

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

April 2021

(millions of NAf.)

Assets	30-Apr-21	Difference	Liabilities	30-Apr-21	Difference
		compared to			compared to
		31-Mar-21			31-Mar-21
Claims on nonresidents	4,334.2	74.7	Liabilities to nonresidents	307.4	25.9
Gold	1,330.2	57.6	Deposits of nonresidents in foreign currency	307.4	25.9
Official reserves	3,004.1	17.1			
Other	0.0	0.0			
Domestic assets	601.1	0.4	Domestic liabilities	3,384.9	-7.1
			Currency in circulation	539.1	15.1
Claims on the government	271.7	0.3	Government deposits	66.9	-25.1
Government paper in portfolio	0.0	0.0	Government of Curacao	56.3	-25.1
Government agencies and institutions	271.3	0.3	Government of Sint Maarten	8.5	0.0
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	2,454.3	74.5
Current account balances	0.0	0.0	Current account balances	701.9	47.7
			Certificates of Deposit	269.0	-50.0
			Required reserves	1,483.3	76.8
Claims on other sectors	329.5	0.2	Liabilities to other sectors	324.7	-71.6
Other assets	329.5	0.2	Deposits of other residents	262.7	-75.7
			Other liabilities	62.0	4.1
			Capital and reserves	1,243.1	56.3
Total assets	4,935.3	75.1	Total liabilities	4,935.3	75.1

During the month of April 2021, the Bank maintained the percentage of the required reserves at 19.00%. Nevertheless, the amount of required reserves increased by NAf.76.8 million due to the higher base amount¹ upon which it is calculated. Furthermore, the amount of outstanding certificates of deposit (CDs) dropped by NAf.50.0 million because the commercial banks subscribed for a lower amount in the weekly auctions of CDs with a maturity of two weeks.

Base money² rose by NAf.62.8 million due to an increase in the current account balances of the commercial banks (NAf.47.7 million) and the currency in circulation (NAf.15.1 million). The increase in the current account balances was mainly the result of the repayment of matured CDs by the Bank and the transfers by the government of Curaçao and pension funds from their accounts at the Bank towards their accounts at the commercial banks. In addition, the transfer from Gi-Ro Settlement Holding (GSH N.V.) towards Girobank N.V. regarding the winding-up of this institution contributed to the increase in the current account balances. However, the increase in the required reserves moderated the increase in the current account balances.

Furthermore, the item “Liabilities to non-residents” increased by NAf.25.9 million, mainly due to the payment of interest on bonds issued by Curaçao and Sint Maarten that are held by

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 Dutch State. The transfer of funds from abroad by the Dutch Ministry of Finance towards its account with the Bank also contributed to the increase of the item. However, the transfers of funds by the commercial banks in Bonaire from their accounts at the Bank moderated the increase.

The net position of the governments at the Bank deteriorated by NAf.25.1 million due to a decrease in the deposits of Curaçao (NAf.25.1 million), while the deposits of Sint Maarten remained unchanged. The deposits of Curaçao dropped mainly because of the transfers to accounts at the commercial banks related to support provided to the most affected groups in society amid the corona crisis. Interest payments on bonds held by the Dutch State also contributed to the decline in the deposits of Curaçao. However, funds received related to the sale of the former government-owned telecommunication company, UTS N.V., and the transfer by the Bank of the collected license fees over the month of March 2021 moderated the decline in the deposits of Curaçao.

The item “Liabilities to other sectors” decreased by NAf.71.6 million, due mainly to the transfers of funds by a financial institution placed under the emergency rule from its account at the Bank to abroad. In addition, funds transferred by GSH N.V. to Girobank N.V. and by pension funds towards their accounts at the commercial banks contributed to the decline of this item.

The item “Official reserves” on the assets side of the balance sheet increased by NAf.17.1 million, due mainly to funds received from abroad in connection with the sale of UTS N.V. and transfers from abroad by pension funds and the Dutch Ministry of Finance. However, the increase was moderated by transfers from a financial institution placed under the emergency rule and the transactions by the commercial banks in Bonaire.

Finally, the item “Gold” on the assets side of the balance sheet increased by NAf.57.6 million due to the higher market value on the balance sheet date compared to the end of March 2021. The increase in the item “Capital and reserves” on the liabilities side of the balance sheet was related to the higher market value of the gold stock.

Willemstad, June 14, 2021

Centrale Bank van Curaçao en Sint Maarten