



CENTRALE BANK VAN ARUBA

NET DOMESTIC ASSETS DECREASED

Summary of the Monthly Bulletin of May 2022

Press Release¹

Monetary developments

In May 2022, money supply contracted by Afl. 43.5 million to Afl. 5,378.9 million, compared to April 2022, resulting from a decrease in net domestic assets (-Afl. 80.0 million) and an increase in net foreign assets (+Afl. 36.4 million).

The contraction in the domestic component of the money supply was caused by a decrease in domestic credit (-Afl. 103.8 million), and an increase in non-credit-related balance sheet items (+Afl. 23.9 million). The reduction in domestic credit was caused by a turn from net claims to net liabilities of the banking sector to the public sector (-Afl. 96.9 million), and lower claims of the banking sector on the private sector (-Afl. 6.9 million). The decline in net claims of the banking sector on the public sector was the result of a growth in government deposits (+Afl. 97.0 million). The decrease in claims of the banking sector on the private sector was caused by lower loans to enterprises (-Afl. 5.4 million) and consumer credit (-Afl. 4.3 million), and an increase in housing mortgages (+Afl. 2.9 million).

In May 2022, the expansion in net foreign assets of the banking sector was due to net purchases of foreign exchange of Afl. 293.2 million from the public, mostly related to foreign exchange revenue from tourism exports. These were largely offset by net sales of foreign exchange of Afl. 256.8 million to the public, mainly associated with payments for goods imports.

Inflation

The consumer price index (CPI) for May 2022 noted a 5.2 percent rise year-over-year (YOY) compared to a 4.7 percent increase (YOY) for April 2022. The main contributor to this increase was the “Transport” component. The 12-month average inflation rate was 3.0 percent in May 2022, compared to 2.6 percent in April 2022.

Government

Total government revenue amounted to Afl. 159.0 million in May 2022, Afl. 50.9 million more than the same month of the previous year. The rise in government revenue resulted from an increase in tax revenue (+Afl. 58.6 million) and a decrease in nontax revenue (-Afl. 7.7 million).

The growth in tax revenue was driven by expansion in income from profit tax (+Afl. 47.9 million), turnover tax (B.B.O./B.A.V.P.) (+Afl. 5.1 million), and wage tax (+Afl. 2.7 million).

Tourism

The number of stay-over visitors amounted to 91,403 in May 2022, which is 20,720 visitors (+29.3 percent) more than in May 2021. The North American market, the Latin American market, and the European market increased by 11,276 visitors (+17.9 percent), 5,302 visitors (+299.2 percent), and 4,523 visitors (+148.1 percent), respectively.

Centrale Bank van Aruba

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

¹ The English original prevails.