

CONDENSED BALANCE SHEET OF THE BANK VAN DE NEDERLANDSE ANTILLEN

The Condensed Balance Sheet of the Bank van de Nederlandse Antillen for February 2010 is as follows:
(millions of NAf.)

Assets	28-Feb-10	Difference Compared to 31-Jan-10	Liabilities	28-Feb-10	Difference Compared to 31-Jan-10
Claims on nonresidents	2,968.5	97.2	Liabilities to nonresidents	895.4	91.4
Gold	637.5	0.0	Deposits of nonresidents in foreign currency	895.4	91.4
Official reserves	2,330.9	97.2			
Domestic assets	664.0	7.1	Domestic liabilities	2,034.6	6.0
			Currency in circulation	351.6	-7.0
Claims on the government	274.1	0.1	Government deposits	234.5	-12.2
Government paper in portfolio	254.8	0.0	Island government	148.4	22.5
Advanced license fees	16.8	0.0	Central government	47.2	-31.9
Other	2.4	0.1	Government agencies and institutions	38.9	-2.8
Claims on deposit money banks	17.0	8.2			
Current account balances	17.0	8.2	Liabilities to deposit money banks	1,117.6	84.1
			Current account balances	409.2	68.1
Claims on other sectors	373.0	-1.2	Certificates of Deposit	69.1	-0.1
Other assets	373.0	-1.2	Required reserves	639.2	16.1
			Liabilities to other sectors	330.9	-59.0
			Deposits of other residents	290.0	-55.7
			Other liabilities	40.9	-3.3
			Capital and reserves	702.5	6.9
Total assets	3,632.5	104.3	Total liabilities	3,632.5	104.3

In February 2010, the Bank continued to relax its monetary policy, reflected by a reduction in the reserve requirement percentage by 25 basis points to 9.75%. Nevertheless, the amount of required reserves increased (NAf.16.1 million) due to an increase in the base¹ upon which these are calculated. During the bi-weekly auctions of Certificates of Deposit (CDs), the Bank focused only on refinancing of maturing CDs. Hence, the outstanding amount of CDs remained practically unchanged.

Base money, defined as the sum of currency in circulation and the commercial banks' current account balances at the Bank, gained by NAf.52.9 million in February. This increase was due to a rise in the net current account balances of the commercial banks (NAf.59.9 million). The gain in the net current account balances was related to the redemption of government paper and transfers by the government pension fund, APNA, and USONA² from their accounts at the Bank to their accounts at the commercial banks. The transfers by the APNA and the USONA are reflected also by a decline in the item "Liabilities to other sectors" on the liabilities side of the balance sheet.

The government's net position at the Bank worsened by NAf.12.3 million, the result of a decline in the central government's deposits (NAf.31.9 million). This decline was due to transfers made by the central government towards the government pension fund, APNA, the social security bank, SVB, and the island territory of Curaçao. These transfers were

¹ This base is calculated via the commercial banks' domestic liabilities to the public.

² USONA is the foundation that approves and funds development projects in the Netherlands Antilles.

related to the repayment of arrears regarding pension and insurance premiums. In addition, the central government made transfers towards the island territory of Curaçao related to the regular settlement of mutual obligations between the two entities. The decrease in the governments' deposits was partly offset by transfers made by the Dutch Ministry of the Interior and Kingdom Relations (BZK) towards the debt relief to the island territory of Curaçao.

Moreover, worth mentioning is the increase in the item "Liabilities to nonresidents" by NAf. 91.4 million, due mainly to transfers from the Netherlands towards the debt relief, replenishing the account of the Ministry of BZK at the Bank. These transfers also explain the increase of NAf.97.2 million in the assets item "Official reserves".

Willemstad, March 30, 2010

Bank van de Nederlandse Antillen