

CONDENSED BALANCE SHEET OF THE BANK VAN DE NEDERLANDSE ANTILLEN

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

Assets	31-Jan-10	Difference Compared to 31-Dec-09	Liabilities	31-Jan-10	Difference Compared to 31-Dec-09
Claims on nonresidents	2,871.3	-113.0	Liabilities to nonresidents	804.0	8.0
Gold	637.5	0.0	Deposits of nonresidents in foreign currency	804.0	8.0
Official reserves	2,233.8	-113.0			
Domestic assets	656.5	-6.6	Domestic liabilities	2,723.8	-127.7
			Currency in circulation	358.6	-22.4
Claims on the government	274.0	0.1	Government deposits	246.7	-64.3
Government paper in portfolio	254.9	0.0	Island government	125.9	3.5
Advanced license fees	16.8	0.0	Central government	79.1	-70.4
Other	2.3	0.1	Government agencies and institutions	41.7	2.7
Claims on deposit money banks	8.8	-6.0			
Current account balances	8.8	-6.0	Liabilities to deposit money banks	1,033.4	-118.9
			Current account balances	341.2	-110.2
			Certificates of Deposit	69.2	0.1
			Required reserves	623.1	-8.7
Claims on other sectors	373.8	-0.7	Liabilities to other sectors	389.5	70.2
Other assets	373.8	-0.7	Deposits of other residents	345.7	68.1
			Other liabilities	43.8	2.1
			Capital and reserves	695.6	7.7
Total assets	3,527.8	-119.7	Total liabilities	3,527.8	-119.7

In January 2010, the Bank continued to relax its monetary policy, reflected by a reduction in the reserve requirement percentage by 25 basis points to 10.00%. This reduction resulted in a drop of NAf.8.7 million in the item "Required reserves". 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, dropped by NAf.126.6 million in January. This drop was due to a decline in both the net current account balances of the commercial banks (NAf.104.2 million) and the currency in circulation (NAf.22.4 million). The latter is common after the December holidays. The decline in the net current account balances was related to, among other things, the net purchase of foreign exchange at the Bank, which is also reflected by the decline in the assets item "Official reserves".

The government's net position at the Bank worsened by NAf.64.4 million as a result of a decline in the central government's deposits (NAf.70.4 million). This decline was due mainly to the repayment of maturing debt securities. In addition, the central government made transfers towards the government pension fund APNA related to, among other things, the repayment of arrears regarding the FZOG¹ and the payment of pension premiums. The central government also made transfers towards the island territory of Curaçao related to the regular settlement of mutual obligations between the two government entities. The decline in

¹ The health care fund for retired civil servants.

the central government's deposits was partly offset by transfers by the Dutch Ministry of the Interior and Kingdom Relations (BZK) towards the debt relief. In addition, the central government made transfers from its accounts at the commercial banks towards its account "Special account central government" at the Bank.

Worth mentioning is also the increase in the deposits of other residents (NAf.68.1 million). This increase was largely due to the transfers of the central government towards the APNA.

Willemstad, March 5, 2010

Bank van de Nederlandse Antillen