

Condensed Balance Sheet
CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

June 2011

(millions of NAf.)

Assets	Difference compared to		Liabilities	Difference compared to	
	30-Jun-11	31-May-11		30-Jun-11	31-May-11
Claims on nonresidents	3,505.3	-44.3	Liabilities to nonresidents	650.8	6.0
Gold	1,132.9	-23.3	Deposits of nonresidents in foreign currency	650.8	6.0
Official reserves	2,341.8	-21.0			
Securities and loans	30.6	0.0			
Domestic assets	383.2	1.0	Domestic liabilities	2,139.4	-25.1
			Currency in circulation	341.2	1.9
Claims on the government	0.1	0.0	Government deposits	383.9	-22.3
Government paper in portfolio	0.0	0.0	Government of Curacao	242.8	-22.4
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	0.0	0.0
Other	0.1	0.0	Former Central Government	109.5	0.3
			Government agencies and institutions	31.7	-0.2
Claims on deposit money banks	9.9	3.8	Liabilities to deposit money banks	1,050.2	6.1
Current account balances	9.9	3.8	Current account balances	503.9	3.1
			Certificates of Deposit	40.0	0.0
			Required reserves	506.3	3.0
Claims on other sectors	373.2	-2.8	Liabilities to other sectors	364.1	-10.8
Other assets	373.2	-2.8	Deposits of other residents	248.5	-17.4
			Other liabilities	115.6	6.6
			Capital and reserves	1,098.3	-24.2
Total assets	3,888.5	-43.3	Total liabilities	3,888.5	-43.3

During the month of June 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. However, the outstanding amount of required reserves rose because of an increase in the domestic liabilities of the commercial 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. 5.0 million in June 2011. This growth was due to a rise by NAf. 3.1 million in the current account balances of the commercial banks and an increase by NAf. 1.9 million in the value of currency in circulation.

The net position of the government with the Bank worsened by NAf. 22.3 million, the result of a decline in the deposits of the government of Curacao by NAf. 22.4 million. This drop is explained largely by a shift in deposits of the government of Curacao from the Bank to the commercial banks. In addition, the item "Liabilities to other sectors" declined by NAf. 10.8

¹ Certificates of deposit

million. This decline was due mainly to a drop in the item “ Deposits of other residents” by NAf. 17.4 million as a result of transactions by USONA².

Furthermore, the net purchase of foreign exchange by the commercial banks explains the decrease by NAf.21.0 million in the item “Official reserves” on the assets side of the balance sheet.

Finally, the item “Gold” on the assets side of the balance sheet, dropped by NAf.23.3 million as a result of the lower market value at the balance sheet date, compared to the end of May 2011. The result of the revaluation was deducted from the revaluation reserve, explaining the change in the item “Capital and reserves” on the liabilities side of the balance sheet.

Willemstad, July 26, 2011

Centrale Bank van Curaçao en Sint Maarten

² USONA is the foundation that approves and funds development projects.