

Condensed Balance Sheet
CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

August 2011

(millions of NAf.)

Assets	Difference compared to		Liabilities	Difference compared to	
	31-Aug-11	31-Jul-11		31-Aug-11	31-Jul-11
Claims on nonresidents	3,802.3	123.9	Liabilities to nonresidents	646.4	-16.0
Gold	1,364.7	139.2	Deposits of nonresidents in foreign currency	646.4	-16.0
Official reserves	2,221.8	-13.3			
Securities and loans	215.8	-2.1			
Domestic assets	374.1	-2.9	Domestic liabilities	2,200.8	-1.9
			Currency in circulation	367.5	-1.6
Claims on the government	0.1	0.1	Government deposits	365.7	17.7
Government paper in portfolio	0.1	0.1	Government of Curacao	259.1	19.5
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	0.0	0.0
Other	0.0	0.0	Former Central Government	106.2	-2.3
			Government agencies and institutions	0.5	0.5
Claims on deposit money banks	0.0	-4.4	Liabilities to deposit money banks	1,136.1	0.2
Current account balances	0.0	-4.4	Current account balances	595.3	2.6
			Certificates of Deposit	40.0	0.0
			Required reserves	500.8	-2.4
Claims on other sectors	374.0	1.4	Liabilities to other sectors	331.6	-18.2
Other assets	374.0	1.4	Deposits of other residents	229.6	2.4
			Other liabilities	102.0	-20.6
			Capital and reserves	1,329.2	138.7
Total assets	4,176.4	120.9	Total liabilities	4,176.4	120.9

During the month of August 2011, the Bank did not actively deploy its monetary policy instruments to influence the domestic money market. The percentage of the reserve requirement, the main instrument, remained unchanged at 7.75%. This instrument aims at influencing the liquidity of the commercial banks and, hence, the growth in credit extension. During the biweekly CD¹-auctions, the Bank aimed only at the refinancing of maturing CDs. The amount of outstanding CDs, therefore, remained the same.

Base money, defined as the sum of currency in circulation and the current account balances of the commercial banks at the Bank, increased by only NAf.1.0 million in August 2011. This increase was due to a rise of NAf.2.6 million in the current account balances of the commercial banks and a decrease of NAf.1.6 million in the value of currency in circulation.

The item “Official reserves” on the assets side of the balance sheet decreased in August by NAf.13.3 million. This decrease was largely due to the purchase of foreign exchange by the Central Bank of Aruba, explaining at the same time the decline of NAf.16.0 million in the item “Deposits of nonresidents in foreign currency”. This transaction, therefore, has not influenced the net position of foreign reserves.

¹ Certificates of deposit

Furthermore, the item “Liabilities to other sectors” fell by NAf.18.2 million. This decline was due mainly to a drop in the item “Other liabilities” by NAf.20.6 million as a result of the transfer of license fee collected to the governments of Curaçao and Sint Maarten. This 1% license fee is charged on transactions from residents to nonresidents and on the purchase of foreign currency. The net position of the governments with the Bank improved by NAf.17.6 million. This improvement was mainly the result of an increase in the deposits of the government of Curaçao.

Finally, the item “Gold” on the assets side of the balance sheet has risen by NAf.139.2 million as a result of the higher market value at the balance sheet date, compared to the end of July 2011. The increase in the item “Capital and reserves” on the liabilities side of the balance sheet is a direct result of the increased market value of gold.

Willemstad, October 6, 2011

Centrale Bank van Curaçao en Sint Maarten