

**CONDENSED BALANCE SHEET
BANK VAN DE NEDERLANDSE ANTILLEN
(Central Bank)**

The condensed balance sheet of the Bank van de Nederlandse Antillen (Central Bank) for the month of June 2004 is presented below:

Condensed Balance Sheet (millions of NAf.)					
		Diff. compared with			Diff. compared with
Assets	06-30-04	05-31-04	Liabilities	06-30-04	05-31-04
Claims on nonresidents	932.1	-7.4	Liabilities to non-residents	1.4	0.7
Gold	237.0	0.0	Deposits of non-residents in foreign currency	1.4	0.7
Official reserves	695.1	-7.4			
Domestic Assets	335.9	-7.6	Domestic liabilities	1,266.5	-15.8
			Currency in circulation	256.9	1.2
Claims on the government	190.5	-3.3	Governments deposits	104.4	-4.5
Government paper in portfolio, of which	163.0	-4.0	Central government	90.1	-10.3
Central government	136.6	-4.0	Country Receivers	4.8	3.7
Island government of Curaçao	26.3	0.0	Special account central government	0.0	-24.1
Special account Central Gov't	0.7	0.7	Multi-annual plan projects	24.6	11.2
Advanced license fees	26.8	0.0	Advance account projects	31.9	-0.2
			Financial support Holland	28.8	0.0
			Solidarity fund	0.0	-0.9
			Island government of Curaçao	14.3	5.8
Claims on deposit money banks	0.0	0.0	Liabilities to deposit money banks	536.1	0.4
			Current account balances	94.7	61.4
			Certificates of Deposit	66.0	-60.0
			Required reserves	375.4	-1.1
Claims on other sectors	145.4	-4.3	Liabilities to other sectors	129.1	-12.9
Other assets	145.4	-4.3	Deposits other residents	47.4	-16.8
			Other liabilities	81.7	3.9
			Capital and reserves	240.0	0.0
Total Assets	1,268.0	-15.0	Total Liabilities	1,268.0	-15.0

During the month of June 2004, the balance sheet contracted by NAf.15.0 million. The monetary policy conducted by the Bank in June resulted in more liquidity in the money market. The increased liquidity was translated, among other things, into fewer investments in Certificates of Deposit (CDs) by the commercial banks (NAf.60.0 million). The drop in investments in CDs together with the drop in the required reserves resulted in a rise in the current account balances of the commercial banks at the Bank (NAf.61.4 million). Moreover, the commercial banks used this additional liquidity to buy, on a net basis, more foreign currency, resulting in a drop of NAf.7.4 million in the foreign exchange stock.

The debt position of the government at the Bank decreased by NAf.3.3 million in June because of the amortization of central government's debt paper. The government contributed also to the increase in liquidity in the money market, reflected by the drop in government deposits (NAf.4.5 million). This drop is the result of a decline in the balance of the item "Special account central government", on the one hand, and the receipt of development aid on the "multi-annual plan projects" account, on the other hand.

The "monetary base", defined as the sum of the items "Currency in circulation" and "Current account balances" of the deposit money banks, increased by NAf.62.6 million (21.7%) because of the abovementioned developments. This increase was the result of the increase in the current account balances of the deposit money banks at the Bank and an increase of NAf.1.2 million in currency in circulation.

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