

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

July 2014

(millions of NAf.)

Assets	Difference compared to		Liabilities	Difference compared to	
	31-Jul-14	30-Jun-14		31-Jul-14	30-Jun-14
Claims on nonresidents	3,522.2	3.5	Liabilities to nonresidents	493.4	1.4
Gold	967.2	-22.4	Deposits of nonresidents in foreign currency	493.4	1.4
Official reserves	2,380.0	38.4			
Other	175.0	-12.5			
Domestic assets	594.0	-0.9	Domestic liabilities	2,734.4	23.7
			Currency in circulation	410.3	-3.9
Claims on the government	0.5	0.0	Government deposits	629.3	0.4
Government paper in portfolio	0.5	0.0	Government of Curacao	354.6	2.9
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	75.6	-1.3
Other	0.0	0.0	Former Central Government	73.5	-1.3
			Government agencies and institutions	125.7	0.0
Claims on deposit money banks	110.1	-0.9	Liabilities to deposit money banks	1,413.3	32.0
Current account balances	110.1	-0.9	Current account balances	243.3	26.9
			Certificates of Deposit	25.0	5.0
			Required reserves	1,145.0	0.1
Claims on other sectors	483.4	-0.1	Liabilities to other sectors	281.5	-4.8
Other assets	483.4	-0.1	Deposits of other residents	187.7	-5.3
			Other liabilities	93.8	0.5
			Capital and reserves	888.3	-22.5
Total assets	4,116.1	2.6	Total liabilities	4,116.1	2.6

During the month of July 2014, the Bank continued to auction Certificates of Deposit (CDs) in order to reduce the liquidity in the money market. As the appetite by the banks to subscribe increased somewhat, the amount of the outstanding CDs rose by NAf.5.0 million. By contrast, the percentage of the reserve requirement remained unchanged at 18.00%.

Base money¹ increased by NAf.23.0 million in July 2014, due to a rise in the current account balances of the commercial banks at the Bank (NAf.26.9 million). The growth in the current account balances was caused primarily by funds received from the Dutch State Treasury Agency (DSTA) for principal and interest payments on debt securities taken over under the debt relief program and held in the portfolios of the commercial banks. Moreover, the net sale of foreign exchange to the Bank and transfers by USONA² from its account at the Bank to its account at the commercial banks contributed to the increase in the current account balances of the commercial banks. The increase in the current account balances was mitigated by the purchase of securities by the commercial banks from the Bank's portfolio. This purchase explains also the decline by NAf.12.5 million in the item "Other" under "Claims on nonresidents" 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.

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

The item “Official reserves” rose by NAf.38.4 million as a result of, among other things, the transfer by the DSTA and the net sale of foreign exchange by the commercial banks to the Bank.

Finally, the item “Gold” on the assets side of the balance sheet decreased by NAf.22.4 million as a result of a lower value at the balance sheet date compared to the end of June 2014. The decrease in the item “Capital and reserves” at the liabilities side of the balance sheet was related to the drop in the market value of gold.

Willemstad, August 22, 2014

Centrale Bank van Curaçao en Sint Maarten