

## Condensed Balance Sheet of the Bank van de Nederlandse Antillen

Condensed Balance Sheet of the Bank van de Nederlandse Antillen  
(in millions NAf.)

Assets	31-Aug-05	Difference compared to 31-Jul-05	Liabilities	31-Aug-05	Difference compared to 31-Jul-05
<b>Claims on nonresidents</b>	<b>1,173.4</b>	<b>-2.8</b>	<b>Liabilities to nonresidents</b>	<b>7.1</b>	<b>-4.2</b>
Gold	271.6	0.0	Deposits of non-residents in foreign currency	7.1	-4.2
Official reserves	901.8	-2.8			
<b>Domestic assets</b>	<b>359.0</b>	<b>-30.9</b>	<b>Domestic liabilities</b>	<b>1,525.4</b>	<b>-28.3</b>
			<b>Currency in circulation</b>	<b>261.8</b>	<b>-1.2</b>
<b>Claims on the government</b>	<b>232.8</b>	<b>-30.0</b>	<b>Government deposits</b>	<b>172.3</b>	<b>18.3</b>
Government paper in portfolio	213.4	0.6	Island government of Curaçao	65.9	-28.7
Advanced license fees	19.4	-30.6	Central government	106.4	47.0
Special account central government	0.0	0.0			
			<b>Liabilities to deposit money banks</b>	<b>582.6</b>	<b>3.0</b>
			Current account balances	69.6	21.7
			Certificates of Deposit	51.0	-27.9
			Required reserves	462.0	9.2
<b>Claims on other sectors</b>	<b>126.2</b>	<b>-0.9</b>	<b>Liabilities to other sectors</b>	<b>234.2</b>	<b>-48.4</b>
Other assets	126.2	-0.9	Deposits other residents	181.0	-4.5
			Other liabilities	53.2	-43.9
			<b>Capital and reserves</b>	<b>274.5</b>	<b>0.0</b>
<b>Total assets</b>	<b>1,532.4</b>	<b>-33.7</b>	<b>Total liabilities</b>	<b>1,532.4</b>	<b>-33.7</b>

Due to the level of official reserves, the developments in the domestic money market, and the economic developments during the month August 2005, the Bank did not deem necessary to influence the liquidity on the domestic money market through its monetary policy instruments. The change in the amount of outstanding CDs<sup>1</sup> was led by an autonomous factor for the Bank, i.e., lower subscriptions by the banks. Moreover, the reserve requirement percentage remained unchanged. The increase in the required reserves stemmed from an increase in the base amount upon which these are calculated.

In August, the amount of base money<sup>2</sup> rose by NAf.20.5 million. This was caused, on the one hand, by an increase in the current account balances of the commercial banks at the Bank and, on the other, by the decline in currency in the hands of the public. The growth in the commercial banks' current account balances was mostly due to the amount of liquidity that became available with the maturing of the CD's. Worth mentioning is the increase in "government deposits", which was the result of the issuance of government bonds by the central government. In contrast, the island government of Curacao has redeemed part of its debt securities. The decline in "liabilities to other sectors" was mainly due to the settlement of license fee advances by the Central Bank to the central government, reflected also by the item "advanced license fees".

September 28, 2005  
Bank van de Nederlandse Antillen

<sup>1</sup> Certificates of deposit.

<sup>2</sup> Base money is defined as the sum of currency in circulation and the commercial banks' current account balances at the Bank.