

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

November 2019

(millions of NAf.)

Assets	Difference compared to		Liabilities	Difference compared to	
	30-Nov-19	31-Oct-19		30-Nov-19	31-Oct-19
Claims on nonresidents	3,160.3	-233.1	Liabilities to nonresidents	294.7	-14.1
Gold	1,098.8	-38.2	Deposits of nonresidents in foreign currency	294.7	-14.1
Official reserves	2,061.6	-194.9			
Other	0.0	0.0			
Domestic assets	642.0	0.0	Domestic liabilities	2,461.1	-179.8
			Currency in circulation	481.3	9.4
Claims on the government	0.1	0.0	Government deposits	69.6	-30.2
Government paper in portfolio	0.1	0.0	Government of Curaçao	47.3	-23.7
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	20.2	-6.5
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	267.0	-1.4	Liabilities to deposit money banks	1,784.1	-136.5
Current account balances	267.0	-1.4	Current account balances	386.3	-161.8
			Certificates of Deposit	109.8	32.0
			Required reserves	1,288.1	-6.7
Claims on other sectors	374.9	1.4	Liabilities to other sectors	126.1	-22.5
Other assets	374.9	1.4	Deposits of other residents	63.4	-25.3
			Other liabilities	62.7	2.9
			Capital and reserves	1,046.6	-39.3
Total assets	3,802.4	-233.2	Total liabilities	3,802.4	-233.2

During the month of November 2019, the Bank continued to direct its monetary policy at tightening the surplus in the money market by auctioning “Certificates of Deposit” (CD). As a result, the outstanding amount of CDs increased by NAf.32.0 million. Furthermore, the Bank maintained the percentage of reserve requirement at 18.00%. Nevertheless, the amount of required reserves decreased by NAf.6.7 million due to the lower base amount¹ upon which it is calculated.

Base money² decreased by NAf.152.4 million due to a decline in the current account balances of the commercial banks (NAf.161.8 million), moderated by an increase in currency in circulation (NAf.9.4 million). The decrease in the current account balances was mainly the result of the transfer of dollar deposits to abroad, the net purchase of foreign exchange, and the purchase of CDs by the commercial banks at the Bank. Transfers by pension funds, the government of Curaçao and the government of Sint Maarten from their accounts at the Bank towards their accounts at the commercial banks moderated the decline in the current account balances.

The item “Liabilities to non-residents” decreased by NAf.14.1 million, mainly as a result of transactions carried out by the commercial banks in Bonaire from their accounts at the Bank.

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.

The decrease was mitigated by an increase in the deposits of the Central Bank of Aruba. In addition, the increase in the deposits of the Dutch Ministry of Interior and Kingdom Relations (BZK) in connection with interest payments on bonds issued by Sint Maarten owned by the Dutch State, moderated the decrease in the item “Liabilities to non-residents”.

The net position of the governments at the Bank deteriorated by NAf.30.2 million due to decreases in the deposits of the government of Curaçao (NAf.23.7 million) and the government of Sint Maarten (NAf.6.5 million). The decrease in deposits of the government of Curaçao was the result of the transfer of funds towards its accounts at the commercial banks. However, the transfer of license fees collected by the Bank over the month of October 2019 moderated the decrease. The decline in deposits of the government of Sint Maarten can be attributed to the transfer of funds towards its accounts at the commercial banks in connection with, among other things, the reconstruction efforts and the payment of interest on bonds issued.

Furthermore, the item “Liabilities to other sectors” decreased by NAf.22.5 million. This decrease was mainly the result of transfers from the public pension fund of Curaçao, APC, to the commercial banks in connection with a bond loan to HNO³ *Transitie en Exploitatie* for the completion of the new hospital of Curaçao.

The item “Official reserves” on the assets side of the balance sheet decreased by NAf.194.9 million, due mainly to the transfer of dollar deposits to abroad and the net purchase of foreign exchange by the commercial banks. The transfer of funds from abroad by a pension fund and the Central Bank of Aruba, and the funds received from the World Bank for the reconstruction of Sint Maarten moderated the decrease in foreign exchange.

Finally, the item “Gold” on the assets side of the balance sheet dropped by NAf.38.2 million due to the lower market value on the balance sheet date compared to the end of October 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, December 23, 2019

Centrale Bank van Curaçao en Sint Maarten

³ Hospital Nobo Otrobanda (New Hospital Otrobanda).