

CONDENSED BALANCE SHEET OF THE BANK VAN DE NEDERLANDSE ANTILLEN

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

Assets	30-Sep-09	Difference Compared to 31-Aug-09	Liabilities	30-Sep-09	Difference Compared to 31-Aug-09
Claims on nonresidents	3,133.1	-1.9	Liabilities to nonresidents	976.90	-50.9
Gold	544.9	0.0	Deposits of nonresidents in foreign currency	976.90	-50.9
Official reserves	2,588.2	-1.9			
Domestic assets	471.6	12.8	Domestic liabilities	2,627.80	61.8
			Currency in circulation	357.80	5.4
Claims on the government	297.7	2.8	Government deposits	270.80	6.8
Government paper in portfolio	260.0	-0.1	Island government	169.80	38.7
Advanced license fees	37.7	2.9	Central government	101.00	-31.9
Special account central government	0.0	0.0			
Claims on deposit money banks	44.4	10.0	Liabilities to deposit money banks	1,071.30	42.8
Current account balances	44.4	10.0	Current account balances	318.70	59.7
			Certificates of Deposit	75.70	0.0
			Required reserves	676.90	-16.9
Claims on other sectors	129.5	0.0	Liabilities to other sectors	378.50	6.8
Other assets	129.5	0.0	Deposits of other residents	275.60	1.8
			Other liabilities	102.90	5.0
			Capital and reserves	549.40	0.0
Total assets	3,604.7	10.9	Total liabilities	3,604.7	10.9

In September 2009, the Bank relaxed its monetary policy further. Therefore, the reserve requirement percentage was cut by 25 basis points to 11.00%, resulting in a net decrease of NAf.16.9 million in the item “Required reserves”. Furthermore, during the biweekly auctions of Certificates of Deposit (CDs), the Bank focused only on refinancing the maturing CDs. Hence, the outstanding amount of CDs remained unchanged.

Base money, defined as the sum of “currency in circulation” and the commercial banks’ current account balances at the Bank, rose by NAf.55.1 million. This rise can be ascribed to the NAf.49.7 million increase in the net current account balances of the commercial banks, the result of, among other things, the decline in the required reserves at the Bank and transactions with the Central Bank of Aruba. Furthermore, USONA¹ made transfers from its account at the Bank towards accounts at the commercial banks related to the execution of projects.

The government’s net position at the Bank improved by NAf.4.0 million in September, primarily as a consequence of an increase in the liabilities to the island territory of Curaçao (NAf.38.7 million), largely offset by a decline in the liabilities to the central government (NAf.31.9 million). The latter was due mainly to a transfer to the island territory, related to the regular settlement of mutual obligations between the two government entities. In addition, the central government made payments to the government pension fund, APNA, and the social security bank, SVB. The rise in the deposits of the island territory of Curaçao

¹ USONA is the foundation that approves and funds development projects in the Netherlands Antilles.

can largely be explained by mentioned transfer from the central government and transfers by the Dutch Ministry of the Interior and Kingdom Relations (BZK) towards the debt relief.

Worth mentioning also is the decline in “Liabilities to nonresidents” by NAf.50.9 million related to transfers by the Dutch Ministry of BZK towards the debt relief and transactions by the Central Bank of Aruba.

Willemstad, November 9, 2009

Bank van de Nederlandse Antillen