

# Condensed Balance Sheet

## CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

**March 2019**

(millions of NAf.)

Assets	Difference compared to		Liabilities	Difference compared to	
	31-Mar-19	28-Feb-19		31-Mar-19	28-Feb-19
<b>Claims on nonresidents</b>	<b>3,493.9</b>	<b>37.8</b>	<b>Liabilities to nonresidents</b>	<b>263.7</b>	<b>-15.6</b>
Gold	974.8	-17.9	Deposits of nonresidents in foreign currency	263.7	-15.6
Official reserves	2,519.1	55.7			
Other	0.0	0.0			
<b>Domestic assets</b>	<b>649.6</b>	<b>-3.5</b>	<b>Domestic liabilities</b>	<b>2,966.3</b>	<b>65.5</b>
			Currency in circulation	459.1	-3.0
<b>Claims on the government</b>	<b>0.1</b>	<b>0.0</b>	<b>Government deposits</b>	<b>196.6</b>	<b>80.8</b>
Government paper in portfolio	0.1	0.0	Government of Curacao	160.7	71.7
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	33.8	9.0
Other	0.0	0.0	Former Central Government	1.8	0.0
			Government agencies and institutions	0.4	0.0
<b>Claims on deposit money banks</b>	<b>282.0</b>	<b>-1.0</b>	<b>Liabilities to deposit money banks</b>	<b>2,027.1</b>	<b>1.0</b>
Current account balances	282.0	-1.0	Current account balances	713.1	-8.1
			Certificates of Deposit	0.0	0.0
			Required reserves	1,314.0	9.1
<b>Claims on other sectors</b>	<b>367.5</b>	<b>-2.4</b>	<b>Liabilities to other sectors</b>	<b>283.4</b>	<b>-13.3</b>
Other assets	367.5	-2.4	Deposits of other residents	221.1	-16.2
			Other liabilities	62.4	2.8
			<b>Capital and reserves</b>	<b>913.5</b>	<b>-15.6</b>
<b>Total assets</b>	<b>4,143.5</b>	<b>34.3</b>	<b>Total liabilities</b>	<b>4,143.5</b>	<b>34.3</b>

During the month of March 2019, the Bank maintained the reserve requirement at 18.00%. Nevertheless, the amount of required reserves increased by NAf.9.1 million due to the higher base amount<sup>1</sup> upon which it is calculated.

Base money<sup>2</sup> decreased by NAf.11.1 million due to a decline in the current account balances of the commercial banks (NAf.8.1 million) and currency in circulation (NAf.3.0 million). The current account balances of the commercial banks declined mainly as a result of the net purchase of foreign exchange, the withdrawal of dollar deposits, and the increase in required reserves at the Bank. However, this decline was mitigated by transfers by a financial institution under the emergency measure, N.V. Pensioen ESC, and Postspaarbank (PSB Bank N.V.) from their accounts at the Bank towards their accounts at the commercial banks. Moreover, payments made by USONA<sup>3</sup> to local creditors in connection with the construction of the new hospital in Curaçao mitigated the decline in the current account balances.

The item "Liabilities to non-residents" declined by NAf.15.6 million, mainly as a result of transactions carried out by some commercial banks in Bonaire from their accounts at the Bank.

<sup>1</sup> The base amount is equal to the commercial banks' domestic liabilities -/- long-term deposits.

<sup>2</sup> The sum of currency in circulation and the current account balances of the commercial banks at the Bank.

<sup>3</sup> USONA is the foundation in charge with the construction of the new hospital in Curaçao.

The net position of the government with the Bank improved by NAf.80.8 million due to an increase in the deposits of both the government of Curaçao (NAf. 71.7 million) and the government of Sint Maarten (NAf. 9.0) million). The increase in the deposits of the government of Curaçao was mainly the result of funds received from abroad related to the privatization of state-owned company UTS N.V. and the transfer of license fees collected by the Bank for February 2019. The increase was moderated by payments to USONA in connection with the construction of the new hospital. The increase in the deposits of the government of Sint Maarten can be attributed to a bridge loan provided by the Dutch State to the country of Sint Maarten for the reconstruction of the Princess Juliana International Airport.

Furthermore, the item “Liabilities to other residents” decreased by NAf.13.3 million due largely to the transfer of funds by PSB Bank N.V. and a financial institution under the emergency measure towards their accounts with the commercial banks. The transfer of funds to abroad by the public pension fund of Curaçao, APC, also contributed to the decrease in the item “Liabilities to other residents”.

On the assets side of the balance sheet, the item “Official reserves” increased by NAf.55.7 million as a result of the bridge loan provided by the Dutch State to Sint Maarten and the transfers of funds from abroad related to the privatization of state-owned company UTS N.V. and by N.V. Pensioen ESC. The increase in the item “Official reserves” was moderated by the net purchase of foreign exchange and the withdrawal of dollar deposits by the commercial banks at the Bank, the transactions carried out by the commercial banks in Bonaire, and the transfer of funds to abroad by APC.

Finally, the item “Gold” on the assets side of the balance sheet decreased by NAf.17.9 million as a result of the lower market value at the balance sheet date compared to the end of February 2019. The decrease in the item “Capital and reserves” on the liabilities side of the balance sheet was related to the drop in the market value of gold.

Willemstad, April 29, 2019

**Centrale Bank van Curaçao en Sint Maarten**