

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

July 2015

(millions of NAf.)

Assets	Difference compared to		Liabilities	Difference compared to	
	31-Jul-15	30-Jun-15		31-Jul-15	30-Jun-15
Claims on nonresidents	3,396.3	-107.3	Liabilities to nonresidents	423.3	-5.3
Gold	826.6	-54.6	Deposits of nonresidents in foreign currency	423.3	-5.3
Official reserves	2,522.1	-34.7			
Other	47.6	-17.9			
Domestic assets	557.4	-28.1	Domestic liabilities	2,776.6	-76.7
			Currency in circulation	420.2	-9.1
Claims on the government	0.2	0.0	Government deposits	501.8	-16.4
Government paper in portfolio	0.2	0.0	Government of Curacao	396.4	2.6
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	39.7	-1.1
Other	0.0	0.0	Former Central Government	65.3	0.0
			Government agencies and institutions	0.4	-17.9
Claims on deposit money banks	62.8	-32.1	Liabilities to deposit money banks	1,600.0	-49.0
Current account balances	62.8	-32.1	Current account balances	346.3	-38.2
			Certificates of Deposit	129.9	5.1
			Required reserves	1,123.8	-16.0
Claims on other sectors	494.4	4.0	Liabilities to other sectors	254.7	-2.1
Other assets	494.4	4.0	Deposits of other residents	165.8	-5.4
			Other liabilities	88.9	3.3
			Capital and reserves	753.8	-53.4
Total assets	3,953.7	-135.3	Total liabilities	3,953.7	-135.3

During the month of July 2015, the Bank continued to direct its monetary policy at tightening the surplus in the money market by auctioning a higher amount of certificates of deposit (CDs). As a result, the outstanding amount of CDs rose by NAf.5.1 million. The percentage of the reserve requirement remained unchanged at 18.00%. Nevertheless, the amount of required reserves decreased by NAf.16.0 million due to the lower base amount¹ upon which it is calculated.

Base money² decreased by NAf.47.3 million in July 2015 due to a decline in the current account balances of the commercial banks (NAf.38.2 million) and a drop in currency in circulation (NAf.9.1 million). The decline in the current account balances was caused primarily by the net purchase of foreign exchange from the Bank, mitigated by the decline in the required reserves. In addition, part of the short-term credit extended to the commercial banks by the Bank was repaid. This repayment explains the decline of NAf.32.1 million in the item "Claims on deposit money banks" on the assets side of the balance sheet.

The net position of the government with the Bank worsened by NAf.16.4 million due mainly to the decline in the deposits of the government agencies and institutions (NAf.17.9 million). The decrease in these deposits was related to the court settlement of a claim between two

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.

parties³ of October 2013, the bulk of which was already settled in June 2015. The settlement is also reflected by the decline of NAf.17.9 million in the item “Other claims on nonresidents” on the assets side of the balance sheet.

Furthermore, the item “Liabilities to nonresidents” decreased by NAf.5.3 million due to transactions carried out by some commercial banks in Bonaire and the Central Bank of Aruba.

The decline of NAf.34.7 million in the item “Official reserves” on the assets side of the balance sheet was due mainly to the aforementioned net purchase of foreign exchange by the commercial banks.

Finally, the item “Gold” on the assets side of the balance sheet decreased by NAf.54.6 million as a result of a lower market value at the balance sheet date compared to the end of June 2015. 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, August 18, 2015

Centrale Bank van Curaçao en Sint Maarten

³ The two parties are PDV Marina S.A. and CH Offshore Ltd. CH Offshore had seized vessels in the port of Willemstad belonging to PDV Marina as security for a claim it held on PDV Marina in October 2013. After the deposit was made, CH Offshore released the vessels pending further legal proceedings.