

Condensed Balance Sheet

CENTRALE BANK VAN CURAÇAO EN SINT MAARTEN

March 2015

(millions of NAf.)

Assets	Difference compared to		Liabilities	Difference compared to	
	31-Mar-15	28-Feb-15		31-Mar-15	28-Feb-15
Claims on nonresidents	3,801.4	-42.0	Liabilities to nonresidents	397.6	-34.5
Gold	893.2	-20.3	Deposits of nonresidents in foreign currency	397.6	-34.5
Official reserves	2,734.1	-21.7			
Other	174.0	0.0			
Domestic assets	563.3	9.2	Domestic liabilities	3,147.3	21.7
			Currency in circulation	420.2	7.8
Claims on the government	1.6	1.0	Government deposits	686.7	-4.7
Government paper in portfolio	1.6	1.0	Government of Curaçao	438.9	-1.1
Government agencies and institutions	0.0	0.0	Government of Sint Maarten	55.9	-1.3
Other	0.0	0.0	Former Central Government	66.2	-2.4
			Government agencies and institutions	125.7	0.0
Claims on deposit money banks	67.1	17.9	Liabilities to deposit money banks	1,691.8	31.3
Current account balances	67.1	17.9	Current account balances	455.1	22.8
			Certificates of Deposit	107.8	-10.0
			Required reserves	1,129.0	18.5
Claims on other sectors	494.6	-9.6	Liabilities to other sectors	348.6	-12.7
Other assets	494.6	-9.6	Deposits of other residents	254.3	-13.7
			Other liabilities	94.3	1.0
			Capital and reserves	819.9	-20.0
Total assets	4,364.7	-32.8	Total liabilities	4,364.7	-32.8

In the month of March 2015, the Bank continued to direct its monetary policy at tightening the surplus in the money market. Despite the fact that the reserve requirement remained unchanged at 18.00%, the amount of required reserves increased by NAf.18.5 million due to the higher base amount¹ upon which it is calculated. Furthermore, the Bank tried to mop up excess liquidity through the auctioning of a higher amount of certificates of deposit (CDs). However, the subscriptions fell short, causing a NAf.10.0 million drop in the outstanding amount of CDs.

Base money² increased by NAf.30.6 million in March 2015, reflecting an increase in the current account balances of the commercial banks (NAf.22.8 million) and the currency in circulation (NAf.7.8 million). The growth in the current account balances of the commercial banks can be ascribed to, among other things, transfers by some commercial banks in Bonaire towards the local commercial banks and the drop in the CDs. Furthermore, transfers from USONA³ and the government pension fund of Curaçao (APC) from their accounts at the Bank towards their accounts at the commercial banks contributed to the increase in the current account balances. The transfers from USONA and APC also explain the drop in the item "Deposits of other residents" (NAf.13.7 million) on the liabilities side of the balance sheet. The increase in the current account balances was, however, mitigated

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.

³ USONA is an institution in charge with the coordination of the construction of the new hospital in Curaçao.

by the increase in the required reserves. In addition, the Bank provided short-term liquidity to some commercial banks during the month of March 2015, reflected by an increase in the item “Claims on deposit money banks” by NAf.17.9 million.

The item “Liabilities to nonresidents” declined by NAf.34.5 million due to, among other things, the aforementioned transfers by some of the banks in Bonaire towards the local commercial banks. Furthermore, the Bank transferred part of the blocked deposits of a bank placed under the emergency measure to their account holders. The latter transfer largely explains the decline by NAf.21.7 million in the item “Official reserves” on the assets side of the balance sheet.

The item “Claims on other sectors” decreased by NAf.9.6 million due to the transfer of collected license fees to the governments of Curaçao and Sint Maarten and the repayment of debt securities held by the Bank that were issued by Sint Maarten Harbour Finance N.V. and Integrated Utility Holding N.V.

Finally, the item “Gold” on the assets side of the balance sheet decreased by NAf.20.3 million as a result of a lower market value at the balance sheet date compared to the end of February 2015. 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, April 28, 2015

Centrale Bank van Curaçao en Sint Maarten