



**INTERNATIONAL  
MONETARY  
FUND**

**FINANCIAL  
STATEMENTS**

Quarter Ended  
October 31, 2008

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**I. Financial Statements  
of the  
General Department**

# General Department

## Consolidated balance sheets

(In thousands of SDRs)

	October 31, 2008 (unaudited)	April 30, 2008		October 31, 2008 (unaudited)	April 30, 2008
<b>Assets</b>			<b>Liabilities (including quotas)</b>		
Usable currencies	161,713,072	163,072,460	Remuneration payable	52,521	44,324
Credit outstanding (Note 2)	7,374,173	5,896,074	Investment trades payable	189,996	206,069
Other currencies	40,821,747	40,822,661	Other liabilities	133,680	140,294
Total currencies	<u>209,908,992</u>	<u>209,791,195</u>	Accrued MDRI-I Trust grants (Note 6)	130,379	189,003
SDR holdings	1,834,288	1,852,278	Special Contingent Account	1,188,019	1,188,019
Interest and charges receivables (Note 3)	96,415	76,416	Quotas, represented by:		
Investments (Note 4)	6,628,607	6,786,229	Reserve tranche positions	14,840,817	13,481,535
Gold holdings (Note 5)	5,851,771	5,851,771	Subscription payments	<u>202,531,883</u>	<u>203,891,165</u>
Other assets	685,190	645,682	Total quotas	<u>217,372,700</u>	<u>217,372,700</u>
Structural Adjustment Facility loans (Note 2)	8,840	8,840	Total liabilities (including quotas)	<u>219,067,295</u>	<u>219,140,409</u>
Total assets	<u>225,014,103</u>	<u>225,012,411</u>	<b>Reserves of the General Resources Account</b>	5,590,202	5,750,600
			<b>Retained earnings of the Investment Account</b>	173,172	--
			<b>Resources of the Special Disbursement Account</b>	183,434	121,402
			Total liabilities, reserves, and resources	<u>225,014,103</u>	<u>225,012,411</u>

The accompanying notes are an integral part of these consolidated financial statements.

/s/ Andrew Tweedie  
Director, Finance Department

/s/ Dominique Strauss-Kahn  
Managing Director

## General Department

### Consolidated income statements for the three and six months ended October 31, 2008, and 2007 (unaudited) (In thousands of SDRs)

	2008		2007	
	three months	six months	three months	six months
Operational income				
Interest and charges (Note 3)	83,348	172,687	95,746	205,535
Interest on SDR holdings	12,293	26,201	24,260	51,676
Net income from investments (Note 4)	149,967	177,456	101,397	159,653
Other charges and income	1,211	12,468	618	4,372
	<u>246,819</u>	<u>388,812</u>	<u>222,021</u>	<u>421,236</u>
Operational expenses				
Remuneration (Note 7)	52,461	112,668	71,892	156,397
Administrative expenses	115,568	259,962	146,563	301,578
	<u>168,029</u>	<u>372,630</u>	<u>218,455</u>	<u>457,975</u>
Net operational income/(loss)	<u>78,790</u>	<u>16,182</u>	<u>3,566</u>	<u>( 36,739)</u>
MDRI grant assistance (Note 6)	( 1,604)	58,624	63,114	60,319
Transfer to Special Disbursement Account	--	24	--	--
Contribution from the Special Disbursement Account to PRGF-ESF Trust	--	(24)	--	(1)
Total net income	<u><u>77,186</u></u>	<u><u>74,806</u></u>	<u><u>66,680</u></u>	<u><u>23,579</u></u>
Net income of the General Department comprises:				
Net loss of the General Resources Account	( 70,739)	( 160,398)	( 97,433)	( 195,594)
Net income of the Special Disbursement Account	108	62,032	66,089	66,089
Net income of the Investment Account	147,817	173,172	98,024	153,084
	<u><u>77,186</u></u>	<u><u>74,806</u></u>	<u><u>66,680</u></u>	<u><u>23,579</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

## General Department

**Consolidated statements of changes in reserves, resources and retained earnings  
for the six months ended October 31, 2008, and 2007  
(unaudited)  
(In thousands of SDRs)**

	<b>General Resources Account</b>	<b>Special Disbursement Account</b>	<b>Investment Account</b>
	<b>Reserves</b>	<b>Accumulated resources</b>	<b>Retained earnings</b>
Balance at April 30, 2007	5,877,073	8,840	--
Net (loss)/income	( 195,594)	66,089	153,084
Balance at October 31, 2007	5,681,479	74,929	153,084
Balance at April 30, 2008	5,750,600	121,402	--
Net (loss)/income	( 160,398)	62,032	173,172
Balance at October 31, 2008	5,590,202	183,434	173,172

The accompanying notes are an integral part of these consolidated financial statements.

## General Department

### Consolidated statements of cash flows for the six months ended October 31, 2008, and 2007

(unaudited)

(In thousands of SDRs)

	<b>2008</b>	<b>2007</b>
<b>Usable currencies and SDRs from operating activities</b>		
Net income	74,806	23,579
Adjustments to reconcile net income to usable resources generated by operations		
Depreciation and amortization	10,740	10,430
Interest and charges	( 172,687)	( 205,535)
Interest on SDR holdings	( 26,201)	( 51,676)
Interest income from investments	( 104,206)	( 112,655)
Remuneration	112,668	156,397
	<u>( 104,880)</u>	<u>( 179,460)</u>
Changes in interest and charges receivables and other assets	( 53,383)	( 7,591)
Changes in remuneration payable and other liabilities	( 22,631)	101,038
Changes in accrued MDRI-I Trust grants	( 58,624)	( 60,319)
	<u>( 239,518)</u>	<u>( 146,332)</u>
Usable currencies and SDRs from credit to members		
Purchases in currencies and SDRs, including reserve tranche purchases	( 2,413,131)	( 868,395)
Repurchases in currencies and SDRs	935,032	1,467,940
	<u>( 1,717,617)</u>	<u>453,213</u>
Interest received		
Interest and charges	150,696	224,026
Interest on SDR holdings	28,996	54,910
Interest from investments	105,162	105,936
Remuneration paid	( 104,527)	( 172,894)
<b>Net usable currencies and SDRs (used in)/provided by operating activities</b>	<b><u>( 1,537,290)</u></b>	<b><u>665,191</u></b>
<b>Usable currencies and SDRs from investment activities</b>		
Acquisition of fixed assets	( 8,051)	( 3,573)
Net disposition/(acquisition) of investments	167,049	( 77,626)
<b>Net usable currencies and SDRs provided by/(used in) investment activities</b>	<b><u>158,998</u></b>	<b><u>( 81,199)</u></b>
<b>Usable currencies and SDRs from financing activities</b>		
Subscription payments in SDRs and usable currencies	--	141,750
Changes in composition of usable currencies	914	426,091
<b>Net usable currencies and SDRs provided by financing activities</b>	<b><u>914</u></b>	<b><u>567,841</u></b>
Net (decrease)/increase in usable currencies and SDRs	( 1,377,378)	1,151,833
Usable currencies and SDRs, beginning of year	164,924,738	163,587,478
<b>Usable currencies and SDRs, end of period</b>	<b><u><u>163,547,360</u></u></b>	<b><u><u>164,739,311</u></u></b>

The accompanying notes are an integral part of these consolidated financial statements.



## General Department

### Notes to the consolidated financial statements

#### *1. Basis of presentation*

The unaudited consolidated financial statements have been prepared in accordance with International Accounting Standard 34 (*Interim Financial Reporting*). The consolidated financial statements include the accounts of the General Resources Account (GRA); the Special Disbursement Account (SDA); the Investment Account (IA); and the Multilateral Debt Relief Initiative–I Trust (MDRI-I Trust), an entity over which the SDA has substantial control. These consolidated financial statements do not include all information and notes required by International Financial Reporting Standards (IFRS) for complete financial statements and should be read in conjunction with the April 30, 2008 consolidated financial statements and the notes included therein.

#### **Unit of account**

As at October 31, 2008, one SDR was equal to US\$1.48830 (one SDR was equal to US\$1.62378 as at April 30, 2008).

#### **New International Financial Reporting Standards**

The IMF's policy is to designate investments as fair value through profit or loss upon initial recognition. In October 2008, the IASB issued amendments to IAS 39, "Financial Instruments: Recognition and Measurement" and IFRS 7, "Financial Instruments: Disclosures". The amended IAS 39 permits an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss upon initial recognition) out of the fair value through profit or loss category in particular circumstances. An entity that has reclassified a financial asset is required to disclose the amount reclassified and the reason for the reclassification under IFRS 7. The amendments, effective from July 1, 2008, have no effect on the General Department's financial statements.

#### *2. Credit outstanding*

Credit outstanding in the GRA and Structural Adjustment Facility (SAF) loans in the SDA are carried at amortized cost.

Changes in the use of IMF credit under the various facilities of the GRA during the six months ended October 31, 2008, and 2007 were as follows:

## General Department

### Notes to the consolidated financial statements

	April 30, 2008	Purchases	Repurchases	October 31, 2008	April 30, 2007	Purchases	Repurchases	October 31, 2007
	<i>(In millions of SDRs)</i>							
Credit tranches	4,985	2,412	(780)	6,617	6,205	867	(1,281)	5,791
Extended Fund Facility	676	1	(149)	528	717	1	(181)	537
Enlarged access	167	-	(3)	164	262	-	-	262
Compensatory and Contingency Financing Facility	39	-		39	79	-	(5)	74
Supplementary Financing Facility	29	-	(3)	26	70	-	-	70
<b>Total credit outstanding</b>	<u>5,896</u>	<u>2,413</u>	<u>(935)</u>	<u>7,374</u>	<u>7,333</u>	<u>868</u>	<u>(1,467)</u>	<u>6,734</u>

As at October 31, 2008, none of the members with outstanding GRA credit was eligible for Multilateral Debt Relief Initiative (MDRI) grant assistance.

The following repurchases were made by members during the six months ended October 31:

	<u>2008</u>	<u>2007</u>
	<i>(In millions of SDRs)</i>	
Early repurchases	--	34
Repurchase expectations	818	619
Repurchase obligations	<u>117</u>	<u>814</u>
Total repurchases	<u>935</u>	<u>1,467</u>

There was no extension of repurchases from the expectation to the obligation schedule during the six months ended October 31, 2008, and 2007.

Scheduled repurchases in the GRA and repayments of SAF loans in the SDA are summarized below:

## General Department

### Notes to the consolidated financial statements

Financial year ending April 30	General Resources Account	Special Disbursement Account
<i>(In millions of SDRs)</i>		
2009	817	-
2010	2,144	-
2011	1,841	-
2012	1,484	-
2013	538	-
2014 and beyond	232	-
Overdue	<u>318</u>	<u>9</u>
Total	<u>7,374</u>	<u>9</u>

The use of credit in the GRA by the largest users was as follows:

	October 31, 2008		April 30, 2008	
<i>(In millions of SDRs and as a percentage of total GRA credit outstanding)</i>				
Largest user of credit	5,743	77.9%	4,180	70.9%
Three largest users of credit	6,417	87.0%	4,910	83.3%
Five largest users of credit	6,800	92.2%	5,319	90.2%

The five largest users of credit as at October 31, 2008 were, in descending order, Turkey, Liberia, Dominican Republic, Sudan and Georgia. Outstanding credit, by member, is provided in Schedule 1.

The concentration of GRA outstanding credit by region was as follows:

## General Department

### Notes to the consolidated financial statements

	October 31, 2008		April 30, 2008	
	<i>(In millions of SDRs and as a percentage of total GRA credit outstanding)</i>			
Africa	747	10.1%	766	13.0%
Asia and Pacific	232	3.2%	267	4.5%
Europe	246	3.3%	196	3.3%
Latin America and the Caribbean	335	4.5%	395	6.7%
Middle East and Turkey	<u>5,814</u>	<u>78.9%</u>	<u>4,272</u>	<u>72.5%</u>
Total	<u>7,374</u>	<u>100%</u>	<u>5,896</u>	<u>100%</u>

#### Overdue obligations

At October 31 and April 30, 2008, two members were six months or more overdue in settling their financial obligations to the General Department.

GRA repurchases, GRA charges, SAF loan repayments, and SAF interest that are six or more months overdue were as follows:

	Repurchases and SAF Loans		Charges and SAF Interest	
	October 31, 2008	April 30, 2008	October 31, 2008	April 30, 2008
	<i>(In millions of SDRs)</i>			
Total overdue	326	338	822	815
Overdue for six months or more	326	338	815	806
Overdue for three years or more	326	338	768	760

The type and duration of the overdue obligations in the General Department as at October 31, 2008 were as follows:

## General Department

### Notes to the consolidated financial statements

	Repurchases and SAF Loans	Charges and SAF Interest	Total Obligation	Longest Overdue Obligation
<i>(In millions of SDRs)</i>				
Somalia	106	114	220	July 1987
Sudan	<u>220</u>	<u>708</u>	<u>928</u>	July 1985
Total	<u>326</u>	<u>822</u>	<u>1,148</u>	

### 3. Interest and charges

Interest and charges receivables were as follows:

	October 31, 2008	April 30, 2008
<i>(In millions of SDRs)</i>		
Periodic charges	907	878
Amount paid through burden-sharing	(689)	(683)
Unpaid charges	<u>(134)</u>	<u>(134)</u>
	84	61
Interest receivable	<u>12</u>	<u>15</u>
Total interest and charges receivable	<u>96</u>	<u>76</u>

Interest and periodic charges consisted of the following for the six months ended October 31:

	2008	2007
<i>(In millions of SDRs)</i>		
Interest and periodic charges	169	198
Burden-sharing adjustments, net of refunds	<u>3</u>	<u>8</u>
Total interest and charges	<u>172</u>	<u>206</u>

Service charges and commitment fees on cancelled or expired arrangements, amounting to SDR 12 million and SDR 4 million for the six months ended October 31, 2008 and 2007, respectively, are included in other charges and income.

## General Department

### Notes to the consolidated financial statements

#### *4. Investments*

Investments are held in the Investment Account (SDR 6,323 million at October 31, 2008 and SDR 6,482 million at April 30, 2008) and MDRI-I Trust (SDR 306 million at October 31, 2008 and SDR 304 million at April 30, 2008) and are managed by external managers. These investments comprise short-term investments, fixed-term deposits, and fixed-income securities, none of which include asset-backed securities. Fixed income securities include domestic government bonds of the euro area, Japan, the United Kingdom, and the United States; and medium-term instruments issued by the Bank for International Settlements.

Investments consisted of the following:

	October 31, 2008	April 30, 2008
	<i>(In millions of SDRs)</i>	
Short-term investments	316	73
Fixed-term deposits	30	284
Fixed-income securities	<u>6,293</u>	<u>6,429</u>
Total investments	<u>6,629</u>	<u>6,786</u>

The maturities of the investments are as follows:

Investments maturing in financial year	<i>(In millions of SDRs)</i>
2009	668
2010	1,929
2011	2,934
2012	908
2013 and beyond	<u>190</u>
Total	<u>6,629</u>

## General Department

### Notes to the consolidated financial statements

The portfolio was managed to track a 1–3 year government bond index weighted to reflect the composition of the SDR basket. The bond and money markets of the SDR currencies experienced unusually high volatility during the first half of FY 2009, and in particular the quarter ended October 31, 2008. Nevertheless, the portfolio benefited from the flight-to-quality in global financial markets as demand for liquidity continued to push short-term government bond yields down, boosting investment returns. However, investment performance could be weaker going forward if part of the recent extraordinary decline in bond yields is reversed as market conditions stabilize.

Investment income comprised the following and reflects the effects of trading and changes in interest rates during the six months ended October 31:

	2008	2007
	<i>(In millions of SDRs)</i>	
Interest income	104	113
Realized gains	44	13
Realized losses	--	(2)
Unrealized gains	104	57
Unrealized losses	<u>(75)</u>	<u>(21)</u>
Total	<u>177</u>	<u>160</u>

#### **5. Gold holdings**

At October 31, and April 30, 2008, the IMF held 3,217,341 kilograms of gold, equal to 103,439,916 fine ounces of gold, at designated depositories. Gold holdings were valued at a historical cost of SDR 5,852 million as at October 31, and April 30, 2008.

As at October 31, 2008, the market value of the IMF's holdings of gold was approximately SDR 50.8 billion (SDR 55.5 billion at April 30, 2008).

## General Department

### Notes to the consolidated financial statements

#### **6. Multilateral Debt Relief Initiative**

MDRI grant assistance to the remaining eligible members is subject to the availability of resources and is accrued when it is probable that a liability has been incurred and the amount of such grant assistance can be reasonably estimated. The liability recorded in the MDRI-I Trust (SDR 130 million and SDR 189 million at October 31, and April 30, 2008, respectively) is based on the debt owed to the IMF that is eligible for MDRI debt relief. During the six months ended October 31, 2008, the accrued MDRI grant assistance, and the eligible debt, was reduced by SDR 59 million to reflect the delay by the remaining eligible members in reaching the completion point.

The reconciliation of accrued MDRI grant assistance for the six months ended October 31 is as follows:

	2008	2007
	<i>(In millions of SDRs)</i>	
Beginning of year	189	299
Additions	--	6
Reversals	<u>(59)</u>	<u>(66)</u>
End of period	<u>130</u>	<u>239</u>

#### **7. Remuneration**

Remuneration for the six months ended October 31 was as follows:

	2008	2007
	<i>(In millions of SDRs)</i>	
Remuneration	116	164
Burden-sharing adjustments, net of refunds	<u>(3)</u>	<u>(8)</u>
	<u>113</u>	<u>156</u>



## General Department

### Notes to the consolidated financial statements

#### ***8. Restructuring***

During financial year ended April 30, 2008, the IMF committed to an institutional restructuring plan to close its projected income-expenditure gap in the medium term. The administrative expenses for that financial year included a provision of SDR 68 million for expected severance and other employee termination benefits for 492 separating staff, as well other costs directly related to the implementation of the plan. There were no significant changes to the factors and assumptions underlying the estimated cost of the restructuring plan. During the six months ended October 31, 2008, SDR 8 million was charged against the restructuring provision.

#### ***9. Arrangements and commitments in the General Department***

At October 31, 2008, the undrawn balances under the six arrangements that were in effect in the GRA amounted to SDR 1,080 million (SDR 3,086 million under nine arrangements at April 30, 2008); see Schedule 2.

#### ***10. Pension and other post-retirement benefits***

The IMF has a defined-benefit Staff Retirement Plan (SRP) that covers substantially all eligible staff and a Supplemental Retirement Benefits Plan (SRBP) for selected participants of the SRP. Participants contribute seven percent of their pensionable remuneration, and the IMF contributes the remainder of the cost of funding the plans. Effective May 1, 2008, the plans reimburse the employer for the costs of administering the plans. In addition, the IMF provides other employment and post-retirement benefits, including medical, life insurance and other long-term benefits. In 1995, the IMF established a separate account, the Retired Staff Benefits Investment Account (RSBIA), to hold and invest resources set aside to fund the cost of the post-retirement benefits.

The obligations of the SRP, SRBP, and other post-retirement benefits are valued annually by independent actuaries. The latest actuarial valuations were carried out as at April 30, 2008 using the Projected Unit Credit Method and the net assets of the plans amounted to SDR 304 million.

The fair value of plan assets, which reflect the effects of volatility in the financial markets, was as follows:

## General Department

### Notes to the consolidated financial statements

	October 31, 2008	April 30, 2008
	<i>(In millions of SDRs)</i>	
SRP	3,550	4,409
SRBP	14	13
Other	<u>423</u>	<u>518</u>
Total assets	<u>3,987</u>	<u>4,940</u>

#### ***11. Other administered accounts***

At the request of certain members, the IMF has established accounts to administer resources contributed by these members and to perform financial and technical services consistent with the purposes of the IMF. The assets of each account and each subaccount are separate from the assets of all other accounts of, or administered by, the IMF and are not to be used to discharge liabilities or to meet losses incurred in the administration of other accounts.

The total assets of these accounts were as follows:

	October 31, 2008	April 30, 2008
	<i>(In thousands of U.S. dollars)</i>	
Administered Account Japan	130,514	129,458
Administered Account for Selected Fund Activities – Japan	25,108	20,509
Framework Administered Account for Technical Assistance Activities	42,290	26,942
	<i>(In thousands of SDRs)</i>	
Supplementary Financing Facility Subsidy Account The Post-Conflict and Natural Disaster Emergency Assistance Subsidy Account	1,016	1,001
Post SCA-2 Administered Account	15,118	17,544
SCA-1/Deferred Charges Administered Account	46,679	46,027
Austria-II Administered Account	113,379	115,490
Administered Account for Liberia	7,081	7,205
Japan Administered Account for Liberia	390,478	383,929
PRGF Administered Account—Indonesia	6,197	6,110
PRGF Administered Account—Portugal	25,194	25,443
	441	1,371

## General Department

### Notes to the consolidated financial statements

#### *12. Related party transactions*

The GRA conducts transactions with the SDR Department on the same terms and conditions applicable to participants in the SDR Department. During the six months ended October 31, 2008, the receipts (repurchases, quota payments, charges, and interest on SDR holdings) and uses (purchases and remuneration) of SDRs by the GRA amounted to SDR 266 million (SDR 397 million for the six months ended October 31, 2007) and SDR 284 million (SDR 696 million for the six months ended October 31, 2007), respectively.

The administrative expenses of operating the SDR Department, the PRGF-ESF Trust, the PRGF-HIPC Trust are paid by the GRA. The SDR Department reimburses the GRA (such reimbursements amounted to SDR 2 million for the financial year ended April 30, 2008).

#### *13. Subsequent Events*

Since the end of the quarter ended October 31, 2008, and through the end of November 2008, the IMF has approved arrangements totaling SDR 28,124 million, of which SDR 9,848 million had been drawn. As of November 30, 2008, total GRA credit outstanding amounted to SDR 17,157 million and the undrawn balances under the eleven arrangements that were in effect amounted to SDR 19,355 million.

	Stand-by Arrangements approved in November, 2008	
	<u>Amount Agreed</u>	<u>Amount Drawn</u>
	(in millions of SDRs)	
Hungary	10,538	4,215
Iceland	1,400	560
Pakistan	5,168	2,067
Seychelles	18	6
Ukraine	<u>11,000</u>	<u>3,000</u>
	<u>28,124</u>	<u>9,848</u>

## General Department

### Quotas, IMF's holdings of currencies, reserve tranche positions, and outstanding credit and loans as at October 31, 2008

*(In thousands of SDRs)*

Member	General Resources Account				Outstanding Credit and Loans					
	Quota	IMF's holdings of currencies 1/		Reserve tranche position	GRA		PRGF-ESF			Total 5/ (D)
		Total	Percent of quota		Amount	Percent 2/	SDA 3/ (B)	Trust 4/ (C)	=	
Afghanistan, Islamic Republic of	161,900	161,916	100.0	--	--	--	--	58,400	58,400	
Albania	48,700	52,655	108.1	3,355	7,305	0.10	--	46,540	53,845	
Algeria	1,254,700	1,169,619	93.2	85,082	--	--	--	--	--	
Angola	286,300	286,445	100.1	--	--	--	--	--	--	
Antigua and Barbuda	13,500	13,499	100.0	6	--	--	--	--	--	
Argentina	2,117,100	2,116,919	100.0	195	--	--	--	--	--	
Armenia	92,000	92,005	100.0	--	--	--	--	89,278	89,278	
Australia	3,236,400	3,005,879	92.9	230,906	--	--	--	--	--	
Austria	1,872,300	1,737,426	92.8	134,878	--	--	--	--	--	
Azerbaijan	160,900	162,747	101.1	63	1,903	0.03	--	50,830	52,733	
Bahamas, The	130,300	124,041	95.2	6,260	--	--	--	--	--	
Bahrain	135,000	63,843	47.3	71,203	--	--	--	--	--	
Bangladesh	533,300	666,342	124.9	296	133,325	1.81	--	316,730	450,055	
Barbados	67,500	61,877	91.7	5,643	--	--	--	--	--	
Belarus	386,400	386,400	100.0	20	--	--	--	--	--	
Belgium	4,605,200	4,273,609	92.8	331,637	--	--	--	--	--	
Belize	18,800	14,562	77.5	4,239	--	--	--	--	--	
Benin	61,900	59,720	96.5	2,188	--	--	--	13,690	13,690	
Bhutan	6,300	5,280	83.8	1,021	--	--	--	--	--	
Bolivia	171,500	162,638	94.8	8,875	--	--	--	--	--	
Bosnia and Herzegovina	169,100	169,105	100.0	-- 6/	--	--	--	--	--	
Botswana	63,000	58,533	92.9	4,476	--	--	--	--	--	
Brazil	3,036,100	3,036,040	100.0	72	--	--	--	--	--	
Brunei Darussalam	215,200	201,730	93.7	13,673	--	--	--	--	--	
Bulgaria	640,200	606,739	94.8	33,479	--	--	--	--	--	
Burkina Faso	60,200	52,812	87.7	7,393	--	--	--	31,244	31,244	
Burundi	77,000	76,641	99.5	360	--	--	--	75,900	75,900	
Cambodia	87,500	87,500	100.0	--	--	--	--	--	--	
Cameroon	185,700	184,892	99.6	816	--	--	--	15,900	15,900	
Canada	6,369,200	5,878,134	92.3	491,068	--	--	--	--	--	
Cape Verde	9,600	9,593	99.9	16	--	--	--	8,148	8,148	
Central African Republic	55,700	55,547	99.7	159	--	--	--	35,018	35,018	
Chad	56,000	55,719	99.5	282	--	--	--	27,506	27,506	
Chile	856,100	794,690	92.8	61,411	--	--	--	--	--	
China	8,090,100	7,512,586	92.9	577,561	--	--	--	--	--	
Colombia	774,000	488,202	63.1	285,803	--	--	--	--	--	
Comoros	8,900	8,358	93.9	544	--	--	--	--	--	
Congo, Democratic Republic of	533,000	533,000	100.0	--	--	--	--	466,800	466,800	
Congo, Republic of	84,600	84,030	99.3	576	--	--	--	23,580	23,580	
Costa Rica	164,100	144,092	87.8	20,019	--	--	--	--	--	

## General Department

**Quotas, IMF's holdings of currencies, reserve tranche positions,  
and outstanding credit and loans  
as at October 31, 2008**

*(In thousands of SDRs)*

Member	General Resources Account				Outstanding Credit and Loans				
	IMF's holdings of currencies 1/			Reserve tranche position	GRA		PRGF-ESF		
	Quota	Total	Percent of quota		Amount (A)	Percent 2/ +	SDA 3/ (B)	Trust 4/ +	Total 5/ (D)
				=					
Côte d'Ivoire	325,200	405,746	124.8	761	81,300	1.10	--	45,027	126,327
Croatia	365,100	364,943	100.0	159	--	--	--	--	--
Cyprus	139,600	130,170	93.2	9,471	--	--	--	--	--
Czech Republic	819,300	761,326	92.9	57,978	--	--	--	--	--
Denmark	1,642,800	1,525,628	92.9	117,183	--	--	--	--	--
Djibouti	15,900	14,800	93.1	1,100	--	--	--	12,133	12,133
Dominica	8,200	10,242	124.9	9	2,050	0.03	--	7,688	9,738
Dominican Republic	218,900	550,526	251.5	3	331,628	4.50	--	--	331,628
Ecuador	302,300	285,149	94.3	17,153	--	--	--	--	--
Egypt	943,700	943,725	100.0	--	--	--	--	--	--
El Salvador	171,300	171,303	100.0	--	--	--	--	--	--
Equatorial Guinea	32,600	32,605	100.0	--	--	--	--	--	--
Eritrea	15,900	15,900	100.0	5	--	--	--	--	--
Estonia	65,200	65,194	100.0	7	--	--	--	--	--
Ethiopia	133,700	126,286	94.5	7,445	--	--	--	--	--
Fiji	70,300	54,511	77.5	15,812	--	--	--	--	--
Finland	1,263,800	1,172,792	92.8	91,053	--	--	--	--	--
France	10,738,500	9,950,130	92.7	788,528	--	--	--	--	--
Gabon	154,300	155,601	100.8	438	1,736	0.02	--	--	1,736
Gambia, The	31,100	29,618	95.2	1,485	--	--	--	8,000	8,000
Georgia	150,300	312,000	207.6	10	161,700	2.19	--	137,060	298,760
Germany	13,008,200	12,053,184	92.7	955,113	--	--	--	--	--
Ghana	369,000	369,004	100.0	-- 6/	--	--	--	105,450	105,450
Greece	823,000	764,285	92.9	58,730	--	--	--	--	--
Grenada	11,700	13,529	115.6	--	1,828	0.02	--	4,540	6,368
Guatemala	210,200	210,206	100.0	--	--	--	--	--	--
Guinea	107,100	107,026	99.9	75	--	--	--	49,949	49,949
Guinea-Bissau	14,200	17,709	124.7	45	3,550	0.05	--	2,540	6,090
Guyana	90,900	90,902	100.0	--	--	--	--	37,060	37,060
Haiti	81,900	81,833	99.9	68	--	--	--	67,280	67,280
Honduras	129,500	120,874	93.3	8,627	--	--	--	20,342	20,342
Hungary	1,038,400	964,568	92.9	73,834	--	--	--	--	--
Iceland	117,600	99,012	84.2	18,589	--	--	--	--	--
India	4,158,200	3,858,744	92.8	299,493	--	--	--	--	--
Indonesia	2,079,300	1,933,804	93.0	145,499	--	--	--	--	--
Iran, Islamic Republic of	1,497,200	1,497,197	100.0	13	--	--	--	--	--
Iraq	1,188,400	1,017,313	85.6	171,100	--	--	--	--	--
Ireland	838,400	778,123	92.8	60,287	--	--	--	--	--
Israel	928,200	861,908	92.9	66,300	--	--	--	--	--
Italy	7,055,500	6,552,108	92.9	503,396	--	--	--	--	--

## General Department

**Quotas, IMF's holdings of currencies, reserve tranche positions,  
and outstanding credit and loans  
as at October 31, 2008**

*(In thousands of SDRs)*

Member	General Resources Account				Outstanding Credit and Loans					
	IMF's holdings of currencies 1/			Reserve tranche position	GRA		PRGF-ESF			Total 5/
	Quota	Total	Percent of quota		Amount (A)	Percent 2/ +	SDA 3/ (B)	Trust 4/ +	(C)	
				=						
Jamaica	273,500	273,550	100.0	--	--	--	--	--	--	
Japan	13,312,800	12,360,885	92.8	952,903	--	--	--	--	--	
Jordan	170,500	188,147	110.3	258	17,887	0.24	--	--	17,887	
Kazakhstan	365,700	365,700	100.0	5	--	--	--	--	--	
Kenya	271,400	258,577	95.3	12,824	--	--	--	163,440	163,440	
Kiribati	5,600	5,601	100.0	4	--	--	--	--	--	
Korea, Republic of	2,927,300	2,718,894	92.9	208,414	--	--	--	--	--	
Kuwait	1,381,100	1,282,347	92.8	98,771	--	--	--	--	--	
Kyrgyz Republic	88,800	88,800	100.0	5	--	--	--	91,338	91,338	
Lao People's Democratic Republic	52,900	52,900	100.0	--	--	--	--	13,590	13,590	
Latvia, Republic of	126,800	126,762	100.0	55	--	--	--	--	--	
Lebanon	203,000	234,918	115.7	18,833	50,750	0.69	--	--	50,750	
Lesotho	34,900	31,315	89.7	3,613	--	--	--	19,600	19,600	
Liberia	129,200	471,950	365.3	31	342,768	4.65	--	207,260	550,028	
Libya	1,123,700	728,182	64.8	395,531	--	--	--	--	--	
Lithuania	144,200	144,179	100.0	34	--	--	--	--	--	
Luxembourg	279,100	259,036	92.8	20,098	--	--	--	--	--	
Macedonia, former Yugoslav Republic of	68,900	68,902	100.0	-- 6/	--	--	--	--	--	
Madagascar	122,200	122,174	100.0	27	--	--	--	64,378	64,378	
Malawi	69,400	67,077	96.7	2,332	--	--	--	46,248	46,248	
Malaysia	1,486,600	1,380,610	92.9	105,994	--	--	--	--	--	
Maldives	8,200	9,721	118.6	1,554	3,075	0.04	--	--	3,075	
Mali	93,300	83,646	89.7	9,663	--	--	--	20,990	20,990	
Malta	102,000	61,741	60.5	40,261	--	--	--	--	--	
Marshall Islands	3,500	3,500	100.0	1	--	--	--	--	--	
Mauritania	64,400	64,404	100.0	--	--	--	--	10,310	10,310	
Mauritius	101,600	94,446	93.0	7,154	--	--	--	--	--	
Mexico	3,152,800	2,909,987	92.3	242,858	--	--	--	--	--	
Micronesia, Federated States of	5,100	5,100	100.0	1	--	--	--	--	--	
Moldova	123,200	129,450	105.1	5	6,250	0.08	--	104,632	110,882	
Mongolia	51,100	50,967	99.7	136	--	--	--	13,550	13,550	
Montenegro	27,500	20,900	76.0	6,601	--	--	--	--	--	
Morocco	588,200	517,755	88.0	70,447	--	--	--	--	--	
Mozambique	113,600	113,600	100.0	7	--	--	--	9,740	9,740	
Myanmar	258,400	258,402	100.0	--	--	--	--	--	--	
Namibia	136,500	136,434	100.0	76	--	--	--	--	--	
Nepal	71,300	71,311	100.0	--	--	--	--	49,900	49,900	
Netherlands	5,162,400	4,793,879	92.9	368,552	--	--	--	--	--	
New Zealand	894,600	830,878	92.9	63,743	--	--	--	--	--	
Nicaragua	130,000	130,010	100.0	--	--	--	--	72,080	72,080	

## General Department

**Quotas, IMF's holdings of currencies, reserve tranche positions,  
and outstanding credit and loans  
as at October 31, 2008**

*(In thousands of SDRs)*

Member	Quota	IMF's holdings of currencies 1/		Reserve tranche position	Outstanding Credit and Loans					
		Total	Percent of quota		GRA		PRGF-ESF			Total 5/ (D)
					Amount (A)	Percent 2/ +	SDA 3/ (B)	Trust 4/ +	Total 5/ =	
Niger	65,800	57,193	86.9	8,611	--	--	--	29,610	29,610	
Nigeria	1,753,200	1,753,114	100.0	143	--	--	--	--	--	
Norway	1,671,700	1,552,520	92.9	119,194	--	--	--	--	--	
Oman	194,000	180,406	93.0	13,635	--	--	--	--	--	
Pakistan	1,033,700	1,041,480	100.8	119	7,899	0.11	--	779,065	786,964	
Palau	3,100	3,100	100.0	1	--	--	--	--	--	
Panama	206,600	194,752	94.3	11,860	--	--	--	--	--	
Papua New Guinea	131,600	131,163	99.7	438	--	--	--	--	--	
Paraguay	99,900	78,428	78.5	21,475	--	--	--	--	--	
Peru	638,400	638,433	100.0	--	--	--	--	--	--	
Philippines	879,900	792,249	90.0	87,659	--	--	--	--	--	
Poland	1,369,000	1,271,406	92.9	97,622	--	--	--	--	--	
Portugal	867,400	805,350	92.8	62,067	--	--	--	--	--	
Qatar	263,800	245,484	93.1	18,317	--	--	--	--	--	
Romania	1,030,200	1,030,205	100.0	--	--	--	--	--	--	
Russian Federation	5,945,400	5,708,486	96.0	236,947	--	--	--	--	--	
Rwanda	80,100	80,113	100.0	--	--	--	--	7,413	7,413	
St. Kitts and Nevis	8,900	8,819	99.1	82	--	--	--	--	--	
St. Lucia	15,300	15,295	100.0	7	--	--	--	--	--	
St. Vincent and the Grenadines	8,300	7,800	94.0	500	--	--	--	--	--	
Samoa	11,600	10,918	94.1	693	--	--	--	--	--	
San Marino	17,000	12,900	75.9	4,101	--	--	--	--	--	
São Tomé and Príncipe	7,400	7,403	100.0	-- 6/	--	--	--	2,469	2,469	
Saudi Arabia	6,985,500	6,486,787	92.9	498,716	--	--	--	--	--	
Senegal	161,800	160,137	99.0	1,670	--	--	--	17,330	17,330	
Serbia	467,700	467,714	100.0	--	--	--	--	--	--	
Seychelles	8,800	8,798	100.0	3	--	--	--	--	--	
Sierra Leone	103,700	103,685	100.0	24	--	--	--	27,513	27,513	
Singapore	862,500	799,617	92.7	62,988	--	--	--	--	--	
Slovak Republic	357,500	346,505	96.9	11,000	--	--	--	--	--	
Slovenia	231,700	214,631	92.6	17,093	--	--	--	--	--	
Solomon Islands	10,400	9,852	94.7	550	--	--	--	--	--	
Somalia	44,200	140,907	318.8	--	96,701	1.31	8,840	--	112,004	
South Africa	1,868,500	1,867,182	99.9	1,329	--	--	--	--	--	
Spain	3,048,900	2,830,737	92.8	218,193	--	0.01	--	--	--	
Sri Lanka	413,400	453,410	109.7	47,855	87,848	1.19	--	34,551	122,399	
Sudan	169,700	390,593	230.2	11	220,873	3.00	--	--	280,100	
Suriname	92,100	85,976	93.4	6,125	--	--	--	--	--	
Swaziland	50,700	44,147	87.1	6,562	--	--	--	--	--	
Sweden	2,395,500	2,224,704	92.9	170,799	--	--	--	--	--	

## General Department

### Quotas, IMF's holdings of currencies, reserve tranche positions, and outstanding credit and loans as at October 31, 2008

*(In thousands of SDRs)*

Member	General Resources Account				Outstanding Credit and Loans					
	IMF's holdings of currencies 1/			Reserve tranche position	GRA		PRGF-ESF			Total 5/
	Quota	Total	Percent of quota		Amount	Percent 2/ +	SDA 3/ (B)	Trust 4/ +	=	
				(A)						(C)
Switzerland	3,458,500	3,191,343	92.3	267,189	--	--	--	--	--	
Syrian Arab Republic	293,600	293,603	100.0	5	--	--	--	--	--	
Tajikistan, Republic of	87,000	87,000	100.0	2	--	--	--	19,600	19,600	
Tanzania	198,900	188,903	95.0	9,999	--	--	--	11,200	11,200	
Thailand	1,081,900	1,004,933	92.9	76,973	--	--	--	--	--	
Timor-Leste, The										
Democratic Republic of	8,200	8,200	100.0	1	--	--	--	--	--	
Togo	73,400	73,069	99.5	332	--	--	--	31,235	31,235	
Tonga	6,900	5,189	75.2	1,712	--	--	--	--	--	
Trinidad and Tobago	335,600	311,926	92.9	23,680	--	--	--	--	--	
Tunisia	286,500	266,267	92.9	20,249	--	--	--	--	--	
Turkey	1,191,300	6,821,068	572.6	112,775	5,742,540	77.87	--	--	5,742,540	
Turkmenistan,	75,200	75,200	100.0	5	--	--	--	--	--	
Uganda	180,500	180,506	100.0	-- 6/	--	--	--	6,000	6,000	
Ukraine	1,372,000	1,440,508	105.0	21	68,508	0.93	--	--	68,508	
United Arab Emirates	611,700	568,861	93.0	43,416	--	--	--	--	--	
United Kingdom	10,738,500	9,968,200	92.8	770,563	--	--	--	--	--	
United States	37,149,300	34,168,963	92.0	2,978,601	--	--	--	--	--	
Uruguay	306,500	306,507	100.0	--	--	--	--	--	--	
Uzbekistan, Republic of	275,600	275,600	100.0	5	--	--	--	--	--	
Vanuatu	17,000	14,506	85.3	2,496	--	--	--	--	--	
Venezuela, República										
Bolivariana de	2,659,100	2,337,199	87.9	321,902	--	--	--	--	--	
Vietnam	329,100	329,100	100.0	5	--	--	--	82,800	82,800	
Yemen, Republic of	243,500	246,238	101.1	13	2,750	0.04	--	60,050	62,800	
Zambia	489,100	489,101	100.0	18	--	--	--	62,010	62,010	
Zimbabwe	353,400	353,075	99.9	328	--	--	--	73,844	73,844	
<b>Total</b>	<b>217,372,700</b>	<b>209,908,992</b>		<b>14,840,817</b>	<b>7,374,173</b>	<b>100.00</b>	<b>8,840</b>	<b>3,888,379</b>	<b>11,337,083</b>	

The ending balances include rounding differences.

1/ Includes nonnegotiable, non-interest-bearing notes that members are entitled to issue in substitution for currencies, and outstanding currency valuation adjustments.

2/ Represents the percentage of total use of GRA resources (column A).

3/ The Special Disbursement Account (SDA) of the General Department had financed loans under Structural Adjustment Facility (SAF) and Poverty Reduction Growth Facility (PRGF) arrangements.

4/ For information purposes only. The PRGF-ESF Trust provides financing under PRGF arrangements and is not a part of the General Department.

5/ Includes outstanding Trust Fund loans to Somalia (SDR 6.5 million) and Sudan (SDR 59.2 million).

6/ Less than SDR 500.



## General Department

### Status of arrangements in the General Resources Account as at October 31, 2008

*(In thousands of SDRs)*

Member	Date of arrangement	Expiration	Total amount agreed	Undrawn balance
<b>Stand-By Arrangements</b>				
Gabon	May 7, 2007	May 6, 2010	77,150	77,150
Georgia	September 15, 2008	March 14, 2010	477,100	315,400
Honduras	April 7, 2008	March 30, 2009	38,850	38,850
Iraq	December 19, 2007	March 18, 2009	475,360	475,360
Peru	January 26, 2007	February 28, 2009	172,368	172,368
<b>Total Stand-By Arrangements</b>			1,240,828	1,079,128
<b>Extended Arrangements</b>				
Albania	February 1, 2006	January 31, 2009	8,523	1,218
<b>Total Extended Arrangements</b>			8,523	1,218
<b>Total General Resources Account</b>			1,249,351	1,080,346

**II. Financial Statements  
of the  
SDR Department**

## SDR Department

### Balance sheets

*(In thousands of SDRs)*

	October 31, 2008 (unaudited)	April 30, 2008		October 31, 2008 (unaudited)	April 30, 2008
<b>Assets</b>			<b>Liabilities</b>		
Net charges and assessments receivable	51,975	53,743	Net interest payable	52,008	53,779
Overdue charges and assessments (Note 2)	13,843	13,455			
Participants with holdings below allocations (Note 3)			Participants with holdings above or equal to allocations (Note 3)		
Allocations	10,852,484	11,291,306	SDR holdings	15,709,871	14,995,449
<i>Less</i> : SDR holdings	3,285,204	3,596,659	<i>Less</i> : allocations	10,580,846	10,142,024
Allocations in excess of holdings	7,567,280	7,694,647	Holdings in excess of allocations	5,129,025	4,853,425
			Holdings by the General Resources Account	1,834,288	1,852,278
			Holdings by prescribed holders	617,777	1,002,363
Total assets	7,633,098	7,761,845	Total liabilities	7,633,098	7,761,845

The accompanying notes are an integral part of these financial statements.

/s/ Andrew Tweedie  
Director, Finance Department

/s/ Dominique Strauss-Kahn  
Managing Director

**SDR Department****Income statements  
for the three and six months ended October 31, 2008, and 2007***(In thousands of SDRs)*

	2008		2007	
	Three Months	Six Months	Three Months	Six Months
<b>Revenue</b>				
Net charges from participants with holdings below allocations	51,274	109,219	78,112	162,731
Assessment on SDR allocations	350	700	325	650
	<u>51,624</u>	<u>109,919</u>	<u>78,437</u>	<u>163,381</u>
<b>Expenses</b>				
Interest on SDR holdings				
Net interest to participants with holdings above allocations	34,789	71,478	48,446	100,325
General Resources Account	12,293	26,201	24,260	51,676
Prescribed holders	4,192	11,540	5,406	10,730
	<u>51,274</u>	<u>109,219</u>	<u>78,112</u>	<u>162,731</u>
Administrative expenses	350	700	325	650
	<u>51,624</u>	<u>109,919</u>	<u>78,437</u>	<u>163,381</u>
Net income	<u>    --</u>	<u>    --</u>	<u>    --</u>	<u>    --</u>

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The accompanying notes are an integral part of these financial statements.

**SDR Department****Statements of cash flows  
for the six months ended October 31, 2008, and 2007***(In thousands of SDRs)*

	<b>2008</b>	<b>2007</b>
<b>Cash flows from operating activities</b>		
Receipts of SDRs		
Transfers among participants and prescribed holders	1,211,651	776,046
Transfers from participants and prescribed holders to the General Resources Account	237,157	342,050
Transfers from the General Resources Account to participants and prescribed holders	284,147	696,296
Interest received:		
Participants	69,937	100,440
General Resources Account	28,996	54,910
Prescribed holders	12,754	9,985
Total receipts of SDRs	<u>1,844,642</u>	<u>1,979,727</u>
Uses of SDRs		
Transfers among participants and prescribed holders	1,211,651	776,046
Transfers from participants and prescribed holders to the General Resources Account	237,157	342,050
Transfers from the General Resources Account to participants and prescribed holders	284,147	696,296
Charges paid by participants	111,296	163,746
Other	391	1,589
Total uses of SDRs	<u>1,844,642</u>	<u>1,979,727</u>

The accompanying notes are an integral part of these financial statements.

## SDR Department

### Notes to the financial statements

#### *1. Basis of presentation*

The unaudited financial statements have been prepared in accordance with International Accounting Standard 34 (*Interim Financial Reporting*). These financial statements do not include all information and notes required by IFRS for complete financial statements and should be read in conjunction with the April 30, 2008 financial statements and the notes included therein.

#### **Unit of account**

As of October 31, 2008, one SDR was equal to US\$1.48830 (one SDR was equal to US\$1.62378 as of April 30, 2008).

#### **Interest and charges**

Interest is paid on holdings of SDRs and charges are levied on participants' cumulative allocations at the rate of interest on the SDR. The average SDR interest rate was 2.65 percent for the quarter ended October 31, 2008 (3.98 percent for the quarter ended October 31, 2007).

#### *2. Overdue charges and assessments*

At October 31, 2008, charges and assessments amounting to SDR 13.8 million were overdue to the SDR Department (SDR 13.5 million at April 30, 2008). At October 31, and April 30, 2008, one member (Somalia) was six months or more overdue (since 1991) in meeting its financial obligations to the SDR Department.

Charges and assessments due from members that are six months or more overdue to the SDR Department were as follows:

	October 31, 2008	April 30, 2008
	<i>(In millions of SDRs)</i>	
Total	13.8	13.5
Overdue for six months or more	13.6	12.9
Overdue for three years or more	11.1	10.8

## SDR Department

### Notes to the financial statements

#### 3. Allocations and holdings

At October 31, and April 30, 2008, net cumulative allocations to participants totaled SDR 21.4 billion. Participants with holdings in excess of their allocations have established a net claim on the SDR Department, which is represented on the balance sheet as a liability. Participants with holdings below their allocations have used part of their allocations, which results in a net obligation to the SDR Department and is presented as an asset of the SDR Department. Participants' net SDR positions were as follows:

	October 31, 2008			April 30, 2008		
	Total	Below allocations	Above or equal to allocations <i>(In millions of SDRs)</i>	Total	Below allocations	Above or equal to allocations
Cumulative allocations	21,433.3	10,852.5	10,580.8	21,433.3	11,291.3	10,142.0
Holdings of SDRs	<u>18,995.1</u>	<u>3,285.2</u>	<u>15,709.9</u>	<u>18,592.1</u>	<u>3,596.7</u>	<u>14,995.4</u>
Net SDR positions	<u>2,438.2</u>	<u>7,567.3</u>	<u>(5,129.1)</u>	<u>2,841.2</u>	<u>7,694.6</u>	<u>(4,853.4)</u>

A summary of SDR holdings is provided below:

	October 31, 2008	April 30, 2008
	<i>(In millions of SDRs)</i>	
Participants	18,995.1	18,592.1
General Resources Account	1,834.3	1,852.3
Prescribed holders	<u>617.7</u>	<u>1,002.3</u>
	21,447.1	21,446.7
Less: Overdue charges receivable	<u>13.8</u>	<u>13.4</u>
Total holdings	<u>21,433.3</u>	<u>21,433.3</u>

## SDR Department

### Statements of Changes in SDR Holdings for the six months ended October 31, 2008, and 2007

*(In thousands of SDRs)*

	Participants	General Resources Account	Prescribed Holders	Total	
				2008	2007
Total holdings, beginning of the period	18,592,108	1,852,278	1,002,363	21,446,749	21,473,768
<b>Receipts of SDRs</b>					
Transfers among participants and prescribed holders					
Transactions by agreement	873,393	--	6,000	879,393	592,788
Operations					
Settlement of financial obligations	--	--	3,398	3,398	10,239
IMF-related operations					
PRGF-ESF Trust loans	41,203	--	--	41,203	5,768
SAF/Trust Fund repayments and interest	--	--	24	24	--
PRGF-ESF Trust contributions and payments	49,506	--	59,167	108,672	34,189
PRGF-ESF Trust repayments and interest	--	--	165,498	165,498	129,781
PRGF-HIPC contributions	807	--	11	818	611
Emergency Assistance, SFF subsidy and HIPC payments	9,853	--	--	9,853	2,670
Refunds, distributions and other	2,791	--	--	2,791	--
Net interest on SDRs	69,937	--	12,754	82,691	110,426
Transfers from participants and prescribed holders to the General Resources Account					
Repurchases	--	71,362	--	71,362	73,458
Charges	--	163,488	--	163,488	233,740
Quota payment	--	--	--	--	32,600
Interest on SDRs	--	28,996	--	28,996	54,910
Reimbursement of expenses by MDRI-I Trust	--	2,307	--	2,307	2,252
Transfers from the General Resources Account to participants and prescribed holders					
Purchases	37,656	--	--	37,656	278,266
In exchange for currencies of other members					
Acquisitions to pay charges	137,242	--	--	137,242	242,805
Remuneration	104,527	--	--	104,527	172,894
Refunds, distributions and other	4,721	--	1	4,722	2,332
Total receipts	1,331,635	266,153	246,853	1,844,642	1,979,727



## SDR Department

### Statements of Changes in SDR Holdings for the six months ended October 31, 2008, and 2007

*(In thousands of SDRs)*

	Participants	General Resources Account	Prescribed Holders	Total	
				2008	2007
<b>Uses of SDRs</b>					
Transfers among participants and prescribed holders					
Transactions by agreement	354,420	--	524,973	879,393	592,788
Operations					
Settlement of financial obligations	3,398	--	--	3,398	10,239
IMF-related operations					
PRGF-ESF Trust loans	--	--	41,203	41,203	5,768
SAF/Trust Fund repayments and interest	24	--	--	24	--
PRGF-ESF Trust contributions and interest payments	59,167	--	49,506	108,672	34,189
PRGF-ESF Trust repayments and interest	165,498	--	--	165,498	129,781
PRGF-HIPC contributions and interest payments	11	--	807	818	611
Emergency Assistance, SFF subsidy and HIPC payments	--	--	9,853	9,853	2,670
Refunds, distributions and other	--	--	2,791	2,791	--
Transfers from participants and prescribed holders to the General Resources Account					
Repurchases	71,362	--	--	71,362	73,458
Charges	163,488	--	--	163,488	233,740
Quota payment	--	--	--	--	32,600
Reimbursement of expenses by MDRI-I Trust	--	--	2,307	2,307	2,252
Transfers from the General Resources Account to participants and prescribed holders					
Purchases	--	37,656	--	37,656	278,266
In exchange for currencies of other members					
Acquisitions to pay charges	--	137,242	--	137,242	242,805
Remuneration	--	104,527	--	104,527	172,894
Refunds, distributions and other	--	4,722	--	4,722	2,332
Charges paid in the SDR department					
Net charges due	111,687	--	--	111,687	165,336
<b>Total uses</b>					
Charges not paid when due	391	--	--	391	1,589
Settlement of unpaid charges and assessments	(4)	4	--	--	--
<b>Total holdings, end of the period</b>					
	<u>18,995,075</u>	<u>1,834,288</u>	<u>617,777</u>	<u>21,447,140</u>	<u>21,475,358</u>

The ending balances include rounding differences.

## SDR Department

### Allocations and holdings of participants as at October 31, 2008

*(In thousands of SDRs)*

Participant	Net Cumulative Allocations	Holdings		
		Total	Percent of Cumulative Allocations	(+) Above (-) Below Allocations
Afghanistan, Islamic Republic of	26,703	204	0.8	(26,499)
Albania	--	6,428	--	6,428
Algeria	128,640	6,927	5.4	(121,713)
Angola	--	166	--	166
Antigua and Barbuda	--	7	--	7
Argentina	318,370	320,652	100.7	2,282
Armenia, Republic of	--	3,852	--	3,852
Australia	470,545	114,957	24.4	(355,588)
Austria	179,045	198,079	110.6	19,034
Azerbaijan	--	474	--	474
Bahamas, The	10,230	103	1.0	(10,127)
Bahrain, Kingdom of	6,200	8,608	138.8	2,408
Bangladesh	47,120	1,609	3.4	(45,511)
Barbados	8,039	80	1.0	(7,959)
Belarus, Republic of	--	623	--	623
Belgium	485,246	381,899	78.7	(103,347)
Belize	--	2,276	--	2,276
Benin	9,409	92	1.0	(9,317)
Bhutan	--	414	--	414
Bolivia	26,703	27,475	102.9	772
Bosnia and Herzegovina	20,481	313	1.5	(20,168)
Botswana	4,359	39,303	901.6	34,944
Brazil	358,670	3,097	0.9	(355,573)
Brunei Darussalam	--	12,614	--	12,614
Bulgaria	--	4,124	--	4,124
Burkina Faso	9,409	44	0.5	(9,365)
Burundi	13,697	175	1.3	(13,522)
Cambodia	15,417	174	1.1	(15,243)
Cameroon	24,463	3,000	12.3	(21,463)
Canada	779,290	643,182	82.5	(136,108)
Cape Verde	620	51	8.3	(569)
Central African Republic	9,325	111	1.2	(9,214)
Chad	9,409	131	1.4	(9,278)
Chile	121,924	37,277	30.6	(84,647)
China	236,800	782,984	330.7	546,184
Colombia	114,271	146,605	128.3	32,334
Comoros	716	12	1.7	(705)
Congo, Democratic Republic of	86,309	1,613	1.9	(84,696)
Congo, Republic of	9,719	163	1.7	(9,556)
Costa Rica	23,726	271	1.1	(23,455)

## SDR Department

### Allocations and holdings of participants as at October 31, 2008

*(In thousands of SDRs)*

Participant	Net Cumulative Allocations	Holdings		
		Total	Percent of Cumulative Allocations	(+) Above (-) Below Allocations
Côte d'Ivoire	37,828	1,265	3.3	(36,563)
Croatia, Republic of	44,205	445	1.0	(43,761)
Cyprus	19,438	1,871	9.6	(17,567)
Czech Republic	--	13,504	--	13,504
Denmark	178,864	209,975	117.4	31,111
Djibouti	1,178	107	9.1	(1,071)
Dominica	592	48	8.1	(545)
Dominican Republic	31,585	38,502	121.9	6,917
Ecuador	32,929	17,079	51.9	(15,850)
Egypt	135,924	82,487	60.7	(53,437)
El Salvador	24,985	25,013	100.1	28
Equatorial Guinea	5,812	460	7.9	(5,352)
Eritrea	--	--	--	--
Estonia, Republic of	--	61	--	61
Ethiopia	11,160	95	0.9	(11,065)
Fiji	6,958	6,780	97.4	(178)
Finland	142,690	154,823	108.5	12,133
France	1,079,870	627,257	58.1	(452,613)
Gabon	14,091	339	2.4	(13,752)
Gambia, The	5,121	117	2.3	(5,004)
Georgia	--	532	--	532
Germany	1,210,760	1,421,817	117.4	211,057
Ghana	62,983	613	1.0	(62,370)
Greece	103,544	15,878	15.3	(87,666)
Grenada	930	52	5.6	(878)
Guatemala	27,678	2,435	8.8	(25,243)
Guinea	17,604	2,447	13.9	(15,157)
Guinea-Bissau	1,212	74	6.1	(1,139)
Guyana	14,530	205	1.4	(14,325)
Haiti	13,697	4,717	34.4	(8,980)
Honduras	19,057	217	1.1	(18,840)
Hungary	--	60,278	--	60,278
Iceland	16,409	125	0.8	(16,284)
India	681,170	5,823	0.9	(675,347)
Indonesia	238,956	22,792	9.5	(216,164)
Iran, Islamic Republic of	244,056	283,061	116.0	39,005
Iraq	68,464	92,135	134.6	23,671
Ireland	87,263	63,684	73.0	(23,579)
Israel	106,360	8,981	8.4	(97,379)
Italy	702,400	165,169	23.5	(537,231)

## SDR Department

### Allocations and holdings of participants as at October 31, 2008

*(In thousands of SDRs)*

Participant	Net Cumulative Allocations	Holdings		
		Total	Percent of Cumulative Allocations	(+) Above (-) Below Allocations
Jamaica	40,613	321	0.8	(40,292)
Japan	891,690	1,957,277	219.5	1,065,587
Jordan	16,887	2,479	14.7	(14,408)
Kazakhstan, Republic of	--	893	--	893
Kenya	36,990	634	1.7	(36,356)
Kiribati	--	11	--	11
Korea	72,911	54,430	74.7	(18,481)
Kuwait	26,744	150,672	563.4	123,928
Kyrgyz Republic	--	20,491	--	20,491
Lao People's Democratic Republic	9,409	9,799	104.1	390
Latvia, Republic of	--	112	--	112
Lebanon	4,393	22,261	506.7	17,868
Lesotho	3,739	3,628	97.0	(111)
Liberia	21,007	7,201	34.3	(13,806)
Libya	58,771	578,714	984.7	519,943
Lithuania, Republic of	--	71	--	71
Luxembourg	16,955	13,331	78.6	(3,624)
Macedonia, former Yugoslav Republic of	8,379	938	11.2	(7,441)
Madagascar	19,270	228	1.2	(19,042)
Malawi	10,975	91	0.8	(10,884)
Malaysia	139,048	146,573	105.4	7,525
Maldives	282	394	139.6	112
Mali	15,912	136	0.9	(15,776)
Malta	11,288	11,288	100.0	--
Marshall Islands	--	--	--	--
Mauritania	9,719	76	0.8	(9,643)
Mauritius	15,744	18,792	119.4	3,048
Mexico	290,020	335,875	115.8	45,855
Micronesia, Federated States of	--	1,377	--	1,377
Moldova, Republic of	--	140	--	140
Mongolia	--	23	--	23
Montenegro, Republic of	--	255	--	255
Morocco	85,689	12,701	14.8	(72,988)
Mozambique	--	91	--	91
Myanmar	43,474	338	0.8	(43,136)
Namibia	--	20	--	20
Nepal	8,105	5,551	68.5	(2,554)
Netherlands	530,340	642,624	121.2	112,284
New Zealand	141,322	15,319	10.8	(126,003)
Nicaragua	19,483	211	1.1	(19,272)

## SDR Department

### Allocations and holdings of participants as at October 31, 2008

*(In thousands of SDRs)*

Participant	Net Cumulative Allocations	Total	Holdings	
			Percent of Cumulative Allocations	(+) Above (-) Below Allocations
Niger	9,409	1,054	11.2	(8,355)
Nigeria	157,155	1,811	1.2	(155,344)
Norway	167,770	282,318	168.3	114,548
Oman	6,262	12,706	202.9	6,444
Pakistan	169,989	132,755	78.1	(37,234)
Palau	--	--	--	--
Panama	26,322	663	2.5	(25,659)
Papua New Guinea	9,300	133	1.4	(9,167)
Paraguay	13,697	28,481	207.9	14,784
Peru	91,319	6,386	7.0	(84,933)
Philippines	116,595	7,321	6.3	(109,274)
Poland, Republic of	--	69,831	--	69,831
Portugal	53,320	79,150	148.4	25,830
Qatar	12,822	29,135	227.2	16,313
Romania	75,950	78,837	103.8	2,887
Russian Federation	--	502	--	502
Rwanda	13,697	20,371	148.7	6,674
St. Kitts and Nevis	--	4	--	4
St. Lucia	742	1,607	216.6	865
St. Vincent and the Grenadines	354	2	0.6	(351)
Samoa	1,142	2,630	230.3	1,488
San Marino, Republic of	--	1,097	--	1,097
São Tomé & Príncipe	620	5	0.8	(615)
Saudi Arabia	195,527	472,382	241.6	276,855
Senegal	24,462	222	0.9	(24,240)
Serbia, Republic of	56,665	1,267	2.2	(55,398)
Seychelles	406	13	3.2	(394)
Sierra Leone	17,455	19,781	113.3	2,326
Singapore	16,475	228,294	1,385.7	211,819
Slovak Republic	--	994	--	994
Slovenia, Republic of	25,431	7,722	30.4	(17,708)
Solomon Islands	654	13	1.9	(642)
Somalia	13,697	--	--	(13,697)
South Africa	220,360	223,088	101.2	2,728
Spain	298,805	145,128	48.6	(153,677)
Sri Lanka	70,868	2,331	3.3	(68,537)
Sudan	52,192	--	--	(52,192)
Suriname	7,750	410	5.3	(7,340)
Swaziland	6,432	2,549	39.6	(3,883)
Sweden	246,525	200,487	81.3	(46,038)

## SDR Department

### Allocations and holdings of participants as at October 31, 2008

*(In thousands of SDRs)*

Participant	Net Cumulative Allocations	Total	Holdings	
			Percent of Cumulative Allocations	(+) Above (-) Below Allocations
Switzerland	--	188,563	--	188,563
Syrian Arab Republic	36,564	36,571	100.0	7
Tajikistan, Republic of	--	19,855	--	19,855
Tanzania	31,372	258	0.8	(31,114)
Thailand	84,652	85,445	100.9	793
Timor-Leste, The Democratic Republic of	--	--	--	--
Togo	10,975	119	1.1	(10,856)
Tonga	--	468	--	468
Trinidad and Tobago	46,231	957	2.1	(45,274)
Tunisia	34,243	3,534	10.3	(30,709)
Turkey	112,307	85,826	76.4	(26,481)
Turkmenistan, Republic of	--	--	--	--
Uganda	29,396	343	1.2	(29,053)
Ukraine	--	26,228	--	26,228
United Arab Emirates	38,737	11,011	28.4	(27,726)
United Kingdom	1,913,070	300,903	15.7	(1,612,167)
United States	4,899,530	6,047,663	123.4	1,148,133
Uruguay	49,977	2,962	5.9	(47,015)
Uzbekistan, Republic of	--	457	--	457
Vanuatu	--	1,278	--	1,278
Venezuela	316,890	14,299	4.5	(302,591)
Vietnam	47,658	986	2.1	(46,672)
Yemen, Republic of	28,743	1,557	5.4	(27,186)
Zambia	68,298	7,431	10.9	(60,867)
Zimbabwe	10,200	84	0.8	(10,116)
Above or equal to allocations	10,580,846	15,709,871	148.5	5,129,024
Below allocations	10,852,484	3,285,204	30.3	(7,567,280)
Total participants	21,433,330	18,995,075		
General Resources Account	--	1,834,288		
Prescribed holders	--	617,777		
Overdue charges	13,810	--		
	21,447,140	21,447,140		

**III. Financial Statements  
of the  
Poverty Reduction and Growth Facility and  
Exogenous Shocks Facility Trust**

**Poverty Reduction and Growth Facility and  
Exogenous Shocks Facility Trust**

**Combined balance sheets**

*(In thousands of SDRs)*

	<b>October 31, 2008 (unaudited)</b>	<b>April 30, 2008</b>
<b>Assets</b>		
Cash and cash equivalents	269,061	336,963
Investments (Note 2)	4,926,847	4,842,388
Loans receivable (Note 3)	3,888,379	3,873,037
Interest receivable	25,318	33,540
Total assets	9,109,605	9,085,928
<b>Liabilities and Resources</b>		
Borrowings (Note 4)	4,188,859	4,265,545
Interest payable	41,271	42,166
Other liabilities and deferred income	15,242	14,017
Total liabilities	4,245,372	4,321,728
Resources	4,864,233	4,764,200
Total liabilities and resources	9,109,605	9,085,928

The accompanying notes are an integral part of these combined financial statements.

/s/ Andrew Tweedie  
Director, Finance Department

/s/ Dominique Strauss-Kahn  
Managing Director



**Poverty Reduction and Growth Facility and  
Exogenous Shocks Facility Trust**

**Combined statements of income and changes in resources  
for the three and six months ended October 31, 2008, and 2007  
(unaudited)**

*(In thousands of SDRs)*

	2008		2007	
	Three months	Six months	Three months	Six months
Balance, beginning of the quarter/year	4,777,392	4,764,200	4,625,559	4,584,917
Investment income (Note 5)	116,809	142,181	80,805	129,366
Interest income on loans	4,785	9,510	4,627	9,365
Interest expense	(35,210)	(70,142)	(43,587)	(86,390)
Other expenses	(304)	(607)	(248)	(489)
Operational income	86,080	80,942	41,597	51,852
Contributions				
Bilateral donors	761	19,067	1,820	32,206
Special Disbursement Account	--	24	--	1
Net income / changes in resources	86,841	100,033	43,417	84,059
Balance, end of the period	4,864,233	4,864,233	4,668,976	4,668,976

The accompanying notes are an integral part of these combined financial statements.

**Poverty Reduction and Growth Facility and  
Exogenous Shocks Facility Trust**

**Combined statements of cash flows  
for the six months ended October 31, 2008, and 2007  
(unaudited)**

*(In thousands of SDRs)*

	<b>2008</b>	<b>2007</b>
<b>Cash flows from operating activities</b>		
Net income	100,033	84,059
Adjustments to reconcile net income to cash generated by operations		
Interest income on investments	(84,108)	(95,508)
Interest income on loans	(9,510)	(9,365)
Interest expense	70,142	86,390
	76,557	65,576
Changes in other assets	--	195
Changes in other liabilities	1,225	1,742
Loan disbursements	(225,213)	(123,252)
Loan repayments	209,871	169,150
Cash provided by operations	62,440	113,411
Interest received	101,840	105,252
Interest paid	(71,037)	(84,210)
Net cash provided by operating activities	<b>93,243</b>	<b>134,453</b>
<b>Cash flows from investment activities</b>		
Net (acquisition)/disposition of investments	(84,459)	62,514
Net cash (used in)/provided by investment activities	<b>(84,459)</b>	<b>62,514</b>
<b>Cash flows from financing activities</b>		
Borrowings	228,878	130,911
Repayment of borrowings	(305,564)	(278,517)
Net cash used in financing activities	<b>(76,686)</b>	<b>(147,606)</b>
Net (decrease)/increase in cash and cash equivalents	(67,902)	49,361
Cash and cash equivalents, beginning of the year	336,963	322,061
<b>Cash and cash equivalents, end of the period</b>	<b>269,061</b>	<b>371,422</b>

The accompanying notes are an integral part of these combined financial statements.

## Poverty Reduction and Growth Facility and Exogenous Shocks Facility Trust

### Notes to the combined financial statements

#### *1. Basis of presentation*

The unaudited financial statements have been prepared in accordance with International Accounting Standard 34 (*Interim Financial Reporting*). These financial statements do not include all information and notes required by International Financial Reporting Standards for complete financial statements and should be read in conjunction with the April 30, 2008 financial statements and the notes included therein.

#### **Unit of account**

As at October 31, 2008, one SDR was equal to US\$1.48830 (one SDR was equal to US\$1.62378 as at April 30, 2008).

#### **New International Financial Reporting Standards**

The Trust's policy is to designate investments as fair value through profit or loss upon initial recognition. In October 2008, the IASB issued amendments to IAS 39, "Financial Instruments: Recognition and Measurement" and IFRS 7, "Financial Instruments: Disclosures". The amended IAS 39 permits an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss upon initial recognition) out of the fair value through profit or loss category in particular circumstances. An entity that has reclassified a financial asset is required to disclose the amount reclassified and the reason for the reclassification under IFRS 7. The amendments, effective from July 1, 2008, have no effect on the PRGF-ESF Trust's financial statements.

#### *2. Investments*

Investments consisted of the following:

	October 31, 2008	April 30, 2008
	<i>(In thousands of SDRs)</i>	
Fixed-term deposits	351,000	404,000
Fixed-income securities	<u>4,575,847</u>	<u>4,438,388</u>
Total	<u>4,926,847</u>	<u>4,842,388</u>

**Poverty Reduction and Growth Facility and  
Exogenous Shocks Facility Trust**

**Notes to the combined financial statements**

The maturities of the investments are as follows:

Investments maturing in  
financial year ending April 30

*(In thousands of SDRs)*

2009	372,625
2010	1,457,903
2011	2,314,616
2012	741,481
2013 and beyond	<u>40,222</u>
Total	<u>4,926,847</u>

**3. Loans receivable**

Resources of the Loan Account of the PRGF-ESF Trust are committed to qualifying members for a three-year period, upon approval by the Trustee of three-year PRGF arrangements or ESF arrangements with durations of one to two years in support of the members' macroeconomic and structural adjustment programs. Interest on the outstanding loans is set at the rate of ½ of 1 percent per annum.

At October 31 and April 30, 2008, the resources of the Loan Account included cumulative advances from the Reserve Account of SDR 74 million resulting from the nonpayment of principal by Zimbabwe.

Scheduled repayments of loans by borrowers, including Zimbabwe's overdue obligations, are summarized below:

**Poverty Reduction and Growth Facility and  
Exogenous Shocks Facility Trust**

**Notes to the combined financial statements**

Period of repayment, financial  
year ending April 30

	<i>(In thousands of SDRs)</i>
2009	227,031
2010	468,231
2011	529,769
2012	559,804
2013	508,516
2014 and beyond	1,521,184
Overdue	<u>73,844</u>
Total	<u><u>3,888,379</u></u>

As at October 31, 2008, scheduled repayments of loans include loans totaling SDR 591 million due from members that are potentially eligible for debt relief under the Multilateral Debt Relief Initiative (MDRI).

The use of credit in the Trust by the largest users was as follows:

	October 31, 2008		April 30, 2008	
	<i>(In millions of SDRs and percent of total PRGF-ESF credit)</i>			
Largest user of credit	779.1	20.0%	825.9	21.3%
Three largest users of credit	1,562.6	40.2%	1,654.1	42.7%
Five largest users of credit	1,933.3	49.7%	2,028.2	52.4%

The five largest users of credit as at October 31, 2008, in descending order, were Pakistan, Democratic Republic of the Congo, Bangladesh, Liberia, and Kenya.

The concentration of outstanding credit by region was as follows:

**Poverty Reduction and Growth Facility and  
Exogenous Shocks Facility Trust**

**Notes to the combined financial statements**

	October 31, 2008		April 30, 2008	
	<i>(In millions of SDRs and as a percentage of total PRGF-ESF credit outstanding)</i>			
Africa	1,709	44.0%	1,645	42.5%
Asia and Pacific	1,290	33.2%	1,356	35.0%
Europe	428	11.0%	445	11.5%
Latin America and Caribbean	209	5.4%	164	4.2%
Middle East and Turkey	252	6.5%	263	6.8%
Total	3,888	100%	3,873	100%

**4. Borrowings**

The weighted average interest rate on borrowings as at October 31, 2008 was 3.31 percent per annum (3.99 percent per annum as at October 31, 2007).

During the six months ended October 31, 2008, and 2007, the PRGF-ESF Trust did not make early repayments to lenders as no members received MDRI grant assistance to make early repayments of Trust loans.

Scheduled repayments of borrowings are summarized below:

Period of repayment, financial year ending April 30	<i>(In thousands of SDRs)</i>
2009	303,165
2010	593,390
2011	625,685
2012	610,386
2013	516,764
2014 and beyond	<u>1,539,469</u>
Total	<u>4,188,859</u>

## Poverty Reduction and Growth Facility and Exogenous Shocks Facility Trust

### Notes to the combined financial statements

The following summarizes the borrowing agreements in effect:

	Amount undrawn	
	October 31, 2008	April 30, 2008
	<i>(In thousands of SDRs)</i>	
Loan Account	2,507,364	2,732,576
Subsidy Accounts	117,462	126,365

#### ***5. Investment income***

The portfolio was managed to track a 1–3 year government bond index weighted to reflect the composition of the SDR basket. The bond and money markets of the SDR currencies experienced unusually high volatility during the first half of FY 2009, and in particular the quarter ended October 31, 2008. Nevertheless, the portfolio benefited from the flight-to-quality in global financial markets as demand for liquidity continued to push short-term government bond yields down, boosting investment returns. However, investment performance could be weaker going forward if part of the recent extraordinary decline in bond yields is reversed as market conditions stabilize.

Investment income comprised the following and reflects the effects of trading and changes in interest rates during the six months ended October 31:

	2008	2007
	<i>(In thousands of SDRs)</i>	
Interest income	84,108	95,508
Realized gains, net	34,852	6,082
Unrealized gains, net	23,259	27,793
Exchange rate losses, net	<u>(38)</u>	<u>(17)</u>
Total	<u>142,181</u>	<u>129,366</u>

#### ***6. Commitments under loan arrangements***

An arrangement under the PRGF or ESF is a decision that gives a member the assurance that the IMF as Trustee stands ready to provide foreign exchange or SDRs during a specified

## **Poverty Reduction and Growth Facility and Exogenous Shocks Facility Trust**

### **Notes to the combined financial statements**

period and up to a specified amount in accordance with the terms of the decision. At October 31, 2008, undrawn balances under 23 loan arrangements amounted to SDR 459 million (SDR 458 million under 25 arrangements at April 30, 2008). Undrawn balances by member are provided in Schedule 2.

#### ***7. Related party transactions***

The expenses of conducting the business of the Trust were paid by the General Resources Account of the IMF.

The cumulative contributions to the Trust from the IMF, through the Special Disbursement Account, amounted to SDR 3,763 million and SDR 3,732 as at October 31, 2008, and 2007, respectively.

The PRGF-ESF Subsidy Account also receives contributions from member countries that had placed deposits in the PRGF Administered Accounts at low interest rates. Net investment income transferred from the PRGF Administered Accounts to the PRGF-ESF Subsidy Account amounted to SDR 0.06 million and SDR 0.01 million for the six months ended October 31, 2008, and 2007, respectively.

#### ***8. Combining balance sheets and statements of income and changes in resources***

The combining balance sheets and statements of income and changes in resources of the PRGF-ESF Trust are presented below:



Note 8

**Poverty Reduction and Growth Facility and  
Exogenous Shocks Facility Trust**

**Combining statements of income and changes in resources  
for the six months ended October 31, 2008, and 2007**

*(In thousands of SDRs)*

	<b>Loan Account</b>		<b>Reserve Account</b>		<b>Subsidy Accounts</b>		<b>Combined</b>	
	<b>October 31, 2008 (unaudited)</b>	<b>April 30, 2008</b>	<b>October 31, 2008 (unaudited)</b>	<b>April 30, 2008</b>	<b>October 31, 2008 (unaudited)</b>	<b>April 30, 2008</b>	<b>October 31, 2008 (unaudited)</b>	<b>April 30, 2008</b>
<b>Assets</b>								
Cash and cash equivalents	98,477	156,423	90,141	84,661	80,443	95,879	269,061	336,963
Investments	257,000	270,000	3,599,578	3,500,793	1,070,269	1,071,595	4,926,847	4,842,388
Loans receivable	3,888,379	3,873,037	--	--	--	--	3,888,379	3,873,037
Accrued account transfers	(13,723)	(7,548)	61,718	60,933	(47,995)	(53,385)	--	--
Interest receivable	24,430	28,562	161	143	727	4,835	25,318	33,540
Total assets	<u>4,254,563</u>	<u>4,320,474</u>	<u>3,751,598</u>	<u>3,646,530</u>	<u>1,103,444</u>	<u>1,118,924</u>	<u>9,109,605</u>	<u>9,085,928</u>
<b>Liabilities and resources</b>								
Borrowings	4,124,129	4,190,330	--	--	64,730	75,215	4,188,859	4,265,545
Interest payable	41,135	42,044	--	--	136	122	41,271	42,166
Other liabilities and deferred income	15,242	14,017	--	--	--	--	15,242	14,017
Total liabilities	<u>4,180,506</u>	<u>4,246,391</u>	<u>--</u>	<u>--</u>	<u>64,866</u>	<u>75,337</u>	<u>4,245,372</u>	<u>4,321,728</u>
Resources	<u>74,057</u>	<u>74,083</u>	<u>3,751,598</u>	<u>3,646,530</u>	<u>1,038,578</u>	<u>1,043,587</u>	<u>4,864,233</u>	<u>4,764,200</u>
Total liabilities and resources	<u>4,254,563</u>	<u>4,320,474</u>	<u>3,751,598</u>	<u>3,646,530</u>	<u>1,103,444</u>	<u>1,118,924</u>	<u>9,109,605</u>	<u>9,085,928</u>

**Note 8 (concluded)**

**Poverty Reduction and Growth Facility and  
Exogenous Shocks Facility Trust**

**Combining balance sheets Combining statements of income and changes in resources  
for the six months ended October 31, 2008, and 2007  
(unaudited)**

*(In thousands of SDRs)*

	<u>Loan Account</u>		<u>Reserve Account</u>		<u>Subsidy Accounts</u>		<u>Combined</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Balance, beginning of the year	74,083	74,951	3,646,530	3,432,564	1,043,587	1,077,402	4,764,200	4,584,917
Investment income	6,101	12,482	104,671	87,436	31,409	29,448	142,181	129,366
Interest income on loans	9,510	9,365	--	--	--	--	9,510	9,365
Interest expense	(69,955)	(86,186)	--	--	(187)	(204)	(70,142)	(86,390)
Other expenses	(29)	--	(438)	(392)	(140)	(97)	(607)	(489)
Operational (loss) income	(54,373)	(64,339)	104,233	87,044	31,082	29,147	80,942	51,852
Contributions								
Bilateral donors	--	--	--	--	19,067	32,206	19,067	32,206
Special Disbursement Account	--	--	24	1	--	--	24	1
Transfers between:								
Loan and Reserve Accounts	(811)	(365)	811	365	--	--	--	--
Loan and Subsidy Accounts	55,158	65,309	--	--	(55,158)	(65,309)	--	--
Net (loss) income/changes in resources	(26)	605	105,068	87,410	(5,009)	(3,956)	100,033	84,059
Balance, end of the period	<u>74,057</u>	<u>75,556</u>	<u>3,751,598</u>	<u>3,519,974</u>	<u>1,038,578</u>	<u>1,073,446</u>	<u>4,864,233</u>	<u>4,668,976</u>

**Poverty Reduction and Growth Facility and  
Exogenous Shocks Facility Trust**

**Disbursed Multilateral Debt Relief Initiative assistance  
as at October 31, 2008**

*(In thousands of SDRs)*

Member	Eligible debt			Sources of grant assistance		
	PRGF-ESF	GRA	Total	MDRI-I Trust	MDRI-II Trust	PRGF- HIPC Trust
Benin	36,060	--	36,060	--	34,111	1,949
Bolivia	71,154	89,780	160,934	--	154,819	6,115
Burkina Faso	62,120	--	62,120	57,053	--	5,067
Cambodia	56,829	--	56,829	56,829	--	--
Cameroon	173,260	--	173,260	--	149,169	24,091
Ethiopia	112,073	--	112,073	79,645	--	32,428
Gambia	9,416	--	9,416	7,435	--	1,981
Ghana	265,389	--	265,389	220,020	--	45,369
Guyana	45,058	--	45,058	--	31,572	13,486
Honduras	107,457	--	107,457	--	98,240	9,217
Madagascar	137,286	--	137,286	128,492	--	8,794
Malawi	27,027	10,844	37,871	14,527	--	23,344
Mali	75,066	--	75,066	62,434	--	12,632
Mauritania	32,909	--	32,909	--	30,228	2,681
Mozambique	106,560	--	106,560	83,039	--	23,521
Nicaragua	140,481	--	140,481	--	91,762	48,719
Niger	77,554	--	77,554	59,815	--	17,739
Rwanda	52,743	--	52,743	20,174	--	32,569
São Tomé and Príncipe	1,426	--	1,426	1,049	--	377
Senegal	100,323	--	100,323	--	94,762	5,561
Sierra Leone	117,343	--	117,343	76,755	--	40,588
Tajikistan	69,308	--	69,308	69,308	--	--
Tanzania	234,031	--	234,031	206,990	--	27,041
Uganda	87,728	--	87,728	75,845	--	11,883
Zambia	402,592	--	402,592	--	398,471	4,121
<b>Total</b>	<u>2,601,193</u>	<u>100,624</u>	<u>2,701,817</u>	<u>1,219,410</u>	<u>1,083,134</u>	<u>399,273</u>

**Poverty Reduction and Growth Facility and  
Exogenous Shocks Facility Trust**

**Status of loan arrangements  
as at October 31, 2008**

*(In thousands of SDRs)*

<b>Member</b>	<b>Date of Arrangement</b>	<b>Expiration Date</b>	<b>Amount Agreed</b>	<b>Undrawn Balance</b>
Afghanistan, Islamic Republic of	Jun. 26, 2006	Jun. 25, 2009	81,000	22,600
Albania	Feb. 1, 2006	Jan. 31, 2009	8,523	1,218
Benin	Aug. 5, 2005	Aug. 4, 2009	15,480	1,790
Burkina Faso	Apr. 23, 2007	Apr. 22, 2010	15,050	7,026
Burundi	Jul. 7, 2008	Jul. 6, 2011	46,200	39,600
Cameroon	Oct. 24, 2005	Jan. 31, 2009	18,570	2,670
Central African Republic	Dec. 22, 2006	Dec. 21, 2009	44,555	15,185
Djibouti	Sep. 17, 2008	Sep. 16, 2011	12,720	8,856
Gambia, The	Feb. 21, 2007	Feb. 20, 2010	14,000	6,000
Grenada	Apr. 17, 2006	Apr. 16, 2010	11,990	7,450
Guinea	Dec. 21, 2007	Dec. 20, 2010	69,615	45,135
Haiti	Nov. 20, 2006	Nov. 19, 2009	90,090	22,810
Liberia	Mar. 14, 2008	Mar. 13, 2011	239,020	31,760
Madagascar	Jul. 21, 2006	Jul. 20, 2009	73,320	20,290
Mali	May. 28, 2008	May. 27, 2011	27,990	15,000
Mauritania	Dec. 18, 2006	Dec. 17, 2009	16,100	5,790
Moldova, Republic of	May. 5, 2006	May. 4, 2009	110,880	22,880
Nicaragua	Oct. 5, 2007	Oct. 4, 2010	78,000	47,700
Niger	Jun. 2, 2008	Jun. 1, 2011	23,030	19,740
Rwanda	Jun. 12, 2006	Jun. 11, 2009	8,010	2,310
Sierra Leone	May. 10, 2006	May. 9, 2010	31,110	17,600
Togo	Apr. 21, 2008	Apr. 20, 2011	84,410	53,175
Zambia	Jun. 4, 2008	Jun. 3, 2011	48,910	41,923
			1,168,573	458,508

**IV. Financial Statements  
of the  
PRGF-HIPC Trust  
and  
Related Account**

## PRGF-HIPC Trust and Related Account

### Combined balance sheets

*(In thousands of SDRs)*

	<b>October 31, 2008 (unaudited)</b>	<b>April 30, 2008</b>
<b>Assets</b>		
Cash and cash equivalents	131,914	331,523
Investments (Note 2)	1,123,621	941,153
Interest receivable	7,354	5,341
	1,262,889	1,278,017
	1,262,889	1,278,017
<b>Liabilities and Resources</b>		
Borrowings (Note 3)	581,964	620,782
Interest payable	557	1,153
	582,521	621,935
	582,521	621,935
Resources	680,368	656,082
	1,262,889	1,278,017
	1,262,889	1,278,017

The accompanying notes are an integral part of these combined financial statements.

/s/Andrew Tweedie  
Director, Finance Department

/s/ Dominique Strauss-Kahn  
Managing Director

## PRGF-HIPC Trust and Related Account

### Combined statements of income and changes in resources for the three and six months ended October 31, 2008, and 2007 (unaudited)

*(In thousands of SDRs)*

	2008		2007	
	Three months	Six months	Three months	Six months
Balance, beginning of the quarter/year	668,439	656,082	588,744	573,797
Investment income (Note 2)	15,973	24,971	14,711	26,982
Interest expense	(383)	(806)	(452)	(957)
Other expenses	(81)	(155)	(67)	(115)
Operational income	15,509	24,010	14,192	25,910
Contributions	59	9,622	20	3,521
Disbursements	(3,639)	(9,346)	--	(272)
Net income changes in resources	11,929	24,286	14,212	29,159
Balance, end of the period	<u>680,368</u>	<u>680,368</u>	<u>602,956</u>	<u>602,956</u>

The accompanying notes are an integral part of these combined financial statements.

## PRGF-HIPC Trust and Related Account

### Combined statements of cash flows for the six months ended October 31, 2008, and 2007 (unaudited)

*(In thousands of SDRs)*

	<b>2008</b>	<b>2007</b>
<b>Cash flows from operating activities</b>		
Net income	24,286	29,159
Adjustments to reconcile net income to cash generated by operations		
Interest income	(21,652)	(24,914)
Interest expense	806	957
Foreign currency translation		
Investments	29,961	(7,944)
Borrowings	(29,961)	7,944
Cash provided by operations	3,440	5,202
Interest received	19,639	17,780
Interest paid	(1,402)	(1,902)
<b>Net cash provided by operating activities</b>	<b>21,677</b>	<b>21,080</b>
<b>Cash flows from investment activities</b>		
Net acquisition of investments	(212,429)	(47,334)
<b>Net cash used in investment activities</b>	<b>(212,429)</b>	<b>(47,334)</b>
<b>Cash flows from financing activities</b>		
Borrowings	6,143	--
Repayment of borrowings	(15,000)	( 20,066)
<b>Net cash used in financing activities</b>	<b>(8,857)</b>	<b>( 20,066)</b>
Net decrease in cash and cash equivalents	(199,609)	(46,320)
Cash and cash equivalents, beginning of year	331,523	99,597
<b>Cash and cash equivalents, end of period</b>	<b>131,914</b>	<b>53,277</b>

The accompanying notes are an integral part of these combined financial statements.



## PRGF-HIPC Trust and Related Account

### Notes to the combined financial statements

#### *1. Basis of presentation*

The unaudited financial statements have been prepared in accordance with International Accounting Standard 34 (*Interim Financial Reporting*). These financial statements do not include all information and notes required by International Financial Reporting Standards for complete financial statements and should be read in conjunction with the April 30, 2008 financial statements and the notes included therein.

#### **Unit of account**

As at October 31, 2008, one SDR was equal to US\$1.48830 (one SDR was equal to US\$1.62378 as at April 30, 2008).

#### **New International Financial Reporting Standards**

The Trust's policy is to designate investments as fair value through profit or loss upon initial recognition. In October 2008, the IASB issued amendments to IAS 39, "Financial Instruments: Recognition and Measurement" and IFRS 7, "Financial Instruments: Disclosures". The amended IAS 39 permits an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss upon initial recognition) out of the fair value through profit or loss category in particular circumstances. An entity that has reclassified a financial asset is required to disclose the amount reclassified and the reason for the reclassification under IFRS 7. The amendments, effective from July 1, 2008, have no effect on the PRGF-HIPC Trust's financial statements.

#### *2. Investments*

Investments consisted of the following at:

	October 31, 2008	April 30, 2008
	<i>(In thousands of SDRs)</i>	
Fixed-term deposits	706,086	528,108
Fixed-income securities	<u>417,535</u>	<u>413,045</u>
Total	<u>1,123,621</u>	<u>941,153</u>

## PRGF-HIPC Trust and Related Account

### Notes to the combined financial statements

The maturities of the investments are as follows:

Investments maturing in financial year ending April 30	<i>(In thousands of SDRs)</i>
2009	752,444
2010	114,968
2011	95,781
2012	46,022
2013	98,483
2014 and beyond	<u>15,923</u>
Total	<u>1,123,621</u>

The portfolio was managed to track a 1-3 year government bond index weighted to reflect the composition of the SDR basket. Investment income comprised the following and reflects the effects of trading and changes in interest rates during the six months ended October 31:

	<u>2008</u>	<u>2007</u>
	<i>(In thousands of SDRs)</i>	
Interest income	21,652	24,914
Realized gain/(losses), net	4,610	(463)
Unrealized (losses)/gains, net	(1,283)	2,538
Exchange rate losses, net	<u>(8)</u>	<u>(7)</u>
Total	<u>24,971</u>	<u>26,982</u>

### **3. Borrowings**

The Trust borrows on such terms and conditions as agreed between the Trust and the lenders. Interest rates on borrowings at October 31 and April 30, 2008 varied between 0 percent and 2 percent a year. The principal amounts of the borrowings are repayable in one installment at their maturity dates. Scheduled repayments of borrowings are summarized below:

## PRGF-HIPC Trust and Related Account

### Notes to the combined financial statements

Financial year ending April 30	
	<i>(In thousands of SDRs)</i>
2009	10,000
2010	278,290
2011	70,842
2012	26,090
2013	6,200
2014 and beyond	<u>190,542</u>
Total	<u>581,964</u>

#### ***4. Multilateral Debt Relief Initiative***

For the six months ended October 31, 2008 and 2007, none of the Heavily Indebted Poor Country (HIPC) members reached the completion point and no Multilateral Debt Relief Initiative (MDRI) related grant assistance was disbursed from the Trust. Since the IMF adopted the MDRI, eligible debt covered by the grant assistance under the HIPC Initiative and MDRI included GRA and PRGF-ESF Trust obligations of SDR 101 million and SDR 2,601 million, respectively.

#### ***5. Related party transactions***

The expenses of conducting the business of the Trust were paid by the General Resources Account of the IMF.

Cumulative transfers from the IMF to the PRGF-HIPC Trust amounted to SDR 1,239 million as at October 31, 2008 and 2007. The PRGF-HIPC Trust also receives contributions from a member country that had placed a deposit in the Poverty Reduction and Growth Facility Administered Accounts (PRGF-AA). Net investment income transferred from the PRGF-AA to the PRGF-HIPC Trust amounted to SDR 0.06 million and SDR 0.3 million for the six months ended October 31, 2008 and 2007, respectively.

#### ***6. Combining balance sheets and statements of income and changes in resources***

The combining balance sheets and statements of income and changes in resources for the PRGF-HIPC Trust Subaccounts and the Umbrella Account for HIPC Operations are presented below:

**PRGF-HIPC Trust and Related Account**

**Combining balance sheets**

*(In thousands of SDRs)*

	October 31, 2008 (unaudited)						April 30, 2008		
	PRGF-HIPC Trust Account subaccount				Umbrella Account for HIPC Operations	Combined total	PRGF-HIPC Trust Account	Umbrella Account for HIPC Operations	Combined total
	PRGF-HIPC	PRGF	HIPC	Combined					
<b>Assets</b>									
Cash and cash equivalents	51,783	14,585	56,479	122,847	9,067	131,914	313,304	18,219	331,523
Investments	674,942	28,679	420,000	1,123,621	--	1,123,621	941,153	--	941,153
Interest receivable	4,040	--	3,261	7,301	53	7,354	5,300	41	5,341
Total assets	<u>730,765</u>	<u>43,264</u>	<u>479,740</u>	<u>1,253,769</u>	<u>9,120</u>	<u>1,262,889</u>	<u>1,259,757</u>	<u>18,260</u>	<u>1,278,017</u>
<b>Liabilities and resources</b>									
Borrowings	581,964	--	--	581,964	--	581,964	620,782	--	620,782
Interest payable	557	--	--	557	--	557	1,153	--	1,153
Total liabilities	<u>582,521</u>	<u>--</u>	<u>--</u>	<u>582,521</u>	<u>--</u>	<u>582,521</u>	<u>621,935</u>	<u>--</u>	<u>621,935</u>
Resources	148,244	43,264	479,740	671,248	9,120	680,368	637,822	18,260	656,082
Total liabilities and resources	<u>730,765</u>	<u>43,264</u>	<u>479,740</u>	<u>1,253,769</u>	<u>9,120</u>	<u>1,262,889</u>	<u>1,259,757</u>	<u>18,260</u>	<u>1,278,017</u>

**PRGF-HIPC Trust and Related Account**

**Combining statements of income and changes in resources  
for the six months ended October 31, 2008, and 2007  
(unaudited)**

*(In thousands of SDRs)*

	2008						2007		
	PRGF-HIPC Trust Account subaccount				Umbrella Account for HIPC Operations	Combined total	PRGF-HIPC Trust Account	Umbrella Account for HIPC Operations	Combined total
	PRGF-HIPC	PRGF	HIPC	Combined					
Balance, beginning of the year	122,708	42,255	472,859	637,822	18,260	656,082	573,294	503	573,797
Investment income	16,864	1,020	6,914	24,798	173	24,971	26,975	7	26,982
Interest expense	( 806)	--	--	( 806)	--	( 806)	( 957)	--	( 957)
Other expenses	( 144)	( 11)	--	( 155)	--	( 155)	( 115)	--	( 115)
Operational income	15,914	1,009	6,914	23,837	173	24,010	25,903	7	25,910
Contributions									
Bilateral contributions	9,622	--	--	9,622	--	9,622	3,521	--	3,521
Special disbursement account	--	--	--	--	--	--	--	--	--
Grants	--	--	( 33)	( 33)	33	--	--	--	--
Disbursements	--	--	--	--	( 9,346)	( 9,346)	--	( 272)	( 272)
Net income (losses)/changes in resources	25,536	1,009	6,881	33,426	( 9,140)	24,286	29,424	( 265)	29,159
Balance, end of the period	148,244	43,264	479,740	671,248	9,120	680,368	602,718	238	602,956

**V. Financial Statements  
of the  
Multilateral Debt Relief Initiative-II Trust**

## Multilateral Debt Relief Initiative-II Trust

### Balance sheets

*(In thousands of SDRs)*

	<b>October 31, 2008 (unaudited)</b>	<b>April 30, 2008</b>
<hr/>		
<b>Assets</b>		
Cash and cash equivalents	3,501	3,165
Investments (Note 2)	39,000	39,000
Interest receivable	462	149
	<hr/>	<hr/>
Total assets	<b>42,963</b>	<b>42,314</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities and resources</b>		
Accrued MDRI grant assistance (Note 3)	9,662	19,438
	<hr/>	<hr/>
Total liabilities	<b>9,662</b>	<b>19,438</b>
	<hr/>	<hr/>
Resources	33,301	22,876
	<hr/>	<hr/>
Total liabilities and resources	<b>42,963</b>	<b>42,314</b>
	<hr/> <hr/>	<hr/> <hr/>
<hr/>		

The accompanying notes are an integral part of these financial statements.

/s/ Andrew Tweedie  
Director, Finance Department

/s/ Dominique Strauss-Kahn  
Managing Director

## Multilateral Debt Relief Initiative-II Trust

### Statements of income and changes in resources for the three and six months ended October 31, 2008, and 2007 (unaudited)

*(In thousands of SDRs)*

	2008		2007	
	Three months	Six months	Three months	Six months
Balance, beginning of quarter/year	31,781	22,876	19,470	8,469
Investment income (Note 2)	330	649	433	865
Operational income	330	649	433	865
MDRI grant assistance (Note 3)	1,190	9,776	--	10,569
Net income/changes in resources	1,520	10,425	433	11,434
Balance, end of period	33,301	33,301	19,903	19,903

The accompanying notes are an integral part of these financial statements.



## Multilateral Debt Relief Initiative-II Trust

### Statements of cash flows for the six months ended October 31, 2008, and 2007 (unaudited)

*(In thousands of SDRs)*

	<b>2008</b>	<b>2007</b>
<hr/>		
<b>Cash flows from operating activities</b>		
Net income	10,425	11,434
Adjustments to reconcile net income to cash generated by operations		
Interest income	649	(865)
Change in accrued MDRI grant assistance	9,776	(10,569)
	<hr/>	<hr/>
Cash used in operations	--	--
Interest received	336	868
	<hr/>	<hr/>
<b>Net cash provided by operating activities</b>	<b>336</b>	<b>868</b>
	<hr/>	<hr/>
<b>Cash flows from investment activities</b>		
<b>Net cash used in investment activities</b>	--	--
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
<b>Net cash used in financing activities</b>	--	--
	<hr/>	<hr/>
Net increase in cash and cash equivalents	336	868
Cash and cash equivalents, beginning of year	3,165	1,483
	<hr/>	<hr/>
<b>Cash and cash equivalents, end of period</b>	<b>3,501</b>	<b>2,351</b>
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

## **Multilateral Debt Relief Initiative-II Trust**

### **Notes to the financial statements**

#### ***1. Basis of presentation***

The unaudited financial statements have been prepared in accordance with International Accounting Standard 34 (*Interim Financial Reporting*). These financial statements do not include all information and notes required by International Financial Reporting Standards for complete financial statements and should be read in conjunction with the April 30, 2008 financial statements and the notes included therein.

#### **Unit of account**

As at October 31, 2008, one SDR was equal to US\$1.48830 (one SDR was equal to US\$1.62378 as at April 30, 2008).

#### ***2. Investments and investment income***

Investments as at October 31 and April 30, 2008 consisted of fixed-term deposits maturing in one year or less. Investment income comprised interest income on deposits.

#### ***3. Multilateral Debt Relief Initiative***

For the six months ended October 31, 2008 and 2007, none of the Heavily Indebted Poor Country (HIPC) members reached the completion point and no grant assistance was disbursed from the Trust.

Multilateral Debt Relief Initiative (MDRI) grant assistance to the remaining eligible members is subject to the availability of resources and is accrued when it is probable that a liability has been incurred and the amount of such grant assistance can be reasonably estimated. The amount of liability recorded (SDR 10 million and SDR 19 million as at October 31 and April 30, 2008, respectively) is based on the debt owed to the IMF that is eligible for MDRI debt relief, which decreases over time. During the six months ended October 31, 2008 and 2007, the accrued MDRI grant assistance was reduced by SDR 9 million and SDR 10 million, respectively, to reflect the delay by the remaining eligible members in reaching the completion point.

## Multilateral Debt Relief Initiative-II Trust

### Notes to the financial statements

The reconciliation of accrued MDRI grant assistance for the six month period ended October 31 is as follows:

	2008	2007
	<i>(In million of SDRs)</i>	
Beginning of year	19	32
Additions	--	--
Amounts utilized	--	--
Reversals	<u>(9)</u>	<u>(10)</u>
End of the period	<u>10</u>	<u>22</u>