



Condensed Balance Sheet
CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

May 2011

(millions of NAf.)

Assets	Difference compared to		Liabilities	Difference compared to	
	31-May-11	30-Apr-11		31-May-11	30-Apr-11
Claims on nonresidents	3,549.6	-46.9	Liabilities to nonresidents	644.8	2.1
Gold	1,156.2	0.8	Deposits of nonresidents in foreign currency	644.8	2.1
Official reserves	2,155.3	-47.7			
Securities and loans	238.0	0.0			
Domestic assets	382.2	-0.5	Domestic liabilities	2,164.5	-49.5
			Currency in circulation	339.3	-8.7
Claims on the government	0.1	0.0	Government deposits	406.2	2.5
Government paper in portfolio	0.0	0.0	Government of Curacao	265.2	7.4
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	0.0	0.0
Other	0.1	0.0	Former Central Government	109.1	-2.7
			Government agencies and institutions	31.9	-2.1
Claims on deposit money banks	6.1	6.0	Liabilities to deposit money banks	1,044.1	-88.6
Current account balances	6.1	6.0	Current account balances	500.8	-94.0
			Certificates of Deposit	40.0	-24.0
			Required reserves	503.3	29.4
Claims on other sectors	376.0	-6.5	Liabilities to other sectors	374.9	45.3
Other assets	376.0	-6.5	Deposits of other residents	265.9	60.2
			Other liabilities	109.0	-14.9
			Capital and reserves	1,122.4	0.0
Total assets	3,931.7	-47.4	Total liabilities	3,931.7	-47.4

During the month of May 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, because of an increase in the domestic deposits at the commercial banks in the month of May, the reserve requirement also increased by NAf. 29.4 million. During the biweekly CD¹-auctions, the Bank aimed only at the refinancing of maturing CDs. As the commercial banks did not subscribe on the CD-auction of the 16th of May, the amount of outstanding CDs declined by NAf. 24.0 million.

Base money, defined as the sum of currency in circulation and the current account balances of the commercial banks at the Bank, declined by NAf. 102.7 million in May 2011. This drop

¹ Certificates of deposit

was due to a decline by NAf. 94.0 million in the current account balances of the commercial banks and a decline by NAf. 8.7 million in the amount of currency in circulation.

The drop in the current account balances of the commercial banks was due to, among others things, the net purchase of foreign exchange. In addition, USONA² transferred money from its accounts at the commercial banks towards its account at the Bank. This explains also a large part of the increase in the item “Deposits of other residents” by NAf. 60.2 million. In addition, the balances of pension fund APNA and the social security bank SVB increased as a result of the receipt of interest and principal on debt securities that were issued by the former government of the Netherlands Antilles and the former island territory of Curaçao. As part of the debt relief program, the Dutch government took over these debt securities in October 2010.

Due to the transfer of collected license fee to the governments of Curaçao and Sint Maarten, the item “Other Liabilities” declined by NAf.14.9 million. This 1% license fee is charged on all transactions from residents to nonresidents and on the purchase of foreign currency.

Finally, the net purchase of foreign exchange by the commercial banks explains the decline by NAf.47.7 million in the item “Official reserves” on the assets side of the balance sheet.

Willemstad, June 30, 2011
Centrale Bank van Curaçao en Sint Maarten

² The foundation that approves and funds development projects.