



CENTRALE BANK VAN ARUBA

## NET FOREIGN ASSETS SURGED

Summary of the Monthly Bulletin of March 2022

Press Release<sup>1</sup>

### *Monetary developments*

Compared to February 2022, money supply expanded by Afl. 48.5 million to Afl. 5,404.8 million in March 2022, resulting from an increase in net foreign assets (+Afl. 381.8 million) and a decrease in net domestic assets (-Afl. 333.3 million).

In March 2022, the expansion in net foreign assets of the banking sector was due to net purchases of foreign exchange of Afl. 685.3 million from the public, mostly related to other investment and foreign exchange revenue from tourism exports. These were partly offset by net sales of foreign exchange of Afl. 303.5 million to the public, mainly associated with payments for goods imports.

The drop in the domestic component of money supply was caused by decreases in domestic credit (-Afl. 330.5 million) and non-credit related balance sheet items (-Afl. 2.8 million). The decline in domestic credit resulted from lower net claims of the banking sector on the public sector (-Afl. 329.2 million) and lower claims of the banking sector on the private sector (-Afl. 1.3 million). The drop in net claims of the banking sector on the public sector was the result of a rise in government deposits (+Afl. 329.2 million). The reduction in claims of the banking sector on the private sector was caused by a decrease in consumer credit (-Afl. 14.1 million), and increases in loans to enterprises (+Afl. 8.3 million) and housing mortgages (+Afl. 4.5 million).

### *Inflation*

The consumer price index (CPI) for March 2022 noted a 4.0 percent rise year-over-year (YOY) compared to a 3.5 percent increase (YOY) for February 2022. The main contributor to this increase was the "Transport" component. The 12-month average inflation rate was 2.1 percent in March 2022, compared to 1.7 percent in February 2022.

### *Government*

Total government revenue amounted to Afl. 86.3 million in March 2022, Afl. 15.5 million more than the same month of the previous year. The rise in government revenue resulted from an increase in tax revenue (+Afl. 16.4 million) and a decrease in nontax revenue (-Afl. 0.9 million).

The growth in tax revenue was mainly driven by expansion in income from import duties (+Afl. 5.0 million), turnover tax (B.B.O./B.A.V.P) (+Afl. 4.9 million), and wage tax (+Afl. 3.1 million). In contrast, income from profit tax (-Afl. 3.9 million) decreased.

### *Tourism*

The number of stay-over visitors amounted to 95,912 in March 2022, which is 46,945 visitors (+95.9 percent) more than in March 2021. The North American market, the Latin American market, and the European market increased by 39,017 visitors (+89.8 percent), 3,132 visitors (+165.3 percent), and 3,731 visitors (+147.0 percent), respectively.

Centrale Bank van Aruba

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For further information or a more detailed analysis, visit our website ([www.cbaruba.org](http://www.cbaruba.org)) or contact the Statistics Department of the Centrale Bank van Aruba, tel. +297-525-2100, e-mail [statistics.department@cbaruba.org](mailto:statistics.department@cbaruba.org).

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<sup>1</sup> The English original prevails.