Romulo Divas, Banguat Finacial Manager, said the adoption of new security features will also result in benefits to the country. "So far, in 2011 it has been detected 4,322 counterfeited pieces of different denominations, but when compared with what was recorded in 2007, when 6,237 banknotes were detected, the counterfeit rate has reduced by 31%" he argued. Recinos specified that 2,160 pieces correspond to the Q100 and 346 pieces of the Q50.

The issue of this banknote joins the change to polymer substrate of the Q1, which was released in August 2007.