

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

Assets	30-Nov-05	Difference compared to 31-Oct-05	Liabilities	30-Nov-05	Difference compared to 31-Oct-05
<b>Claims on nonresidents</b>	<b>1,080.6</b>	<b>-17.9</b>	<b>Liabilities to nonresidents</b>	<b>3.5</b>	<b>2.9</b>
Gold	271.6	0.0	Deposits of non-residents in foreign currency	3.5	2.9
Official reserves	809.0	-17.9			
<b>Domestic assets</b>	<b>361.9</b>	<b>-0.6</b>	<b>Domestic liabilities</b>	<b>1,438.9</b>	<b>-21.4</b>
			<b>Currency in circulation</b>	<b>272.7</b>	<b>9.4</b>
<b>Claims on the government</b>	<b>236.6</b>	<b>0.0</b>	<b>Government deposits</b>	<b>96.0</b>	<b>-30.1</b>
Government paper in portfolio	210.2	0.0	Island government of Curaçao	52.0	-2.1
Advanced license fees	26.4	0.0	Central government	44.0	-28.0
Special account central government	0.0	0.0			
			<b>Liabilities to deposit money banks</b>	<b>582.9</b>	<b>20.1</b>
			Current account balances	50.1	2.8
			Certificates of Deposit	47.0	1.0
			Required reserves	485.8	16.3
<b>Claims on other sectors</b>	<b>125.3</b>	<b>-0.6</b>	<b>Liabilities to other sectors</b>	<b>212.8</b>	<b>-20.8</b>
Other assets	125.3	-0.6	Deposits other residents	144.8	-26.5
			Other liabilities	68.0	5.7
			<b>Capital and reserves</b>	<b>274.5</b>	<b>0.0</b>
<b>Total assets</b>	<b>1,442.5</b>	<b>-18.5</b>	<b>Total liabilities</b>	<b>1,442.5</b>	<b>-18.5</b>

In November 2005, the Bank once again directed its monetary policy at a tightening of the surplus on the money market. The tightening was a reaction on the continuing excess liquidity in the banking system, the strong growth in credit extension to the private sector, and the declining trend in official reserves. The reserve requirement percentage was raised by 0.50 percentage point to 12.25%<sup>1</sup> and a larger amount of CDs<sup>2</sup> has been offered for auction. Nevertheless, the outstanding amount of CDs increased only marginally due to a shortfall in subscriptions.

Base money<sup>3</sup> rose by NAf.12.2 million during the month of November, owing to increases in the current account balances of the banks and in banknotes with the public. Despite the tightening of monetary policy and the net purchase of foreign currency and banknotes by the commercial banks at the Bank, the current account balances expanded. This increase was the result of, among other things, the redemption of a time deposit of development aid foundation SONA, transfers by the island government of Curaçao and government pension fund APNA, and interest and principal payments on debt securities by the central government. These transactions are reflected by the items “Central government” and “Deposits other residents”.

December 19, 2005

<sup>1</sup> The commercial banks are obliged to maintain a blocked deposit at the Bank. The size of this deposit is based on their domestic liabilities.

<sup>2</sup> Certificates of deposit.

<sup>3</sup> Base money is defined as the sum of currency in circulation and the commercial banks' current account balances at the Bank.