

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

April 2014

(millions of NAf.)

Assets	30-Apr-14	Difference compared to		Liabilities	30-Apr-14	Difference compared to	
		31-Mar-14	31-Mar-14			30-Apr-14	31-Mar-14
Claims on nonresidents	3,341.2		33.1	Liabilities to nonresidents	603.2		8.9
Gold	969.6		-2.4	Deposits of nonresidents in foreign currency	603.2		8.9
Official reserves	2,295.1		45.4				
Securities and loans	76.6		-9.9				
Domestic assets	521.4		32.4	Domestic liabilities	2,365.3		57.8
				Currency in circulation	419.0		24.4
Claims on the government	0.4		0.0	Government deposits	298.4		-15.6
Government paper in portfolio	0.4		0.0	Government of Curacao	94.1		-18.3
Government agencies and institutions	0.0		0.0	Government of Sint Maarten	0.1		0.0
Other	0.0		0.0	Former Central Government	78.6		2.7
				Government agencies and institutions	125.7		0.0
Claims on deposit money banks	29.0		27.6	Liabilities to deposit money banks	1,351.7		40.2
Current account balances	29.0		27.6	Current account balances	217.7		40.8
				Certificates of Deposit	42.5		-7.5
				Required reserves	1,091.4		6.9
Claims on other sectors	492.0		4.8	Liabilities to other sectors	296.1		8.9
Other assets	492.0		4.8	Deposits of other residents	199.2		7.3
				Other liabilities	96.9		1.5
				Capital and reserves	894.2		-1.2
Total assets	3,862.6		65.5	Total liabilities	3,862.6		65.5

In April 2014, the Bank's monetary policy continued to be directed at a tightening of the money market. Initially, the Bank tried to mop up excess liquidity through the auctioning of a higher amount of certificates of deposit (CDs). However, due to a shortfall in subscriptions, the amount of outstanding CDs dropped by NAf.7.5 million. Meanwhile, the Bank maintained the percentage of the reserve requirement at 17.50%. Nevertheless, the outstanding amount of required reserves increased by NAf.6.9 million, due to a rise in the domestic liabilities of the commercial banks.

Base money¹ rose by NAf.65.2 million in April 2014, reflecting an increase in the current account balances of the commercial banks (NAf.40.8 million) and in the currency in circulation (NAf.24.4 million). The latter is attributable mainly to the higher demand for cash by the public during the holidays in April. The growth in the current account balances of the commercial banks was caused primarily by the net sale of foreign exchange to the Bank. These transactions are also reflected by the increase in the item "Official reserves" (NAf.45.4 million) at the assets side of the balance sheet. The growth in the current account balances of the commercial banks was mitigated by the purchase of securities from the Bank's portfolio. This purchase explains also the decline by NAf.9.9 million in the item "Securities and loans" at the assets side of the balance sheet.

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

Furthermore, the item “Liabilities to other sectors” rose by NAf.8.9 million. This rise was caused by an increase of NAf.7.3 million in the item “Deposits of other residents,” due mainly to a transfer from USONA’s² account at a commercial bank towards its account at the Bank. In addition, the Bank provided short-term liquidity to a commercial bank during the month of April 2014, reflected by a rise in the item “Claims on deposit money banks” by NAf.27.6 million.

The item “Liabilities to nonresidents” increased by NAf.8.9 million, due largely to an increase in the deposits of the Dutch Ministry of the Interior and Kingdom Relations (BZK) at the Bank related to interest payments on debt securities issued by the governments of Curaçao and Sint Maarten that are held by the Dutch State. This increase was mitigated, however, by transactions carried out by a commercial bank in Bonaire from its account with the Bank.

Finally, the net position of the government with the Bank worsened by NAf.15.6 million, due mainly to the aforementioned interest payments by the government of Curaçao to the Dutch State.

Willemstad, May 28, 2014

Centrale Bank van Curaçao en Sint Maarten

² USONA is the foundation that approves and funds development projects in Curaçao and Sint Maarten.