

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

January 2013

(millions of NAf.)

Assets	31-Jan-13	Difference compared to 31-Dec-12	Liabilities	31-Jan-13	Difference compared to 31-Dec-12
Claims on nonresidents	3,431.0	-20.1	Liabilities to nonresidents	591.2	-14.6
Gold	1,252.7	0.6	Deposits of nonresidents in foreign currency	591.2	-14.6
Official reserves	2,010.6	-20.6			
Securities and loans	167.7	0.0			
Domestic assets	458.9	-1.8	Domestic liabilities	2,128.9	-7.3
			Currency in circulation	385.9	-26.7
Claims on the government	0.4	0.2	Government deposits	168.5	4.7
Government paper in portfolio	0.4	0.2	Government of Curacao	61.5	0.9
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	0.1	0.0
Other	0.0	0.0	Former Central Government	106.8	3.8
			Government agencies and institutions	0.2	0.0
Claims on deposit money banks	0.0	-1.6	Liabilities to deposit money banks	1,286.8	71.5
Current account balances	0.0	-1.6	Current account balances	325.0	66.1
			Certificates of Deposit	29.0	0.0
			Required reserves	932.8	5.3
Claims on other sectors	458.5	-0.4	Liabilities to other sectors	287.7	-56.7
Other assets	458.5	-0.4	Deposits of other residents	193.9	-56.5
			Other liabilities	93.8	-0.2
			Capital and reserves	1,169.8	0.0
Total assets	3,889.8	-21.9	Total liabilities	3,889.8	-21.9

During the month of January 2013, the Bank continued to direct its monetary policy at reducing the liquidity in the domestic money market. The percentage of the reserve requirement, the main instrument, was increased by 0.75 percentage point to 15.00%. This instrument aims at influencing commercial banks' liquidity and, hence, the growth in credit extension. Due to the increase in the reserve requirement, the amount of required reserves expanded by NAf.5.3 million. During the bi-weekly CD-auctions¹, the Bank aimed only at the refinancing of maturing CDs. Therefore, the amount of outstanding CDs remained the same.

Base money² increased by NAf.39.4 million in January 2013, reflecting an increase in the current account balances of the commercial banks (NAf.66.1 million) mitigated by a decrease in the currency in circulation (NAf.26.7 million). The latter is characteristic for January, when the public's demand for cash decreases compared to the December holidays. The increase in the current account balances was largely the result of a transfer by USONA³ from its account at the Bank to its accounts at the commercial banks. This transfer is reflected also by the decline in the item "Deposits of other residents" on the liabilities side of the balance sheet.

¹ Certificates of deposit.

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

³ USONA is the foundation that approves and funds development projects in Curaçao and Sint Maarten.

The drop in the item "Deposits of nonresidents in foreign currency" (NAf.14.6 million) was due to a decline in the balance of the Central Bank of Aruba with the Bank. This decline, together with the net purchase of foreign exchange by the commercial banks, contributed to the decline in the item "Official reserves" on the assets side of the balance sheet (NAf.20.6 million).

Willemstad, February 18, 2013

Centrale Bank van Curaçao en Sint Maarten