

Condensed Balance Sheet  
CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

**August 2013**

(millions of NAf)

Assets	Difference compared to		Liabilities	Difference compared to	
	31-Aug-13	31-Jul-13		31-Aug-13	31-Jul-13
<b>Claims on nonresidents</b>	<b>3,083.4</b>	<b>-6.5</b>	<b>Liabilities to nonresidents</b>	<b>542.7</b>	<b>-2.3</b>
Gold	1,049.6	60.4	Deposits of nonresidents in foreign currency	542.7	-2.3
Official reserves	1,894.0	-66.9			
Securities and loans	139.9	0.0			
<b>Domestic assets</b>	<b>513.2</b>	<b>14.3</b>	<b>Domestic liabilities</b>	<b>2,084.7</b>	<b>-49.8</b>
			<b>Currency in circulation</b>	<b>385.5</b>	<b>-4.6</b>
<b>Claims on the government</b>	<b>0.3</b>	<b>0.0</b>	<b>Government deposits</b>	<b>226.2</b>	<b>4.4</b>
Government paper in portfolio	0.3	0.0	Government of Curacao	151.7	5.2
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	-0.8
			Government agencies and institutions	0.4	0.0
<b>Claims on deposit money banks</b>	<b>23.5</b>	<b>12.6</b>	<b>Liabilities to deposit money banks</b>	<b>1,204.2</b>	<b>-24.4</b>
Current account balances	23.5	12.6	Current account balances	141.8	-18.8
			Certificates of Deposit	28.0	-12.0
			Required reserves	1,034.4	6.4
<b>Claims on other sectors</b>	<b>489.4</b>	<b>1.6</b>	<b>Liabilities to other sectors</b>	<b>268.9</b>	<b>-25.2</b>
Other assets	489.4	1.6	Deposits of other residents	171.3	-28.1
			Other liabilities	97.5	2.9
			<b>Capital and reserves</b>	<b>969.3</b>	<b>59.8</b>
<b>Total assets</b>	<b>3,596.7</b>	<b>7.8</b>	<b>Total liabilities</b>	<b>3,596.7</b>	<b>7.8</b>

During the month of August 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 again by 0.25 percentage point to 16.25%. This instrument aims at influencing the liquidity of the commercial banks and, hence, the growth in credit extension. Due to the increase in the reserve requirement percentage, the amount of required reserves rose by NAf.6.4 million. During the bi-weekly auctions of Certificates of Deposit (CDs), the Bank focused only on refinancing maturing CDs. However, the subscriptions fell short, causing a NAf.12.0 million drop in the outstanding amount of CDs.

Base money<sup>1</sup> dropped by NAf.23.4 million, due mainly to a decline in the current account balances of the commercial banks at the Bank (NAf.18.8 million). This drop was largely related to the net purchase of foreign exchange from the Bank. As a result, the item "Official reserves" declined by NAf.66.9 million. In addition, the Bank provided short-term liquidity to some commercial banks during the month of August 2013, reflected by an increase in the item "Claims on deposit money banks" by NAf.12.6 million. The decline in the current account balances of the commercial banks was mitigated by transfers by the public pension fund of Curaçao, Algemeen Pensioenfonds, and USONA<sup>2</sup> from their accounts at the Bank

<sup>1</sup> The sum of currency in circulation and the current account balances of the commercial banks at the Bank.

<sup>2</sup> USONA is the foundation that approves and funds development projects in Curaçao and Sint Maarten.

to their accounts at the commercial banks. These transfers explain also the decrease in the item “Deposits of other residents” by NAf.28.1 million.

Finally, the item “Gold” on the assets side of the balance sheet increased by NAf.60.4 million as a result of a higher market value at the balance sheet date, compared to the end of July 2013. The increase in the item “Capital and reserves” on the liabilities side of the balance sheet was related to the rise in the market value of gold.

Willemstad, October 3, 2013

**Centrale Bank van Curaçao en Sint Maarten**