

## Condensed Balance Sheet BANK VAN DE NEDERLANDSE ANTILLEN (Central Bank)

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

Assets	30-Apr-08	Difference Compared to 31-Mar-08	Liabilities	30-Apr-08	Difference Compared to 31-Mar-08
<b>Claims on nonresidents</b>	<b>2,451.2</b>	<b>25.9</b>	<b>Liabilities to nonresidents</b>	<b>640.2</b>	<b>-20.9</b>
Gold	437.6	0.0	Deposits of nonresidents	640.2	-20.9
Official reserves	2,013.6	25.9			
<b>Domestic assets</b>	<b>313.0</b>	<b>-48.7</b>	<b>Domestic liabilities</b>	<b>2,124.0</b>	<b>-1.9</b>
			<b>Currency in circulation</b>	<b>355.0</b>	<b>26.9</b>
<b>Claims on the government</b>	<b>182.4</b>	<b>-47.3</b>	<b>Government deposits</b>	<b>75.8</b>	<b>59.5</b>
Government paper in portfolio	152.0	0.0	Island government	18.3	3.8
Advanced license fees and profit	30.4	-31.7	Central government	57.5	55.7
Special account central government	0.0	-15.6			
<b>Claims on deposit money banks</b>	<b>0.0</b>	<b>0.0</b>	<b>Liabilities to deposit money banks</b>	<b>802.5</b>	<b>27.8</b>
Current account balances	0.0	0.0	Current account balances	45.5	6.4
			Certificates of Deposit	74.1	2.7
			Required reserves	682.9	18.7
<b>Claims on other sectors</b>	<b>130.6</b>	<b>-1.4</b>	<b>Liabilities to other sectors</b>	<b>448.4</b>	<b>-115.3</b>
Other assets	130.6	-1.4	Deposits other residents	377.3	-19.9
			Other liabilities	71.1	-95.4
			<b>Capital and reserves</b>	<b>442.3</b>	<b>-0.8</b>
<b>Total assets</b>	<b>2,764.2</b>	<b>-22.8</b>	<b>Total liabilities</b>	<b>2,764.2</b>	<b>-22.8</b>

In April 2008, the Bank continued to direct its monetary policy at a tightening of 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 rose by NAf.2.7 million. The other main monetary policy instrument, the reserve requirement, was not deployed actively as the reserve requirement percentage remained unchanged at 13.250%. Nevertheless, the required reserves increased (NAf.18.7 million) because of the higher 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, rose by NAf.33.3 million in April. This increase was due to gains in both banknotes with the public (NAf.26.9 million) and the current account balances of the banks (NAf.6.4 million). The demand for banknotes can be explained by the holidays at the end of the month and the beginning of May.

The net position of the government at the Bank improved by NAf.108.6 million in April. This improvement was the consequence, on the one hand, of a drop in the claims on the government by NAf.47.3 million and, on the other hand, an increase in the liabilities to the government by NAf.59.5 million. The distribution of license fees collected and profit by the Bank to the central government (NAf.55.7 million) and the net issuance of government paper contributed to the improvement in the net position.

The drop in the item "liabilities to other sectors" can be attributed to the approval of the Bank's 2007 annual account. After approval, license fees and profits over previous years that are accounted for under the item "other liabilities" are settled with the item "advanced license fees and profit", and an eventual final payment is made to the central government.

The item "Deposits of nonresidents" declined by NAf.20.9 million because of a drop in the balance of the Central Bank of Aruba related with transfers to other accounts abroad. Lastly, the increase in the item "official reserves" by NAf.25.9 million was due to the net sale of foreign exchange by the commercial banks to the Bank.

Willemstad, May 26, 2008

**Bank van de Nederlandse Antillen**