



CENTRALE BANK VAN ARUBA

Summary of the monthly bulletin of the Centrale Bank van Aruba for November 2006*

January 12, 2007

In November 2006, money supply grew by Afl. 17 million or 0.7 percent to Afl. 2,480.5 million. This expansion was the result of an Afl. 100.5 million inflow of funds from abroad, which was partially offset by an Afl. 83.5 million decrease in net domestic assets. Mentioned inflow of funds was largely due to the receipt of the proceeds of a bonds issue on the international capital market by the government and of development funds from the Dutch government amounting to Afl. 91.4 million (US\$ 51.1 million) and Afl. 29.3 million (EUR 12.8 million), respectively. Consequently, net foreign assets rose to Afl. 718 million at end-November 2006, which is Afl. 85.3 million or 13.5 percent higher than in the corresponding month a year earlier.

The decline in net domestic assets was caused by an Afl. 91.6 million decrease in net claims of the banking sector on the public sector, following a rise in government's deposits with the banking system. In addition, non-credit related balance sheet items went down by Afl. 9.8 million. In contrast, claims of the banking sector on the private sector rose by Afl. 17.9 million, following increases in loans to enterprises, consumer credit and housing mortgages of Afl. 13.1 million (1.3 percent), Afl. 2.9 million (0.5 percent) and Afl. 2.5 million (0.3 percent), respectively.

Changes in the money supply in November 2006:

	In Afl. million
1. Net foreign assets	+100.5
2. Net domestic assets	-83.5
a. Net claims on the public sector	-91.6
b. Loans to enterprises	+13.1
c. Consumer credit	+2.9
d. Housing mortgages	+2.5
e. Other claims by the banking sector	-0.7
f. Non-credit-related balance sheet items	-9.8
3. Net change in money supply	+17.0

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

In September 2006, the number of stay-over visitors and their nights spent on the island went up by 0.9 percent and 0.1 percent, respectively, compared to the corresponding month in 2005, before falling by 3.1 percent and 4.4 percent, respectively, in October 2006. In the first ten months of 2006, stay-over visitors and total nights spent on the island shrank cumulatively by 7.7 percent and 5.7 percent, respectively. Figures on tourist arrivals and nights spent on the island for November 2006 are not yet available. Data on the occupancy

* The publications of the Centrale Bank van Aruba are also available on its website www.cbaruba.org.

rate for November 2006 has also not yet been published. In the month under review, the number of cruise passenger arrivals decreased by 1.8 percent, despite a 28.6 percent increase in the number of ship calls.

In November 2006, the consumer price index rose by 1.9 percent compared to the corresponding month a year earlier. The annual average inflation rate reached 3.7 percent, which is an acceleration of 0.4 percentage point compared to November 2005. This inflation rate is 0.4 percentage point higher than the annual average inflation rate for the United States in the corresponding period.