

Condensed Balance Sheet
CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

April 2013

(millions of NAf.)

Assets	30-Apr-13	Difference compared to		Liabilities	30-Apr-13	Difference compared to	
		31-Mar-13				31-Mar-13	
Claims on nonresidents	3,223.6	-121.2		Liabilities to nonresidents	629.5	36.0	
Gold	1,105.4	-97.3		Deposits of nonresidents in foreign currency	629.5	36.0	
Official reserves	1,950.7	-23.9					
Securities and loans	167.5	0.0					
Domestic assets	477.4	3.4		Domestic liabilities	2,050.3	-56.2	
				Currency in circulation	397.5	2.1	
Claims on the government	0.2	0.0		Government deposits	129.1	-8.9	
Government paper in portfolio	0.2	0.0		Government of Curacao	54.6	-11.9	
Government agencies and institutions	0.0	0.0		Government of Sint Maarten	0.1	0.0	
Other	0.0	0.0		Former Central Government	74.0	3.0	
				Government agencies and institutions	0.4	0.0	
Claims on deposit money banks	0.0	-1.0		Liabilities to deposit money banks	1,254.9	-49.2	
Current account balances	0.0	-1.0		Current account balances	257.8	-46.5	
				Certificates of Deposit	0.0	-29.0	
				Required reserves	997.2	26.4	
Claims on other sectors	477.2	4.3		Liabilities to other sectors	268.8	-0.2	
Other assets	477.2	4.3		Deposits of other residents	174.1	1.1	
				Other liabilities	94.7	-1.2	
				Capital and reserves	1,021.4	-97.6	
Total assets	3,701.1	-117.8		Total liabilities	3,701.1	-117.8	

During the month of April 2013, the Bank continued its monetary policy aimed at a tightening of the surplus in the money market. The percentage of the reserve requirement, the main instrument, was increased by 0.25 percentage point to 15.75%. This instrument aims at influencing the liquidity of the commercial banks and, hence, the growth in credit extension. The amount of required reserves expanded by NAf.26.4 million because of the increase in the reserve requirement percentage combined with a rise in the domestic liabilities of the commercial banks.¹ During the bi-weekly auction of Certificates of Deposit (CDs), the Bank focused on only the refinancing of maturing CDs. However, as the commercial banks did not subscribe on the CD-auction of the 29th of April, the amount of outstanding CDs declined by NAf. 29.0 million.

Base money² dropped by NAf.44.4 million, due to a decline in the current account balances of the commercial banks at the Bank (NAf.46.5 million). The decline in the current account balances can be ascribed to, among other things, the net purchase of foreign exchange at the Bank, the rise in the required reserves, and the interest payments on debt securities issued by the governments of Curacao and Sint Maarten. As the bulk of these debt securities are held by the Dutch government, the interest payments resulted in an increase in the deposits of the Dutch Ministry of the Interior and Kingdom Relations (BZK) at the Bank. The latter was reflected by an increase of NAf.36.0 million in the item "Liabilities to nonresidents." Furthermore, the net purchase of foreign exchange by the commercial banks explains the

¹ Domestic debt -/- long-term deposits; the base amount for calculation of the reserve requirement.

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

decrease of NAf.23.9 million in the item "Official reserves" on the assets side of the balance sheet.

The net position of the government with the Bank declined by NAf.8.9 million. This deterioration was mainly the result of a decrease in the deposits of the government of Curaçao (NAf.11.9 million) due to the aforementioned interest payments to the Ministry of BZK.

Finally, the item "Gold" on the assets side of the balance sheet decreased by NAf.97.3 million as a result of a lower market value at the balance sheet date, compared to the end of March 2013. The decrease in the item "Capital and reserves" on the liabilities side of the balance sheet was related to the decrease of the market value of gold.

Willemstad, May 22, 2013

Centrale Bank van Curaçao en Sint Maarten