

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

February 2021

(millions of NAf.)

Assets	28-Feb-21	Difference	Liabilities	28-Feb-21	Difference
		compared to			compared to
		31-Jan-21			31-Jan-21
Claims on nonresidents	4,209.8	-137.4	Liabilities to nonresidents	273.9	10.4
Gold	1,311.5	-91.0	Deposits of nonresidents in foreign currency	273.9	10.4
Official reserves	2,898.3	-46.4			
Other	0.0	0.0			
Domestic assets	598.4	34.1	Domestic liabilities	3,308.9	-20.0
			Currency in circulation	518.7	-4.3
Claims on the government	271.1	0.3	Government deposits	178.9	-44.8
Government paper in portfolio	0.0	0.0	Government of Curacao	140.1	-47.5
Government agencies and institutions	270.8	0.3	Government of Sint Maarten	36.7	2.6
Other	0.4	0.0	Former Central Government	1.7	0.0
			Government agencies and institutions	0.4	0.0
Claims on deposit money banks	0.0	0.0	Liabilities to deposit money banks	2,388.6	29.3
Current account balances	0.0	0.0	Current account balances	772.4	85.6
			Certificates of Deposit	219.0	-58.0
			Required reserves	1,397.2	1.7
Claims on other sectors	327.3	33.8	Liabilities to other sectors	222.7	-0.2
Other assets	327.3	33.8	Deposits of other residents	158.0	1.4
			Other liabilities	64.7	-1.6
			Capital and reserves	1,225.4	-93.7
Total assets	4,808.2	-103.3	Total liabilities	4,808.2	-103.3

During the month of February 2021, the Bank maintained the percentage of the required reserves at 19.00%. Nevertheless, the amount of required reserves increased by NAf.1.7 million due to the higher base amount¹ upon which it is calculated. Furthermore, the amount of outstanding certificates of deposit (CDs) dropped by NAf.58.0 million because a subscription on a bi-weekly auction with maturities of 3, 6 and 12 months was not accepted by the Bank.

Base money² rose by NAf.81,3 million due to an increase of the current account balances of the commercial banks (NAf.85.6 million), mitigated by a drop in currency in circulation (NAf.4.3 million). The increase in the current account balances was primarily the result of the repayment of matured CDs by the Bank and transfers by the governments of Curaçao and Sint Maarten from their accounts at the Bank towards their accounts at the commercial banks. In addition, the purchase by the Bank of bonds of Sint Maarten Harbour Finance N.V. on the secondary market contributed to the increase in the current account balances. However, the net purchase of foreign exchange from the Bank moderated the increase in the current account balances. The purchase of bonds of Sint Maarten Harbour Finance N.V. contributed also to the increase of the item “Claims on other sectors” on the balance sheet by NAf.33.8 million.

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.

Moreover, the item “Liabilities to nonresidents” increased by NAf.10.4 million, mainly due to the transfers of funds from the commercial banks in Bonaire to their accounts at the Bank.

The net position of the governments with the Bank deteriorated by NAf.44.8 million due to a drop in the deposits of Curaçao (NAf.47.5 million), mitigated by an increase of the deposits of Sint Maarten (NAf.2.6 million). The deposits of Curaçao dropped mainly because of transfers to accounts at the commercial banks related to support provided to the most affected groups in society amid the corona crisis. The drop in the deposits was, however, mitigated by the transfer of collected license fees over the month of January 2021 by the Bank. The deposits of Sint Maarten increased because of transfers from the trust fund at the World Bank for the reconstruction of Sint Maarten following the devastation caused by the hurricanes in 2017. However, the transfers of funds from its accounts at the Bank towards its accounts at the commercial banks related to support programs amid the corona crisis, moderated the increase.

On the assets side of the balance sheet, the item “Official reserves” dropped by NAf.46.4 million due primarily to the net purchase of foreign exchange at the Bank by the commercial banks. The transfers by the World Bank for the reconstruction of Sint Maarten and the transactions by the commercial banks in Bonaire moderated, however, the drop in the official reserves.

Finally, the item “Gold” on the assets side of the balance sheet dropped by NAf.91.0 million due to the lower market value on the balance sheet date compared to the end of January 2021. The drop in the item “Capital and reserves” on the liabilities side of the balance sheet was related to the drop in the market value of the gold stock.

Willemstad, April 6, 2021

Centrale Bank van Curaçao en Sint Maarten