



CENTRALE BANK VAN ARUBA

NET DOMESTIC ASSETS AND NET FOREIGN ASSETS INCREASED

Summary of the Monthly Bulletin of December 2022

Press Release¹

Monetary developments

In December 2022, money supply expanded by Afl. 174.6 million to Afl. 5,546.1 million, compared to November 2022, resulting from increases in both net domestic assets (+Afl. 147.3 million) and net foreign assets (+Afl. 27.3 million).

The expansion in the domestic component of the money supply was caused by an increase in domestic credit (+Afl. 161.8 million) and a decrease in non-credit-related balance sheet items (-Afl. 14.5 million). The rise in domestic credit was due to higher net claims of the banking sector on the public sector (+Afl. 147.5 million) and higher claims of the banking sector on the private sector (+Afl. 14.3 million). The growth in net claims of the banking sector on the public sector was the result of a decline in government deposits (-Afl. 73.1 million). The increase in claims of the banking sector on the private sector was caused by higher housing mortgages (+Afl. 12.6 million) and loans to enterprises (+Afl. 4.0 million), and lower consumer credit (-Afl. 2.1 million).

In December 2022, the increase in net foreign assets of the banking sector was due to net purchases of foreign exchange of Afl. 300.5 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. 273.2 million to the public, mainly associated with payments for goods imports.

Inflation

The consumer price index (CPI) for December 2022 noted a 5.7 percent rise year-over-year (YOY), compared to a 6.6 percent increase (YOY) for November 2022. The main contributors to this increase were the “Housing,” “Food and Non-alcoholic Beverages,” and “Transport” components. The 12-month average inflation rate was 5.5 percent in December 2022, compared to 5.3 percent in November 2022.

Government

Total government revenue amounted to Afl. 117.4 million in December 2022, Afl. 10.3 million less than the same month of the previous year. The decline in government revenue resulted from a decrease in nontax revenue (-Afl. 27.5 million) and an increase in tax revenue (+Afl. 17.1 million).

The growth in tax revenue was mainly driven by expansion in income from income tax (+Afl. 6.6 million), excises on tobacco (+Afl. 4.4 million), and import duties (+Afl. 3.5 million). In contrast, income from profit tax (-Afl. 3.5 million) decreased.

Tourism

The number of stay-over visitors amounted to 110,435 in December 2022, which is 20,894 visitors (+23.3 percent) more than in December 2021. The North American market and the Latin American market increased by 18,953 visitors (+26.0 percent) and 2,085 visitors (+30.4 percent), while the European market decreased by 533 visitors (-7.4 percent).

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.