

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

<b>Assets</b>	30-Apr-05	Difference compared to 31-Mar-05	<b>Liabilities</b>	30-Apr-05	Difference compared to 31-Mar-05
<b>Claims on nonresidents</b>	<b>1,294.9</b>	<b>141.8</b>	<b>Liabilities to nonresidents</b>	<b>8.4</b>	<b>5.5</b>
Gold	271.7	0.0	Deposits of non-residents in foreign currency	8.4	5.5
Official reserves	1,023.2	141.8			
<b>Domestic assets</b>	<b>364.8</b>	<b>-0.5</b>	<b>Domestic liabilities</b>	<b>1,651.0</b>	<b>135.5</b>
			<b>Currency in circulation</b>	<b>264.7</b>	<b>6.2</b>
<b>Claims on the government</b>	<b>237.6</b>	<b>0.0</b>	<b>Government deposits</b>	<b>127.4</b>	<b>8.9</b>
Government paper in portfolio	212.4	0.0	Island government of Curaçao	14.1	1.9
Advanced license fees	25.2	0.0	Central government	113.3	7.0
Special account central government	0.0	0.0			
			<b>Liabilities to deposit money banks</b>	<b>584.3</b>	<b>-25.9</b>
			Current account balances	57.4	-0.7
			Certificates of Deposit	91.4	-30.0
			Required reserves	435.5	4.8
<b>Claims on other sectors</b>	<b>127.2</b>	<b>-0.5</b>	<b>Liabilities to other sectors</b>	<b>399.8</b>	<b>146.2</b>
Other assets	127.2	-0.5	Deposits other residents	317.3	139.6
			Other liabilities	82.5	6.6
			<b>Capital and reserves</b>	<b>274.8</b>	<b>0.1</b>
<b>Total assets</b>	<b>1,659.7</b>	<b>141.3</b>	<b>Total liabilities</b>	<b>1,659.7</b>	<b>141.3</b>

In April 2005, monetary developments did not induce the Bank to use its monetary policy instruments to tighten the surplus in the domestic money market. On the contrary, the Bank decided to auction a lower amount of Certificates of Deposit (CDs)<sup>1</sup> than the amount that matured. This explains the drop of NAf.30.0 million in the outstanding amount of CDs. The increase in the commercial banks' required reserves resulted from an increase in the base amount<sup>2</sup> upon which they are calculated. The reserve requirement percentage remained unchanged at 11.375%.

Base money, the sum of currency in circulation and the commercial banks' current account balances at the Bank, rose by NAf.5.5 million during April. This rise was the result of an increase in banknotes in circulation because the current account balances dropped.

The current account balances remained almost unchanged despite earlier mentioned developments in CDs, the required reserves, and banknotes in circulation. This result can be explained by the fact that the amount of liquidity that became available was mostly transferred abroad.

<sup>1</sup> The Bank organizes biweekly auctions with the commercial banks. This makes it possible for the Bank to influence the domestic money market.

<sup>2</sup> The base amount is related to the commercial banks' domestic liabilities.

The official reserves increased by NAf.141.8 million in April. This increase was largely due to a transfer by the Netherlands related to the tax arrangement for the Kingdom (BRK)<sup>3</sup>. The share of the island government of Curaçao in this transfer (75%) was invested in a time deposit at the Bank which explains the increase in the item “Deposits other residents”.

June 8, 2005

**Bank van de Nederlandse Antillen**

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<sup>3</sup> €5.0 million (NAf.195.5 million)