



CENTRALE BANK VAN ARUBA

Statistical News Release

Date: May 18, 2017

The official reserves of the Centrale Bank van Aruba decreased slightly during the first quarter of 2017

In the first quarter of 2017, foreign exchange transactions settled through the Centrale Bank van Aruba (CBA) resulted in a net sale by the CBA of Afl. 18.8 million of foreign exchange, compared to net purchases of foreign exchange of Afl. 71.3 million and Afl. 18.1 million in the corresponding quarters of 2016 and 2015, respectively. Transactions with the commercial banks and the government contributed to this turnaround. Net foreign exchange purchase from the commercial banks fell by Afl. 58.7 million to Afl. 68.7 million. Transactions with the government led to an increase in net sale of Afl. 32.0 million of foreign exchange, compared to the first quarter of 2016. In contrast, net purchase of foreign exchange from other clients grew by Afl. 0.6 million. As a consequence, the official reserves of the CBA, including other changes not related to foreign exchange transactions, decreased by Afl. 0.1 million to Afl. 1,673.1 million at the end of March 2017 (see Table 1).

Tabel 1: Factors affecting CBA's official reserves¹

(in Afl. million)

	2015-Q1	2016-Q1	2017-Q1
I. Reserves at beginning of period	1,239.8	1,479.9	1,673.2
II. Net purchases/sales (-) of foreign exchange	18.1	71.3	-18.8
<i>Of which from/to:</i>			
1. Commercial banks	0.7	127.4	68.7
2. Government	12.7	-57.4	-89.4
3. Other clients	4.7	1.3	1.9
III. Other changes ²	2.9	42.4	18.7
IV. Reserves at ending of period (I+II+III)	1,260.8	1,593.6	1,673.1
V. Change in official reserves during period (IV-I)	21.0	113.7	-0.1

Source: CBA

¹ Including valuation changes.

² Include valuation changes refer to revaluation of gold, foreign exchange and security holdings and statistical differences.

The CBA's total foreign exchange purchases fell by Afl. 43.0 million to Afl. 193.6 million in the first quarter of 2017, compared to the same period of 2016 (see Table 2). This decrease was attributed

mainly to an Afl. 44.7 million decline in foreign exchange purchases from the commercial banks. On the other hand, foreign exchange purchases from other clients grew by Afl. 1.7 million to Afl. 6.5 million. In the first quarter of 2017, there were no purchases of foreign exchange from the government.

Total foreign exchange sales of the CBA grew by Afl. 47.1 million to Afl. 212.4 million, mainly because foreign exchange sales to the government expanded by Afl. 32.0 million to Afl. 89.4 million, reflecting largely Afl 6.7 million funding of its notified foreign account and Afl. 69.7 million government foreign debt service payments. In addition, foreign exchange sales to commercial banks and other clients increased by Afl. 14.0 million to Afl. 118.4 million, and Afl. 1.1 million to Afl. 4.6 million, respectively.

Table 2: Foreign exchange transactions

(in Afl. million)

	2015-Q1	2016-Q1	2017-Q1
I. Total purchases of foreign exchange	180.2	236.6	193.6
<i>Of which from:</i>			
1. Commercial banks	119.5	231.8	187.1
2. Government	54.3	0.0	0.0
3. Other clients	6.4	4.8	6.5
II. Total sales of foreign exchange	162.1	165.3	212.4
<i>Of which to:</i>			
1. Commercial banks	118.8	104.4	118.4
2. Government	41.6	57.4	89.4
3. Other clients	1.7	3.5	4.6
III. Net purchases/sales (-) of foreign exchange	18.1	71.3	-18.8
IV. Net purchases/sales (-) from/to commercial banks	0.7	127.4	68.7
V. Net purchases/sales (-) from/to government	12.7	-57.4	-89.4
VI. Net purchases/sales (-) from/to other clients	4.7	1.3	1.9

Source: CBA