

## Condensed Balance Sheet

### BANK VAN DE NEDERLANDSE ANTILLEN

#### (Central Bank)

The Condensed Balance Sheet of the Bank van de Nederlandse Antillen for June 2009 is as follows:  
(millions of NAf.)

Assets	30-Jun-09	Difference Compared to 31-May-09	Liabilities	30-Jun-09	Difference Compared to 31-May-09
<b>Claims on nonresidents</b>	<b>3,155.0</b>	<b>68.7</b>	<b>Liabilities to nonresidents</b>	<b>1008.6</b>	<b>-6.5</b>
Gold	544.9	0.0	Deposits of nonresidents in foreign currency	1008.6	-6.5
Official reserves	2,610.1	68.7			
<b>Domestic assets</b>	<b>495.1</b>	<b>-6.1</b>	<b>Domestic liabilities</b>	<b>2,641.5</b>	<b>69.1</b>
			Currency in circulation	364.7	9.0
<b>Claims on the government</b>	<b>342.1</b>	<b>-2.8</b>	<b>Government deposits</b>	<b>219.0</b>	<b>7.0</b>
Government paper in portfolio	260.2	0.0	Island government	129.9	26.4
Advanced license fees	81.9	-2.8	Central government	89.1	-19.4
Special account central government	0.0	0.0			
<b>Claims on deposit money banks</b>	<b>23.0</b>	<b>-3.2</b>	<b>Liabilities to deposit money banks</b>	<b>1075.3</b>	<b>79.5</b>
Current account balances	23.0	-3.2	Current account balances	260.6	92.0
			Certificates of Deposit	98.7	0.0
			Required reserves	716.0	-12.5
<b>Claims on other sectors</b>	<b>130.0</b>	<b>-0.1</b>	<b>Liabilities to other sectors</b>	<b>433.3</b>	<b>-26.4</b>
Other assets	130.0	-0.1	Deposits of other residents	247.1	-41.6
			Other liabilities	186.2	15.2
			<b>Capital and reserves</b>	<b>549.2</b>	<b>0.0</b>
<b>Total assets</b>	<b>3,650.1</b>	<b>62.6</b>	<b>Total liabilities</b>	<b>3,650.1</b>	<b>62.6</b>

During the month of June 2009, the Bank continued to loosen its monetary policy. The reserve requirement was once more reduced by 0.25 percentage points, bringing it to 11.75%. This reduction resulted in a net decrease of NAf.12.5 million in the item “Required reserves”. The outstanding amount of Certificates of Deposit (CDs) remained unchanged at NAf.98.7 million throughout June, because the Bank focused only on the refinancing of maturing CDs during the biweekly auctions.

The growth in the net current account balances of the commercial banks at the Bank (NAf.95.2 million) and the value of currency in circulation (NAf.9.0 million) resulted in a NAf.104.2 million increase in the monetary base<sup>1</sup>. The rise in the commercial banks’ current account balances can be explained by the decline in the required reserves, the rise in the currency in circulation and the net sale of foreign exchange to the Bank. The net sale of foreign exchange is also reflected in the NAf.68.7 million increase in the assets item “Official reserves”.

The improvement of the government’s net position at the Bank (NAf.9.8 million) was the result of, on the one hand, a rise in the island government of Curaçao’s deposits, and on the other hand, a drop in the central government’s deposits with the Bank. The rise in the deposits of the island government of Curaçao (NAf.26.4 million) was due mainly to transfers of debt relief funds by the Dutch ministry of the Interior and Kingdom Relations (BZK) and a transfer by the central government in connection with the regular settlement of mutual obligations between the two government levels. The drop in the deposits of the central

<sup>1</sup> The monetary base is defined as the sum of ‘currency in circulation’ and the commercial banks’ current account balances at the Bank.

government can largely be ascribed to mentioned transfer to the island government of Curaçao and payments made to the public pension fund, APNA, and the Social Security Bank, SVB.

The item “Deposits of other residents” decreased by NAf.41.6 million in June, mainly as a consequence of transfers made by USONA<sup>2</sup> from its account with the Bank to its commercial bank accounts. Lastly, the decline in the item “Deposits of nonresidents in foreign currency” (NAf.6.5 million) can be explained by the net drop in BZK’s deposits with the Bank, the result of transfers of debt relief funds made to the island government of Curaçao and the central government.

Willemstad, July 23, 2009

**Bank van de Nederlandse Antillen**

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<sup>2</sup> USONA is the foundation that approves and funds development projects in the Netherlands Antilles.