

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

January 2013

(millions of NAf.)

| Assets | 31-Jan-13 | Difference compared to 31-Dec-12 | Liabilities | 31-Jan-13 | Difference compared to 31-Dec-12 |
|--------------------------------------|------------------|---|--|------------------|---|
| Claims on nonresidents | 3,431.0 | -20.1 | Liabilities to nonresidents | 591.2 | -14.6 |
| Gold | 1,252.7 | 0.6 | Deposits of nonresidents in foreign currency | 591.2 | -14.6 |
| Official reserves | 2,010.6 | -20.6 | | | |
| Securities and loans | 167.7 | 0.0 | | | |
| Domestic assets | 458.9 | -1.8 | Domestic liabilities | 2,128.9 | -7.3 |
| | | | Currency in circulation | 385.9 | -26.7 |
| Claims on the government | 0.4 | 0.2 | Government deposits | 168.5 | 4.7 |
| Government paper in portfolio | 0.4 | 0.2 | Government of Curacao | 61.5 | 0.9 |
| Government agencies and institutions | 0.0 | 0.0 | Government of Sint Maarten | 0.1 | 0.0 |
| Other | 0.0 | 0.0 | Former Central Government | 106.8 | 3.8 |
| | | | Government agencies and institutions | 0.2 | 0.0 |
| Claims on deposit money banks | 0.0 | -1.6 | Liabilities to deposit money banks | 1,286.8 | 71.5 |
| Current account balances | 0.0 | -1.6 | Current account balances | 325.0 | 66.1 |
| | | | Certificates of Deposit | 29.0 | 0.0 |
| | | | Required reserves | 932.8 | 5.3 |
| Claims on other sectors | 458.5 | -0.4 | Liabilities to other sectors | 287.7 | -56.7 |
| Other assets | 458.5 | -0.4 | Deposits of other residents | 193.9 | -56.5 |
| | | | Other liabilities | 93.8 | -0.2 |
| | | | Capital and reserves | 1,169.8 | 0.0 |
| Total assets | 3,889.8 | -21.9 | Total liabilities | 3,889.8 | -21.9 |

During the month of January 2013, the Bank continued to direct its monetary policy at reducing the liquidity in the domestic money market. The percentage of the reserve requirement, the main instrument, was increased by 0.75 percentage point to 15.00%. This instrument aims at influencing commercial banks' liquidity and, hence, the growth in credit extension. Due to the increase in the reserve requirement, the amount of required reserves expanded by NAf.5.3 million. During the bi-weekly CD-auctions¹, the Bank aimed only at the refinancing of maturing CDs. Therefore, the amount of outstanding CDs remained the same.

Base money² increased by NAf.39.4 million in January 2013, reflecting an increase in the current account balances of the commercial banks (NAf.66.1 million) mitigated by a decrease in the currency in circulation (NAf.26.7 million). The latter is characteristic for January, when the public's demand for cash decreases compared to the December holidays. The increase in the current account balances was largely the result of a transfer by USONA³ from its account at the Bank to its accounts at the commercial banks. This transfer is reflected also by the decline in the item "Deposits of other residents" on the liabilities side of the balance sheet.

¹ Certificates of deposit.

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

³ USONA is the foundation that approves and funds development projects in Curaçao and Sint Maarten.

The drop in the item "Deposits of nonresidents in foreign currency" (NAf.14.6 million) was due to a decline in the balance of the Central Bank of Aruba with the Bank. This decline, together with the net purchase of foreign exchange by the commercial banks, contributed to the decline in the item "Official reserves" on the assets side of the balance sheet (NAf.20.6 million).

Willemstad, February 18, 2013

Centrale Bank van Curaçao en Sint Maarten