

Why Cash Isn't Going Away Anytime Soon – Currency Overview

With the onslaught of popular electronic payment methods, cash still continues to be a primary payment method of choice. The average person still uses cash for transactions every month and in some cases will only use cash for certain purchases, according to an analysis by the San Francisco Federal Reserve Bank.

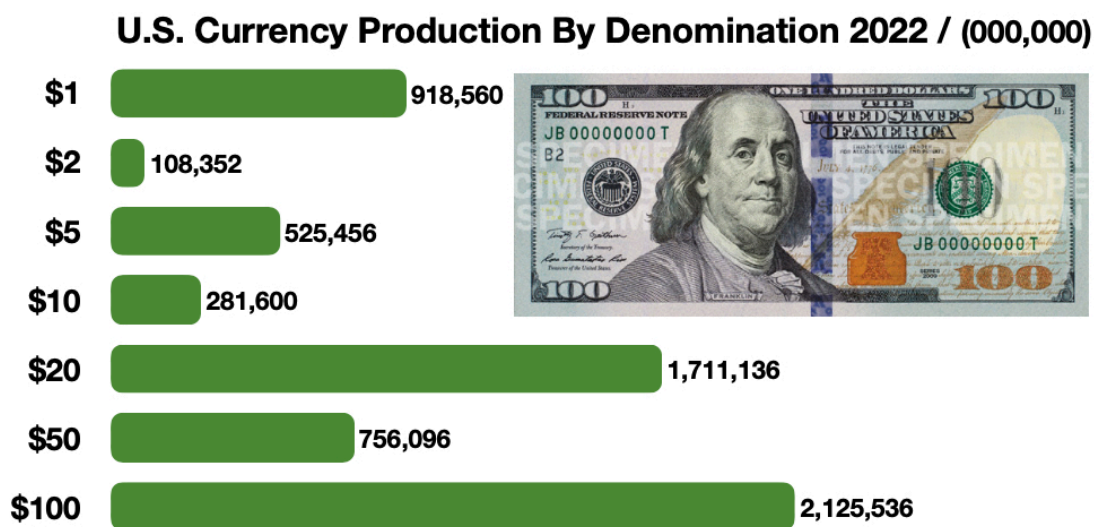
Various benefits for cash still exist, where credit cards or electronic payment forms just can't compete. The most compelling reason to use cash is the fact that it is anonymous, meaning that the person spending the money is invisible, relative to making a payment with a credit card or electronic method that can be tracked and identify who's spending.

The San Francisco Fed study found that the average person pays with cash about 23 times a month, more often than credit cards and electronic payment forms. Most cash transactions are used for purchases of under \$25. The study also identified 18 to 24-year-olds prefer cash to other payment forms, maybe due to the lack of credit card access available to younger consumers and students.

Of the various U.S. currency denominations in circulation, the 100-dollar bill is by far the most popular and the single most printed note. For the past two fiscal years (2022 & 2021) the 100 dollar bill has been the most produced note by the U.S. Bureau of Engraving & Printing, with over 2.3 billion individual 100-dollar bills printed in 2021, and over 2.1 billion 100-dollar bills in 2022.

Over 90 percent of currency printed by the U.S. Bureau of Engraving & Printing goes to replacing old and tattered bills already in circulation. Interestingly enough, rather than replacing old bills with new electronic payment forms, cash continues to be king.

Sources: San Francisco Fed, U.S. Bureau of Engraving & Printing



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