



**INTERNATIONAL
MONETARY
FUND**

**FINANCIAL
STATEMENTS**

Quarter Ended
July 31, 2008

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

General Department

Consolidated balance sheets

(In thousands of SDRs)

	July 31, 2008 (unaudited)	April 30, 2008		July 31, 2008 (unaudited)	April 30, 2008
Assets			Liabilities (including quotas)		
Usable currencies	161,428,264	163,072,460	Remuneration payable	60,202	44,324
Credit outstanding (Note 2)	7,803,469	5,896,074	Investment trades payable	297,928	206,069
Other currencies	40,822,145	40,822,661	Other liabilities	140,284	140,294
Total currencies	<u>210,053,878</u>	<u>209,791,195</u>	Accrued MDRI-I Trust grants (Note 6)	128,776	189,003
SDR holdings	1,792,224	1,852,278	Special Contingent Account	1,188,019	1,188,019
Interest and charges receivables (Note 3)	103,691	76,416	Quotas, represented by:		
Investments (Note 4)	6,586,574	6,786,229	Reserve tranche positions	15,124,193	13,481,535
Gold holdings (Note 5)	5,851,771	5,851,771	Subscription payments	202,248,507	203,891,165
Other assets	660,553	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>219,187,909</u>	<u>219,140,409</u>
Total assets	<u>225,057,531</u>	<u>225,012,411</u>	Reserves of the General Resources Account	5,660,941	5,750,600
	=====	=====	Retained earnings of the Investment Account	25,355	--
			Resources of the Special Disbursement Account	183,326	121,402
			Total liabilities, reserves, and resources	<u>225,057,531</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 months ended July 31, 2008, and 2007 (unaudited) (In thousands of SDRs)

	2008	2007
Operational income		
Interest and charges (Note 3)	89,339	109,789
Interest on SDR holdings	13,908	27,416
Net income from investments (Note 4)	27,489	58,255
Other charges and income (Note 3)	11,257	3,754
	141,993	199,214
Operational expenses		
Remuneration (Note 7)	60,207	84,505
Administrative expenses	144,394	155,015
	204,601	239,520
Net operational loss	(62,608)	(40,306)
MDRI grant assistance (Note 6)	60,228	(2,795)
Transfers to the Special Disbursement Account	24	--
Contribution from the Special Disbursement Account to the PRGF-ESF Trust	(24)	(1)
Net loss	(2,380)	(43,102)
Net loss of the General Department comprises		
Net loss of the General Resources Account	(89,659)	(98,162)
Net income of the Investment Account	25,355	55,060
Net income of the Special Disbursement Account	61,924	--
	(2,380)	(43,102)

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 three months ended July 31, 2008, and 2007
(unaudited)
(In thousands of SDRs)**

	General Resources Account Reserves	Special Disbursement Account Accumulated resources	Investment Account Retained earnings
Balance at April 30, 2007	5,877,073	8,840	--
Net (loss)/income	(98,162)	--	55,060
	5,778,911	8,840	55,060
	5,778,911	8,840	55,060
Balance at July 31, 2007	5,778,911	8,840	55,060
Balance at April 30, 2008	5,750,600	121,402	--
Net (loss)/income	(89,659)	61,924	25,355
	5,660,941	183,326	25,355
	5,660,941	183,326	25,355

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

General Department

Consolidated statements of cash flows for the three months ended July 31, 2008, and 2007 (unaudited) (In thousands of SDRs)

	2008	2007
Usable currencies and SDRs from operating activities		
Net loss	(2,380)	(43,102)
Adjustments to reconcile net loss to usable resources generated by operations		
Depreciation and amortization	5,275	5,180
Interest and charges	(89,339)	(109,789)
Interest on SDR holdings	(13,908)	(27,416)
Interest income from investments	(55,349)	(55,861)
Remuneration	60,207	84,505
	(95,494)	(146,483)
Changes in interest and charges receivables and other assets	(17,049)	(78,450)
Changes in remuneration payable and other liabilities	91,845	136,696
Changes in accrued MDRI-I Trust grants	(60,228)	2,795
	(80,926)	(85,442)
Usable currencies and SDRs from credit to members		
Purchases in currencies and SDRs, including reserve tranche purchases	(2,251,431)	(750,697)
Repurchases in currencies and SDRs	344,036	748,809
	(1,988,321)	(87,330)
Interest received		
Interest and charges	61,295	114,170
Interest on SDR holdings	15,088	27,494
Interest from investments	52,087	53,342
Remuneration paid	(44,325)	(88,427)
Net usable currencies and SDRs (used in)/provided by operating activities	(1,904,176)	19,249
Usable currencies and SDRs from investment activities		
Acquisition of fixed assets	(3,369)	(1,298)
Net sales of investments	202,779	60,075
Net usable currencies and SDRs provided by investment activities	199,410	58,777
Usable currencies and SDRs from financing activities		
Subscription payments in SDRs and usable currencies	--	141,750
Changes in composition of usable currencies	516	425,676
Net usable currencies and SDRs provided by financing activities	516	567,426
Net (decrease)/increase in usable currencies and SDRs	(1,704,250)	645,452
Usable currencies and SDRs, beginning of year	164,924,738	163,587,478
Usable currencies and SDRs, end of period	163,220,488	164,232,930

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 July 31, 2008, one SDR was equal to US\$1.62088 (one SDR was equal to US\$1.62378 as at April 30, 2008).

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 three months ended July 31, 2008, and 2007 were as follows:

	April 30, 2008	Purchases	Repurchases	July 31, 2008	April 30, 2007	Purchases	Repurchases	July 31, 2007
	<i>(In millions of SDRs)</i>							
Credit tranches	4,985	2,250	(307)	6,928	6,205	749	(678)	6,276
Extended Fund Facility	676	1	(34)	643	717	2	(71)	648
Enlarged access	167	-	-	167	262	-	-	262
Compensatory and Contingency Financing Facility	39	-	-	39	79	-	-	79
Supplementary Financing Facility	29	-	(3)	26	70	-	-	70
Total credit outstanding	<u>5,896</u>	<u>2,251</u>	<u>(344)</u>	<u>7,803</u>	<u>7,333</u>	<u>751</u>	<u>(749)</u>	<u>7,335</u>

General Department

Notes to the consolidated financial statements

As at July 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 three months ended July 31:

	2008	2007
	<i>(In millions of SDRs)</i>	
Early repurchases	--	34
Repurchase expectations	289	264
Repurchase obligations	<u>55</u>	<u>451</u>
Total repurchases	<u>344</u>	<u>749</u>

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

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

Financial year ending April 30	General Resources Account	Special Disbursement Account
<i>(In millions of SDRs)</i>		
2009	1,409	-
2010	2,144	-
2011	1,801	-
2012	1,403	-
2013	497	-
2014 and beyond	231	-
Overdue	<u>318</u>	<u>9</u>
Total	<u>7,803</u>	<u>9</u>

General Department

Notes to the consolidated financial statements

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

	July 31, 2008		April 30, 2008	
	<i>(In millions of SDRs and as a percentage of total GRA credit outstanding)</i>			
Largest user of credit	6,164	79.0%	4,180	70.9%
Three largest users of credit	6,875	88.1%	4,910	83.3%
Five largest users of credit	7,254	93.0%	5,319	90.2%

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

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

	July 31, 2008		April 30, 2008	
	<i>(In millions of SDRs and as a percentage of total GRA credit outstanding)</i>			
Africa	750	9.6%	766	13.0%
Asia and Pacific	249	3.2%	267	4.5%
Europe	176	2.3%	196	3.3%
Latin America and the Caribbean	374	4.8%	395	6.7%
Middle East and Turkey	<u>6,254</u>	<u>80.1%</u>	<u>4,272</u>	<u>72.5%</u>
Total	<u>7,803</u>	<u>100%</u>	<u>5,896</u>	<u>100%</u>

Overdue obligations

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

General Department

Notes to the consolidated financial statements

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	
	July 31, 2008	April 30, 2008	July 31, 2008	April 30, 2008
	<i>(In millions of SDRs)</i>			
Total overdue	326	338	818	815
Overdue for six months or more	326	338	810	806
Overdue for three years or more	326	338	764	760

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

	Repurchases and SAF Loans	Charges and SAF Interest	Total Obligation	Longest Overdue Obligation
	<i>(In millions of SDRs)</i>			
Somalia	106	113	219	July 1987
Sudan	<u>220</u>	<u>705</u>	<u>925</u>	July 1985
Total	<u>326</u>	<u>818</u>	<u>1,144</u>	

3. Interest and charges

Interest and charges receivables were as follows:

	July 31, 2008	April 30, 2008
	<i>(In millions of SDRs)</i>	
Periodic charges	910	878
Amount paid through burden-sharing	(686)	(683)
Unpaid charges	<u>(134)</u>	<u>(134)</u>
	90	61
Interest receivable	<u>14</u>	<u>15</u>
Total interest and charges receivable	<u>104</u>	<u>76</u>

General Department

Notes to the consolidated financial statements

Interest and periodic charges consisted of the following for the three months ended July 31:

	2008	2007
	<i>(In millions of SDRs)</i>	
Interest and periodic charges	87	106
Burden-sharing adjustments, net of refunds	<u>2</u>	<u>4</u>
Total interest and charges	<u>89</u>	<u>110</u>

Service charges and commitment fees on cancelled or expired arrangements, amounting to SDR 11 million and SDR 4 million for the three months ended July 31, 2008 and 2007, respectively, are included in other charges and income.

4. Investments

Investments are held in the Investment Account (SDR 6,283 million at July 31, 2008 and SDR 6,482 million at April 30, 2008) and MDRI-I Trust (SDR 304 million at July 31, 2008 and April 30, 2008) and are managed by external managers. These investments comprise fixed-term deposits; short-term investments 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:

	July 31, 2008	April 30, 2008
	<i>(In millions of SDRs)</i>	
Short-term investments	154	73
Fixed-term deposits	284	284
Fixed-income securities	<u>6,149</u>	<u>6,429</u>
Total investments	<u>6,587</u>	<u>6,786</u>

General Department

Notes to the consolidated financial statements

The maturities of the investments are as follows:

Investments maturing in financial year	<i>(In millions of SDRs)</i>
2009	851
2010	2,478
2011	2,767
2012	324
2013	<u>167</u>
Total	<u>6,587</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 three months ended July 31:

	2008	2007
	<i>(In millions of SDRs)</i>	
Interest income	55	55
Realized gains	12	5
Realized losses	--	(2)
Unrealized gains	35	19
Unrealized losses	<u>(75)</u>	<u>(19)</u>
Total	<u>27</u>	<u>58</u>

5. Gold holdings

At July 31, 2008 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 July 31, 2008 and April 30, 2008.

As at July 31, 2008, the market value of the IMF's holdings of gold was approximately SDR 58.6 billion (SDR 55.5 billion at April 30, 2008).

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

General Department

Notes to the consolidated financial statements

Trust (SDR 129 million and SDR 189 million at July 31, 2008 and April 30, 2008, respectively) is based on the debt owed to the IMF as at December 31, 2004, which decreases over time. During the quarter ended July 31, 2008, the accrued MDRI grant assistance was reduced by SDR 60 million to reflect the delay by the remaining eligible members in reaching the completion point.

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

	2008	2007
(In millions of SDRs)		
Beginning of year	189	299
Additions	--	3
Reversals	<u>(60)</u>	<u>--</u>
End of period	<u>129</u>	<u>302</u>

7. Remuneration

Remuneration for the three months ended July 31 was as follows:

	2008	2007
(In millions of SDRs)		
Remuneration	62	88
Burden-sharing adjustments, net of refunds	<u>(2)</u>	<u>(4)</u>
	<u>60</u>	<u>84</u>

8. Special Disbursement Account

The SDA's assets consist of SAF loans and its controlling interest in the MDRI-I Trust.

9. Arrangements and commitments in the General Department

At July 31, 2008, the undrawn balances under the eight arrangements that were in effect in the GRA amounted to SDR 836 million (SDR 3,086 million under nine arrangements at April 30, 2008); see Schedule 2.

General Department

Notes to the consolidated financial statements

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 was as follows:

	July 31, 2008	April 30, 2008
(In millions of SDRs)		
SRP	4,212	4,409
SRBP	13	13
Other	<u>493</u>	<u>518</u>
Total assets	<u>4,718</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.

General Department

Notes to the consolidated financial statements

The total assets of these accounts were as follows:

	July 31, 2008	April 30, 2008
	<i>(In thousands of U.S. dollars)</i>	
Administered Account Japan	130,121	129,458
Administered Account for Selected Fund Activities – Japan	28,615	20,509
Framework Administered Account for Technical Assistance Activities	38,075	26,942
	<i>(In thousands of SDRs)</i>	
Supplementary Financing Facility Subsidy Account The Post-Conflict and Natural Disaster Emergency Assistance Subsidy Account	1,009	1,001
Post SCA-2 Administered Account	16,468	17,544
SCA-1/Deferred Charges Administered Account	46,371	46,027
Austria-II Administered Account	116,178	115,490
Administered Account for Liberia	7,078	7,205
Japan Administered Account for Liberia	386,834	383,929
PRGF Administered Account—Indonesia	6,156	6,110
PRGF Administered Account—Portugal	25,061	25,443
	441	1,371

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 three months ended July 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 117 million (SDR 247 million for the three months ended July 31, 2007) and SDR 177 million (SDR 416 million for the three months ended July 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).

General Department

**Quotas, IMF's holdings of currencies, reserve tranche positions,
and outstanding credit and loans
as at July 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	Percent of quota		Amount	Percent 2/ +	SDA 3/ (B)	Trust 4/ +	Total 5/ =
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	0.09	--	46,781	54,086
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, Republic of	92,000	92,005	100.0	--	--	--	94,370	94,370	--
Australia	3,236,400	2,997,380	92.6	239,406	--	--	--	--	--
Austria	1,872,300	1,729,831	92.4	142,492	--	--	--	--	--
Azerbaijan	160,900	163,783	101.8	63	2,927	0.04	--	52,220	55,147
Bahamas, The	130,300	124,041	95.2	6,260	--	--	--	--	--
Bahrain, Kingdom of	135,000	63,843	47.3	71,203	--	--	--	--	--
Bangladesh	533,300	666,342	124.9	296	133,325	1.71	--	316,730	450,055
Barbados	67,500	61,900	91.7	5,613	--	--	--	--	--
Belarus	386,400	386,400	100.0	20	--	--	--	--	--
Belgium	4,605,200	4,257,539	92.5	347,706	--	--	--	--	--
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	3,036,144	100.0	--	--	--	--	--	--
Brunei Darussalam	215,200	201,730	93.7	13,673	--	--	--	--	--
Bulgaria	640,200	606,792	94.8	33,430	--	--	--	--	--
Burkina Faso	60,200	52,814	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	184,898	99.6	816	--	--	--	15,900	15,900
Canada	6,369,200	5,898,984	92.6	470,218	--	--	--	--	--
Cape Verde	9,600	9,593	99.9	16	--	--	--	8,271	8,271
Central African Republic	55,700	55,547	99.7	159	--	--	--	35,018	35,018
Chad	56,000	55,719	99.5	282	--	--	--	28,852	28,852
Chile	856,100	792,990	92.6	63,111	--	--	--	--	--
China	8,090,100	7,492,186	92.6	597,961	--	--	--	--	--
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	--	--	--	--	469,467	469,467
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 July 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)
				PRGF-ESF					
Côte d'Ivoire	325,200	405,757	124.8	761	81,300	1.04	--	50,881	132,181
Croatia	365,100	364,943	100.0	159	--	--	--	--	--
Cyprus	139,600	129,320	92.6	10,321	--	--	--	--	--
Czech Republic	819,300	758,776	92.6	60,528	--	--	--	--	--
Denmark	1,642,800	1,521,378	92.6	121,433	--	--	--	--	--
Djibouti	15,900	14,800	93.1	1,100	--	--	--	8,541	8,541
Dominica	8,200	10,242	124.9	9	2,050	0.03	--	7,688	9,738
Dominican Republic	218,900	587,741	268.5	3	368,843	4.73	--	--	368,843
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	126,306	94.5	7,445	--	--	--	--	--
Fiji	70,300	54,556	77.6	15,771	--	--	--	--	--
Finland	1,263,800	1,169,394	92.5	94,453	--	--	--	--	--
France	10,738,500	9,943,727	92.6	794,976	--	--	--	--	--
Gabon	154,300	159,086	103.1	438	5,208	0.07	--	--	5,208
Gambia, The	31,100	29,618	95.2	1,485	--	--	--	6,000	6,000
Georgia	150,300	150,300	100.0	10	--	--	--	144,965	144,965
Germany	13,008,200	12,047,211	92.6	961,075	--	--	--	--	--
Ghana	369,000	369,004	100.0	-- 6/	--	--	--	105,450	105,450
Greece	823,000	761,756	92.6	61,280	--	--	--	--	--
Grenada	11,700	13,895	118.8	--	2,194	0.03	--	4,540	6,734
Guatemala	210,200	210,206	100.0	--	--	--	--	--	--
Guinea	107,100	107,026	99.9	75	--	--	--	32,354	32,354
Guinea-Bissau	14,200	17,717	124.8	38	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	962,018	92.6	76,384	--	--	--	--	--
Iceland	117,600	99,012	84.2	18,589	--	--	--	--	--
India	4,158,200	3,844,307	92.5	313,943	--	--	--	--	--
Indonesia	2,079,300	1,933,804	93.0	145,499	--	--	--	--	--
Iran, Islamic Republic of	1,497,200	1,497,204	100.0	--	--	--	--	--	--
Iraq	1,188,400	1,017,313	85.6	171,100	--	--	--	--	--
Ireland	838,400	775,573	92.5	62,837	--	--	--	--	--
Israel	928,200	859,358	92.6	68,850	--	--	--	--	--
Italy	7,055,500	6,535,108	92.6	520,396	--	--	--	--	--

General Department

**Quotas, IMF's holdings of currencies, reserve tranche positions,
and outstanding credit and loans
as at July 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)					
Jamaica	273,500	273,550	100.0	--	--	--	--	--	--
Japan	13,312,800	12,323,622	92.6	989,727	--	--	--	--	--
Jordan	170,500	205,147	120.3	258	34,887	0.45	--	--	34,887
Kazakhstan	365,700	365,700	100.0	5	--	--	--	--	--
Kenya	271,400	258,586	95.3	12,824	--	--	--	166,800	166,800
Kiribati	5,600	5,601	100.0	4	--	--	--	--	--
Korea, Republic of	2,927,300	2,711,244	92.6	216,064	--	--	--	--	--
Kuwait	1,381,100	1,278,947	92.6	102,171	--	--	--	--	--
Kyrgyz Republic	88,800	88,800	100.0	5	--	--	--	95,904	95,904
Lao People's Democratic Republic	52,900	52,900	100.0	--	--	--	--	14,949	14,949
Latvia	126,800	126,762	100.0	55	--	--	--	--	--
Lebanon	203,000	234,918	115.7	18,833	50,750	0.65	--	--	50,750
Lesotho	34,900	31,315	89.7	3,613	--	--	--	20,650	20,650
Liberia	129,200	471,950	365.3	31	342,768	4.39	--	207,260	550,028
Libya	1,123,700	728,202	64.8	395,505	--	--	--	--	--
Lithuania	144,200	144,179	100.0	34	--	--	--	--	--
Luxembourg	279,100	258,186	92.5	20,948	--	--	--	--	--
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	67,082	96.7	2,323	--	--	--	46,248	46,248
Malaysia	1,486,600	1,377,210	92.6	109,394	--	--	--	--	--
Maldives	8,200	10,234	124.8	1,554	3,588	0.05	--	--	3,588
Mali	93,300	83,668	89.7	9,634	--	--	--	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	2,919,487	92.6	233,358	--	--	--	--	--
Micronesia, Federated States of	5,100	5,100	100.0	1	--	--	--	--	--
Moldova	123,200	131,533	106.8	5	8,333	0.11	--	105,556	113,889
Mongolia	51,100	50,967	99.7	136	--	--	--	13,957	13,957
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	4,781,136	92.6	381,302	--	--	--	--	--
New Zealand	894,600	828,340	92.6	66,272	--	--	--	--	--
Nicaragua	130,000	130,010	100.0	--	--	--	--	53,680	53,680

General Department

**Quotas, IMF's holdings of currencies, reserve tranche positions,
and outstanding credit and loans
as at July 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/ +	(C)	
				(A)						(D)
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	1,548,270	92.6	123,444	--	--	--	--	--	
Oman	194,000	179,556	92.6	14,485	--	--	--	--	--	
Pakistan	1,033,700	1,041,480	100.8	119	7,899	0.10	--	796,293	804,192	
Palau	3,100	3,100	100.0	1	--	--	--	--	--	
Panama	206,600	195,585	94.7	11,860	833	0.01	--	--	833	
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	1,268,077	92.6	100,938	--	--	--	--	--	
Portugal	867,400	802,800	92.6	64,617	--	--	--	--	--	
Qatar	263,800	244,634	92.7	19,167	--	--	--	--	--	
Romania	1,030,200	1,030,205	100.0	--	--	--	--	--	--	
Russian Federation	5,945,400	5,708,571	96.0	236,844	--	--	--	--	--	
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	6,469,787	92.6	515,716	--	--	--	--	--	
Senegal	161,800	160,147	99.0	1,656	--	--	--	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	796,910	92.4	65,620	--	--	--	--	--	
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	1.24	8,840	--	112,004	
South Africa	1,868,500	1,867,204	99.9	1,296	--	--	--	--	--	
Spain	3,048,900	2,823,937	92.6	224,993	--	0.01	--	--	--	
Sri Lanka	413,400	469,774	113.6	47,855	104,211	1.34	--	38,390	142,601	
Sudan	169,700	390,613	230.2	11	220,893	2.83	--	--	280,120	
Suriname	92,100	85,976	93.4	6,125	--	--	--	--	--	
Swaziland	50,700	44,147	87.1	6,562	--	--	--	--	--	
Sweden	2,395,500	2,218,754	92.6	176,749	--	--	--	--	--	

General Department

Quotas, IMF's holdings of currencies, reserve tranche positions, and outstanding credit and loans as at July 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/	Trust 4/		
				(A)				+	(B)	+
Switzerland	3,458,500	3,202,975	92.6	255,514	--	--	--	--	--	--
Syrian Arab Republic	293,600	293,603	100.0	5	--	--	--	--	--	--
Tajikistan, Republic of	87,000	87,000	100.0	2	--	--	--	29,400	--	29,400
Tanzania	198,900	188,903	95.0	9,999	--	--	--	11,200	--	11,200
Thailand	1,081,900	1,002,383	92.7	79,523	--	--	--	--	--	--
Timor-Leste	8,200	8,200	100.0	1	--	--	--	--	--	--
Togo	73,400	73,069	99.5	332	--	--	--	13,260	--	13,260
Tonga	6,900	5,189	75.2	1,712	--	--	--	--	--	--
Trinidad and Tobago	335,600	311,076	92.7	24,530	--	--	--	--	--	--
Tunisia	286,500	266,271	92.9	20,249	--	--	--	--	--	--
Turkey	1,191,300	7,242,098	607.9	112,775	6,163,570	78.98	--	--	--	6,163,570
Turkmenistan	75,200	75,200	100.0	5	--	--	--	--	--	--
Uganda	180,500	180,506	100.0	-- 6/	--	--	--	6,000	--	6,000
Ukraine	1,372,000	1,529,918	111.5	3	157,918	2.02	--	--	--	157,918
United Arab Emirates	611,700	567,161	92.7	45,116	--	--	--	--	--	--
United Kingdom	10,738,500	9,941,056	92.6	797,618	--	--	--	--	--	--
United States	37,149,300	34,105,765	91.8	3,041,300	--	--	--	--	--	--
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	--	--	--	86,940	--	86,940
Yemen, Republic of	243,500	247,904	101.8	13	4,417	0.06	--	76,925	--	81,342
Zambia	489,100	489,101	100.0	18	--	--	--	62,010	--	62,010
Zimbabwe	353,400	353,075	99.9	328	--	--	--	73,861	--	73,861
Total	217,372,700	210,053,878		15,124,193	7,803,469	100.00	8,840	3,917,001		11,795,001

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 July 31, 2008

(In thousands of SDRs)

Member	Date of arrangement	Expiration	Total amount agreed	Undrawn balance
Stand-By Arrangements				
Gabon	May 7, 2007	May 6, 2010	77,150	77,150
Honduras	April 7, 2008	March 30, 2009	38,850	38,850
Iraq	December 19, 2007	March 18, 2009	475,360	475,360
Macedonia, former Yugoslav Republic of	August 31, 2005	August 30, 2008	51,675	41,175
Paraguay	May 31, 2006	August 31, 2008	30,000	30,000
Peru	January 26, 2007	February 28, 2009	172,368	172,368
Total Stand-By Arrangements			845,403	834,903
Extended Arrangements				
Albania	February 1, 2006	January 31, 2009	8,523	1,218
Total Extended Arrangements			8,523	1,218
Total General Resources Account			853,926	836,121

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

SDR Department

Balance sheets

(In thousands of SDRs)

	July 31, 2008 (unaudited)	April 30, 2008		July 31, 2008 (unaudited)	April 30, 2008
Assets			Liabilities		
Net charges and assessments receivable	58,295	53,743	Net interest payable	58,327	53,779
Overdue charges and assessments (Note 2)	13,639	13,455			
Participants with holdings below allocations (Note 3)			Participants with holdings above allocations (Note 3)		
Allocations	11,000,135	11,291,306	SDR holdings	15,621,491	14,995,449
<i>Less</i> : SDR holdings	3,389,790	3,596,659	<i>Less</i> : allocations	10,433,195	10,142,024
Allocations in excess of holdings	7,610,345	7,694,647	Holdings in excess of allocations	5,188,296	4,853,425
			Holdings by the General Resources Account	1,792,224	1,852,278
			Holdings by prescribed holders	643,432	1,002,363
Total assets	7,682,279	7,761,845	Total liabilities	7,682,279	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 months ended July 31, 2008, and 2007
(unaudited)

(In thousands of SDRs)

	2008	2007
Revenue		
Net charges from participants with holdings		
below allocations	57,945	84,619
Assessment on SDR allocations	350	325
	<u>58,295</u>	<u>84,944</u>
Expenses		
Interest on SDR holdings		
Net interest to participants with holdings		
above allocations	36,689	51,879
General Resources Account	13,908	27,416
Prescribed holders	7,348	5,324
	<u>57,945</u>	<u>84,619</u>
Administrative expenses	350	325
	<u>58,295</u>	<u>84,944</u>
Net income	<u> --</u>	<u> --</u>

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

SDR Department
Statements of cash flows
for the three months ended July 31, 2008, and 2007
(unaudited)

(In thousands of SDRs)

	2008	2007
Cash flows from operating activities		
Receipts of SDRs		
Transfers among participants and prescribed holders	796,310	474,868
Transfers from participants and prescribed holders to the General Resources Account	102,108	219,210
Transfers from the General Resources Account to participants and prescribed holders	177,255	416,195
Interest received:		
Participants	33,248	48,561
General Resources Account	15,088	27,494
Prescribed holders	5,406	4,661
Total receipts of SDRs	<u>1,129,415</u>	<u>1,190,989</u>
Uses of SDRs		
Transfers among participants and prescribed holders	796,310	474,868
Transfers from participants and prescribed holders to the General Resources Account	102,108	219,210
Transfers from the General Resources Account to participants and prescribed holders	177,255	416,195
Charges paid by participants	53,555	79,942
Other	187	774
Total uses of SDRs	<u>1,129,415</u>	<u>1,190,989</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 July 31, 2008, one SDR was equal to US\$1.62088 (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 2.97 percent for the quarter ended July 31, 2008 (4.26 percent for the quarter ended July 31, 2007).

2. Overdue charges and assessments

At July 31, 2008, charges and assessments amounting to SDR 13.6 million were overdue to the SDR Department (SDR 13.5 million at April 30, 2008). At July 31, 2008 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:

	July 31, 2008	April 30, 2008
	<i>(In millions of SDRs)</i>	
Total	13.6	13.5
Overdue for six months or more	13.2	12.9
Overdue for three years or more	10.9	10.8

SDR Department

Notes to the financial statements

3. Allocations and holdings

At July 31, 2008 and April 30, 2008, IMF 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:

	July 31, 2008			April 30, 2008		
	<u>Total</u>	<u>Below allocations</u>	<u>Above allocations</u>	<u>Total</u>	<u>Below allocations</u>	<u>Above allocations</u>
			<i>(In millions of SDRs)</i>			
Cumulative allocations	21,433.3	11,000.1	10,433.2	21,433.3	11,291.3	10,142.0
Holdings of SDRs	<u>19,011.3</u>	<u>3,389.8</u>	<u>15,621.5</u>	<u>18,592.1</u>	<u>3,596.7</u>	<u>14,995.4</u>
Net SDR positions	<u>2,422.0</u>	<u>7,610.3</u>	<u>(5,188.3)</u>	<u>2,841.2</u>	<u>7,694.6</u>	<u>(4,853.4)</u>

A summary of SDR holdings is provided below:

	July 31, 2008	April 30, 2008
	<i>(In millions of SDRs)</i>	
Participants	19,011.3	18,592.1
General Resources Account	1,792.2	1,852.3
Prescribed holders	<u>643.4</u>	<u>1,002.3</u>
	21,446.9	21,446.7
Less: Overdue charges receivable	<u>13.6</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 three months ended July 31, 2008, and 2007

(In thousands of SDRs)

	Participants	General Resources Account	Prescribed Holders	Total	
				2008	2007
Total holdings, beginning of the year	18,592,108	1,852,278	1,002,363	21,446,749	21,473,768
Receipts of SDRs					
Transfers among participants and prescribed holders					
Transactions by agreement	594,573	--	6,000	600,573	372,717
Operations					
Settlement of financial obligations	--	--	--	--	--
IMF-related operations					
PRGF-ESF Trust loans	22,390	--	--	22,390	5,768
SAF/Trust Fund repayments and interest	--	--	24	24	--
PRGF-ESF Trust contributions and payments	35,221	--	39,654	74,875	28,532
PRGF-ESF Trust repayments and interest	--	--	94,808	94,808	66,530
PRGF-HIPC contributions	207	--	11	218	11
Contributions to and deposits in Administered Accounts	--	--	--	--	--
Emergency Assistance and SFF subsidy and HIPC payments	3,422	--	--	3,422	1,310
Net interest on SDRs	33,248	--	5,406	38,655	53,223
Transfers from participants and prescribed holders to the General Resources Account					
Repurchases	--	27,131	--	27,131	61,463
Charges	--	72,671	--	72,671	122,895
Quota payment	--	--	--	--	32,600
Interest on SDRs	--	15,088	--	15,088	27,494
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	201,218
In exchange for currencies of other members					
Acquisitions to pay charges	90,939	--	--	90,939	124,620
Remuneration	44,325	--	--	44,325	88,427
Refunds, distributions and other	4,334	--	1	4,335	1,931
Total receipts	<u>866,314</u>	<u>117,197</u>	<u>145,904</u>	<u>1,129,415</u>	<u>1,190,989</u>

SDR Department

Statements of changes in SDR holdings for the three months ended July 31, 2008, and 2007

(In thousands of SDRs)

	Participants	General Resources Account	Prescribed Holders	Total	
				2008	2007
Uses of SDRs					
Transfers among participants and prescribed holders					
Transactions by agreement	159,284	--	441,289	600,573	372,717
IMF-related operations					
PRGF-ESF Trust loans	--	--	22,390	22,390	5,768
SAF/Trust Fund repayments and interest	24	--	--	24	--
PRGF-ESF Trust contributions and payments	39,654	--	35,221	74,875	28,532
PRGF-ESF Trust repayments and interest	94,808	--	--	94,808	66,530
PRGF-HIPC contributions	11	--	207	218	11
Emergency Assistance and SFF subsidy and HIPC payments	--	--	3,422	3,422	1,310
Transfers from participants and prescribed holders to the General Resources Account					
Repurchases	27,131	--	--	27,131	61,463
Charges	72,671	--	--	72,671	122,895
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	201,218
In exchange for currencies of other members					
Acquisitions to pay charges	--	90,939	--	90,939	124,620
Remuneration	--	44,325	--	44,325	88,427
Refunds, distributions and other	--	4,335	--	4,335	1,931
Charges paid in the SDR department					
Net charges due	53,743	--	--	53,743	80,716
Total uses	447,325	177,255	504,835	1,129,415	1,190,989
Charges not paid when due	187	--	--	187	774
Settlement of unpaid charges and assessments	(4)	4	--	--	--
Total holdings, end of the period	19,011,281	1,792,224	643,432	21,446,937	21,474,542

The ending balances include rounding differences.

SDR Department

Allocations and holdings of participants as at July 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	200	0.7	(26,503)
Albania	--	6,662	--	6,662
Algeria	128,640	7,450	5.8	(121,190)
Angola	--	165	--	165
Antigua and Barbuda	--	7	--	7
Argentina	318,370	320,635	100.7	2,265
Armenia, Republic of	--	8,866	--	8,866
Australia	470,545	117,073	24.9	(353,472)
Austria	179,045	147,736	82.5	(31,309)
Azerbaijan	--	2,906	--	2,906
Bahamas, The	10,230	100	1.0	(10,130)
Bahrain, Kingdom of	6,200	8,094	130.6	1,894
Bangladesh	47,120	2,150	4.6	(44,970)
Barbados	8,039	122	1.5	(7,917)
Belarus, Republic of	--	618	--	618
Belgium	485,246	381,185	78.6	(104,061)
Belize	--	2,234	--	2,234
Benin	9,409	112	1.2	(9,297)
Bhutan	--	405	--	405
Bolivia	26,703	27,469	102.9	766
Bosnia and Herzegovina	20,481	463	2.3	(20,018)
Botswana	4,359	39,021	895.2	34,662
Brazil	358,670	3,170	0.9	(355,500)
Brunei Darussalam	--	12,482	--	12,482
Bulgaria	--	4,038	--	4,038
Burkina Faso	9,409	83	0.9	(9,326)
Burundi	13,697	196	1.4	(13,501)
Cambodia	15,417	169	1.1	(15,248)
Cameroon	24,463	3,000	12.3	(21,463)
Canada	779,290	642,824	82.5	(136,466)
Cape Verde	620	29	4.6	(591)
Central African Republic	9,325	111	1.2	(9,214)
Chad	9,409	131	1.4	(9,278)
Chile	121,924	37,745	31.0	(84,179)
China	236,800	772,018	326.0	535,218
Colombia	114,271	144,586	126.5	30,315
Comoros	716	17	2.3	(700)
Congo, Democratic Republic of	86,309	1,706	2.0	(84,603)
Congo, Republic of	9,719	163	1.7	(9,556)
Costa Rica	23,726	358	1.5	(23,368)

SDR Department

Allocations and holdings of participants as at July 31, 2008

(In thousands of SDRs)

PARTICIPANT	Net Cumulative Allocations	Total	Holdings	
			Percent of Cumulative Allocations	(+) Above (-) Below Allocations
Côte d'Ivoire	37,828	1,363	3.6	(36,465)
Croatia, Republic of	44,205	423	1.0	(43,782)
Cyprus	19,438	1,982	10.2	(17,456)
Czech Republic	--	13,223	--	13,223
Denmark	178,864	228,218	127.6	49,354
Djibouti	1,178	182	15.5	(996)
Dominica	592	55	9.3	(537)
Dominican Republic	31,585	79,155	250.6	47,570
Ecuador	32,929	17,132	52.0	(15,797)
Egypt	135,924	80,018	58.9	(55,906)
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	123	1.1	(11,037)
Fiji	6,958	6,691	96.2	(267)
Finland	142,690	154,410	108.2	11,720
France	1,079,870	627,481	58.1	(452,389)
Gabon	14,091	219	1.6	(13,872)
Gambia, The	5,121	55	1.1	(5,066)
Georgia	--	6,252	--	6,252
Germany	1,210,760	1,416,196	117.0	205,436
Ghana	62,983	630	1.0	(62,353)
Greece	103,544	16,343	15.8	(87,201)
Grenada	930	62	6.7	(868)
Guatemala	27,678	2,622	9.5	(25,056)
Guinea	17,604	567	3.2	(17,037)
Guinea-Bissau	1,212	35	2.9	(1,177)
Guyana	14,530	310	2.1	(14,220)
Haiti	13,697	4,784	34.9	(8,913)
Honduras	19,057	191	1.0	(18,866)
Hungary	--	59,612	--	59,612
Iceland	16,409	44	0.3	(16,365)
India	681,170	6,780	1.0	(674,390)
Indonesia	238,956	23,815	10.0	(215,141)
Iran, Islamic Republic of	244,056	282,772	115.9	38,716
Iraq	68,464	90,922	132.8	22,458
Ireland	87,263	63,610	72.9	(23,653)
Israel	106,360	9,442	8.9	(96,918)
Italy	702,400	160,226	22.8	(542,174)

SDR Department

Allocations and holdings of participants as at July 31, 2008

(In thousands of SDRs)

PARTICIPANT	Net Cumulative Allocations	Holdings		
		Total	Percent of Cumulative Allocations	(+) Above (-) Below Allocations
Jamaica	40,613	324	0.8	(40,289)
Japan	891,690	1,944,386	218.1	1,052,696
Jordan	16,887	2,951	17.5	(13,936)
Kazakhstan, Republic of	--	886	--	886
Kenya	36,990	1,956	5.3	(35,034)
Kiribati	--	11	--	11
Korea	72,911	53,159	72.9	(19,753)
Kuwait	26,744	149,147	557.7	122,402
Kyrgyz Republic	--	24,876	--	24,876
Lao People's Democratic Republic	9,409	9,796	104.1	387
Latvia, Republic of	--	111	--	111
Lebanon	4,393	22,523	512.7	18,130
Lesotho	3,739	3,959	105.9	220
Liberia	21,007	7,211	34.3	(13,796)
Libya	58,771	572,047	973.3	513,276
Lithuania, Republic of	--	71	--	71
Luxembourg	16,955	13,246	78.1	(3,709)
Macedonia, former Yugoslav Republic of	8,379	993	11.8	(7,386)
Madagascar	19,270	220	1.1	(19,050)
Malawi	10,975	123	1.1	(10,852)
Malaysia	139,048	146,082	105.1	7,034
Maldives	282	389	137.8	107
Mali	15,912	124	0.8	(15,788)
Malta	11,288	38,810	343.8	27,522
Marshall Islands	--	--	--	--
Mauritania	9,719	148	1.5	(9,571)
Mauritius	15,744	18,758	119.1	3,014
Mexico	290,020	334,525	115.3	44,505
Micronesia, Federated States of	--	1,367	--	1,367
Moldova, Republic of	--	160	--	160
Mongolia	--	22	--	22
Montenegro, Republic of	--	213	--	213
Morocco	85,689	16,311	19.0	(69,378)
Mozambique	--	91	--	91
Myanmar	43,474	361	0.8	(43,113)
Namibia	--	20	--	20
Nepal	8,105	5,569	68.7	(2,536)
Netherlands	530,340	628,933	118.6	98,593
New Zealand	141,322	16,151	11.4	(125,171)
Nicaragua	19,483	206	1.1	(19,277)

SDR Department

Allocations and holdings of participants as at July 31, 2008

(In thousands of SDRs)

PARTICIPANT	Net Cumulative Allocations	Total	Holdings	
			Percent of Cumulative Allocations	(+) Above (-) Below Allocations
Niger	9,409	1,079	11.5	(8,330)
Nigeria	157,155	1,584	1.0	(155,571)
Norway	167,770	281,328	167.7	113,558
Oman	6,262	12,569	200.7	6,307
Pakistan	169,989	133,124	78.3	(36,865)
Palau	--	--	--	--
Panama	26,322	682	2.6	(25,640)
Papua New Guinea	9,300	102	1.1	(9,198)
Paraguay	13,697	28,251	206.3	14,554
Peru	91,319	7,016	7.7	(84,303)
Philippines	116,595	7,779	6.7	(108,816)
Poland, Republic of	--	69,008	--	69,008
Portugal	53,320	78,696	147.6	25,376
Qatar	12,822	28,914	225.5	16,092
Romania	75,950	78,815	103.8	2,865
Russian Federation	--	498	--	498
Rwanda	13,697	20,321	148.4	6,624
St. Kitts and Nevis	--	4	--	4
St. Lucia	742	1,600	215.8	859
St. Vincent and the Grenadines	354	3	1.0	(350)
Samoa	1,142	2,618	229.2	1,476
San Marino, Republic of	--	1,063	--	1,063
São Tomé & Príncipe	620	10	1.5	(611)
Saudi Arabia	195,527	466,918	238.8	271,391
Senegal	24,462	352	1.4	(24,110)
Serbia, Republic of	56,665	1,678	3.0	(54,987)
Seychelles	406	6	1.4	(401)
Sierra Leone	17,455	19,763	113.2	2,308
Singapore	16,475	225,707	1,370.0	209,232
Slovak Republic	--	986	--	986
Slovenia, Republic of	25,431	7,794	30.6	(17,637)
Solomon Islands	654	6	1.0	(648)
Somalia	13,697	--	--	(13,697)
South Africa	220,360	223,068	101.2	2,708
Spain	298,805	163,960	54.9	(134,845)
Sri Lanka	70,868	2,790	3.9	(68,078)
Sudan	52,192	410	0.8	(51,782)
Suriname	7,750	461	5.9	(7,289)
Swaziland	6,432	2,545	39.6	(3,887)
Sweden	246,525	206,892	83.9	(39,633)

SDR Department

Allocations and holdings of participants as at July 31, 2008

(In thousands of SDRs)

PARTICIPANT	Net Cumulative Allocations	Total	Holdings	
			Percent of Cumulative Allocations	(+) Above (-) Below Allocations
Switzerland	--	259,054	--	259,054
Syrian Arab Republic	36,564	36,571	100.0	7
Tajikistan, Republic of	--	22,310	--	22,310
Tanzania	31,372	291	0.9	(31,081)
Thailand	84,652	5,705	6.7	(78,947)
Timor-Leste, The Democratic Republic of	--	--	--	--
Togo	10,975	101	0.9	(10,874)
Tonga	--	454	--	454
Trinidad and Tobago	46,231	1,232	2.7	(44,999)
Tunisia	34,243	3,703	10.8	(30,540)
Turkey	112,307	126,106	112.3	13,799
Turkmenistan, Republic of	--	--	--	--
Uganda	29,396	312	1.1	(29,084)
Ukraine	--	2,903	--	2,903
United Arab Emirates	38,737	10,924	28.2	(27,813)
United Kingdom	1,913,070	312,622	16.3	(1,600,448)
United States	4,899,530	6,029,036	123.1	1,129,506
Uruguay	49,977	542	1.1	(49,435)
Uzbekistan, Republic of	--	453	--	453
Vanuatu	--	1,256	--	1,256
Venezuela	316,890	14,815	4.7	(302,075)
Vietnam	47,658	953	2.0	(46,705)
Yemen, Republic of	28,743	1,350	4.7	(27,393)
Zambia	68,298	7,882	11.5	(60,416)
Zimbabwe	10,200	93	0.9	(10,107)
Above allocations	10,433,195	15,621,491	149.7	5,188,296
Below allocations	11,000,135	3,389,790	30.8	(7,610,345)
Total participants	21,433,330	19,011,281		
General Resources Account	--	1,792,224		
Prescribed holders	--	643,432		
Overdue charges	13,607	--		
	21,446,937	21,446,937		

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)

	July 31, 2008 (unaudited)	April 30, 2008
Assets		
Cash and cash equivalents	265,622	336,963
Investments (Note 2)	4,895,822	4,842,388
Loans receivable (Note 3)	3,917,001	3,873,037
Interest receivable	18,927	33,540
	9,097,372	9,085,928
	9,097,372	9,085,928
Liabilities and resources		
Borrowings (Note 4)	4,282,748	4,265,545
Interest payable	22,569	42,166
Other liabilities and deferred income	14,663	14,017
	4,319,980	4,321,728
Resources	4,777,392	4,764,200
	9,097,372	9,085,928
	9,097,372	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 months ended July 31, 2008, and 2007**

(unaudited)

(In thousands of SDRs)

	2008	2007
Balance, beginning of the year	4,764,200	4,584,917
Investment income (Note 5)	25,372	48,561
Interest income on loans	4,725	4,737
Interest expense	(34,932)	(42,762)
Other expenses	(303)	(283)
Operational (loss) income	(5,138)	10,253
Contributions		
Bilateral donors	18,306	30,386
Special Disbursement Account	24	1
Net income / changes in resources	13,192	40,640
Balance, end of the period	4,777,392	4,625,557

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 three months ended July 31, 2008, and 2007
(unaudited)**

(In thousands of SDRs)

	2008	2007
Cash flows from operating activities		
Net income	13,192	40,640
Adjustments to reconcile net income to cash generated by operations		
Interest income on investments	(44,004)	(47,162)
Interest income on loans	(4,725)	(4,737)
Interest expense	34,932	42,762
	<u>(605)</u>	<u>31,503</u>
Changes in other assets	--	195
Changes in other liabilities	646	891
Loan disbursements	(164,161)	(86,750)
Loan repayments	120,197	83,342
Cash (used in)/provided by operations	<u>(43,923)</u>	<u>29,181</u>
Interest received	63,342	60,626
Interest paid	(54,529)	(58,824)
Net cash (used in)/provided by operating activities	<u>(35,110)</u>	<u>30,983</u>
Cash flows from investment activities		
Net acquisition of investments	<u>(53,434)</u>	<u>(25,808)</u>
Net cash used in investment activities	<u>(53,434)</u>	<u>(25,808)</u>
Cash flows from financing activities		
Borrowings	167,220	90,343
Repayment of borrowings	<u>(150,017)</u>	<u>(121,708)</u>
Net cash provided by/(used in) financing activities	<u>17,203</u>	<u>(31,365)</u>
Net decrease in cash and cash equivalents	(71,341)	(26,190)
Cash and cash equivalents, beginning of the year	<u>336,963</u>	<u>322,061</u>
Cash and cash equivalents, end of the period	<u><u>265,622</u></u>	<u><u>295,871</u></u>

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 July 31, 2008, one SDR was equal to US\$1.62088 (one SDR was equal to US\$1.62378 as at April 30, 2008).

2. Investments

Investments consisted of the following:

	July 31, 2008	April 30, 2008
	<i>(In thousands of SDRs)</i>	
Fixed-term deposits	476,000	404,000
Fixed-income securities	<u>4,419,822</u>	<u>4,438,388</u>
Total	<u>4,895,822</u>	<u>4,842,388</u>

The maturities of the investments are as follows:

Investments maturing in financial year ending April 30	<i>(In thousands of SDRs)</i>
2009	522,476
2010	1,888,529
2011	2,179,728
2012	296,880
2013	<u>8,209</u>
Total	<u>4,895,822</u>

Poverty Reduction and Growth Facility and Exogenous Shocks Facility Trust

Notes to the combined financial statements

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 $\frac{1}{2}$ of 1 percent per annum.

At July 31, 2008, 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:

Period of repayment, financial year ending April 30	<i>(In thousands of SDRs)</i>
2009	316,688
2010	468,231
2011	529,769
2012	559,804
2013	508,516
2014 and beyond	1,460,132
Overdue	<u>73,861</u>
Total	<u><u>3,917,001</u></u>

As at July 31, 2008, scheduled repayments of loans include loans totaling SDR 600 million due from members that are potentially eligible for debt relief under the Multilateral Debt Relief Initiative (MDRI).

Poverty Reduction and Growth Facility and Exogenous Shocks Facility Trust

Notes to the combined financial statements

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

	July 31, 2008		April 30, 2008	
	<i>(In millions of SDRs and percent of total PRGF-ESF credit)</i>			
Largest user of credit	796.2	20.3%	825.9	21.3%
Three largest users of credit	1,582.5	40.4%	1,654.1	42.7%
Five largest users of credit	1,956.5	50.0%	2,028.2	52.4%

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

4. Borrowings

The weighted average interest rate on borrowings as at July 31, 2008 was 3.28 percent per annum (3.93 percent per annum as at July 31, 2007).

During the three months ended July 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	458,712
2010	593,390
2011	625,078
2012	610,386
2013	516,764
2014 and beyond	<u>1,478,418</u>
Total	<u>4,282,748</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	
	July 31, 2008	April 30, 2008
	<i>(In thousands of SDRs)</i>	
Loan Account	2,568,415	2,732,576
Subsidy Accounts	122,397	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. Investment income comprised the following and reflects the effects of trading and changes in interest rates during the three months ended July 31:

	2008	2007
	<i>(In thousands of SDRs)</i>	
Interest income	44,004	47,162
Realized gains/(losses), net	12,852	(1,497)
Unrealized (losses)/gains, net	(31,448)	2,912
Exchange rate losses, net	<u>(36)</u>	<u>(16)</u>
Total	<u>25,372</u>	<u>48,561</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 period and up to a specified amount in accordance with the terms of the decision. At July 31, 2008, undrawn balances under 23 loan arrangements amounted to SDR 482 million (SDR 458 million under 25 arrangements at April 30, 2008). Undrawn balances by member are provided in Schedule 2.

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

Notes to the combined financial statements

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 million at July 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 0.05 million and SDR 0.01 million for the three months ended July 31, 2008, and 2007, respectively.

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

The 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 balance sheets

(In thousands of SDRs)

	Loan Account		Reserve Account		Subsidy Accounts		Combined	
	July 31, 2008 (unaudited)	April 30, 2008	July 31, 2008 (unaudited)	April 30, 2008	July 31, 2008 (unaudited)	April 30, 2008	July 31, 2008 (unaudited)	April 30, 2008
Assets								
Cash and cash equivalents	74,312	156,423	96,991	84,661	94,319	95,879	265,622	336,963
Investments	342,000	270,000	3,504,879	3,500,793	1,048,943	1,071,595	4,895,822	4,842,388
Loans receivable	3,917,001	3,873,037	--	--	--	--	3,917,001	3,873,037
Accrued account transfers	(27,546)	(7,548)	61,284	60,933	(33,738)	(53,385)	--	--
Interest receivable	18,094	28,562	241	143	592	4,835	18,927	33,540
Total assets	4,323,861	4,320,474	3,663,395	3,646,530	1,110,116	1,118,924	9,097,372	9,085,928
Liabilities and resources								
Borrowings	4,212,658	4,190,330	--	--	70,090	75,215	4,282,748	4,265,545
Interest payable	22,467	42,044	--	--	102	122	22,569	42,166
Other liabilities and deferred income	14,663	14,017	--	--	--	--	14,663	14,017
Total liabilities	4,249,788	4,246,391	--	--	70,192	75,337	4,319,980	4,321,728
Resources	74,073	74,083	3,663,395	3,646,530	1,039,924	1,043,587	4,777,392	4,764,200
Total liabilities and resources	4,323,861	4,320,474	3,663,395	3,646,530	1,110,116	1,118,924	9,097,372	9,085,928

Note 8 (concluded)

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

**Combining statements of income and changes in resources
for the three months ended July 31, 2008, and 2007
(unaudited)
(In thousands of SDRs)**

	Loan Account		Reserve Account		Subsidy Accounts		Combined	
	2008	2007	2008	2007	2008	2007	2008	2007
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	3,222	6,327	16,690	30,757	5,460	11,477	25,372	48,561
Interest income on loans	4,725	4,737	--	--	--	--	4,725	4,737
Interest expense	(34,835)	(42,663)	--	--	(97)	(99)	(34,932)	(42,762)
Other expenses	(28)	(41)	(209)	(194)	(66)	(48)	(303)	(283)
Operational (loss) income	(26,916)	(31,640)	16,481	30,563	5,297	11,330	(5,138)	10,253
Contributions								
Bilateral donors	--	--	--	--	18,306	30,386	18,306	30,386
Special Disbursement Account	--	--	24	1	--	--	24	1
Transfers between:								
Loan and Reserve Accounts	(360)	(345)	360	345	--	--	--	--
Loan and Subsidy Accounts	27,266	31,970	--	--	(27,266)	(31,970)	--	--
Net (loss) income / changes in resources	(10)	(15)	16,865	30,909	(3,663)	9,746	13,192	40,640
Balance, end of the period	74,073	74,936	3,663,395	3,463,473	1,039,924	1,087,148	4,777,392	4,625,557

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

**Disbursed Multilateral Debt Relief Initiative assistance
as at July 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
Total	<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 July 31, 2008**

(In thousands of SDRs)

Member	Date of arrangement	Expiration date	Amount agreed	Undrawn balance
Afghanistan, Islamic Republic of	Jun. 26, 2006	Jun. 25, 2009	81,000	22,600
Albania	Feb. 1, 2006	Jan. 31, 2009	8,523	2,435
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
Gambia, The	Feb. 21, 2007	Feb. 20, 2010	14,000	8,000
Grenada	Apr. 17, 2006	Apr. 16, 2010	11,990	7,450
Guinea	Dec. 21, 2007	Dec. 20, 2010	69,615	62,730
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
Malawi	Aug. 5, 2005	Aug. 4, 2008	48,580	--
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	71,500	59,600
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	66,060	52,800
Zambia	Jun. 4, 2008	Jun. 3, 2011	48,910	41,923
			1,179,583	481,989

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

PRGF-HIPC Trust and Related Account

Combined balance sheets

(In thousands of SDRs)

	July 31, 2008	April 30, 2008
	(unaudited)	
Assets		
Cash and cash equivalents	156,618	331,523
Investments (Note 2)	1,123,743	941,153
Interest receivable	2,704	5,341
	<hr/>	<hr/>
Total assets	1,283,065	1,278,017
	<hr/> <hr/>	<hr/> <hr/>
Liabilities and Resources		
Borrowings (Note 3)	613,753	620,782
Interest payable	873	1,153
	<hr/>	<hr/>
Total liabilities	614,626	621,935
	<hr/>	<hr/>
Resources	668,439	656,082
	<hr/>	<hr/>
Total liabilities and resources	1,283,065	1,278,017
	<hr/> <hr/>	<hr/> <hr/>

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 months ended July 31, 2008, and 2007 (unaudited)

(In thousands of SDRs)

	2008	2007
Balance, beginning of the year	656,082	573,797
Investment income (Note 2)	8,998	12,271
Interest expense	(423)	(505)
Other expenses	(74)	(48)
Operational income	8,501	11,718
Contributions	9,563	3,501
Disbursements	(5,707)	(272)
Net income / changes in resources	12,357	14,947
Balance, end of the period	668,439	588,744

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 three months ended July 31, 2008, and 2007 (unaudited)

(In thousands of SDRs)

	2008	2007
Cash flows from operating activities		
Net income	12,357	14,947
Adjustments to reconcile net income to cash generated by operations		
Interest income	(10,883)	(12,298)
Interest expense	423	505
Foreign currency translation		
Investments	(1,828)	(767)
Borrowings	1,828	767
Cash provided by operations	1,897	3,154
Interest received	13,520	9,057
Interest paid	(703)	(903)
Net cash provided by operating activities	14,714	11,308
Cash flows from investment activities		
Net acquisition of investments	(180,762)	(39,657)
Net cash used in investment activities	(180,762)	(39,657)
Cash flows from financing activities		
Borrowings	6,143	--
Repayment of borrowings	(15,000)	(5,000)
Net cash used in financing activities	(8,857)	(5,000)
Net decrease in cash and cash equivalents	(174,905)	(33,349)
Cash and cash equivalents, beginning of year	331,523	99,597
Cash and cash equivalents, end of period	156,618	66,248

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 July 31, 2008, one SDR was equal to US\$1.62088 (one SDR was equal to US\$1.62378 as at April 30, 2008).

2. Investments

Investments consisted of the following at:

	July 31, 2008	April 30, 2008
	<i>(In thousands of SDRs)</i>	
Fixed-term deposits	737,875	528,108
Fixed-income securities	<u>385,868</u>	<u>413,045</u>
Total	<u>1,123,743</u>	<u>941,153</u>

The maturities of the investments are as follows:

Investments maturing in financial year ending April 30	
	<i>(In thousands of SDRs)</i>
2009	783,685
2010	108,588
2011	94,869
2012	17,356
2013	<u>119,245</u>
Total	<u>1,123,743</u>

PRGF-HIPC Trust and Related Account

Notes to the combined financial statements

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 three months ended July 31:

	2008	2007
	<i>(In thousands of SDRs)</i>	
Interest income	10,883	12,298
Realized gain/(losses), net	1,132	(1,156)
Unrealized (losses)/gains, net	(3,009)	1,129
Exchange rate losses, net	<u>(8)</u>	<u>--</u>
Total	<u>8,998</u>	<u>12,271</u>

3. Borrowings

The Trust borrows on such terms and conditions as agreed between the Trust and the lenders. Interest rates on borrowings at July 31, 2008, 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:

Financial year ending April 30	
	<i>(In thousands of SDRs)</i>
2009	10,000
2010	310,079
2011	70,842
2012	26,090
2013	6,200
2014 and beyond	<u>190,542</u>
Total	<u>613,753</u>

PRGF-HIPC Trust and Related Account

Notes to the combined financial statements

4. Multilateral Debt Relief Initiative

For the three months ended July 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 MDRI and HIPC Initiative 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 July 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). No investment income was transferred from the PRGF-AA to the PRGF-HIPC Trust for the three months ended July 31, 2008, and net investment income of SDR 0.3 million was transferred for the three months ended July 31, 2007.

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

The 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)

	July 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					
Assets									
Cash and cash equivalents	71,942	17,373	54,692	144,007	12,611	156,618	313,304	18,219	331,523
Investments	678,727	25,016	420,000	1,123,743	--	1,123,743	941,153	--	941,153
Interest receivable	1,107	--	1,510	2,617	87	2,704	5,300	41	5,341
Total assets	<u>751,776</u>	<u>42,389</u>	<u>476,202</u>	<u>1,270,367</u>	<u>12,698</u>	<u>1,283,065</u>	<u>1,259,757</u>	<u>18,260</u>	<u>1,278,017</u>
Liabilities and resources									
Borrowings	613,753	--	--	613,753	--	613,753	620,782	--	620,782
Interest payable	873	--	--	873	--	873	1,153	--	1,153
Total liabilities	<u>614,626</u>	<u>--</u>	<u>--</u>	<u>614,626</u>	<u>--</u>	<u>614,626</u>	<u>621,935</u>	<u>--</u>	<u>621,935</u>
Resources	137,150	42,389	476,202	655,741	12,698	668,439	637,822	18,260	656,082
Total liabilities and resources	<u>751,776</u>	<u>42,389</u>	<u>476,202</u>	<u>1,270,367</u>	<u>12,698</u>	<u>1,283,065</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 three months ended July 31, 2008, and 2007
(unaudited)**

(In thousands of SDRs)

	2008						2007		
	PRGF-HIPC Trust Account subaccount				Umbrella Account for HIPC	Combined	PRGF-HIPC Trust Account	Umbrella Account for HIPC	Combined
	PRGF-HIPC	PRGF	HIPC	Combined	Operations	Total	Account	Operations	Total
Balance, beginning of the year	122,708	42,255	472,859	637,822	18,260	656,082	573,294	503	573,797
Investment income	5,371	139	3,376	8,886	112	8,998	12,267	4	12,271
Interest expense	(423)	--	--	(423)	--	(423)	(505)	--	(505)
Other expenses	(69)	(5)	--	(74)	--	(74)	(48)	--	(48)
Operational income	4,879	134	3,376	8,389	112	8,501	11,714	4	11,718
Contributions	9,563	--	--	9,563	--	9,563	3,501	--	3,501
Grants	--	--	(33)	(33)	33	--	--	--	--
Disbursements	--	--	--	--	(5,707)	(5,707)	--	(272)	(272)
Net income (losses)/changes in resources	14,442	134	3,343	17,919	(5,562)	12,357	15,215	(268)	14,947
Balance, end of the period	137,150	42,389	476,202	655,741	12,698	668,439	588,509	235	588,744

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

Multilateral Debt Relief Initiative-II Trust

Balance sheets

(In thousands of SDRs)

	July 31, 2008 (unaudited)	April 30, 2008
<hr/>		
Assets		
Cash and cash equivalents	3,479	3,165
Investments (Note 2)	39,000	39,000
Interest receivable	154	149
	<hr/>	<hr/>
Total assets	42,633	42,314
	<hr/> <hr/>	<hr/> <hr/>
Liabilities and resources		
Accrued MDRI grant assistance (Note 3)	10,852	19,438
	<hr/>	<hr/>
Total liabilities	10,852	19,438
	<hr/>	<hr/>
Resources	31,781	22,876
	<hr/>	<hr/>
Total liabilities and resources	42,633	42,314
	<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 months ended July 31, 2008, and 2007 (unaudited)

(In thousands of SDRs)

	2008	2007
Balance, beginning of year	22,876	8,469
Investment income (Note 2)	319	432
Operational income	319	432
MDRI grant assistance (Note 3)	8,586	10,569
Net income/changes in resources	8,905	11,001
Balance, end of period	31,781	19,470

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, 2007, and 2006 (unaudited)

(In thousands of SDRs)

	2008	2007
Cash flows from operating activities		
Net income	8,905	11,001
Adjustments to reconcile net income to cash generated by operations		
Interest income	(319)	(432)
Change in accrued MDRI grant assistance	(8,586)	(10,569)
Cash used in operations	--	--
Interest received	314	15
	<u>314</u>	<u>15</u>
Net cash provided by operating activities	314	15
Cash flows from investment activities		
Net cash used in investment activities	<u>--</u>	<u>--</u>
Cash flows from financing activities		
Net cash used in financing activities	<u>--</u>	<u>--</u>
Net increase in cash and cash equivalents	314	15
Cash and cash equivalents, beginning of year	<u>3,165</u>	<u>1,483</u>
Cash and cash equivalents, end of period	<u><u>3,479</u></u>	<u><u>1,498</u></u>

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 July 31, 2008, one SDR was equal to US\$1.62088 (one SDR was equal to US\$1.62378 as at April 30, 2008).

2. Investments and investment income

Investments as at July 31, 2008, 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 three months ended July 31, 2008, and 2007, none of the 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 11 million and SDR 19 million as at July 31, 2008, and April 30, 2008, respectively) is based on the debt owed to the IMF as at December 31, 2004, which decreases over time. During the quarters ended July 31, 2008 and 2007, the accrued MDRI grant assistance was reduced by SDR 8 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 three month periods ended July 31, 2008, and 2007, is as follows:

	2008	2007
	<i>(In million of SDRs)</i>	
Beginning of year	19	32
Reversals	<u>(8)</u>	<u>(10)</u>
End of the period	<u>11</u>	<u>22</u>