

Condensed Balance Sheet
CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

July 2013

(millions of NAf)

| Assets | Difference compared to | | Liabilities | Difference compared to | |
|--------------------------------------|---------------------------|-------------|--|---------------------------|--------------|
| | 31-Jul-13 | 30-Jun-13 | | 31-Jul-13 | 30-Jun-13 |
| Claims on nonresidents | 3,090.0 | 62.7 | Liabilities to nonresidents | 544.9 | -82.8 |
| Gold | 989.2 | 92.2 | Deposits of nonresidents in foreign currency | 544.9 | -82.8 |
| Official reserves | 1,960.8 | -27.5 | | | |
| Securities and loans | 140.0 | -2.0 | | | |
| Domestic assets | 499.0 | 2.2 | Domestic liabilities | 2,134.5 | 55.3 |
| | | | Currency in circulation | 390.1 | 3.1 |
| Claims on the government | 0.3 | -0.1 | Government deposits | 221.8 | 90.8 |
| Government paper in portfolio | 0.3 | -0.1 | Government of Curacao | 146.5 | 90.0 |
| Government agencies and institutions | 0.0 | 0.0 | Government of Sint Maarten | 0.1 | 0.0 |
| Other | 0.0 | 0.0 | Former Central Government | 74.8 | 0.9 |
| | | | Government agencies and institutions | 0.4 | 0.0 |
| Claims on deposit money banks | 10.9 | 2.1 | Liabilities to deposit money banks | 1,228.6 | -55.2 |
| Current account balances | 10.9 | 2.1 | Current account balances | 160.6 | -64.0 |
| | | | Certificates of Deposit | 40.0 | 3.0 |
| | | | Required reserves | 1,028.0 | 5.8 |
| Claims on other sectors | 487.8 | 0.2 | Liabilities to other sectors | 294.1 | 16.6 |
| Other assets | 487.8 | 0.2 | Deposits of other residents | 199.5 | 25.4 |
| | | | Other liabilities | 94.6 | -8.8 |
| | | | Capital and reserves | 909.5 | 92.3 |
| Total assets | 3,588.9 | 64.9 | Total liabilities | 3,588.9 | 64.9 |

During the month of July 2013, the Bank auctioned Certificates of Deposit (CDs) in order to reduce the liquidity in the money market. Therefore, the amount of outstanding CDs rose by NAf.3.0 million. By contrast, the percentage of the reserve requirement remained unchanged at 16.00%. Nevertheless, the outstanding amount of required reserves increased by NAf.5.8 million, due to a rise in the domestic liabilities of the commercial banks.

Base money¹ dropped by NAf.60.9 million, due to a decline in the current account balances of the commercial banks at the Bank (NAf.64.0 million). The latter decline was the result of, among other things, transfers by the government of Curaçao from its accounts at the commercial banks towards its account at the Bank, mitigated by the net sale of foreign exchange by the commercial banks to the Bank.

The aforementioned transfers by the government of Curaçao resulted in an improvement of NAf.90.8 million in government deposits with the Bank and were largely related to the creation of a provision to improve the road infrastructure of Curaçao.

The item “Liabilities to nonresidents” decreased by NAf.82.8 million during the month of July, due to the financial settlement with the Netherlands regarding the shares of Bonaire, Sint Eustatius and Saba in the capital of the former Bank van de Nederlandse Antillen.

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

The item “Liabilities to other sectors” rose by NAf.16.6 million. This rise was caused by an increase of NAf.25.4 million in the item “Deposits of other residents,” which was largely the result of transfers from the Ministry of Finance of the Netherlands to the public pension fund of Curaçao, Algemeen Pensioenfonds. These transfers were related to the repayment of matured debt securities held by the pension fund. The debt securities had been taken over by the Dutch government from the Netherlands Antillean entities as part of the debt relief program. The increase in the item “Deposits of other residents” was mitigated by a drop of NAf.8.8 million in the item “Other liabilities” as a result of the transfer of the collected license fee to the governments of Curaçao and Sint Maarten.

Meanwhile, the item “Official reserves” declined by NAf.27.5 million, due mainly to the aforementioned financial settlement between the Bank and the Netherlands. However, the net sale of foreign exchange by the commercial banks to the Bank, and the transfer of funds from the Dutch Ministry of Finance mitigated the decline in the item “Official reserves.”

Finally, the item “Gold” on the assets side of the balance sheet increased by NAf.92.2 million as a result of a higher market value at the balance sheet date, compared to the end of June 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, August 23, 2013

Centrale Bank van Curaçao en Sint Maarten