History of Singapore currency

~ Recommendations ~

- **Straits Settlements**
The Straits Settlements, comprising Penang, Malacca and Singapore, was an administrative unit of the East India Company ...

- **Merger with Malaysia**
On 16 September 1963, Singapore merged with the Federation of Malaya, Sarawak and North Borneo (present-day Sabah) to ...

- **17th century Singapore Straits**
The Singapore Straits is among the most geographically strategic sites in the maritime world. Ships sailing between ...

- **Singapore Poh Leung Kuk**
The Singapore Poh Leung Kuk ( ), or “office to protect virtue”, was established by the Chinese Protectorate in 1888. ...

- **Cholera outbreak of 1873**
A cholera epidemic occurred in Singapore in July 1873 and lasted till September the same year, resulting in 857 reported ...

- **Beach Road Camp**
The former Beach Road military camp is located opposite Raffles Hotel, along Beach Road. It began as the headquarters ...

- **Franklin Charles Gimson**
Franklin Charles Gimson (Sir) (b. 10 September 1890, Barrow-on-Soar, Leicestershire, England–d. 13 February 1975, Yorkshire, ...

- **Constance Mary Turnbull**
Constance Mary Turnbull (Professor) (b. 9 February 1927, Northumberland, England–d. 5 September 2008, Oxford, England), ...

- **Indonesia–Malaysia Confrontation**
The Indonesia-Malaysia Confrontation, or Konfrontasi, lasted from 1963 to 1966. The conflict was an intermittent war ...

- **Roland St John Braddell**
Dato Sir Roland St John Braddell (b. 20 December 1880, Singapore–d. 15 November 1966, London, United Kingdom), a prominent ...

- **British withdrawal from Singapore**
On 18 July 1967, Britain announced its plans to withdraw its troops from Singapore by the mid-1970s. Six months later, ...

- **Grow More Food Campaign**
The Grow More Food Campaign was started during the Japanese Occupation to place a check on inflation and to prepare ...

- **Education Ordinance, 1957**
The Education Ordinance, which applied to all schools in Singapore, was enacted on 13 December 1957. The ordinance (replaced ...

- **Public Service Commission**
The Public Service Commission (PSC) is the government agency responsible for the appointment, promotion, transfer, dismissal ...

The Asian financial crisis started in Thailand with the collapse of the Thai baht in July 1997. What began as a currency ...

- **John Crawfurd**
John Crawfurd (b. 1783, Scotland–d. 1868, England) was the second British Resident of Singapore, holding office from ...

- **Referendum on merger with Malaysia**
  The referendum on merger with the Federation of Malaysia, also known as the Singapore National Referendum, was held ...

- **China trade**
  Southeast Asia’s trade with China had taken place long before the Portuguese captured Melaka in 1511, paving the way ...

- **Chettiar**
  The Chettiar are a subgroup of the Tamil community originating from Chettinad in Tamil Nadu, India. Historically, the ...

- **Borneo Co. Ltd.**
  The Borneo Co. Ltd. (BCL) was formed in 1856 to exploit business opportunities in Borneo (Sarawak). It was also active ...

- **Straits Settlements Association**
  The Straits Settlements Association was founded in London by a group of ex-Straits Settlements residents on 31 January ...

- **Industrial Relations (Amendment) Act**
  The Industrial Relations (Amendment) Act, 1968, was a piece of legislation that sought to define clearly the management ...

- **1915 Singapore Mutiny**
  In the midst of World War I, on 15 February 1915, the Right Wing (Rajput) of the 5th Light Infantry (Indian Army) which ...

- **Opium and its history in Singapore**
  Opium (Papaver somniferum) contributed significantly to the general trade in Singapore’s pioneering years. Encouraged ...

- **Bugis trade**
  The opening of Singapore as a British free port in 1819 attracted trade from the Bugis, a group of seafarers from the ...

- **Sepoy**
  Sepoys were Indian soldiers employed within European military garrisons to provide the much-needed manpower for the ...

- **Singapore’s first National Day celebrations**
  In 1966, Singapore celebrated its 9 August National Day for the first time. It was a week-long string of festivities ...

- **The Singapore Free Press**
  Published for the first time on 8 October 1835, The Singapore Free Press was Singapore’s second English-language newspaper, ...

- **James Richardson Logan**
  James Richardson Logan (b. 10 April 1819, Berwickshire, Scotland–d. 20 October 1869, Penang, Malaya) was the founder ...

- **Malay Regiment**
  The Malay Regiment was an all-Malay military force formed at Port Dickson, Malaya, on 1 March 1933 under the command ...

- **Sime Road Camp**
  Sime Road Camp is the site of the former combined operational headquarters of the British Army and Royal Air Force during ...

- **The Chinese Protectorate**
  The Chinese Protectorate was established in the Straits Settlements in 1877 to address matters concerning the Chinese ...

- **Oversea Chinese Association**
  The Oversea Chinese Association (OCA) was established in March 1942 during the Japanese Occupation of Singapore (1942–45). ...

- **Lim Boon Keng**
  Lim Boon Keng (Dr) (; Lin Wenqing) (b. 18 October 1869, Singapore–d. 1 January 1957, Singapore) was an eminent figure ...

- **South Seas Society, Singapore**
A variety of currencies were used in Singapore during different periods in its history. These included Chinese coins in the 14th century; Spanish and other silver dollars for much of the 19th century despite official attempts to introduce the Indian rupee between 1826 and 1867; the Straits dollar from 1903 to 1939; the Malayan dollar from 1940 to 1953, except during the Japanese Occupation (1942–45) when “banana money” was used; and the Malaya and British Borneo dollar from 1953 to 1967. Despite gaining full independence in 1965, Singapore only began issuing its own currency, the Singapore dollar, from 1967 onwards.

### Precolonial period

Artefacts uncovered at various archaeological digs have shown that Singapore (then known as Temasek) was a bustling trading settlement in the 14th century. Among the archaeological finds have been a number of Chinese coins, most of which date from the Northern Song Dynasty (960–1126/1127). Based on these findings, archaeologists believe that Chinese coins were used as a medium of exchange at the time.

### British colonial period

#### 1819–1826: Spanish dollar

In the early years following the founding of a British trading settlement in Singapore in 1819, various types of currencies were in circulation. These included the Indian and Javanese rupee, Dutch guilder and Spanish silver dollar, with the last being the main unit of account. Silver dollars were introduced to Southeast Asia in the 16th century by the Portuguese and Spanish and were valued according to their silver content. In 1823, then Resident of Singapore John Crawfurd declared the Spanish dollar the legal currency of the settlement in a bid to reduce the confusion of having different types of currency in circulation.

#### 1826–1867: Indian rupee and Mexican dollar

In 1826, Singapore became part of the Straits Settlements together with Malacca and Penang – which came under the control of the East India Company, which wanted to make the Indian rupee and its subsidiary coinage the official currency in the settlements through the Currency Acts of 1835, 1847 and 1855. Despite these efforts, most transactions in Singapore continued to be made using the Mexican dollar, the successor of the Spanish dollar. This resulted in a situation where public accounts were kept in one denomination (rupees), while the actual transactions of both the government and public were conducted in another (Mexican silver dollars). The then British colonial governor of Hong Kong, Hercules Robinson, commented that the situation was "unsound, and productive of nothing but needless labour and confusions".

#### 1867–1903: Silver and other trade dollars

In 1867, governance of the Straits Settlements was transferred from India to the Colonial Office in London. One of the first things the Straits Settlements Legislative Council did was to pass the Legal Tender Act of 1867, which abolished the legal tender status of the Indian rupee. Instead, the Mexican, Hong Kong, Spanish, Peruvian and Bolivian silver dollars were recognised as legal tender currencies in the Straits Settlements. In 1874, the Japanese yen and American trade dollar were also admitted as legal tender.

Although the Mexican and other silver dollars were the main currencies used at the time, their supply was limited. To supplement these dollars, commercial banks began issuing bank notes. While not legal tender, banks were required to redeem their notes in silver dollars. In 1849, the Oriental Bank issued the first bank notes in Singapore in denominations of $5, $10, $25, $50, $100 and $500. By the second half of the 19th century, the Asiatic Banking Corporation, Oriental Banking Corporation, Mercantile Bank, Chartered Bank, and the Hongkong and Shanghai Banking Corporation were issuing bank notes that were in active circulation, along with silver dollars and subsidiary coins. The disadvantages to these notes were the risk of bank collapse and a limit to the quantities that could be issued. As a result, the British Colonial Office contemplated establishing a government note issue for the Straits Settlements. It was believed that only a state-issued currency would be absolutely secure and immediately convertible.

The British government began to mint silver dollars in the latter part of the 19th century. In 1866, it established a mint in Hong Kong and produced the Hong Kong dollar with the same silver content as the Mexican dollar, but this mint was abandoned after two years. In 1895, the British government started issuing British trade dollars due to the perennial currency shortage and lack of work for its mints in Calcutta and Bombay. Between 1895 and 1903, it minted 150-million trade dollars for use in the Straits Settlements and other British territories in the region.

In 1897, the currency board system was introduced and the Board of Commissioners of Currency for the Straits Settlements was established with the sole right to issue currency notes. The board began issuing Straits Settlements currency notes...
following the enactment of the Currency Ordinance in 1899, and banks were prohibited from issuing paper currencies when their charters expired.\textsuperscript{16}

\textbf{1903–1939: Straits dollar}

In 1903, the currency board introduced the Straits dollar with the same weight and fineness as the existing British dollar, while the British, Mexican and other silver dollars were demonetised.\textsuperscript{17} The Straits dollar was also exchangeable with the British sterling at a fixed parity and convertible to gold sovereigns, placing the currency on a gold-exchange standard. In 1931, Britain went off the gold standard, thus leaving the Straits currency on a sterling-exchange standard.\textsuperscript{18}

\textbf{1940–1942, 1945–1953: Malayan dollar}

In 1938, the Currency Ordinance (No. 23 of 1938) was passed to unite the currencies of Malaya and the Straits Settlements.\textsuperscript{19} The existing Straits Settlements currency board was extended to the Malay states and became known as the Board of Commissioners of Currency, Malaya (also known as the Malayan Currency Board).\textsuperscript{20} The new board began minting the first coins bearing the name “Malaya” in 1939, but the official notification of issue and declaration of this new Malayan currency as legal tender only took place on 24 January 1940.\textsuperscript{21}

\textbf{Japanese Occupation}

\textbf{Military yen: 1942–1945}

When the Japanese occupied Singapore in 1942, they introduced the military yen. The new currency was commonly referred to as “banana money” because the $10 note featured a banana plant. The prewar British currency was still legal tender but was quickly replaced by the new Japanese currency in the open market.\textsuperscript{22}

The initial issue of “banana money” was serially numbered with control letters and safety features such as a watermark and security thread.\textsuperscript{23} Subsequently, large quantities of the currency were issued without security features and the serial numbers disappeared from the notes. The military notes were intended for circulation on par with the Straits and Malayan dollar notes, but their value decreased dramatically over time. By 12 August 1945, the exchange rate had dropped to 950 Japanese military dollars for 1 Straits dollar.\textsuperscript{24} The Japanese currency was rendered worthless when it was demonetised by the British after they regained control of Malaya in September 1945.\textsuperscript{25}

\textbf{Postwar era}

\textbf{1953–1967: Malaya and British Borneo dollar}

A new currency agreement was put in place between Singapore, Malaya, North Borneo (now Sabah), Sarawak and Brunei in 1950, as the Malayan dollar had become widely used in the Borneo territories after the war.\textsuperscript{26} In 1952, the Board of Commissioners of Currency, Malaya and British Borneo was formed as a result of the new currency agreement.\textsuperscript{27} The first coins bearing the name “Malaya and British Borneo” were issued in 1953.\textsuperscript{28}

The currency agreement underwent revisions in 1960 in response to Malayan independence in 1957 and Singapore’s attainment of self-government in 1959. The revised agreement put in place provisions allowing the participating governments to withdraw from the currency board and issue their own currencies. However, the common currency arrangement remained intact, as Singapore, Sabah and Sarawak subsequently merged with Malaya to form the Federation of Malaysia in 1963.\textsuperscript{29}

Following Singapore’s separation from Malaysia in 1965, the two governments began negotiations on implementing a common currency. However, both sides could not come to a satisfactory arrangement and so decided on a currency split.\textsuperscript{30} In 1967, the three main countries of the currency union – Singapore, Malaysia and Brunei – began issuing their own currency.\textsuperscript{31} They initially decided to adopt a system of free interchangeability between their respective currencies to facilitate economic and trade relations. This meant that banks in each country would accept, at par and without charge, the notes and coins of the other countries and exchange them for local currency.\textsuperscript{32} Malaysia opted out of the agreement in 1973, although Singapore and Brunei have continued with this arrangement to the present day.\textsuperscript{33}

\textbf{Independent Singapore}

\textbf{1967–present: Singapore dollar}

On 12 June 1967, Singapore established the Board of Commissioners of Currency, Singapore (BCCS) as the sole currency-issuing authority in Singapore. The BCCS was inaugurated with six members and chaired by then Minister for Finance Lim Kim San.\textsuperscript{34} That same year, Singapore also moved away from the sterling standard due to the devaluation of the British currency. The sterling was replaced by the US dollar as the main intervention currency. In 1973, Singapore adopted a managed floating system where the Singapore dollar was matched to a basket of foreign currencies of its major trading partners.\textsuperscript{35}
In 1968, Singapore established a mint at the Chartered Industries of Singapore to produce circulation coins for the nation. Singapore’s currency notes were initially printed in the British plants of Bradbury Wilkinson & Co Ltd and Thomas De La Rue Ltd. In 1984, Thomas De La Rue established a plant in Jurong for the printing of Singapore currency notes. Singapore’s financial-banking sector underwent a revamp in 1971 with the establishment of the Monetary Authority of Singapore (MAS), which consolidated central bank functions that were scattered among various government institutions. On 1 October 2002, BCCS merged with MAS, with the latter becoming a full-fledged central bank with note-issuing powers.

**Singapore currency notes and coins**

Since 1967, four series of currency notes and three series of circulation coins have been issued. All these notes and coins continue to be legal tender in Singapore. The design of these notes incorporates themes reflecting Singapore’s status as an independent republic.

**Currency notes**

1967: Orchid series
These notes have a spray of orchid at the front together with the Singapore coat of arms, a watermark of the lion’s head symbol and the signature of the minister for finance. There were nine denominations in this series.

1976: Bird series
This series also has nine denominations of notes. The only difference from the first series was the replacement of the S$25 note with a S$20 note. The dominant feature of this series was birds, which symbolised strength, adaptability and independence – traits meant to characterise the young Republic of Singapore.

1984: Ship series
This series paid tribute to the contributions of merchant shipping to Singapore’s development. The images on the notes trace Singapore’s shipping history starting from the merchant ships of the early days and progressing to the modern bulk ships.

1999: Portrait series
The current series of notes features a prominent portrait of Yusof Ishak, Singapore’s first president. The reverse sides feature seven secondary themes – education, garden city, sports, arts, youth, government and economics – which depict the nation’s aspirations as well as the different facets of Singapore society.

**Coins**

1967: First series
Issued on 20 November 1967, the first series of coins featured various designs based on Singapore themes. It was a deviation from the earlier coins used in Singapore that typically bore the effigy of the reigning British monarch.

1985: Second series
This series consisted of four denominations of coins and was first issued on 2 December 1985. Adopting a floral theme, local plants and flowers were featured on the coins.

2013: Third series
This series, first issued on 25 June 2013 and currently in use, comprises five denominations. The series features well-known Singapore icons and landmarks and reflect Singapore’s progress as a nation.

**Timeline**

1823: John Crawfurd, Resident of Singapore, declares Spanish dollar the legal currency in Singapore.
1826: Singapore becomes part of the Straits Settlements under the East India Company. The Indian rupee is subsequently made legal tender under the Currency Acts of 1835, 1847 and 1855, but the Mexican dollar remains the preferred currency.
1866: British government issues the Hong Kong dollar.
1867: Governance of the Straits Settlements is transferred to the Colonial Office, London. The Currency Act making rupee legal tender is repealed; Mexican, Hong Kong, Spanish, Peruvian and Bolivian silver dollars are recognised as legal tender.
1874: Japanese yen and American trade dollar become legal tender.
1895: British government issues the British trade dollar.
1897: Board of Commissioners of Currency for the Straits Settlements is established.
1899: British government begins issuing Straits Settlements currency notes.
1903: Straits dollar is issued.
1938: Malayan Currency Board is established.
1939: First coins bearing the name “Malaya” are minted.
1940: New Malayan dollar currency is issued and officially recognised as legal tender.
1942–45: Japanese military yen, or “banana money”, is used during the Japanese Occupation of Singapore.
1952: Board of Commissioners of Currency, Malaya and British Borneo is formed.
1953: First coins bearing the name “Malaya and British Borneo” are issued.
1967: Singapore leaves the sterling standard. The Board of Commissioners of Currency, Singapore, is established, and Singapore issues the first series of currency notes and coins.
1968: Singapore mint is established as a division of the Chartered Industries of Singapore.
1971: Monetary Authority of Singapore is established.
1973: Malaysia opts out of currency interchangeability agreement with Singapore and Brunei, and Singapore adopts floating system for its currency.
1976: Second series of currency notes is issued.
1984: Thomas De La Rue Ltd establishes mint in Singapore; third series of currency notes is issued.
1985: Second series of circulation coins is issued.
1999: Fourth series of currency notes is issued.
2002: BCCS merges with MAS.
2013: Third series of currency coins is issued.

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References


The information in this article is valid as at 9 March 2016 and correct as far as we are able to ascertain from our sources. It is not intended to be an exhaustive or complete history of the subject. Please contact the Library for further reading materials on the topic.

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History of Singapore. Geographical Information. People and Society. The Singapore dollar (S$) is the currency used in Singapore. Singapore, as compared to most other Asian cities, is expensive. Shopping especially can cost you a pretty penny, but if you’re able to hold back the urge to buy everything you fancy (and there will invariably be lots of that in Singapore) you can manage fine. The financial service sector in Singapore is robust. Multinational and local banks cover the traveller’s needs very well: encashing traveller’s cheques and exchanging currency is hassle free here. Singapore does not impose restrictions on the amount of currency you can bring in, rather wisely encouraging you to spend freely in its booming market economy. A variety of currencies were used in Singapore during different periods in its history. These included Chinese coins in the 14th century; Spanish and other silver dollars for much of the 19th century despite official attempts to introduce the Indian rupee between 1826 and 1867; the Straits dollar from 1903 to 1939; the Malayan dollar from 1940 to 1953, except during the Japanese Occupation (1942–45) when “banana money” was used; and the Malaya and British Borneo dollar from 1953 to 1967. Despite gaining full independence in 1965, Singapore only began issuing its own currency, the Singapore dol... ~ Recommendations ~. Straits Settlements. Find out more about Singapore currency - history, designs, security features, regulations and guidelines pertaining to Singapore notes and coinsRead more. Statistics. Insurance Statistics. The dominant theme in the third phase of Singapore’s economic history was the overcoming of resource constraints through a significant restructuring of the economy. While Singapore had always been short of land and labour, these constraints came to a head in the 2010s. By 2011, annual growth in the total working age population had declined to less than 3%, and continued to fall steadily over the decade.