Currency and Economy of Taiwan, Hong Kong and China

By Patricia Davison
Taiwanese Currency

- Taiwan uses the New Taiwan Dollar (NT).
- The New Taiwan Dollar was introduced in 1949, when the Nationalists of China took over Taiwan.
- Exchange rates: approx. $34 NTD = $1 US
  - Divide NT price by 3 and take off the 0.
- ATMs can be used to get cash at favorable exchange rate.
Taiwanese currency

Bills like these are currently in circulation.

These bills were taken out of circulation in 2002.

Coins in 0.5, 1, 5, 10, 20 and 50 NT
Taiwan’s economy

• In modern times, Taiwan has been part of the Economical Miracle that has improved the conditions of many Asian countries.

• Taiwan is an export driven economy, similar to that of Japan.

• Taiwan “exports” its labor force to China.
  – The factories are in China, but the offices are in Taiwan.
Approx. Prices in Taiwan

- Taipei Rapid Transit one way: ~20-45 NTD
- Food stall: 50 NTD or less
- Fast food: ~100 NTD
- Nice/Foreign Restaurant: 500-1000 NTD
- Bottled water: 20 NTD
- Can of imported beer: ~35 NTD
- Computers/electronics are competitively priced.
Travel tips...

• Some vendors may not accept debit cards. Carry cash, it’s easier.
• Tipping taxi drivers, waiters, etc isn’t necessary, but becoming more common.
• Coinage is $1, $5, $10 and $20 NT amounts.
  – Coins increase in size as their value increases.
• Bills come in $100, $200, $500, $1000 and $2000 NT increments.
  – $200 and $2000 bills are uncommon, and generally not needed.
Hong Kong Currency

- Hong Kong uses the Hong Kong Dollar. (HKD)
- Private banks in Hong Kong in the past were allowed to issue their own currency. However, the official currency is the HKD.
- Approx exchange rate: \( \sim \$7.80 \text{ HKD} = \$1 \)
  - The upper limit of the exchange rate is $7.75 HKD for $1 US.
Hong Kong Currency

An example of a private bank’s 1992 currency.

The Hong Kong Dollar, bills and coins
Hong Kong’s Economy

- Hong Kong is also dependant on exports and foreign trade. Most trade is re-exportation.
- Hong Kong is the hub of the greater south China economic zone.
- Like Taiwan, much of Hong Kong’s industrial labor force and factory space is in the surrounding countryside, due to lack of space in Hong Kong itself.
Approx. Prices in Hong Kong

- Big Mac Value Meal: $22 HKD, $3 US
- Starbucks Tall Latte: $28 HKD, $4 US
- Music CD: $110 HKD, $14 US
- Min. taxi fare: $15 HKD, $2 US
- Bus: $8 HKD, $1 US
- Mid-range dinner for 2 (w/ wine): $600 HKD, $77 US
- Takeaway lunch: $30 HKD, $4 US
Travel Tips...

• The cost of living is slightly higher in Hong Kong than in Taiwan, so things will cost more.
• Once again, debit cards are recommended for getting cash at ATMs at a good exchange rate.
• Carry cash for purchases as well. Coins are 10c, 20c, 50c, $1, $2, $5, and $10. Bills are $10, $20, $50, $100, $500 and $1000 (rarely).
• Because Hong Kong has thrived on close business associations with foreign countries since founding, vendors may be more flexible about taking other currencies, such as American dollars, Taiwan dollars, or Yuan.
Chinese Currency

- China uses the Yuan. The Yuan is also known as the Renminbi.
  - Yuan means ‘round coin’.
  - Yuan is pronounced “wren”.
  - Abbreviations are CNY and RMB.
- One Yuan is divided into 10 Jiao/ Mao.
- One Jiao is divided into 10 fen.
- Exchange rate: ~7 CNY = $1 US
Chinese Currency

• Yuan Renminbi come in 1/10, ½, 1, 2, 5, 10, 20, 50 and 100 Yuan bills.
China’s Economy

- China has had an economic and industrial boom in recent years.
- Iron, steel, coal, petroleum, and countless finished products are “made in China”.
- Agriculture is also an important industry.
- Also, due to the Olympics, exchange rates may not be as favorable as they were.
  - Prices will probably be higher than predicted.
Approx. Prices in Shanghai...

<table>
<thead>
<tr>
<th>Item</th>
<th>Price Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street vendor</td>
<td>1-10 CNY</td>
</tr>
<tr>
<td>Non-Chinese Restaurant</td>
<td>30-100 CNY</td>
</tr>
<tr>
<td></td>
<td>(Italian is cheapest, Mexican is pricier)</td>
</tr>
<tr>
<td>Chinese Restaurant</td>
<td>8-50 CNY per person</td>
</tr>
<tr>
<td>Western Fast Food</td>
<td>20-40 CNY</td>
</tr>
<tr>
<td></td>
<td>(Chinese is less)</td>
</tr>
<tr>
<td>Bottled water</td>
<td>1-4 CNY</td>
</tr>
<tr>
<td>Can of pop</td>
<td>2.5 CNY</td>
</tr>
<tr>
<td>Batteries</td>
<td>4-8 CNY</td>
</tr>
<tr>
<td>Toothpaste</td>
<td>5-10 CNY</td>
</tr>
<tr>
<td>Shampoo</td>
<td>20-40 CNY</td>
</tr>
<tr>
<td>Tourist stuff</td>
<td>Zoo: 35-50 CNY,</td>
</tr>
<tr>
<td></td>
<td>Aquarium: 80-100 CNY,</td>
</tr>
<tr>
<td></td>
<td>Oriental Pearl TV Tower: 80-100 CNY,</td>
</tr>
<tr>
<td></td>
<td>Shanghai History Museum: 50-100 CNY,</td>
</tr>
<tr>
<td></td>
<td>Century Park: 20 CNY</td>
</tr>
</tbody>
</table>
Travel Tips...

• Eat at street vendors! Many sources say the food is delicious as well as cheap. Carry cash in small bills for convenience.
• Most restaurants will be family style, where dishes are shared with the group. (Like Lao Sze Chuan)
• Don’t forget to bargain for clothes or souvenirs!
  – They will rip you off if you pay the price they offer first.
References