

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

April 2019

(millions of NAf.)

Assets	Difference compared to		Liabilities	Difference compared to	
	30-Apr-19	31-Mar-19		30-Apr-19	31-Mar-19
Claims on nonresidents	3,398.8	-95.2	Liabilities to nonresidents	305.2	41.5
Gold	964.9	-9.9	Deposits of nonresidents in foreign currency	305.2	41.5
Official reserves	2,433.8	-85.3			
Other	0.0	0.0			
Domestic assets	639.4	-10.2	Domestic liabilities	2,827.8	-138.4
			Currency in circulation	471.4	12.3
Claims on the government	0.1	0.0	Government deposits	186.8	-9.8
Government paper in portfolio	0.1	0.0	Government of Curacao	140.1	-20.5
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	44.5	10.7
Other	0.0	0.0	Former Central Government	1.7	0.0
			Government agencies and institutions	0.4	0.0
Claims on deposit money banks	269.6	-12.4	Liabilities to deposit money banks	1,917.0	-110.1
Current account balances	269.6	-12.4	Current account balances	605.0	-108.1
			Certificates of Deposit	0.0	0.0
			Required reserves	1,312.0	-2.0
Claims on other sectors	369.7	2.2	Liabilities to other sectors	252.6	-30.8
Other assets	369.7	2.2	Deposits of other residents	190.6	-30.5
			Other liabilities	62.0	-0.3
			Capital and reserves	905.1	-8.4
Total assets	4,038.1	-105.4	Total liabilities	4,038.1	-105.4

During the month of April 2019, the Bank maintained the reserve requirement at 18.00%. Nevertheless, the amount of the required reserves decreased by NAf.2.0 million due to the lower base amount¹ upon which it is calculated.

Base money² decreased by NAf.95.8 million due to a decline in the current account balances of the commercial banks (NAf.108.1 million), mitigated by an increase in currency in circulation (NAf.12.3 million). The increase in currency in circulation can largely be explained by the higher demand for cash by the public during the holidays at the end of April. The decrease in the current account balances was mainly the result of the net purchase of foreign exchange and the withdrawal of dollar deposits by the commercial banks at the Bank. Moreover, payments made by USONA³ from its accounts at the commercial banks towards its account at the Bank in connection with the construction of the new hospital contributed to the decline in the current account balances. However, this decrease was mitigated by transfers of N.V. Pensioen ESC, Postspaarbank (PSB Bank N.V.), the government of Sint Maarten, and a financial institution under the emergency measure from their accounts at the Bank towards their accounts at the commercial banks. In addition, part of the short-term credit that was extended to the commercial banks by the Bank was repaid.

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

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

³ USONA is the foundation in charge with the construction of the new hospital in Curaçao.

This repayment is reflected by the decrease of NAf.12.4 million in the item “Claims on deposit money banks” on the assets side of the balance sheet.

The item “Liabilities to non-residents” increased by NAf.41.5 million mainly as a result of an increase in the deposits of the Dutch Ministry of the Interior and Kingdom Relations (BZK) in connection with interest payments received on bonds issued by Curaçao and Sint Maarten held by the Dutch State. Transactions by several commercial banks in Bonaire and the Central Bank of Aruba towards their accounts at the Bank also contributed to the increase in the item “Liabilities to non-residents”.

The net position of the governments with the Bank worsened by NAf.9.8 million due to a decrease in the deposits of the government of Curaçao (NAf.20.5 million), moderated by an increase in the deposits of the government of Sint Maarten (NAf.10.7 million). The decrease in the deposits of the government of Curaçao was due mainly to interest payments to the Dutch State. This decrease was moderated by the transfer of license fees collected over the month of March 2019 by the Bank. 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. However, the interest payments to the Dutch State and transfers to its accounts with the commercial banks moderated the increase in deposits.

The increase in the deposits of the government of Sint Maarten can be attributed to the issuance of a bond loan (NAf.32.9 million), moderated by interest payments to the Dutch State and transfers to its accounts with the commercial banks.

Furthermore, the item “Liabilities to other sectors” decreased by NAf.30.8 million, due largely to the transfers by PSB Bank N.V. and a financial institution placed under the emergency measure towards their accounts at the commercial banks. The funds received by the public pension fund, APC, from the Dutch State Treasury Agency (DSTA) in connection with an annuity loan taken over under the debt relief program that is held in the portfolio of the APC, mitigated the decline.

On the assets side of the balance sheet, the item “Official reserves” decreased by NAf.85.3 million as a result of the net purchase of foreign exchange and the withdrawal of dollar deposits by the commercial banks at the Bank, and the payments by USONA to foreign creditors. The decrease was moderated by funds received from abroad by N.V. Pensioen ESC and the transfer by DSTA for the repayment of the annuity loan.

Finally, the item “Gold” on the assets side of the balance sheet decreased by NAf.9.9 million as a result of the lower market value at the balance sheet date compared to the end of March 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, June 4, 2019

Centrale Bank van Curaçao en Sint Maarten