



## CENTRALE BANK VAN ARUBA

### Summary of the monthly bulletin of the Centrale Bank van Aruba for June 2007

August 7, 2007

In June 2007, money supply grew by Afl. 30.4 million or 1.2 percent to Afl. 2,569.9 million. This expansion was caused largely by an Afl. 34.3 million (1.9 percent) increase in net domestic assets. In contrast, net foreign assets went down by Afl. 3.9 million, thus, bringing these assets to Afl. 718.9 million at the end of June 2007, which is Afl. 64.7 million or 9.9 percent more than the amount recorded in the corresponding month a year earlier.

The rise in net domestic assets was largely attributed to an Afl. 41.9 million surge in the claims of the banking sector on the private sector. This reflected increases in loans to enterprises, housing mortgages and consumer credit of, respectively, Afl. 15.5 million (1.5 percent), Afl. 13.8 million (1.8 percent) and Afl. 13.3 million (2.5 percent). In addition, net claims of the banking sector on the public sector grew by Afl. 2.5 million, mainly due to the drawing down of both government's deposits held with the banking system and development fund deposits. On the other hand, non-credit-related balance sheet items shrank by Afl. 10.1 million.

Changes in the money supply in June 2007:

	In Afl. million
1. Net foreign assets	-3.9
2. Net domestic assets	+34.3
a. Net claims on the public sector	+2.5
b. Loans to enterprises	+15.5
c. Consumer credit	+13.3
d. Housing mortgages	+13.8
e. Other claims by the banking sector	-0.7
f. Non-credit-related balance sheet items	-10.1
3. Net change in money supply	+30.4

("+"=increase / "-"=decrease)

In April 2007, the number of stay-over tourists and their nights spent on the island rose by 0.6 percent and 1.0 percent, respectively, compared to the corresponding month of 2006 (respectively, -0.3 percent and -0.1 percent). In the first four months of 2007, the number of stay-over visitors and their nights spent on the island rose by 7.2 percent and 5.3 percent, respectively. The Aruba Tourism Authority has not yet published the data on tourist arrivals and nights spent on the island for May and June 2007. Data on the average occupancy rate of hotels for June 2007 show a notable increase of 4.9 percentage points to 72.6 percent compared to June 2006. Data published by the Cruise Tourism Authority show that, when compared to the corresponding month of 2006, the number of cruise passengers shrank considerably, i.e., by 53 percent, despite a 42.9 percent increase in ship calls in June 2007.

\* The publications of the Centrale Bank van Aruba are also available on its website [www.cbaruba.org](http://www.cbaruba.org).

In June 2007, the consumer price index increased by 6.0 percent, compared to the corresponding month in 2006. The annual average inflation rate accelerated to 4.0 percent, similar to the annual average in June 2006.