

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

September 2018

(millions of NAf.)

Assets	Difference compared to		Liabilities	Difference compared to	
	30-Sep-18	31-Aug-18		30-Sep-18	31-Aug-18
Claims on nonresidents	3,140.1	-122.5	Liabilities to nonresidents	298.8	-4.8
Gold	893.4	-11.4	Deposits of nonresidents in foreign currency	298.8	-4.8
Official reserves	2,246.7	-111.1			
Other	0.0	0.0			
Domestic assets	764.6	49.4	Domestic liabilities	2,765.2	-58.7
			Currency in circulation	458.1	-2.9
Claims on the government	0.1	0.0	Government deposits	116.9	-22.2
Government paper in portfolio	0.1	0.0	Government of Curacao	82.3	4.4
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	32.5	-26.5
Other	0.0	0.0	Former Central Government	1.8	0.0
			Government agencies and institutions	0.4	0.0
Claims on deposit money banks	277.7	46.4	Liabilities to deposit money banks	2,093.7	-32.1
Current account balances	277.7	46.4	Current account balances	742.3	-9.2
			Certificates of Deposit	18.0	-8.5
			Required reserves	1,333.4	-14.4
Claims on other sectors	486.9	3.1	Liabilities to other sectors	96.5	-1.6
Other assets	486.9	3.1	Deposits of other residents	37.2	-1.7
			Other liabilities	59.3	0.0
			Capital and reserves	840.7	-9.5
Total assets	3,904.6	-73.1	Total liabilities	3,904.6	-73.1

During the month of September 2018, the Bank maintained the reserve requirement at 18.00%. Nevertheless, the amount of required reserves decreased by NAf.14.4 million due to the lower base amount¹ upon which it is calculated. Furthermore, on the bi-weekly auctions of certificates of deposit (CDs), the Bank issued a lower amount of CDs causing a NAf.8.5 million decrease in the outstanding amount of CDs.

Base money² dropped by NAf.12.1 million due to a decline in both the current account balances of the commercial banks (NAf.9.2 million) and currency in circulation (NAf.2.9 million). The decrease in the current account balances was largely the result of the net purchase of foreign exchange by the commercial banks at the Bank. However, the transfer of funds by the government of Sint Maarten and N.V. Pensioen ESC from their accounts at the Bank towards their accounts at the commercial banks, the drop in the required reserves, and the decline in the amount of outstanding CDs moderated the decrease in the current account balances. In addition, the Bank provided short-term liquidity to some commercial banks during the month of September, reflected by an increase in the item “Claims on deposit money banks” by NAf.46.4 million.

¹ The base amount is equal to the commercial banks’ domestic liabilities -/- long-term deposits.

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

The item “Liabilities to nonresidents” dropped by NAf.4.8 million, due mainly to transactions carried out by some commercial banks in Bonaire from their accounts with the Bank.

The net position of the government with the Bank worsened by NAf.22.2 million as a result of a decline in the deposits of the government of Sint Maarten (NAf.26.5 million). This decline was due to the transfer of funds towards its accounts at the commercial banks related to the reconstruction of Sint Maarten and regular budget spending. By contrast, the deposits of the government of Curaçao rose (NAf.4.4 million) largely due to the transfer of license fees over the month of August by the Bank.

The decline by NAf.111.1 million of the item “Official reserves” on the assets side of the balance sheet was primarily the result of the net purchase of foreign exchange by the commercial banks from the Bank. The decline in reserves was, however, moderated by the transfer of funds by N.V. Pensioen ESC from abroad.

Finally, the item “Gold” on the assets side of the balance sheet dropped by NAf.11.4 million as a result of the lower market value at the balance sheet date compared to the end of August 2018. The decrease in the item “Capital and reserves” on the liabilities side of the balance sheet was related to the drop in the market value of gold.

Willemstad, November 19, 2018

Centrale Bank van Curaçao en Sint Maarten