

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

March 2021

(millions of NAf.)

Assets	31-Mar-21	Difference	Liabilities	31-Mar-21	Difference
		compared to			compared to
		28-Feb-21			28-Feb-21
Claims on nonresidents	4,259.5	49.7	Liabilities to nonresidents	281.4	7.5
Gold	1,272.5	-39.0	Deposits of nonresidents in foreign currency	281.4	7.5
Official reserves	2,987.0	88.7			
Other	0.0	0.0			
Domestic assets	600.7	2.3	Domestic liabilities	3,392.1	83.8
			Currency in circulation	523.9	5.3
Claims on the government	271.4	0.3	Government deposits	92.0	-86.9
Government paper in portfolio	0.0	0.0	Government of Curacao	81.4	-58.7
Government agencies and institutions	271.1	0.3	Government of Sint Maarten	8.5	-28.2
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	2,379.8	-8.8
Current account balances	0.0	0.0	Current account balances	654.2	-118.2
			Certificates of Deposit	319.0	100.0
			Required reserves	1,406.6	9.3
Claims on other sectors	329.3	2.0	Liabilities to other sectors	396.4	174.2
Other assets	329.3	2.0	Deposits of other residents	338.3	180.3
			Other liabilities	58.0	-6.1
			Capital and reserves	1,186.8	-39.3
Total assets	4,860.3	52.0	Total liabilities	4,860.3	52.0

During the month of March 2021, the Bank maintained the percentage of the required reserves at 19.00%. Nevertheless, the amount of required reserves increased by NAf.9.3 million due to the higher base amount¹ upon which it is calculated. Furthermore, the amount of outstanding certificates of deposit (CDs) increased by NAf.100.0 million because the commercial banks subscribed for a higher amount during the weekly auctions of CDs with a maturity of two weeks.

Base money² dropped by NAf.112.9 million due to a significant drop in the current account balances of the commercial banks (NAf.118.2 million), mitigated by a slight increase in currency in circulation (NAf.5.3 million). The drop in current account balances was mainly the result of the increase in the outstanding amount of CDs, the net purchase of foreign exchange, and the higher amount of required reserves at the Bank. The transfers by the governments of Curaçao and Sint Maarten and a pension fund from their accounts at the Bank towards their accounts at the commercial banks mitigated, however, this drop.

Moreover, the item “Liabilities to nonresidents” increased by NAf.7.5 million, mainly due to the transactions by the commercial banks in Bonaire towards their accounts at the Bank. Funds received by the Dutch Ministry of the Interior and Kingdom Relations (BZK) in connection with interest payments on debt securities issued by the government of Curaçao that are held by the Dutch State also contributed to the increase.

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 net position of the governments with the Bank deteriorated by NAf.86.9 million due to a drop in the deposits of Curaçao (NAf.58.7 million) and Sint Maarten (NAf.28.2 million). The deposits of Curaçao dropped mainly as a result of transfers to accounts at the commercial banks related to support provided to the most affected groups in society amid the corona crisis, and interest payments to the Dutch State. The drop in deposits was, however, mitigated by the transfer of the collected license fees over the month of February 2021 by the Bank. The deposits of Sint Maarten dropped because of transfers to accounts at the commercial banks for the reconstruction of Sint Maarten following the devastating hurricanes in 2017 and support provided to the most affected groups in society amid the corona crisis.

In addition, the item “Liabilities to other sectors” rose by NAf.174.2 million due mainly to the transfer of funds from abroad related to a loan extended by the Dutch State to the government of Curaçao for the controlled winding-up of Girobank N.V. This loan was, following approval by court, extended through the government of Curaçao to GI-RO Settlement and the funds were deposited on the account of this institution at the Bank. This also explains the increase by NAf.88.7 million in the item “Official reserves” on the assets side of the balance sheet. In addition, the transactions by the commercial banks in Bonaire and the transfer of funds from abroad by a pension fund contributed to the increase in the item “Official reserves”. The increase in this item was, however, moderated by the net purchase of foreign exchange by the commercial banks at the Bank.

Finally, the item “Gold” on the assets side of the balance sheet dropped by NAf.39.0 million due to the lower market value on the balance sheet date compared to the end of February 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, May 10, 2021

Centrale Bank van Curaçao en Sint Maarten