

# Condensed Balance Sheet

## CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

**May 2021**

(millions of NAf.)

Assets	31-May-21	Difference	Liabilities	31-May-21	Difference
		compared to			compared to
		30-Apr-21			30-Apr-21
<b>Claims on nonresidents</b>	<b>4,445.1</b>	<b>110.9</b>	<b>Liabilities to nonresidents</b>	<b>315.3</b>	<b>7.9</b>
Gold	1,429.7	99.6	Deposits of nonresidents in foreign currency	315.3	7.9
Official reserves	3,015.4	11.3			
Other	0.0	0.0			
<b>Domestic assets</b>	<b>601.1</b>	<b>0.0</b>	<b>Domestic liabilities</b>	<b>3,389.6</b>	<b>4.7</b>
			<b>Currency in circulation</b>	<b>543.3</b>	<b>4.2</b>
<b>Claims on the government</b>	<b>271.9</b>	<b>0.3</b>	<b>Government deposits</b>	<b>64.3</b>	<b>-2.7</b>
Government paper in portfolio	0.0	0.0	Government of Curacao	58.9	2.6
Government agencies and institutions	271.6	0.3	Government of Sint Maarten	3.2	-5.3
Other	0.4	0.0	Former Central Government	1.7	0.0
			Government agencies and institutions	0.4	0.0
<b>Claims on deposit money banks</b>	<b>0.0</b>	<b>0.0</b>	<b>Liabilities to deposit money banks</b>	<b>2,489.0</b>	<b>34.7</b>
Current account balances	0.0	0.0	Current account balances	797.6	95.7
			Certificates of Deposit	269.0	0.0
			Required reserves	1,422.4	-61.0
<b>Claims on other sectors</b>	<b>329.2</b>	<b>-0.3</b>	<b>Liabilities to other sectors</b>	<b>293.2</b>	<b>-31.5</b>
Other assets	329.2	-0.3	Deposits of other residents	232.2	-30.5
			Other liabilities	61.0	-1.0
			<b>Capital and reserves</b>	<b>1,341.3</b>	<b>98.2</b>
<b>Total assets</b>	<b>5,046.2</b>	<b>110.8</b>	<b>Total liabilities</b>	<b>5,046.2</b>	<b>110.8</b>

During the month of May 2021, the Bank maintained the percentage of the required reserves at 19.00%. Nevertheless, the amount of required reserves dropped by NAf.61.0 million due to the lower base amount<sup>1</sup> upon which it is calculated. Furthermore, on the weekly auctions of certificates of deposit (CDs), the banks only subscribed for the maturing amounts of CDs. As a result, the amount of outstanding CDs remained unchanged.

Base money<sup>2</sup> rose by NAf.99.9 million due to an increase in the current account balances of the commercial banks (NAf.95.7 million) and currency in circulation (NAf.4.2 million). The increase in the current account balances was mainly the result of the decrease in the required reserves and the transfers by the government of Sint Maarten and pension funds from their accounts at the Bank towards their accounts at the commercial banks. In addition, the transfers 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.

Furthermore, the item “Liabilities to non-residents” increased by NAf.7.9 million, mainly due to the transfer of funds by the commercial banks in Bonaire to their accounts at the Bank. However, the payments by the Dutch Ministry of Finance towards the public pension fund of Curaçao (APC) and the public pension fund of Sint Maarten (APS) regarding annuity loans taken over under the debt relief program that are held in the portfolios of these institutions, mitigated the increase in this balance sheet item.

<sup>1</sup> The base amount is equal to the commercial banks’ domestic liabilities -/- long-term deposits.

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

The net position of the governments at the Bank deteriorated by NAf.2.7 million due to a decrease in the deposits of Sint Maarten (NAf.5.3 million), moderated by an increase in the deposits of Curaçao (NAf.2.6 million). The deposits of Sint Maarten dropped mainly because of the transfers to 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 deposits of the government of Sint Maarten. The deposits of Curaçao increased due to the transfer by the Bank of collected license fees over the month of April 2021, moderated by interest payments to the Dutch State. The item “Liabilities to other sectors” decreased by NAf.31.5 million, due mainly to the funds transferred by GSH N.V. to Girobank N.V.

On the assets side of the balance sheet, the item “Official reserves” increased by NAf.11.3 million, mainly due to the transactions by the commercial banks in Bonaire and transfers from abroad by pension funds.

Finally, the item “Gold” on the assets side of the balance sheet increased by NAf.99.6 million due to the higher market value on the balance sheet date compared to the end of April 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, July 19, 2021

**Centrale Bank van Curaçao en Sint Maarten**