

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

February 2011

(millions of NAf.)

Assets	28-Feb-11	Difference	Liabilities	28-Feb-11	Difference
		compared to			compared to
		31-Jan-11			31-Jan-11
Claims on nonresidents	3,601.8	127.5	Liabilities to nonresidents	635.3	3.9
Gold	1,061.8	63.2	Deposits of nonresidents in foreign currency	635.3	3.9
Official reserves	2,294.8	64.3			
Securities and loans	245.2	-10.1			
Domestic assets	380.6	5.8	Domestic liabilities	2,317.9	56.1
			Currency in circulation	332.4	-6.1
Claims on the government	0.0	0.0	Government deposits	452.8	25.2
Government paper in portfolio	0.0	0.0	Government of Curacao	312.3	29.0
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	0.0	0.0
Other	0.0	0.0	Former Central Government	108.8	-3.4
			Government agencies and institutions	31.8	-0.4
Claims on deposit money banks	0.0	-0.1	Liabilities to deposit money banks	956.9	44.2
Current account balances	0.0	-0.1	Current account balances	422.1	49.9
			Certificates of Deposit	64.0	0.0
			Required reserves	470.9	-5.7
Claims on other sectors	380.6	5.9	Liabilities to other sectors	575.9	-7.2
Other assets	380.6	5.9	Deposits of other residents	465.8	0.2
			Other liabilities	110.1	-7.4
			Capital and reserves	1,029.1	63.3
Total assets	3,982.4	123.3	Total liabilities	3,982.4	123.3

During the month of February 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 commercial banks' liquidity and hence the growth in credit extension. However, the outstanding amount of required reserves declined because of a drop in the domestic liabilities of the banks. 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 NAf.43.9 million in February 2011. This increase was due to an increase in the current account balances of the commercial banks (NAf. 49.9 million). The amount of currency in circulation declined by NAf.6.1 million. The increase in the current account balances of the commercial banks was due mainly to the net sale of foreign exchange to the Bank. Furthermore, there was a decrease in the required reserves.

The item "Securities and loans" on the assets side of the balance sheet fell by NAf.10.1 million. A NAf.10.0 million bond, which was taken over by the Netherlands, matured on February 24, 2011.

¹ Certificates of deposit

The net position of the governments with the Bank improved by NAf.25.2 million, the result of an increase in the deposits of the government of Curaçao. The account balances of the government of Curaçao increased in February as a result of the transfer of license fee collected by the Bank and a replenishment of its accounts by the country receiver.

The item "Liabilities to other sectors" fell by NAf.7.2 million. This decline was mainly due to a drop in the item "Other liabilities" as a result of the transfer of license fee to the governments of Curaçao and Sint Maarten.

The item "Official reserves" on the assets side of the balance sheet increased by NAf.64.3 million. This surge was caused mainly by the net sale of foreign exchange by the commercial banks.

Finally, the item "Gold" on the assets side of the balance sheet increased as a result of a higher market value at the balance sheet date, compared to end of January 2011. The result of the revaluation was added to the revaluation reserve, explaining the change in the item "Capital and reserves" on the liabilities side of the balance sheet.

Willemstad, March 23, 2011

Centrale Bank van Curaçao en Sint Maarten