

Condensed Balance Sheet

BANK VAN DE NEDERLANDSE ANTILLEN

(Central Bank)

The Condensed Balance Sheet of the Bank van de Nederlandse Antillen for January 2008 is as follows:
(millions of NAf.)

Assets	31-Jan-08	Difference Compared to 31-Dec-07	Liabilities	31-Jan-08	Difference Compared to 31-Dec-07
Claims on nonresidents	2,276.3	-8.8	Liabilities to nonresidents	668.7	4.2
Gold	437.6	0.0	Deposits of nonresidents in foreign currency	668.7	4.2
Official reserves	1,838.7	-8.8			
Domestic assets	368.0	-1.3	Domestic liabilities	1,975.6	-14.3
			Currency in circulation	330.2	-36.2
Claims on the government	131.9	0.0	Government deposits	24.6	7.6
Government paper in portfolio	131.9	0.0	Island government	14.0	5.9
Advanced license fees	0.0	0.0	Central government	10.6	1.7
Special account central government	0.0	0.0			
Claims on deposit money banks	0.0	0.0	Liabilities to deposit money banks	751.6	20.6
Current account balances	0.0	0.0	Current account balances	35.7	-18.7
			Certificates of Deposit	66.6	13.4
			Required reserves	649.3	25.9
Claims on other sectors	236.1	-1.3	Liabilities to other sectors	425.7	-7.0
Other assets	236.1	-1.3	Deposits other residents	293.6	-16.1
			Other liabilities	132.1	9.1
			Capital and reserves	443.5	0.7
Total assets	2,644.3	-10.1	Total liabilities	2,644.3	-10.1

In January 2008, the Bank continued its policy directed at tightening the surplus in the money market. This was done by auctioning a larger amount of Certificates of Deposit (CDs), negotiable securities issued by the Bank. As a result, the amount of outstanding CD's at the banks rose by NAf.13.4 million. The other main monetary policy instrument, the reserve requirement, was not deployed actively. Despite the unchanged reserve requirement percentage of 13.250%, the outstanding amount of required reserves increased because of an increase in domestic liabilities of the banks.

Base money, defined as the sum of the items "Currency in circulation" and the commercial banks' "Current account balances" at the Bank, declined by NAf.54.9 million in January. This decline was due mostly to the drop in banknotes with the public (NAf.36.2 million), related to the lower demand after the holiday season. In addition, the drop in the current account balances can be explained by the increase in the amounts of CDs and required reserves at the banks.

The increase in deposits of the island government of Curaçao was due to capital market transactions and a transfer from the central government related to the monthly settlement of claims and debts between the two entities.

Finally, the item "Deposits other residents" on the liabilities side of the balance sheet declined by NAf.16.1 million in January. This decline can be explained by the withdrawal of funds by development agency USONA to fund projects.

Willemstad, February 27, 2008

Bank van de Nederlandse Antillen