

**CONDENSED BALANCE SHEET  
BANK VAN DE NEDERLANDSE ANTILLEN  
(Central Bank)**

The condensed balance sheet of the Bank van de Nederlandse Antillen (Central Bank) for the month of August 2004 is presented below:

<b>Condensed Balance Sheet (millions of NAf.)</b>					
		Diff. compared with			Diff. compared with
<b>Assets</b>	<b>08-31-04</b>	<b>07-31-04</b>	<b>Liabilities</b>	<b>08-31-04</b>	<b>07-31-04</b>
<b>Claims on nonresidents</b>	<b>881.7</b>	<b>5.2</b>	<b>Liabilities to non-residents</b>	<b>0.9</b>	<b>-0.7</b>
Gold	237.0	0.0	Deposits of non-residents in foreign currency	0.9	-0.7
Official reserves	644.7	5.2			
<b>Domestic Assets</b>	<b>349.5</b>	<b>3.2</b>	<b>Domestic liabilities</b>	<b>1,198.0</b>	<b>4.4</b>
			Currency in circulation	257.1	2.4
<b>Claims on the government</b>	<b>202.9</b>	<b>0.0</b>	<b>Governments deposits</b>	<b>134.4</b>	<b>14.9</b>
Government paper in portfolio, of which	202.9	0.0	Central government	130.1	16.2
Special Account Central government	0.0	0.0	Country Receivers	0.9	-0.2
Advanced license fee	0.0	0.0	Special account central government	31.5	17.8
			Multi-annual plan projects	36.8	-1.5
			Advance account projects	31.8	0.2
			Financial support Holland	28.8	0.0
			Solidarity fund	0.3	-0.1
			Island government of Curaçao	4.3	-1.3
<b>Claims on deposit money banks</b>	<b>0.0</b>	<b>0.0</b>	<b>Liabilities to deposit money banks</b>	<b>519.3</b>	<b>-3.7</b>
			Current account balances	54.6	2.2
			Certificates of Deposit	80.0	-0.5
			Required reserves	384.7	-5.4
<b>Claims on other sectors</b>	<b>146.6</b>	<b>3.2</b>	<b>Liabilities to other sectors</b>	<b>47.2</b>	<b>-9.2</b>
Other assets	146.6	3.2	Deposits other residents	35.3	-8.5
			Other liabilities	11.9	-0.7
			<b>Capital and reserves</b>	<b>240.0</b>	<b>0.0</b>
<b>Total Assets</b>	<b>1,231.2</b>	<b>8.4</b>	<b>Total Liabilities</b>	<b>1,231.2</b>	<b>8.4</b>

During the month of August 2004, the balance sheet of the Bank van de Nederlandse Antillen expanded by NAf.8.4 million to NAf.1,231.2 million. This expansion was mainly the result of an increase in the balance on the central government's special account due to the proceeds of government paper issued.

Base money, being the sum of currency in circulation and the commercial banks' balances at the Bank, increased also during this period (NAf.4.6 million). This growth can be translated as an expansion of the money market. Both components of base money contributed to this growth: currency in circulation and the current account balances grew by NAf.2.4 million and NAf.2.2 million, respectively.

The changes in the items "Certificates of Deposit" (CDs) and "Required reserves" were not the result of an adaptation of monetary policy. The drop in CDs was due to a slight under subscription on auctions

[1]. The drop in required reserves was due to a decrease in the base amount upon which it is calculated. The latter is based on the commercial banks' domestic liabilities with the public.

From abovementioned developments, together with the unchanged balance of "Government paper in portfolio", it can be concluded that the expansion of the money market during August 2004 was due entirely to autonomous factors.

[1] The Bank organizes biweekly CD-auctions with the commercial banks.

September, 2004

**Bank van de Nederlandse Antillen**

SITE MAP

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