

# Condensed Balance Sheet

## CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

**June 2017**

(millions of NAf.)

Assets	Difference compared to		Liabilities	Difference compared to	
	30-Jun-17	31-May-17		30-Jun-17	31-May-17
<b>Claims on nonresidents</b>	<b>3,552.3</b>	<b>12.1</b>	<b>Liabilities to nonresidents</b>	<b>455.6</b>	<b>-12.3</b>
Gold	934.8	-18.0	Deposits of nonresidents in foreign currency	455.6	-12.3
Official reserves	2,606.7	30.1			
Other	10.8	0.0			
<b>Domestic assets</b>	<b>608.3</b>	<b>30.4</b>	<b>Domestic liabilities</b>	<b>2,843.8</b>	<b>71.8</b>
			<b>Currency in circulation</b>	<b>460.9</b>	<b>-15.2</b>
<b>Claims on the government</b>	<b>0.0</b>	<b>0.0</b>	<b>Government deposits</b>	<b>220.0</b>	<b>6.0</b>
Government paper in portfolio	0.0	0.0	Government of Curacao	137.0	-0.3
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	80.9	6.6
Other	0.0	0.0	Former Central Government	1.8	-0.4
			Government agencies and institutions	0.4	0.0
<b>Claims on deposit money banks</b>	<b>124.6</b>	<b>35.0</b>	<b>Liabilities to deposit money banks</b>	<b>2,019.0</b>	<b>88.3</b>
Current account balances	124.6	35.0	Current account balances	581.7	72.5
			Certificates of Deposit	227.4	0.0
			Required reserves	1,210.0	15.8
<b>Claims on other sectors</b>	<b>483.8</b>	<b>-4.6</b>	<b>Liabilities to other sectors</b>	<b>143.9</b>	<b>-7.2</b>
Other assets	483.8	-4.6	Deposits of other residents	85.3	-5.3
			Other liabilities	58.7	-1.9
			<b>Capital and reserves</b>	<b>861.2</b>	<b>-17.1</b>
<b>Total assets</b>	<b>4,160.6</b>	<b>42.4</b>	<b>Total liabilities</b>	<b>4,160.6</b>	<b>42.4</b>

During the month of June 2017, the Bank maintained the reserve requirement at 18.00%. Nevertheless, the amount of required reserves increased by NAf.15.8 million due to the higher base amount<sup>1</sup> upon which it is calculated. Furthermore, on the bi-weekly auctions of certificates of deposit (CDs), the Bank aimed only at the refinancing of maturing CDs. Consequently, the amount of outstanding CDs remained the same.

Base money<sup>2</sup> rose by NAf.57.3 million due to an increase in the current account balances of the commercial banks (NAf.72.5 million), mitigated by a decrease in the currency in circulation (NAf.15.2 million). The current account balances of the commercial banks rose mainly as a result of funds received from the Dutch State Treasury Agency (DSTA) related to principal and interest payments on debt securities taken over by the Dutch State under the debt relief program and held in the portfolios of the commercial banks. Furthermore, the public sector pension fund, APC, N.V. Pensioen ESC, and the Postspaarbank (PSB Bank) N.V. transferred funds from their accounts with the Bank to their accounts at the commercial banks. In addition, the Bank provided short-term liquidity to some commercial banks during the month of June, reflected by an increase in the item “Claims on deposit money banks” by NAf.35.0 million. However, the increase in the required reserves and the

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

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

net purchase of foreign exchange by the commercial banks at the Bank moderated the rise in the current account balances.

The item “Liabilities to nonresidents” decreased by NAf.12.3 million largely as a result of transactions carried out by some commercial banks in Bonaire from their accounts with the Bank. The decrease was moderated, however, by 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.

By contrast, the net position of the government with the Bank improved by NAf.6.0 million due mainly to an increase in the deposits of the government of Sint Maarten. This increase was largely the result of a transfer of funds by the Stichting Economische Ontwikkeling<sup>3</sup> from its account at a commercial bank towards the account of the government of Sint Maarten at the Bank related to the settlement of the division of assets and liabilities of the former Netherlands Antilles.

Meanwhile, the item “Liabilities to other sectors” dropped by NAf.7.2 million due primarily to the transfers by the APC and the PSB Bank N.V. from their accounts at the Bank towards their accounts at the commercial banks and payments made by USONA<sup>4</sup> to creditors abroad regarding the construction of the new hospital in Curaçao. However, the payment of principal and interest by the DSTA on debt securities held by the APC mitigated the decline in the item “Liabilities to other sectors”.

On the assets side of the balance sheet, the item “Claims on other sectors” dropped by NAf.4.6 million attributable to principal and interest payments by the Integrated Utility Holding N.V. on debt securities held by the Bank. Furthermore, the item “Official reserves” increased by NAf.30.1 million due mainly to the transfers by DSTA for the payment of principal and interest on debt securities. Furthermore, N.V Pensioen ESC transferred funds from abroad that were deposited on its accounts at the commercial banks. The increase in the item “Official reserves” was moderated by the transactions carried out by some commercial banks in Bonaire and the net purchase of foreign exchange by the commercial banks at the Bank.

Finally, the item “Gold” on the assets side of the balance sheet decreased by NAf.18.0 million as a result of the lower market value at the balance sheet date compared to the end of May 2017. The decrease in the item “Capital and reserves” on the liabilities side of the balance sheet was related to the decline in the market value of gold.

Willemstad, July 25, 2017

**Centrale Bank van Curaçao en Sint Maarten**

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<sup>3</sup> A foundation for economic development.

<sup>4</sup> USONA is the foundation in charge with the construction of the new hospital in Curaçao.