

Condensed Balance Sheet
CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

September 2013

(millions of NAf)

Assets	Difference compared to		Liabilities	Difference compared to	
	30-Sep-13	31-Aug-13		30-Sep-13	31-Aug-13
Claims on nonresidents	3,079.7	-3.8	Liabilities to nonresidents	495.4	-47.2
Gold	998.2	-51.4	Deposits of nonresidents in foreign currency	495.4	-47.2
Official reserves	1,941.6	47.6			
Securities and loans	139.9	0.0			
Domestic assets	495.2	-18.1	Domestic liabilities	2,162.1	77.4
			Currency in circulation	387.1	1.7
Claims on the government	0.3	0.0	Government deposits	291.9	65.7
Government paper in portfolio	0.3	0.0	Government of Curacao	214.0	62.3
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	2.3	2.2
Other	0.0	0.0	Former Central Government	75.2	1.2
			Government agencies and institutions	0.4	0.0
Claims on deposit money banks	10.3	-13.2	Liabilities to deposit money banks	1,206.2	2.0
Current account balances	10.3	-13.2	Current account balances	151.7	9.9
			Certificates of Deposit	26.0	-2.0
			Required reserves	1,028.5	-5.8
Claims on other sectors	484.6	-4.9	Liabilities to other sectors	276.8	7.9
Other assets	484.6	-4.9	Deposits of other residents	179.8	8.5
			Other liabilities	97.0	-0.6
			Capital and reserves	917.3	-51.9
Total assets	3,574.8	-21.8	Total liabilities	3,574.8	-21.8

During the month of September 2013, the Bank continued its monetary policy aimed at a tightening of the surplus in the money market. The percentage of the reserve requirement, the main instrument, was increased again by 0.25 percentage point to 16.50%. This instrument aims at influencing the liquidity of the commercial banks and, hence, the growth in credit extension. Despite the increase of the percentage, the outstanding amount of required reserves declined slightly because of the lower base amount¹ on which it is calculated. During the biweekly CD-auctions², the Bank aimed only at the refinancing of maturing CDs. The amount of outstanding CDs, therefore, remained practically unchanged.

Base money³ rose by NAf.11.6 million, due mainly to an increase in the current account balances of the commercial banks at the Bank (NAf.9.9 million). The latter increase was caused primarily by the net sale of foreign exchange by the commercial banks to the Bank. However, the repayment of part of the short-term credit that was extended to the commercial banks by the Bank mitigated the increase in the current account balances of the commercial banks. The repayment of this short-term credit explains also the decline by NAf.13.2 million in the item "Claims on deposit money banks" on the assets side of the balance sheet.

¹ Domestic debt -/- long-term deposits.

² Certificates of deposit.

³ The sum of currency in circulation and the current account balances of the commercial banks at the Bank.

The net position of the government with the Bank improved by NAf.65.7 million because of a rise in the deposits of the Curaçao government, related mainly to the issuance of a bond loan.

The item “Liabilities to nonresidents” declined by NAf.47.2 million due primarily to a decrease in the deposits of the Dutch Ministry of the Interior and Kingdom Relations (BZK) at the Bank. The latter decrease occurred because the Dutch State purchased, as a result of the agreed standing subscription, all the bonds issued by the Curaçao government. The net transactions by the Central Bank of Aruba, a commercial bank in Bonaire, and the institution placed under the emergency measure, First Curaçao International Bank (FCIB) mitigated, however, the decline in the item “Liabilities to nonresidents”. The item “Deposits of other residents” increased by NAf.8.5 million, largely as a result of a rise in the deposits of the public pension fund of Curaçao, Algemeen Pensioenfonds, because of interest earnings on debt securities held in the pension fund’s portfolio.

The item “Official reserves” on the assets side of the balance sheet increased by NAf.47.6 million, largely because of the net sale of foreign exchange by the commercial banks to the Bank and the aforementioned net transactions of the Central Bank of Aruba, a commercial bank in Bonaire, and the FCIB.

Finally, the item “Gold” on the assets side of the balance sheet decreased by NAf.51.4 million as a result of a lower market value at the balance sheet date, compared to the end of August 2013. The decrease in the item “Capital and reserves” on the liabilities side of the balance sheet was related to the decline in the market value of gold.

Willemstad, October 22, 2013

Centrale Bank van Curaçao en Sint Maarten