



## CENTRALE BANK VAN ARUBA

### PRESS RELEASE\*

September 29, 2017

Today the Centrale Bank van Aruba (CBA) published its **Operational Report 2016**. This publication provides a synopsis of CBA's mandate and key policy objectives as laid down in the Central Bank Ordinance, as well as its strategic framework in place to implement its strategic plan "*Bela yen: Nos Plan Strategico 2016-2020*" (Bela Yen). It also highlights the main developments in the monetary sector, the financial system, and the payment system, along with the prime operational activities carried out by the CBA in 2016. In the last chapter of the report, a brief overview of the financial highlights of the CBA's operations is provided.

Below an overview of some of the primary developments that took place in 2016:

- Key achievements in 2016 for the CBA included the formal roll-out of its strategic plan "*Bela Yen*", in which its **strategic ambitions and intended results for the period 2016 – 2020** are set out.
- In conducting monetary policy, in 2016 the Monetary Policy Committee (MPC) of the CBA met eight times to review several monetary and economic indicators to appropriately implement its monetary instruments when economic developments require such an action. During its meetings, the MPC kept monetary policy unchanged with the **reserve requirement rate at 11.0 percent**, as the mentioned economic indicators were at adequate levels throughout the year.
- The **international reserves stayed above the targeted levels**, supporting the fixed exchange rate regime of the florin with the US dollar.
- The strict and consistent enforcement of the laws and regulations over the years contributed to maintaining a **stable, liquid, and sound financial system**. The regulatory framework was also strengthened further, inter alia, with the

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

introduction of a new and/or revised legislation and supervisory directives and guidelines.

- The CBA's financial position was again solid in 2016. Its primary source of revenue, i.e., the proceeds from its foreign exchange investment portfolios, strengthened significantly in 2016, reflecting the positive developments in the global financial markets. A prudent investment policy is executed, primarily geared towards providing adequate foreign exchange liquidity for the domestic banking sector, and for the Government of Aruba, as well as to preserve its invested capital. On the other hand, the CBA's expenses increased moderately thanks to its strict monitoring hereof.

The OPERATIONAL REPORT 2016 is available on the website of the CBA [www.cbaruba.org](http://www.cbaruba.org) as from today.