



## CENTRALE BANK VAN ARUBA

### Statistical News Release

Date: February 8, 2022

#### ***The official reserves of the Centrale Bank van Aruba increased during the fourth quarter of 2021***

##### *Developments in the fourth quarter of 2021*

The official reserves of the Centrale Bank van Aruba (CBA) increased by Afl. 202.2 million in the fourth quarter of 2021 to Afl. 2,744.9 million at the end of December 2021 (see Table 1 and Chart 1). Foreign exchange transactions settled through the CBA resulted in a net purchase by the CBA of Afl. 196.2 million of foreign exchange in the fourth quarter of 2021, Afl. 175.5 million higher compared to the corresponding quarter of 2020. This outcome was attributed to transactions with the commercial banks. Transactions with the commercial banks resulted in a net purchase of Afl. 242.9 million of foreign exchange, in comparison to a net sale of Afl. 155.5 million of foreign exchange in the fourth quarter of 2020. On the other hand, transactions with the government led to a net foreign exchange sale of Afl. 53.0 million, compared to a net purchase of Afl. 167.6 million in the same quarter of 2020. The net purchase of foreign exchange from other clients decreased by Afl. 2.3 million to Afl. 6.3 million.

**Table 1: Factors affecting CBA's official reserves<sup>1</sup>**

(in Afl. million)

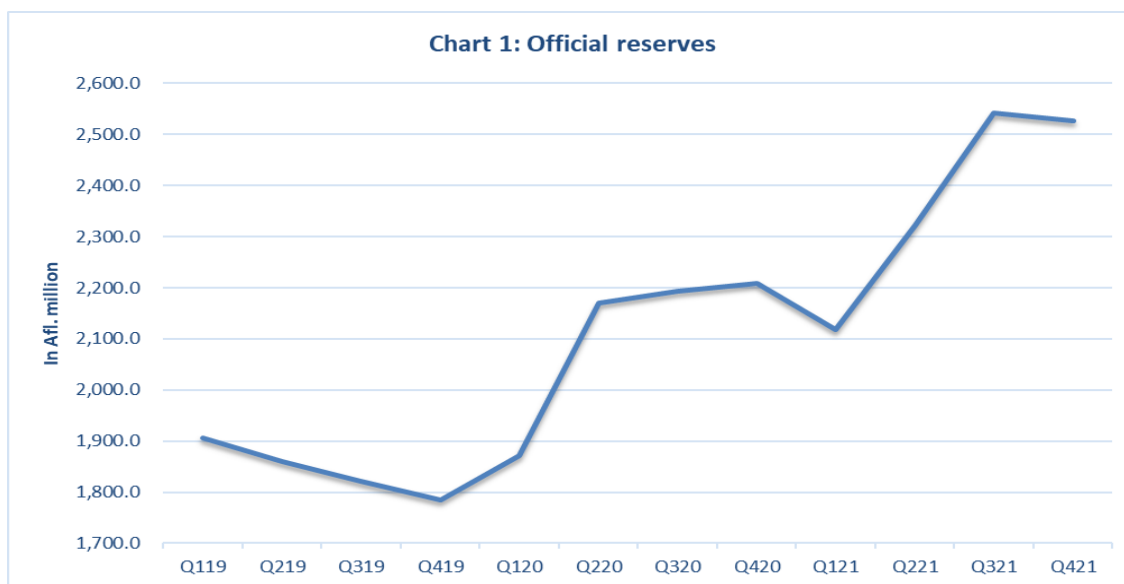
	Q4 2019	2019	Q4 2020	2020	Q4 2021	2021
I. Reserves at beginning of period	1,822.2	1,778.0	2,193.8	1,784.8	2,542.7	2,208.6
II. Net purchases/sales (-) of foreign exchange	-46.2	-69.8	20.7	341.5	196.2	584.4
<i>Of which from/to:</i>						
1. Commercial banks	55.5	119.2	-155.5	-274.6	242.9	236.0
2. Government	-108.8	-217.1	167.6	572.8	-53.0	323.8
3. Other clients	7.0	28.1	8.6	43.3	6.3	24.6
III. Other changes <sup>2</sup>	8.8	76.5	-5.8	82.3	6.1	-48.0
IV. Reserves at ending of period (I+II+III)	1,784.8	1,784.8	2,208.6	2,208.6	2,744.9	2,744.9
V. Change in official reserves during period (IV-I)	-37.5	6.8	14.8	423.8	202.2	536.3

Source: Centrale Bank van Aruba

<sup>1</sup> Including valuation changes.

<sup>2</sup> Include valuation changes related to revaluation of gold, foreign exchange and security holdings and statistical differences.

DISCLAIMER: No part of this publication may be reproduced, copied, stored in, or introduced into a retrieval system, or transmitted in any form or by any means (electronic, digital, mechanical, photocopying, recording, or otherwise) without prior written permission from the Centrale Bank van Aruba.



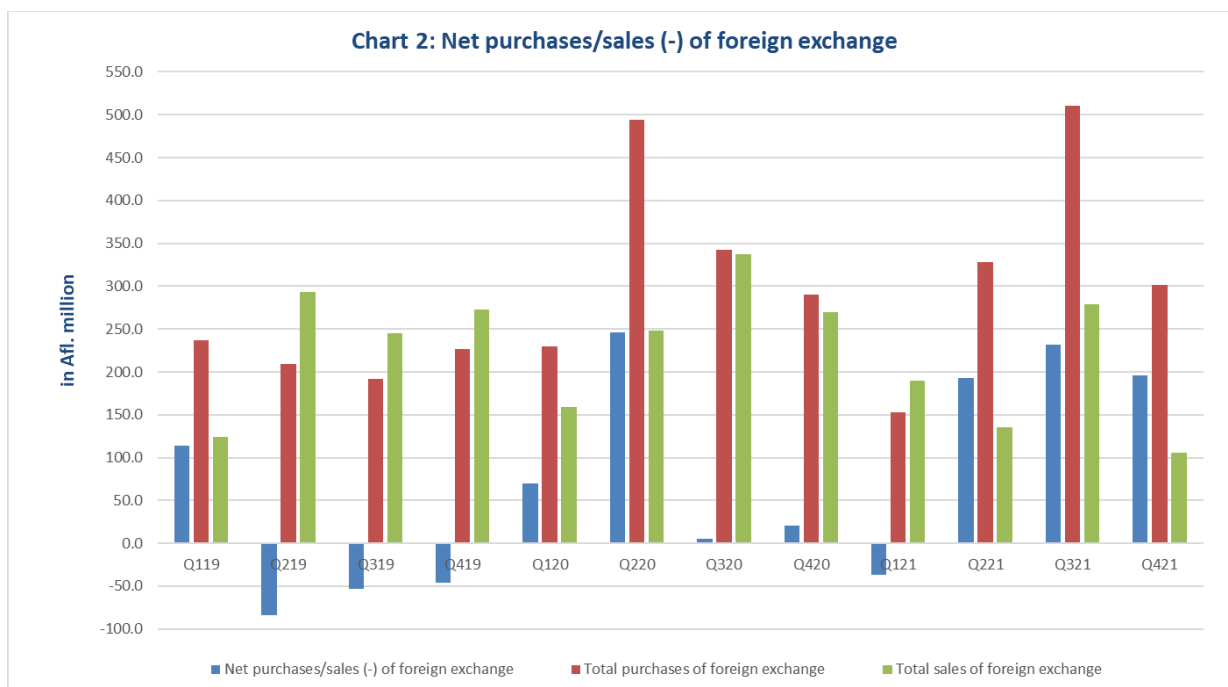
On a gross basis, the CBA's total foreign exchange purchases grew by Afl. 11.9 million or 4.1 percent to Afl. 301.9 million in the fourth quarter of 2021, compared to the same quarter of 2020 (see Table 2 and Chart 2). This expansion was caused largely by a growth of Afl. 224.9 million in purchases of foreign exchange from the commercial banks. On the other hand, foreign exchange purchases from the government and other clients dropped by Afl. 210.8 million and Afl. 2.2 million to Afl. 0.4 million and Afl. 8.3 million, respectively.

**Table 2: Foreign exchange transactions**

(in Afl. million)

	Q4 2019	2019	Q4 2020	2020	Q4 2021	2021
<b>I. Total purchases of foreign exchange</b>	<b>226.9</b>	<b>865.2</b>	<b>290.0</b>	<b>1,355.8</b>	<b>301.9</b>	<b>1,293.9</b>
<i>Of which from:</i>						
1. Commercial banks	216.8	803.3	68.3	436.9	293.2	588.7
2. Government	0.0	19.5	211.2	868.6	0.4	671.7
3. Other clients	10.1	42.4	10.5	50.3	8.3	33.5
<b>II. Total sales of foreign exchange</b>	<b>273.2</b>	<b>934.9</b>	<b>269.3</b>	<b>1,014.3</b>	<b>105.7</b>	<b>709.5</b>
<i>Of which to:</i>						
1. Commercial banks	161.4	684.0	223.8	711.5	50.3	352.7
2. Government	108.8	236.6	43.7	295.8	53.5	347.9
3. Other clients	3.0	14.3	1.9	7.0	2.0	8.9
<b>III. Net purchases/sales (-) of foreign exchange</b>	<b>-46.2</b>	<b>-69.8</b>	<b>20.7</b>	<b>341.5</b>	<b>196.2</b>	<b>584.4</b>
IV. Net purchases/sales (-) from/to commercial banks	55.5	119.2	-155.5	-274.6	242.9	236.0
V. Net purchases/sales (-) from/to government	-108.8	-217.1	167.6	572.8	-53.0	323.8
VI. Net purchases/sales (-) from/to other clients	7.0	28.1	8.6	43.3	6.3	24.6

Source: Centrale Bank van Aruba



The total foreign exchange sales of the CBA fell by Afl. 163.6 million or 60.7 percent to Afl. 105.7 million, resulted from a drop of Afl. 173.5 million to Afl. 50.3 million in foreign exchange sales to the commercial banks, and an increase of Afl. 9.8 million to Afl. 53.5 million in foreign exchange sales to the government.

#### *Developments during 2021*

During 2021, foreign exchange transactions effectuated via the CBA resulted in a net purchase of Afl. 584.4 million of foreign exchange, Afl. 242.9 million higher compared to 2020. Net foreign exchange sale of Afl. 274.6 million in 2020 to the commercial banks turned into a net foreign exchange purchase of Afl. 236.0 million in 2021. In contrast, net foreign exchange purchases from both the government and other clients contracted by Afl. 249.0 million and Afl. 18.7 million to Afl. 323.8 million and Afl. 24.6 million, respectively.

On a gross basis, the CBA's total foreign exchange purchases contracted by Afl. 61.9 million or 4.6 percent to Afl. 1,293.9 million in 2021, compared to 2020. This decline was caused by decreases in foreign exchange purchases from the government (-Afl. 196.9 million) and other clients (-Afl. 16.8 million) and an increase in foreign exchange purchases from the commercial banks (+Afl. 151.8 million).

Total foreign exchange sales fell by Afl. 304.8 million or 30.0 percent to Afl. 709.5 million in 2021. This contraction resulted from a drop in foreign exchange sales to the commercial banks (-Afl. 358.8 million) and increases in foreign exchange sales to the government (+Afl. 52.1 million) and other clients (+Afl. 1.9 million).

**General note to the tables:**

Owing to rounding of figures, the sum of separate items may differ in the final digit from the total shown.