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Correspondence related to this report should be addressed to the Economic Policy Department of the Centrale Bank van Aruba
J.E. Irausquin Boulevard 8
P.O. Box 18
Telephone: (297) 5252-100
Telefax: (297) 5252-101
Website: www.cbaruba.org
E-mail: cbaua@setarnet.aw

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I. DEVELOPMENTS IN THE FOURTH QUARTER OF 2002

1.1 Introduction

During the period under review, there were some signs of a recovery in general business activities. The main factor behind this encouraging development was a rebound in the number of visitors from the United States. Despite the fact that its impact on the economy was mitigated by a crumbling Venezuelan market, export receipts increased, while the opinion of leading entrepreneurs on the business situation and on the prospects for the near future improved. Private sector investment also regained some momentum, but public investment remained disquietly low.

Consumptive spending by residents continued to be buoyant, supported by a surge in commercial banks' lending. Consequently, money supply growth accelerated. In combination with higher energy prices and the raising of certain excise taxes, the monetary expansion contributed to fueling inflation. As a result, the price differential with our major trading partner, the United States, widened. To contain the ensuing risks for financial stability in Aruba, monetary policy has been tightened as of the beginning of 2003 to bring the increase in bank lending more in line with the structural growth potential of the economy.

On the fiscal front, there was an improvement in the cash position of the government, following the receipts of grants from the Netherlands and of a foreign commercial loan. Even so, the balance of payments recorded a small deficit, due to a significant deterioration in the current account (excluding the oil and the free-zone sectors). There were surges in imports of goods and services, as well as in declared dividends in anticipation of the introduction of the New Fiscal Framework as of January 2003. On balance, the net foreign assets position of the monetary sector declined somewhat, but the import coverage ratio remained well above the 5-6 month target range.

The recovery in the period under review was quite insufficient to compensate for the declines in economic activity during the preceding quarters. Thus, the annual gross domestic product in real terms shrank for the second consecutive year, mainly reflecting some further retreat in exports of goods and services, as well as a weak investment performance. However, consumptive spending continued to increase across the board, pushing up the sectoral debt positions and the financial deficit of the government on a cash basis.

Therefore, decisive actions should be taken without further delay to promote investment and contain consumption. As a minimum, such a shift in the structure of expenditure requires enhancing entrepreneurial initiatives and restoring budgetary discipline. The need for implementing a more active and well-balanced development strategy in Aruba has recently been accentuated again by the flaming up of geopolitical tensions, which has weighed on the tourism sector during the opening months of 2003, while erratic movements in world market oil prices have led to a further acceleration in the rate of inflation.

1.2 The real sector

GDP and its components

Preliminary estimates indicate that the Aruban economy shrank by 0.7 percent in nominal and by 3.9 percent in real terms during 2002, mainly due to a disappointing export performance (see statistical annex table 1.1). Exports of goods and services crumbled by 9 percent, largely because of lower tourism expenditure (as calculated by the Central Bureau of Statistics through a special survey). A rapid expansion in bank credit during the second half of 2002 contributed to increases in consumption and imports of goods and services of 7 percent and 2 percent, respectively. Public and private consumption surged by 11 percent and 5 percent, respectively. Private investment went up by 7 percent, but that of the public sector fell further. Nominal GDP per capita declined for the second consecutive year, i.e., by 2 percent to AFL 35,808 (US\$ 20,005).

Partial Economic Activity Index

In the quarter under review, the Partial Economic Activity Index (PEAI), an indicator of variations in the volume of the turnover in seven sectors accounting for 71 percent of the total value added in Aruba, decreased for the eighth consecutive quarter, i.e., by 1 percent. However, this decline was 3.3 percentage points smaller than during the corresponding period a year earlier (see table A). The sectors “construction” and “trade”, which account for 32 percent of the total index, registered reductions of 18 percent and 3 percent, respectively. In contrast, the turnover of the “hotels and restaurants” and the “Public administration & education” rose by 4 percent and 3 percent, respectively, and that of “housing” and “transport, storage and communication” by 2 percent. Sales of the utilities remained virtually unchanged.

Table A: Partial Economic Activity Index
(Percentage change)

<i>Share in GDP</i> (in percent)	2001	2002	2001		2002		
			III	IV	III	IV	
			<i>(Period average)</i>				
Total Index	71.3	-2.9	-2.3	-4.2	-4.7	-4.0	-1.4
a. Utilities	4.1	5.0	1.0	5.1	5.5	3.0	0.2
b. Construction	8.6	-9.8	-15.5	-11.4	2.4	-24.6	-17.6
c. Trade	14.2	-13.7	-4.1	-15.5	-21.1	-8.2	-2.6
d. Hotels & restaurants	10.5	-1.2	-5.4	-3.1	-7.5	-6.9	3.6
e. Transport, storage & communication	8.2	-3.6	-0.4	-8.6	-5.0	0.6	2.0
f. Housing	12.6	3.4	2.8	3.4	3.3	2.7	2.4
g. Public adm. & education	13.1	1.4	1.6	2.0	-0.1	1.5	3.0

Source: CBS.

Business Perception Index

A survey conducted by the Bank reveals some encouraging changes in the views of a number of leading enterprises on the business situation. During the fourth quarter of 2002, the Business Perception Index on current economic conditions increased by 4 percent to 100.1, which is indicative for a virtually neutral sentiment. The figure on the outlook for the next six months remained practically unchanged at 101.3. The overall index increased by 2 percent to 100.6. It is expected that it will continue to rise somewhat further during the next 12 months (see statistical annex table 1.2).

Tourism

In the quarter under review, the number of stay-over visitors and their nights spent in Aruba recovered by 2 percent and 6 percent, respectively, after declining during the five preceding quarters (see table B). As a result, the average hotel occupancy rate

Table B: Indicators of tourism activity

	2001	2002	2001		2002	
			III	IV	III	IV
1. a. Tourism receipts (x AFL million) 1)	1,605.1	1,616.7	371.8	353.0	357.1	397.4
b. Tourism expenditure (x AFL million) 2)	1,323.3	1,170.8	306.6	310.6	272.6	289.1
2. Stay-over visitors (x 1,000)	691.4	642.6	176.3	151.9	165.7	154.9
3. Market shares (in percentage)						
a. United States	64.9	67.9	57.2	59.1	61.9	69.7
b. Venezuela	15.8	12.7	24.1	17.7	19.9	9.9
c. The Netherlands	4.1	4.4	3.9	5.3	3.8	4.9
d. Colombia	3.5	3.6	3.6	4.4	3.8	3.6
e. Other countries	11.7	11.4	11.2	13.5	10.6	11.9
4. Visitor nights (x 1,000)	5,144.6	4,862.5	1,343.2	1,160.8	1,252.4	1,227.8
5. Average nights spent	7.4	7.6	7.6	7.6	7.6	7.9
6. a. Receipts per visitor night (AFL)	312	332	277	304	285	324
b. Average daily expenditure (AFL) 3)	211	207	307	311	273	289
7. Average hotel occupancy rate	75.6	71.7	74.5	68.4	72.8	71.7
8. Average daily rate hotels (AFL) 4)	243	248	197	232	199	244
9. Revenue per available room (AFL) 4)	135	123	111	108	109	119
10. Room tax receipts (x AFL million) 5)	25.8	24.1	5.7	4.7	5.1	5.8
11. Cruise visitors (x 1,000)	487.3	582.2	40.4	158.7	67.6	173.1
12. Number of cruise ship calls	298	337	25	98	42	103
13. Contribution to current account 6)	76	79	76	71	76	76

1) Gross receipts from stay-over and cruise tourism, as well as other tourism-related income (including, inter alia, the sale proceeds of time-share units) as recorded on a cash basis in the balance of payments.

2) Travel-related expenditure by stay-over visitors, before (e.g., pre-paid packages), during, and immediately after a trip as estimated by the CBS via a special survey.

3) Expenditure in Aruba only (thus, excluding e.g. payments for pre-paid packages), as calculated by the CBS.

4) Including time-share.

5) Excluding tax receipts related to previous periods.

6) Tourism receipts as a percentage of current account receipts, excluding the oil and free-zone sectors.

Source: CBA; CBS; Aruba Tourism Authority; Cruise Tourism Authority; Tax Collector's Office.

increased by 3.3 percentage points to 71.7 percent. Room rates have improved, but remained under the level of the fourth quarter of 2000. The numbers of cruise passenger arrivals and ship calls went up by 9 percent and 5 percent, respectively.

Preliminary survey data from the Central Bureau of Statistics indicate that both the average daily rate of the hotels and the revenue per available room rose, i.e., by 5 percent and 10 percent, respectively. In addition, room tax receipts surged by 23 percent to AFL 6 million. Gross tourism receipts, as recorded in the balance of payments, rose by 13 percent compared to the corresponding quarter of 2001, while their share in the total current account receipts (excluding the oil and free-zone sectors) went up by 4.9 percentage points to 76 percent.

Stay-over arrivals from the U.S. and their nights spent rebounded by 20 percent and 17 percent, respectively. Its market share increased by 10.6 percentage points to 69.7 percent. In contrast, the number of Venezuelan visitors and their nights spent tumbled by 43 percent and 25 percent, respectively, due to the ongoing economic recession and the serious social turbulences in that country. Consequently, its market share almost halved to 9.9 percent. Additionally, the number of visitors from the Netherlands fell by 5 percent, bringing down its market share to 4.9 percent. Their nights spent declined by 2 percent.

On an annual basis, the number of stay-over visitors and their nights spent shrank by 7 percent and 6 percent respectively, and the average hotel occupancy rate by 3.9 percentage points to 71.7 percent. Cruise passenger arrivals rose by 19 percent to a record 582,195. The number of ship calls grew by 39 to 337. Total tourism receipts, as registered in the balance of payments, went up by a mere 1 percent to AFL 1.6 billion.

Construction

Construction activities continue to be weak, despite a 20 percent increase in the volume of imported cement, largely associated with the construction of the Marriott Surf Club and the construction of new housing units by the Aruban Community Housing Foundation (FCCA). The number of electrical installations approved by the Department of Technical Inspection declined for the fourth consecutive quarter, i.e., by 7 percent. Permits granted by the Department of Public Works, which reflect intended construction works, fell by 10 percent to 290, and their total value by 25 percent to AFL 37 million (see statistical annex table 1.7).

Utilities

During the fourth quarter of 2002, water consumption remained virtually unchanged, compared to the corresponding period a year earlier (see statistical annex table 1.8). Electricity consumption growth decelerated by 4.2 percentage points to almost 1 percent. Gas use, on the other hand, rose by 4.8 percentage points to 5 percent. The weighted utilities consumption index increased by 1 percent to 129.6.

For 2002 as a whole, water consumption increased marginally, following a 4 percent increase in 2001. Growth in electricity use abated to 3 percent, down from 5 percent. Gas consumption grew by 1 percent (2001: 3 percent). As a result, the annual weighted utilities consumption index expanded by 2 percent to 128.4, as against 4 percent a year earlier.

Merchandise trade

Trade figures on a transaction basis, as compiled by the Central Bureau of Statistics, indicate that growth in merchandise imports (excluding mineral fuels and free-zone goods) decelerated by 10 percentage points to 2 percent or AFL 398 million, down from 12 percent in the corresponding quarter of 2001. This development was caused by the product categories “machinery and electrotechnical equipment”, “transport equipment”, and “other goods”. Total exports fell by 16 percent to AFL 13 million, particularly because of lower re-exports of “live animals and other animal products”. The value of exports was equivalent to only 3 percent of imports. Consequently, the trade deficit widened by AFL 11 million or 3 percent to AFL 385 million. On an annual basis, the trade deficit increased by AFL 32 million to AFL 1,299 million. Imports rose by AFL 43 million to AFL 1,362 million, and exports by AFL 11 million to AFL 62 million (see statistical annex tables 1.9 and 1.10).

Oil sector

The refinery’s throughput volume declined for the seventh consecutive quarter, i.e., by 16 percent (see statistical annex table 1.11). However, both export receipts from refined oil products and crude oil import payments rose, i.e., by 37 percent to AFL 545 million and by 36 percent to AFL 510 million, respectively, due to higher prices. Throughput on an annual basis fell by 19 percent, compared to 23 percent in 2001. Export receipts and imports of crude oil declined by 33 percent and 12 percent, respectively. At the end of December 2002, 672 persons were employed at the refinery, i.e., 75 more than a year earlier. This increase is in part due to construction activities at the refinery.

Price developments

Inflation, measured as a quarterly average of the change in the consumer price index, accelerated markedly, i.e., by 1.6 percentage points to 4.2 percent (see table C). This primarily reflected higher housing costs, caused by increases in the water and electricity tariffs, as well as price increases in the “transport & communication” component due to rising gasoline prices following a surge in world market prices for crude oil. Consequently, on a twelve-month basis, consumer price inflation accelerated by 0.4 percentage point to 3.3 percent. Adjusted for the energy-related components (i.e., water, electricity, and gasoline), the index increased only marginally to 2.9 percent.

The price differential with Aruba’s main trading partner, the United States, widened by 1.6 percentage points to 1.7 percentage points. As a result, the real exchange rate index of the Aruban florin vis-à-vis the U.S. dollar appreciated by almost 2 percent to 103.8. Aruba’s inflation rate differential with Curaçao also increased, i.e., from 1.1 percentage points in the fourth quarter of 2001 to 2.9 percentage points, while that with the Netherlands shrank by 1.4 percentage points to a mere -0.2 percentage point.

Table C: Consumer price index
(Percentage change)

	2001	2002	2001		2002	
			III	IV	III	IV
<i>(Period average)</i>						
Total index	2.9	3.3	2.6	2.6	3.7	4.2
a. Food	3.3	3.3	3.2	3.9	3.1	2.6
b. Beverage & tobacco	-0.3	2.4	-0.3	0.2	1.8	5.5
c. Clothing & footwear	8.8	6.8	8.6	9.6	7.0	4.8
d. Housing	0.8	4.1	-4.4	1.4	5.4	7.2
e. Housekeeping & furnishing	4.2	4.1	4.7	5.1	3.5	3.2
f. Health	0.1	0.0	0.0	0.0	0.0	0.0
g. Transport & communication	0.4	0.8	-0.3	-1.4	1.4	3.2
h. Recreation & education	2.0	2.7	1.7	1.9	2.8	2.9
i. Other	2.9	2.5	2.5	2.3	2.7	3.0
<i>(Twelve-month average)</i>						
Aruba	2.9	3.3	3.1	2.9	2.9	3.3
United States	2.8	1.6	3.2	2.8	1.5	1.6
Curaçao	1.8	0.4	2.5	1.8	0.2	0.4
The Netherlands	4.5	3.5	4.2	4.5	3.7	3.5
Real exchange rate index (1995=100) 1)	102.0	103.8	101.9	102.0	103.3	103.8

1) Relative to the U.S.A. Based on CPI 12-month averages.

Source: CBA; CBS Aruba; CBS Netherlands; CBS Netherlands Antilles; U.S. Bureau of Labor Statistics.

1.3 Money and credit

Causes of changes in money supply

In the fourth quarter of 2002, money supply increased by AFL 53 million or 3 percent to AFL 2 billion, compared to the preceding quarter (see table D and statistical annex table 2.1). Narrowly defined money (i.e., currency in circulation and demand deposits) grew by AFL 70 million or 9 percent, reflecting mainly higher demand deposits. On the other hand, quasi-money (comprising time and savings deposits, and treasury bills held by the public) shrank by AFL 17 million (1 percent), mainly due to a decline in time deposits.

The monetary expansion in the quarter under review resulted from an AFL 56 million domestic money creation. On the other hand, an AFL 3 million net outflow of funds was registered. An AFL 69 million (44 percent) drop in the net foreign assets of the commercial banks was largely offset by an AFL 66 million (12 percent) rise in the Bank's official reserves. Net foreign assets of the monetary sector (excluding revaluation differences of gold and official foreign exchange holdings) reached AFL 700 million at the end of 2002, i.e., AFL 40 million or 6 percent bigger than a year earlier. The ratio of these assets to broad money narrowed by 1 percentage point to 34 percent, compared to the previous quarter.

Table D: Causes of changes in money supply
(In AFL million)

	2001	2002	2001		2002	
			III	IV	III	IV
1. Net domestic money creation	-27.4	153.3	-25.9	0.9	32.2	56.2
a. Net domestic credit	31.8	158.0	-17.8	-1.4	42.3	50.5
- Public sector	-24.7	-36.2	-23.7	-25.4	-0.7	-59.9
- Private sector	56.4	194.2	5.9	24.0	43.0	110.4
b. Other domestic factors	-59.1	-4.8	-8.1	2.3	-10.1	5.7
2. Inflow of foreign funds 1)	129.7	39.7	70.9	0.0	-2.2	-2.9
a. Current account transactions	729.3	451.1	-731.3	249.5	-20.1	-314.0
b. Net foreign capital 2)	-599.6	490.8	802.2	-249.5	17.9	311.1
3. Broad money creation	102.3	193.0	45.0	1.0	30.0	53.3
a. Money	104.8	143.5	37.0	51.8	3.7	69.9
b. Quasi-money	-2.4	49.5	8.0	-50.8	26.3	-16.6
<i>(12-month percentage change)</i>	<i>(5.9)</i>	<i>(10.5)</i>	<i>(3.5)</i>	<i>(5.9)</i>	<i>(7.6)</i>	<i>(10.5)</i>

1) Revaluation differences of gold and official foreign exchange holdings are excluded in order to approximate the net import of foreign funds by the nonmonetary sectors.

2) Including items not yet classified and errors and omissions.

Source: CBA.

The domestic money creation was brought about by a marked increase in private sector credit. Loans to enterprises surged by AFL 58 million (7 percent), partly to finance social housing projects by the FCCA. Consumer credit and housing mortgages also rose notably, i.e., by AFL 24 million (6 percent) and AFL 21 million (4 percent), respectively. In contrast, the financial transactions of the government contributed with AFL 60 million negatively to the monetary growth, mainly due to an increase in deposits following the transfer of funds from the Netherlands to the Fondo Desaroyo Aruba (FDA) and the receipt of a foreign commercial loan. Moreover, non-credit related balance sheet items added AFL 6 million to the monetary expansion.

Interest rates

The commercial banks' interest rate spread (i.e., the difference between the weighted average lending and deposit rates) narrowed by 2.6 percentage points to 6.4 percentage points, compared to the end of the preceding quarter (see statistical annex table 6.1). The lending rate dropped by 1.3 percentage points to 12.1 percent, while the deposit rate increased by 1.4 percentage points to 5.7 percent.

The short-term central bank offered rates on deposits, which are linked to the corresponding rates of the Federal Reserve Bank of New York, remained quite low (see statistical annex table 6.3). Two three-month treasury bills issued in January 2003 and the December 2002 issue of six-month cash loan certificates recorded yields per annum of 0.87 percent, 0.98 percent and 1.10 percent, respectively (see statistical annex table 6.5).

Monetary developments during 2002

In 2002, growth in money supply accelerated to 11 percent, up from 6 percent a year earlier. The monetary expansion was brought about by an AFL 153 million net domestic money creation and an AFL 40 million net inflow of foreign funds. Loans to

enterprises and consumer credit surged by AFL 96 million (13 percent) and AFL 43 million (12 percent), respectively, compared to AFL 10 million (1 percent) and AFL 9 million (3 percent) a year earlier. Growth in housing mortgages decelerated slightly to 10 percent (AFL 46 million). In contrast, the financial transactions of the government with the banking sector contributed with AFL 36 million negatively to the increase in money supply.

Monetary policy for 2003

The acceleration in credit growth, following the suspension of the credit ceiling system at the beginning of 2002, was mainly used to finance consumptive spending and importing trade enterprises. This led to a weakening of the external account, and pressures on the foreign exchange reserves. The credit expansion also contributed to an accelerating inflation, which may weaken Aruba's international competitive position. To contain these risks, it was decided that credit growth of the commercial banks should be limited to 7 percent in 2003.

Moreover, to encourage a shift from consumptive to productive lending and to improve the information provided to the public, as of March 1, 2003, the commercial banks are required to explicitly indicate the effective annual interest rates in advertisements on consumer loan products if, directly or indirectly, reference is made to price components of such products. Details on the Bank's monetary policy are given in a press release reproduced in chapter II, paragraph 2.1 of this bulletin.

1.4 Nonmonetary financial institutions

The balance sheet

In the fourth quarter of 2002, the aggregated assets of the nonmonetary financial institutions decreased by AFL 10 million to AFL 1.4 billion, compared to the

Table E: Nonmonetary financial institutions 1)
(End of period, in AFL million)

	2001			2002		
	II	III	IV	II	III	IV
1. Net foreign assets	414.2	343.8	349.8	331.2	327.2	320.3
2. Domestic assets	1,003.6	1,021.2	1,047.9	1,072.9	1,079.6	1,076.6
a. Government	403.6	414.6	434.7	447.8	451.1	454.5
b. Private sector	599.9	606.6	613.2	625.2	628.5	622.1
3. Total assets=total liabilities	1,417.7	1,365.0	1,397.7	1,404.2	1,406.7	1,396.9
4. Borrowings and deposits	63.4	54.3	54.6	55.8	55.8	55.8
a. Government	36.6	36.6	36.6	36.6	36.6	36.6
b. Other residents	26.8	17.7	18.0	19.2	19.2	19.2
5. Pension fund provisions	1,045.3	1,043.8	1,090.6	1,100.1	1,115.0	1,145.3
6. Insurance reserve fund	247.8	252.7	257.3	255.9	257.4	258.3
7. Other items, net	61.2	14.2	-4.7	-7.7	-21.5	-62.5

1) Comprise mortgage banks, pension funds (including the APFA), life insurance companies, finance companies, the Aruban Investment Bank, and the Social Security Bank.

Source: CBA

preceding quarter (see table E). Both foreign and domestic assets declined, i.e., by AFL 7 million (2 percent) and AFL 3 million (0.3 percent), respectively. On the liability side, an AFL 30 million (3 percent) rise in the pension fund provisions was recorded.

The mortgage market

In the quarter under review, housing mortgages granted by the nonmonetary financial institutions increased by a mere AFL 0.4 million to AFL 451 million, compared to the preceding quarter, while those of the commercial banks rose by AFL 21 million or 4 percent to AFL 485 million (see table F). The portfolio of the mortgage banks shrank by AFL 2 million (1 percent), but that of the pension funds grew by AFL 3 million (4 percent). Lending by life insurance companies and other institutions remained virtually unchanged. As a result, the market share of the nonmonetary financial institutions declined by 1 percentage point to 48 percent. During 2002, the housing mortgages portfolio of the nonmonetary financial institutions grew marginally by 2 percent, bringing its share in the total market to 48 percent, compared to 50 percent a year earlier.

Table F: Housing mortgages
(End of period, in AFL million)

	2001			2002		
	II	III	IV	II	III	IV
1. Total	852.7	865.4	888.7	907.6	921.1	942.4
2. Commercial banks	414.2	425.6	438.3	452.6	464.0	484.8
3. Mortgage banks	289.2	291.4	295.9	296.6	298.9	297.2
4. Pension funds	66.3	66.7	73.8	79.9	80.7	83.7
5. Life insurance companies	74.4	73.1	72.0	70.0	69.2	68.3
6. Other	8.6	8.7	8.7	8.5	8.3	8.3

Source: CBA.

1.5 Government finance

Financial operations

In the fourth quarter of 2002, government revenue on a cash basis declined by AFL 4 million or 2 percent to AFL 242 million (see table G and statistical annex tables 7.1 and 7.2). Nontax revenues, which were incidentally high last year due to remittances of retained profits by the telecommunication company SETAR, fell by AFL 47 million (64 percent). Tax revenue went up by AFL 5 million or 3 percent, mainly resulting from the raising of some excise taxes and import duties in September 2002. Taxes on income and profit also increased, i.e., by AFL 3 million (3 percent), due to higher wage tax receipts. Moreover, taxes on services rose by AFL 2 million or 16 percent, reflecting a surge in hotel room tax receipts. Finally, AFL 37 million in grants were received from the Netherlands to finance projects of the Fondo Desaroyo Aruba (FDA).

Table G: Government financial operations 1)
(In AFL million)

	2001	2002	2001		2002	
			III	IV	III	IV
1. Revenue and grants	731.8	751.2	173.1	246.6	161.8	242.2
a. Tax revenue	606.3	610.0	159.3	173.3	141.9	178.7
b. Nontax revenue	125.5	103.8	13.8	73.3	19.9	26.1
c. Grants	0.0	37.4	0.0	0.0	0.0	37.4
2. Expenditure	717.0	807.5	174.9	220.1	191.1	212.2
3. Lending minus repayments 2)	32.0	5.9	8.0	17.4	23.3	15.8
4. Financial deficit (-)	-17.3	-62.2	-9.8	9.1	-52.6	14.3
5. Net foreign capital	27.9	96.0	35.4	-11.1	46.5	50.0
6. Net domestic capital 3)	14.2	2.5	-1.9	27.5	6.8	-4.3
7. Net recourse to the monetary system (-)	24.7	36.1	23.7	25.5	0.7	59.9

8. Memorandum item						
a. Unmet financing requirements 4)	269.4	275.6	281.4	269.4	269.2	275.6
b. Financial deficit (-) 5)	-134.2	-68.5	-55.3	21.1	-30.2	7.9

1) Preliminary figures and estimates on a cash basis.

2) Includes payments due to loans made and equities purchased from minus receipts from repayments and equities sold to official entities. A (-) sign indicates that the extended lending was less than the repayments received.

3) Net capital attracted from nonmonetary sectors. Commercial banks' loans to the government are included in item 6.

4) At the end of the period. The unmet financing requirements comprise all unsettled payment obligations to other sectors irrespective of the time frame in which they mature, registered by the Department of Finance.

5) Including the change in unmet financing requirements.

Source: Department of Finance; Tax Collector's Office; CBA.

Government expenditure, as estimated by the Bank, declined by AFL 8 million or 4 percent to AFL 212 million. Provisional data supplied by the Department of Finance indicate that this decline was partly the result of AFL 15 million (28 percent) lower payments for goods and services. In contrast, wage-related expenses rose by a significant AFL 25 million (26 percent), partly due to premium payments to the General Health Insurance (AZV) and the General Pension Fund (APFA), as well as increased wage subsidies. In addition, interest payments increased by AFL 2 million. Investment outlays were again notably low, i.e., only 3 percent of total expenditure. Net lending, largely comprising cash advances to the AZV to cover its budget deficits, fell by about AFL 2 million to AFL 16 million.

On balance, the financial surplus on a cash basis widened from AFL 9 million in the fourth quarter of 2001 to AFL 14 million in the period under review. This, combined with net foreign lendings amounting to AFL 50 million, contributed to an improvement in the government's cash position. Its bank deposits rose by AFL 59 million to AFL 143 million in the quarter under review. About 86 percent of these deposits are earmarked for specific purposes. In addition, the government's gross liabilities to the

monetary system declined by a slight AFL 1 million to AFL 81 million (see statistical annex table 7.3).

When taking account of the so-called unmet financing requirements, the financial surplus declined from AFL 21 million to AFL 8 million. It should be noted that, starting from 1998, the data on these requirements, as well as on the government's debt position, have recently been revised by the Department of Finance. Even so, the data are still provisional.

The yearly cash basis figures indicate a further weakening in the public finances. Telling is that the financial deficit increased notably, i.e., from AFL 17 million in 2001 to AFL 62 million in 2002. Adjusted for the change in unmet financing requirements, however, the deficit declined from AFL 134 million to AFL 69 million. Here again, one should keep in mind that the data may be subject to change.

Outstanding debt

Compared to the fourth quarter of 2001, the public debt rose by a significant AFL 137 million or 12 percent to AFL 1,243 million or 37 percent of GDP. The domestic component went up by a slight AFL 7 million (1 percent) to AFL 720 million, due to an AFL 10 million increase in negotiable debt. The foreign component increased by a notable AFL 130 million or 33 percent to AFL 523 million. Main contributory factors were the US\$ 35 million external loan mentioned earlier, an US\$ 26 million bond sale to nonresidents in the previous quarter and a 19 percent appreciation of the euro vis-à-vis the Aruban florin. An AFL 13 million official debt repayment to the Netherlands at the end of the year mitigated the rise in foreign debt somewhat (see table H and statistical annex table 7.4). Additional information on the development of this debt is provided in chapter II, paragraph 2.3 of this bulletin.

Table H: Outstanding government debt
(End of period, in AFL million)

	2001			2002		
	II	III	IV	II	III	IV
1. Total debt 1)	1,034.9	1,103.9	1,105.9	1,150.7	1,180.2	1,242.9
2. Domestic debt	672.1	696.0	712.8	733.4	718.3	719.8
a. Negotiable	152.0	160.0	179.2	179.2	189.1	189.1
- Treasury bills	32.0	40.0	40.0	40.0	40.0	40.0
- Cash certificates	8.0	8.0	8.0	8.0	8.0	8.0
- Government bonds	112.0	112.0	131.2	131.2	141.1	141.1
b. Nonnegotiable	520.1	536.1	533.7	554.3	529.2	530.7
- Short-term 2)	269.8	284.9	272.2	294.4	272.1	275.6
- Long-term	250.4	251.2	261.5	259.9	257.2	255.1
3. Foreign debt 3)	362.8	407.8	393.1	417.3	461.9	523.1

1) Preliminary revised figures and estimates. Excluding guarantees, amounting to about AFL 315 million (excluding interest) at the end of December 2002.

2) Including suppliers' credit and short-term debt to APFA.

3) At end-of-period exchange rates.

Source: Department of Finance.

1.6 Balance of payments

Overall outcome

On a cash basis, the balance of payments weakened slightly during the fourth quarter of 2002, i.e., from an equilibrium position a year earlier to an AFL 3 million deficit. A deficit on the current account was almost completely offset by a surplus on the capital and financial account (see table I and statistical annex table 8.1). On an annual basis, the overall surplus shrank from AFL 130 million in 2001 to AFL 40 million. Consequently, net foreign assets of the monetary sector (including revaluation differences of gold and official foreign exchange holdings) increased by AFL 58 million or 8 percent to AFL 756 million. The end of period non-oil merchandise import coverage ratio decreased somewhat to 6.6 months, while its 12-month moving average increased to 7.5 months, thereby comfortably exceeding the upper bound of the 5 to 6 months target range.

Table I: Balance of payments
(in AFL million)

	2001	2002	2001		2002	
			III	IV	III	IV
1. Current account (net)	729.3	-451.1	-731.3	249.5	-20.1	-314.0
a. Oil sector	620.1	-345.2	-704.1	248.2	70.3	-217.2
b. Free zone	-11.6	-0.1	-10.6	2.8	3.7	5.7
c. Rest of economy	120.8	-105.8	-16.6	-1.5	-94.1	-102.5
- Private sector	148.4	-50.5	-19.5	13.6	-78.7	-92.4
- Public sector	-27.6	-55.3	2.9	-15.1	-15.4	-10.1
2. Capital and financial account (net)	-578.9	481.6	813.8	-238.7	12.9	305.8
a. Oil sector	-576.8	420.8	734.0	-229.5	-45.9	241.9
b. Free zone	0.0	0.0	0.0	0.0	0.0	0.0
c. Rest of economy	-2.1	60.8	79.8	-9.2	58.8	63.9
- Private sector	-30.0	-72.6	44.4	1.9	12.3	-23.5
- Public sector	27.9	133.4	35.4	-11.1	46.5	87.4
3. Items not yet classified 1)	-20.7	9.2	-11.6	-10.8	5.0	5.3
4. Overall balance (1+2+3)	129.7	39.7	70.9	0.0	-2.2	-2.9
5. Banking transactions 2)	20.5	32.9	-31.7	32.0	-29.1	68.9
6. Increase (-) in official reserves 3)	-150.2	-72.6	-39.2	-32.0	31.3	-66.0
Memorandum items:						
7. a. Official reserves (including gold)	578.2	668.7	536.7	578.2	601.0	668.7
b. In months of merchandise imports 4)						
- End-of-period	5.5	5.8	5.5	5.5	6.4	5.8
- Twelve-month average	4.9	6.1	4.6	4.9	6.0	6.1
8. a. Total reserves of the monetary sector	698.7	756.3	687.2	698.7	757.4	756.3
b. In months of merchandise imports 4)						
- End-of-period	6.7	6.6	7.1	6.7	8.1	6.6
- Twelve-month average	6.5	7.5	6.2	6.5	7.4	7.5

1) Including errors and omissions.

2) Minus (-) sign denotes an increase in assets and a decrease in liabilities.

3) Excluding revaluation differences of gold and official foreign exchange holdings.

4) Excluding the oil sector.

Source: CBA.

Oil sector

The current account of the oil sector registered an AFL 217 million deficit, following an AFL 248 million surplus in the corresponding period a year earlier. Export receipts from refined oil products and goods procured in ports shrank by 21 percent, but payments for crude oil and other goods surged by 60 percent. An AFL 230 million deficit on the capital and financial account turned into an AFL 242 million surplus, reflecting an increase in intercompany liabilities. On balance, the oil sector sold AFL 25 million in foreign exchange to the local commercial banks. On an annual basis, these sales amounted to AFL 76 million, i.e., AFL 32 million more than in 2001.

Free-zone sector

Export receipts of free-zone companies fell by 4 percent to AFL 40 million, and import payments (f.o.b.) by 12 percent to AFL 31 million. As a result, the current account surplus increased by AFL 3 million to AFL 6 million. An equivalent amount in foreign exchange was sold to the local commercial banks. On an annual basis, virtually no foreign exchange was sold, compared to AFL 12 million in the preceding year.

Rest of the economy

The current account deficit of the rest of the economy (i.e., excluding the oil and free-zone sectors) widened significantly, i.e., from AFL 2 million to AFL 103 million, reflecting larger deficits in the trade, income and current transfer accounts. The former broadened by 17 percent to AFL 272 million, because of increased merchandise import payments. The deficit on the income account rose by AFL 53 million, largely due to higher declared dividends in anticipation of the introduction of the New Fiscal Framework (NFR) as of January 2003. Moreover, AFL 8 million less dividends and interests were received. The deficit on the current transfers account nearly doubled to AFL 25 million, in part attributed to increased workers' remittances. In contrast, the surplus on services grew marginally.

The AFL 9 million deficit on the capital and financial account turned around into an AFL 64 million surplus in the quarter under review, mainly because of an AFL 37 million grant to the Fondo Desaroyo Aruba (FDA) and an AFL 63 million (US\$ 35 million) private loan placement by the government. In addition, the surplus on portfolio investments widened by AFL 9 million, following the liquidation of foreign investments.

On balance, the external transactions of the rest of the economy resulted in an AFL 33 million outflow of funds, compared to AFL 22 million in the corresponding quarter of 2001. For 2002 as a whole, this sector sold AFL 36 million in foreign reserves to the monetary institutions (2001: AFL 98 million).

II. Notices and articles

2.1 MONETARY POLICY FOR 2003

A press release of February 19, 2003.

The Centrale Bank van Aruba (“the Bank”) is of the opinion that the commercial banks’ credit growth should be limited to 7 percent during 2003. The main reason for this stance is that the increase in credit expansion has accelerated markedly in 2002, following the suspension of the credit ceiling system at the beginning of that year, i.e., well over 13 percent.

As the additional credit was mainly used to finance consumptive spending and the importing trade sector, it could not sufficiently compensate for the effect of the decline in tourism on general business activities. On balance, real gross domestic product contracted for the second consecutive year, i.e., by roughly an estimated 4 percent.

On the other hand, the credit expansion contributed to an acceleration in the consumer price index, i.e., from 2.6 percent at the end of 2001 to 4.2 percent at the end of 2002. Consequently, the inflation differential with the United States, our main trading partner, widened to about 2 percentage points. Moreover, the balance of payments surplus shrank notably, despite large foreign commercial borrowings by the government.

The rising inflation rate increases the risk of undermining Aruba’s international competitive position, while the weakening of the external account may affect the present comfortable level of official foreign reserves. To contain these risks, the Bank aims at bringing the credit expansion more in line with the long-term growth potential of the economy, taking into account the expected autonomous inflation.

Given the still existing large potential credit demand, restricting credit growth to 7 percent will require a shift from consumptive to the more productive lending. To encourage such a shift and to improve the information provided to the public, the banks should, as of March 1, 2003, explicitly indicate the effective annual interest rates in advertisements on consumer loan products, if, directly or indirectly, reference is made to the price of such products. These issues were extensively discussed between the Bank and the Aruban Bankers’ Association.

2.2 IMF CONCLUDES 2002 ARTICLE IV CONSULTATION WITH THE KINGDOM OF THE NETHERLANDS—ARUBA

Public Information Notice (PIN) No. 03/20, March 3, 2003.

On February 24, 2003, the Executive Board of the International Monetary Fund (IMF) concluded the Article IV consultation with the Kingdom of the Netherlands—Aruba.¹

Background

After growing at over 4 percent per year in 1996-2000, the Aruban economy experienced two years of retrenchment, with GDP falling an estimated 1.2 percent in 2001 and 3.8 percent in 2002. This downturn reflected a lull in investment activity, but especially weak tourism following the U.S. recession and the terrorist attacks of September 11, 2001. In 2003, sharply higher private and public investment and a modest revival in tourism should boost economic growth to over 4 percent. With higher tourism capacity and continued sustained investment, economic growth should remain around 3 percent in the medium-term.

With the exchange rate pegged to the U.S. dollar, inflation has been low, averaging 2.7 percent in the 1990s. Higher energy prices, indirect taxes, and faster credit growth as a result of controls being suspended, caused inflation to accelerate in the second half of 2002, reaching 4.5 percent in November. The external accounts remain in a comfortable position, and net foreign assets are above the central bank target of 5-6 months of imports. The banking sector is highly liquid and well capitalized despite the downturn, but interest rates remain high because of a lack of competition.

Weak growth and the introduction of universal health care exacerbated existing fiscal imbalances in 2001-02, resulting in a marked worsening of the government deficit, from 0.2 percent of GDP in 2000 to an estimated 4.9 percent in 2002 (including health care). Off-budgetary outlays of almost 6 percent of GDP related to past guarantees to foreign investors were also realized in 2002. To stem this deterioration, the government froze public sector wage indexation for three years and raised excise rates in the second half of 2002. A new indirect tax on imports and services is planned for 2003. A New Fiscal Regime for corporate income was also introduced, which will result in more uniform taxation of corporate profits and dividends. Although the previous offshore and tax holiday regime will be phased out, incentives for export-oriented activities will remain through an imputation system.

Executive Board Assessment

Directors commended the authorities for their record of sustained economic growth and low inflation, which has enabled Aruba to achieve one of the highest per capita

¹ Under Article IV of the IMF's Articles of Agreement, the IMF holds bilateral discussions with members, usually every year. A staff team visits the country, collects economic and financial information, and discusses with officials the country's economic developments and policies. On return to headquarters, the staff prepares a report, which forms the basis for discussion by the Executive Board. At the conclusion of the discussion, the Managing Director, as Chairman of the Board, summarizes the views of Executive Directors, and this summary is transmitted to the country's authorities.

incomes in the region. While unfavorable external shocks to the tourism sector and a pause in investment had caused a decline in economic activity, Directors expected that, barring new adverse shocks, growth would resume this year, spurred by sharply higher private and public investment and a modest recovery in tourism. Looking ahead, Directors emphasized the importance of improving public finances and strengthening the economy's resilience as a basis for sustained macroeconomic stability and future growth.

While considering the current exchange rate regime appropriate, Directors noted that the high inflation differential with the United States could threaten competitiveness, and welcomed the authorities' decision to tighten monetary policy by reemploying credit controls. Directors also encouraged the authorities to move forward with plans to switch from direct to indirect instruments of monetary policy, so as to ensure a better allocation of credit and more effective competition in the banking sector. Directors cautioned, however, that the transition to indirect instruments should be gradual in order to avoid losing monetary control, and encouraged the authorities to avail themselves of technical assistance to support these efforts.

Directors agreed that the main policy challenge was to strengthen public finances. They viewed the authorities' objective of a balanced budget by 2007 as appropriate in the medium term, although more adjustment would be required in the long run to address population ageing. Directors also saw the need to make greater progress towards balance in the 2003 budget, including through measures to durably restrain growth in current spending. Specifically, they encouraged the authorities to implement as soon as possible reforms of the public employee pension system and the civil service, and actions to curb the growth of health care spending. Directors also noted that fiscal consolidation would be facilitated by improving the transparency of the fiscal accounts, particularly through the regular provision of government financial statistics. In this connection, they also underscored that the authorities should abandon the practice of financing the deficit through the accumulation of arrears.

Noting that Aruba's revenue-to-GDP ratio was low, especially relative to the region, Directors encouraged the authorities to address weaknesses in tax administration, an important prerequisite for introducing a broad-based indirect tax, and also to simplify the income tax. They noted the recent decision to delay the introduction of the new tax on imports and services, and most Directors encouraged its implementation as soon as possible. Directors welcomed the New Fiscal Regime for corporations, as it would lead to more uniform taxation of corporate income, including through the phasing out of the offshore and tax holiday regime. Directors also noted that overall, simplicity, equity, and transparency in the tax system should be priority objectives.

Directors commended progress in strengthening financial sector supervision and regulation, in line with the recommendations of the recent Offshore Financial Sector assessment. To strengthen anti-money laundering regulation, Directors encouraged the authorities to quickly pass legislation to bring money transfer companies and company service providers in the offshore sector under the supervision of the central bank.

Directors agreed that the decision to turn the telecommunications company into a private law company and introduce competition in the mobile phone market would increase economic efficiency. They underscored the need to continue along this path, by increasing the operational autonomy of other public sector activities and, at a later stage, by selling shares to private investors.

Directors commended the authorities for the publication of national accounts in current prices, which greatly improves available information on the Aruban economy. They urged the authorities to intensify efforts to fill statistical gaps in the areas of labor markets and government finances, as well as to further develop national accounts data.

Public Information Notices (PINs) are issued, (i) at the request of a member country, following the conclusion of the Article IV consultation for countries seeking to make known the views of the IMF to the public. This action is intended to strengthen IMF surveillance over the economic policies of member countries by increasing the transparency of the IMF's assessment of these policies; and (ii) following policy discussions in the Executive Board at the decision of the Board.

Kingdom of the Netherlands—Aruba: Selected Economic Indicators

	1998	1999	2000	2001	2002
	(Percent change)				
Real economy					
Real GDP	6.7	1.3	3.6	-1.2	-3.8
Nominal GDP	8.7	3.6	7.8	1.7	-0.7
Real final consumption	5.0	4.7	-3.3	6.8	3.6
Real investment	11.8	-8.0	-9.3	-17.4	3.0
Real exports	3.0	2.8	-4.2	-4.7	-11.4
Real imports	3.5	2.2	-14.3	-2.9	-1.6
Inflation (period average)					
CPI (Aruba)	1.9	2.3	4.0	2.9	3.2
Real exchange rate index (1995=100) ¹	101.2	101.3	102.0	102.0	103.7
	(In millions of U.S. dollars)				
Balance of payments					
Current account	-14.3	-347.9	294.9	410.2	-75.5
(In percent of GDP)	-0.9	-20.2	15.9	21.7	-4.0
Non-oil current account	-129.4	-249.1	-211.1	-168.8	-224.7
(In percent of GDP)	-7.8	-14.4	-11.4	-8.9	-12.0
Financial and capital account	102.8	368.1	-313.5	-324.1	147.9
Errors and omissions	1.2	-9.4	-7.5	-10.6	5.6
Change in reserves (- = increase) ²	-51.9	-2.9	15.0	-82.8	-78.0
	(Percent change)				
Monetary aggregates					
Net foreign assets	40.4	3.4	-8.1	25.4	25.8
Net domestic assets	1.8	14.4	7.7	-2.7	5.1
Quasi-money	11.7	11.8	3.0	-0.2	5.0
	(In percent of GDP)				
Public finances central government					
Balance	1.9	1.4	-0.2	-2.6	-3.6
External debt	13.1	11.9	11.3	11.6	15.2
Domestic debt	17.5	18.2	19.0	22.4	22.8
U.S. dollar	The Aruban florin is pegged to the U.S. at AFL 1.79=US\$ 1				
SDR (end of period)	2.52	2.46	2.33	2.25	2.37

Sources: Data provided by the Aruban authorities; and IMF staff estimates.

¹Relative to the U.S. dollar. CPI based. Period average.

²Including gold, excluding revaluation differences.

2.3 DE BUITENLANDSE SCHULD VAN ARUBA

Een artikel van drs. L.A. Croes, econoom bij de afdeling Economisch Beleid.

1. Inleiding

In het onderstaande wordt een kwantificering gegeven van de buitenlandse schuld van Aruba. Gegevens over de overheidsschuld zijn verkregen uit de statistieken betreffende 's Landsfinanciën. De omvang en samenstelling van de particuliere schuld wordt bepaald door middel van een jaarlijkse 'Foreign Loan Survey', die sinds 2000 door de afdeling Economisch Beleid van de Centrale Bank van Aruba ('de Bank') wordt uitgevoerd. Om praktische redenen werden tijdens het onderzoek van 2002 alleen de meest relevante bedrijven aangeschreven (zie tabel 1).

De buitenlandse schuld van personen werd op basis van het register van afgegeven deviezenvergunningen geschat. Van deze groep, bestaande uit met name in Aruba wonende Europese Nederlanders die hypothecaire leningen bij in Nederland gevestigde financiële instellingen zijn aangegaan, is het moeilijk een response te krijgen, terwijl haar aandeel in de totale schuld zeer bescheiden is.

Voor de jaren 2000 en 2001 zijn gegevens gevraagd over de gerealiseerde en voor 2002 en 2003 over de verwachte interest- en aflossingsbetalingen. Voorts is per gerapporteerde lening geïnformeerd naar de resterende looptijd en eventuele betalingsachterstanden.

Tabel 1: Survey respons

	2001 1)	in % 2)	2002	in % 2)
Totaal aangeschreven bedrijven	101	100	73	100
Reactie op aanschrijving	76	75	63	86
Bedrijven met buitenlandse lening(en)	55	54	56	77

1) In 2001 zijn alle bedrijven aangeschreven, waaraan sinds 1992 een deviezenvergunning voor het aangaan van een buitenlandse lening is verleend. In 2002 is echter uitgegaan van een opgeschoond bestand.

2) In procenten van het totaal.

2. De particuliere schuld

De survey indiceert dat de particuliere buitenlandse schuld van Aruba, na een forse daling in 2001 als gevolg van aflossingen door hotels, in 2002 weer met 2 procent is opgelopen tot AFL 872 miljoen. Ten opzichte van ultimo 1999 is de schuld toegenomen met 16 procent en als percentage van het bruto binnenlandse product van 24 procent tot 26 procent. Vergeleken met 2000 is er echter sprake van enige daling (zie tabel 2).

Ruim 90 procent van de onderhavige schuld is gedenomineerd in Amerikaanse dollars (US\$), hetgeen voor de hand ligt gelet op de vaste wisselkoersverhouding tussen de Arubaanse florin (AFL) en deze valuta. Ruim 5 procent bestaat uit Euroleningen, deels van bankconsortia aan enkele overheidsbedrijven en financiële instellingen, alsmede uit een aantal persoonlijke kredieten. Een klein percentage luidt in Arubaanse florin en Antilliaanse guldens (ANG).

Tabel 2: De particuliere buitenlandse schuld per valuta 1)

	1999		2000		2001		2002	
	In mln. AFL	(%)	In mln. AFL	(%)	In mln. AFL	(%)	In mln. AFL	(%)
Antilliaanse gulden	0,0	0,0	0,9	0,1	0,2	0,0	2,2	0,3
Arubaanse florin	24,1	3,2	25,5	2,8	26,3	3,1	31,5	3,6
Euro	50,2	6,7	57,3	6,3	50,8	5,9	45,7	5,2
US dollar	677,0	90,1	820,8	90,8	779,1	91,0	792,3	90,9
Totaal	751,3	100,0	904,5	100,0	856,4	100,0	871,7	100,0
In % bbp		24,3		27,2		25,3		26,0

1) Inclusief een schatting van leningen aan individuen.

Uit tabel 3 blijkt dat de sectorale samenstelling van de schuld enigszins is gewijzigd. Zo is bijvoorbeeld het aandeel van de hotels in het totaal voor het tweede achtereenvolgende jaar gedaald en wel tot 46 procent per ultimo 2002. Het aandeel van de groep 'overige' (inclusief personen) en onroerend goedbedrijven is daarentegen toegenomen tot respectievelijk 13 procent en 7 procent, terwijl dat van de overheidsbedrijven en financiële instellingen praktisch ongewijzigd is gebleven op respectievelijk 26 procent en 9 procent.

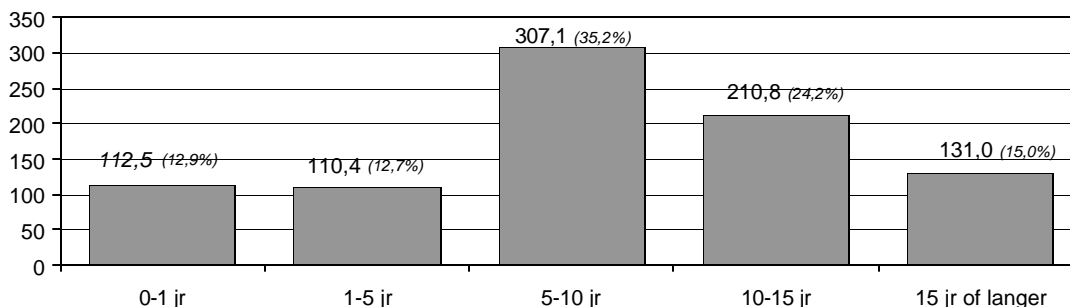
Tabel 3: De particuliere buitenlandse schuld per sector 1)

	1999		2000		2001		2002	
	In mln. AFL	(%)	In mln. AFL	(%)	In mln. AFL	(%)	In mln. AFL	(%)
Hotelsector	356,4	47,4	490,3	54,2	416,9	48,7	398,1	45,7
Overheidsbedrijven	250,9	33,4	227,4	25,1	225,1	26,3	226,5	26,0
Financiële instellingen	40,3	5,4	49,3	5,4	80,3	9,4	77,8	8,9
Onroerend goedbedrijven	43,4	5,8	47,5	5,3	49,4	5,8	56,4	6,5
Overige	60,3	8,0	90,1	10,0	84,7	9,9	112,9	13,0
Totaal	751,3	100,0	904,5	100,0	856,4	100,0	871,7	100,0

1) Inclusief een schatting van leningen aan individuen.

Grafiek 1 geeft aan dat het merendeel van de particuliere schuld een resterende looptijd heeft van langer dan één jaar. Slechts AFL 113 miljoen of 13 procent van het totaal is kortlopend. De gewogen gemiddelde looptijd per ultimo 2002 beliep 9,1 jaar (2001: 8,3 jaar).

Grafiek 1:
Particuliere schuld aan het buitenland per ultimo 2002
naar resterende looptijd
(in miljoenen AFL c.q. in % van het totaal)



Opgemerkt dient te worden dat bij deze analyse de verplichtingen van de zogenaamde offshore sector en rekeningcourantverhoudingen van lokale bedrijven met hun buitenlandse moedermaatschappijen buiten beschouwing zijn gelaten, aangezien het effect daarvan op het netto buitenlands actief van de monetaire sector per sakdo relatief beperkt is. De hieruit voortvloeiende betalingen worden immers goeddeels buiten het lokale bankwezen in concernverband afgewikkeld.

3. De schuld van de overheid

De schuld van de overheid bedroeg per ultimo 1999 circa AFL 367 miljoen of 12 procent van het bbp en bestond hoofdzakelijk uit concessionele leningen (rente 2,5 procent ten laste van de Arubaanse begroting plus Nederlandse rentesubsidie) die in het kader van de ontwikkelingssamenwerking zijn ontvangen. Daarnaast zijn er enkele leningen aangegaan bij de Europese Investeringsbank ter financiering van projecten van de voormalige Luchthavendienst en het Water- en Elektriciteitsbedrijf (WEB). Ruim 59 procent van het totaal was gedenomineerd in Europese valuta's, 23 procent in US\$ en 10 procent in ANG (zie tabel 4). Deze laatste betrof de (renteloze) schuld van Aruba aan de Nederlandse Antillen in het kader van de boedelscheiding.

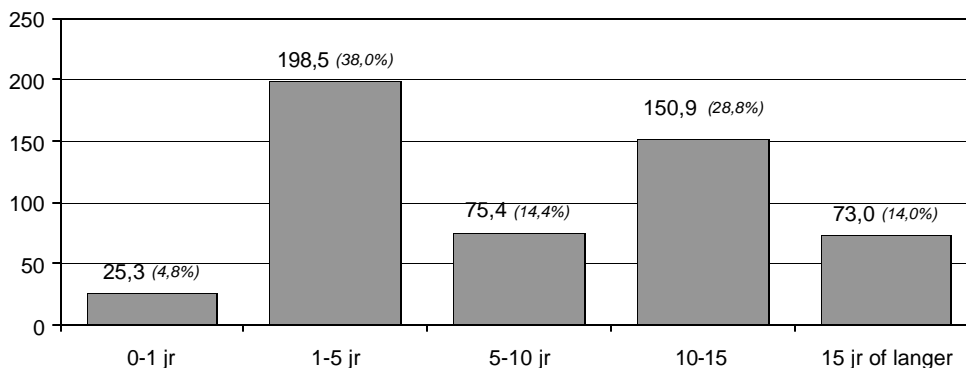
Sedert ultimo 1999 is de buitenlandse schuld van de overheid sterk gestegen en haar samenstelling verslechterd. Het aandeel van de concessionele leningen liep terug, terwijl dat van de commerciële US\$ leningen juist fors toenam, als gevolg van oplopende budgettaire tekorten en het opdrogen van de instroom van samenwerkingsmiddelen. Een gelukkige omstandigheid hierbij is dat Aruba tot nog toe tegen relatief gunstige voorwaarden toegang heeft tot de internationale kapitaalmarkt, mede doordat zij over een BBB-rating beschikt, toegekend door Fitch IBCA. Per saldo liep de totale overheidsschuld met ruim 42 procent op tot AFL 523 miljoen tegen het einde van 2002 (16 procent van het bbp), waarvan 59 procent betrekking had op dollarleningen. Vergeleken met eind 1999 is laatstbedoelde schuld bijna verviervoudigd. Dit is een opmerkelijke ontwikkeling die nauwlettend in de gaten dient te worden gehouden.

Tabel 4: De buitenlandse schuld van de overheid per valuta

	1999		2000		2001		2002	
	In mln. AFL	(%)	In mln. AFL	(%)	In mln. AFL	(%)	In mln. AFL	(%)
Antilliaanse gulden	37,2	10,1	0,0	0,0	0,0	0,0	0,0	0,0
Arubaanse florin	28,0	7,6	28,0	7,5	28,0	7,1	28,0	5,4
Euro	218,3	59,4	190,9	50,8	166,5	42,4	186,7	35,7
US dollar	83,8	22,8	156,8	41,7	198,6	50,5	308,4	59,0
Totaal	367,3	100,0	375,7	100,0	393,1	100,0	523,1	100,0
In % bbp		11,9		11,3		11,6		15,6

Vermeldenswaard is voorts dat binnen vijf jaar 43 procent van de totale schuld van de overheid vervalt en 57 procent binnen tien jaar (zie grafiek 2). De gewogen gemiddelde looptijd bedroeg naar schatting 8,5 jaar. Indien herfinanciering niet in voldoende mate mogelijk zal zijn, kunnen deze verplichtingen een zware belasting vormen voor de overheidsfinanciën en de internationale reserves. In dit verband is het problematisch dat de leningsopbrengsten vooral zijn gebruikt voor het aflossen van concessionele schulden en het financieren van lopende uitgaven, en daardoor wellicht nauwelijks toekomstige inkomsten zullen genereren.

Grafiek 2:
Uitstaande overheidsschuld aan het buitenland per ultimo 2002
naar resterende looptijd
(in miljoenen AFL c.q. in % v/h totaal)



Bij de vaststelling van de overheidsschuld is geen rekening gehouden met de financiële lasten uit hoofde van de in het verleden aangegane garanties voor de hotelbouw. Hiervoor is inmiddels in principe een regeling getroffen voor een bedrag van AFL 198 miljoen (US\$ 110 miljoen). Een deel hiervan (US\$ 20 miljoen) dient vóór medio mei 2003 te worden terugbetaald en US\$ 35 miljoen binnen drie maanden na dat tijdstip. Bedoelde verplichtingen zullen worden betaald uit de vervroegde aflossing van een schuld aan de overheid van het telecommunicatiebedrijf SETAR N.V., dat onlangs voor dit doel een buitenlandse lening heeft afgesloten. De rest van de hotelgarantieverplichtingen zal in een langlopende lening worden omgezet. Zodra de met de Italiaanse exportverzekeraar (Sace) afgesproken regeling in werking treedt, zal een en ander in de schuldpositie worden verwerkt.

4. De totale schuld

De totale buitenlandse schuld van Aruba is gedurende de periode 1999-2002 in snel tempo gestegen, te weten met 25 procent. De schuld van de overheid nam toe met 42 procent en die van de particuliere sector met 16 procent. Het aandeel van deze schuld in het bbp is opgelopen van 36 procent tot 42 procent. Ook andere schuldindicatoren laten een voortgaande stijging zien (zie tabel 5). Hierbij speelt overigens mee dat zowel het bbp als de exportopbrengsten uit het toerisme in de afgelopen jaren onder druk staan als gevolg van de malaise in de algemene bedrijvigheid.

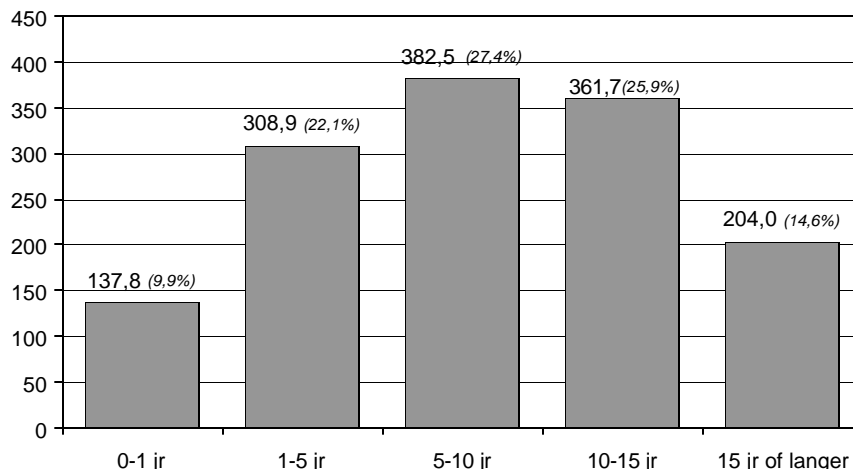
Tabel 5: De buitenlandse schuld van Aruba 1)

Bedragen in miljoenen AFL	1999	2000	2001	2002
Particuliere schuld 2)	751,3	904,5	856,4	871,7
Overheidsschuld 3)	367,3	375,7	393,3	523,1
Totale buitenlandse schuld	1.118,6	1.280,2	1.249,7	1.394,8
Nominaal bbp	3.087	3.326	3.381	3.357
<i>- Aandeel particuliere schuld in totaal</i>	<i>67,2</i>	<i>70,7</i>	<i>68,5</i>	<i>62,5</i>
<i>- Aandeel overheidsschuld in totaal</i>	<i>32,8</i>	<i>29,3</i>	<i>31,5</i>	<i>37,5</i>
<i>- Buitenlandse schuld in % bbp</i>	<i>36,2</i>	<i>38,5</i>	<i>37,0</i>	<i>41,5</i>
<i>- Buitenlandse schuld in % export 4)</i>	<i>49,3</i>	<i>55,4</i>	<i>55,6</i>	<i>64,1</i>
<i>- Gewogen gemiddelde looptijd</i>	<i>n.b.</i>	<i>n.b.</i>	<i>7,8</i>	<i>8,8</i>

- 1) Exclusief de buitenlandse schuld van de zogenaamde offshore bedrijven en rekeningcourantkredieten van ondernemingen met een buitenlandse moeder.
- 2) Inclusief een schatting van leningen aan individuen.
- 3) Voor 1999 inclusief de uitstaande schuld uit hoofde van de boedelscheiding met de Nederlandse Antillen die in december 2000 is afgelost.
- 4) Exclusief olie.

Van de buitenlandse schuld per ultimo 2002 dient AFL 138 miljoen oftewel 10 procent van het totaal binnen één jaar te worden afgelost, waarvan 82 procent door de particuliere sector. In de daarop volgende jaren nemen de aflossingsverplichtingen echter allengs toe (zie grafiek 3). De gewogen gemiddelde looptijd bedroeg 8,8 jaar, vergeleken met 7,8 jaar per ultimo 2001.

Grafiek 3:
Uitstaande totale buitenlandse schuld per ultimo 2002
naar resterende looptijd
(in miljoenen AFL c.q. in % v/h totaal)



5. De schuldendienst

De zogenaamde “debt-service ratio” (een indicator voor de mate waarin rente en aflossingen op de buitenlandse schuld met exportopbrengsten kunnen worden voldaan) beliep in 2002 naar schatting 11 procent. Met name door de eerdergenoemde aflossingen van de schuld uit hoofde van de boedelscheiding en van de hotels, alsmede de lagere exportopbrengsten in 2002, was de indicator lager dan in de twee voorafgaande jaren. Vergeleken met 1999 was zij echter bijna 3 procentpunten hoger, deels als uitvloeisel van de eerdergenoemde verschuiving van concessionele naar commerciële financiering (zie tabel 6). Mede hierdoor zijn de buitenlandse rentebetalingen ten laste van de Arubaanse begroting allengs gestegen en beliepen in 2002 circa AFL 21 miljoen of 3 procent van de uitgaven op kasbasis.

Er zijn voornamelijk slechts enkele kleine achterstanden bij de afwikkeling van vervallen rente- en aflossingsverplichtingen. Bovendien is de “debt-service ratio” naar internationale maatstaven aan de lage kant. Elke eventuele verdere stijging van deze ratio dient echter kritisch te worden beoordeeld, gelet op de kwetsbare overheidsfinanciën, alsmede op de kleine schaal van de economie en de deels hiermee samenhangende beperkte terugbetalingscapaciteit van Aruba.

Tabel 6: Schuldendienst

Bedragen in miljoenen AFL	1999	2000	2001	2002
Aflossingen	129,1	214,9	251,2	156,8
<i>Waarvan overheid</i>	13,4	49,3	21,4	40,0
Rentebetalingen	54,7	88,1	84,3	79,6
<i>Waarvan overheid</i>	10,7	11,5	14,4	20,7
Totale schuldendienst	183,8	303,0	335,5	236,4
<i>Waarvan overheid</i>	24,1	60,8	35,8	60,7
Exporten goederen en diensten (excl. olie)	2.269,5	2.309,4	2.246,3	2.174,4
Schuldendienst in % van de exporten (excl. olie)	8,1	13,1	14,9	10,9
Schuldendienst in % voor bbp	6,0	9,1	9,9	7,0

6. De externe liquiditeitspositie

Ondanks de voortgaande toename van de buitenlandse schuld is ook de externe liquiditeitspositie van Aruba bevredigend. Een reden hiervoor is dat het netto buitenlands actief van de monetaire sector (inclusief goud) in de loop der tijd een stijgende trend heeft vertoond. Zowel de dekking van de geldhoeveelheid als van de goederen- en diensteninvoer (excl. olie) bewegen zich rond een bevredigend niveau.

De dekkingsgraad van de korte termijn schuld (gedefinieerd als de verhouding tussen monetaire reserves en de binnen één jaar vervallende buitenlandse schuld) is naar schatting stapsgewijs gestegen van 2,8 in 2000 tot 5,5 in 2003. Ook de dekking van de rente- en aflossingsverplichtingen door het netto buitenlandse actief is opgelopen van 1,7 in 2000 tot 3,5 in 2003 (zie tabel 7).

Niettemin moet er rekening mee worden gehouden dat de economie van Aruba kwetsbaar is voor exogene schokken, mede ten gevolge van het uitzonderlijk hoge aandeel van de import in de binnenlandse bestedingen. Deze schokken kunnen resulteren in een abrupte verslechtering van de situatie. De waarborging van de externe liquiditeit van de volkshuishouding vereist dan ook het voeren van een voorzichtig budgettair en monetair beleid, alsmede een evenwichtige schuldpolitiek.

Tabel 7: Externe liquiditeitspositie

Bedragen in miljoenen AFL	1999	2000	2001	2002
Reserves monetaire sector 1)	599,1	558,9	698,7	756,3
Korte termijn buitenlandse schuld 2)	214,9	251,2	156,8	137,8
Schuldendienst 3)	303,0	335,5	236,4	217,1
Invoer van goederen en diensten 4)	1.350,0	1.271,0	1.220,9	1.257,9
Geldhoeveelheid	1.699,1	1.738,3	1.840,6	2.033,6
<i>-Deviezendekkingsgraad korte termijn schuld</i>	2,8	2,2	4,5	5,5
<i>-Deviezendekkingsgraad schuldendienst</i>	2,0	1,7	3,0	3,5
<i>-12-maands voortschrijdende invoerdekking⁵⁾</i>	5,8	5,7	6,5	7,5
<i>-Dekking geldhoeveelheid (in %)</i>	35,3	32,2	38,0	37,2

1) Netto buitenlandse actief van de monetaire sector inclusief goud tegen marktwaarde.

2) Voor 1999-2001 is de korte termijn buitenlandse schuld gelijk aan de binnen één jaar gerealiseerde aflossingen; voor 2002 de binnen één jaar vervallende schuld.

3) Voor 2002 gelijk aan de rente- en aflossingsverplichtingen te vervallen binnen één jaar. Voor de voorgaande jaren zijn de gerealiseerde cijfers vermeld.

4) 12-maands voortschrijdend gemiddelde van importen (exclusief olie).

5) Netto buitenlands actief gerelateerd aan de 12-maands voortschrijdende gemiddelde invoer.

6) In maanden invoer, per jaar ultimo.

7. Conclusie

Uit dit artikel blijkt dat de geschatte buitenlandse schuld van Aruba de afgelopen drie jaar met bijna 25 procent is gestegen, vooral ten gevolge van de toename van de overheidsleningen. Sedert ultimo 2000 laat de particuliere schuld een vrij rustig verloop zien. De schuldendienst vormt een last, zij het dat deze zich naar internationale maatstaven nog rond een aanvaardbare niveau beweegt, zeker gemeten in relatie tot de omvang van het bbp, de beschikbare deviezenvoorraad van de monetaire sector en de

exportopbrengsten. Niettemin is ter zake een verhoogde waakzaamheid geboden, gelet op de beperkte terugbetalingscapaciteit van de economie van Aruba.

Met name het fors oplopen van de overheidsschuld tegen commerciële voorwaarden is een punt van toenemende zorg, mede door het gebruiken van een belangrijk deel van de leningsopbrengsten voor het dekken van de lopende uitgaven en financiële tegenvallers. Aldus worden huidige problemen naar de toekomst verschoven, terwijl reeds nu rekening dient te worden gehouden met de te verwachten extra lasten voortvloeiend uit onder andere de schuldendienst en de vergrijzing van de bevolking. Er zal dan ook een uiterste inspanning dienen te worden geleverd om de overheidsfinanciën op zo kort mogelijke termijn weer op orde te brengen. Herstel van de budgettaire discipline is een *conditio sine qua non* voor waarborging van de financiële stabiliteit, het draagbaar houden van de schuld en om de toegang tot de internationale kapitaalmarkt tegen relatief gunstige voorwaarden te verzekeren.

Tegen deze achtergrond en gelet op de huidige stagnatie in de algemene bedrijvigheid, dient het aanwenden van leningsopbrengsten voor het financieren van lopende uitgaven tot het uiterste te worden beperkt. Deze opbrengsten dienen in het vervolg maximaal te worden gebruikt voor het financieren van productieve en infrastructurele investeringen, teneinde deviezen te genereren om de toenemende toekomstige rente- en schuldaflossingverplichtingen te kunnen voldoen. Indien tegenover de te verwachten betalingen aan het buitenland een onvoldoende instroom van middelen staat, zal de druk op de overheidsfinanciën en op de deviezenvoorraad van de monetaire sector allengs toenemen. De hieruit voortvloeiende risico's en onzekerheden kunnen op den duur de voortzetting van een duurzame economische ontwikkeling in gevaar brengen.

2.4 TOWARDS A NEW REGULATORY FRAMEWORK FOR MONEY TRANSFER COMPANIES

Speech by R.J. Ridderstap BA, Financial Examiner of the Supervision Department, on the occasion of the official inauguration of the new office building of Union Caribe Holding N.V., February 21, 2003.

Distinguished guests, ladies and gentlemen,

On behalf of the Centrale Bank van Aruba (the Bank) I thank the management of Union Caribe Holding N.V. for the invitation to speak to you on the occasion of the official inauguration of its office building. Also, I would like to take this opportunity to congratulate the shareholders, management and employees with this event.

This afternoon I will elaborate on the operational guidelines issued for money transfer companies by the Bank in anticipation of a law that will bring these companies under its effective supervision. Also, I will briefly touch on relevant international developments and their effects on this sector. At the end of my speech, a few observations on the introduction of the law will be made. But, let me first give you some background information.

Aruba was confronted with several economic setbacks during the nineteen eighties. Tourism from Venezuela crumbled as a result of the devaluation of the Bolivar, while, following a crisis in the oil market, the Exxon oil refinery, which was at that time the mainstay of our economy, discontinued its local operations. These developments induced a large shrinkage in domestic production, and unemployment surged despite relatively massive emigration to especially the Netherlands.

To revitalize the economy, the government granted tax incentives and loan guarantees to investors, particularly in the tourism sector. This resulted in large inflows of external capital. Unemployment was virtually eliminated and many foreign workers, especially from Latin America and the Caribbean, immigrated to Aruba. These individuals had difficulties in finding their way to the traditional commercial banks. On their turn, the banks were not always prepared to offer the specific money transfer services requested.

Consequently, the number of entities registered at the Chamber of Commerce and Industry engaged in money transfer, courier, telecommunication and related services, increased steadily. This growth has been a cause for concern, also because the activities of these companies were (if not mainly, then at least partly) executed through informal channels, while it appeared that subject sector could also be misused for illicit activities if left unsupervised.

Also it should be noted that the Financial Action Task Force, in its 1999 evaluation report on Aruba, stated that activities of the money transfer companies may facilitate illicit transactions. To address these concerns, the government issued a Ministerial Decree on May 19, 1999, which requires these companies to report unusual transactions to the Financial Intelligence Unit. This was considered a first step in the right direction, but by far insufficient as an effective supervisory instrument.

In view of the aforementioned concerns, the Bank conducted a quick scan survey during the latter part of 1999 to get an overall view of the magnitude and composition

of the transactions effectuated by these entities. During the survey the Bank noted that, even though many of the entities were registered as money transfer companies at the Chamber of Commerce and Industry, a large part was not active as such or discontinued their money transfer activities in the meantime. Hence, the number of companies actively involved in such activities was smaller than originally assumed, while only a few relatively large companies dominated the sector.

However, the survey results confirmed the need for the Bank to issue guidelines for money transfer companies with respect to the way they should organize and conduct their business to ensure compliance with the foreign exchange regulations, foster adequate administrative and anti-money laundering internal controls and procedures, as well as to maintain the integrity of the sector. These guidelines are to a large extent based on other laws. Furthermore, the Bank decided to publish a list of the companies that comply with its guidelines on a voluntarily basis. Compliance is tested marginally via limited scope examinations. I can inform you that so far three relatively large companies have qualified for placement on the list.

The policy of the Bank has clearly generated results. Even so, the swift introduction of a law to regulate the money transfer companies remains necessary in view of the following. First, the size of the sector appears to grow further. Second, the need for effective supervision clearly increased after the September 11 events in the USA, also because the Financial Action Task Force has issued eight additional special recommendations on combating the financing of terrorism, which, inter alia, deal with the licensing and supervisory aspects of money transfer companies, as well as with wire transfers. As part of the Dutch Kingdom, Aruba must swiftly implement these recommendations.

As mentioned earlier, the guidelines issued to money transfer companies are partly of a voluntary basis. With the enactment of the State Ordinance on the Supervision of the Money Transfer Companies these guidelines will acquire a more specific and comprehensive legal basis. The draft State Ordinance on the Supervision of Money Transfer Companies is presently in the final phase of the legislative process, and may become effective soon. The Bank will be entrusted with the execution of this ordinance.

Let me now discuss some highlights of the draft. All money transfer companies must fully comply with the admission requirements established by law before they can be registered/licensed by the Bank. These requirements, as are the present guidelines, are focused mainly on solvency, integrity, management and administrative organization aspects. Each company will be required to provide the Bank periodically with detailed financial information and its audited annual report. Additionally, to protect its clients, a bank guarantee should be obtained related to the size of the business of the company.

To conclude, although the guidelines issued by the Bank have stimulated improvements with respect to the functioning of money transfer companies, there is still a long way to go to enhance efficiency, reliability, and integrity in this sector. Therefore, the introduction of a supervisory law for money transfer companies is indispensable.

I thank you for your attention.

2.5 A QUANTITATIVE OVERVIEW OF FINANCIAL SECTOR DEVELOPMENTS

An article by the Supervision Department.

1. Introduction

In this article, based upon available figures, an overview is given on some important developments in the major quantitative variables of Aruba's financial sector. First, the banking sector will be discussed and, subsequently, the institutional investors' sector, comprising the insurance companies, company pension funds, the civil servants pension fund (APFA) and the Social Security Bank (SVb). It should be noted that it is the government's intention to privatize APFA soon and to bring it under the Bank's supervision. At present, there are no plans to do so with the SVb. In paragraph 4, a list of financial institutions is presented, which fall under the supervision of the Bank at end-December 2002.

2. Banking sector

2.1 Supervised institutions

As shown in table 1, the number and the composition of banking institutions supervised by the Bank remained unchanged in the year 2002.

Table 1: Number of supervised institutions within the banking sector

End-of-period figures

	2000	2001	2002
1. Commercial banks	6	5	5
2. Offshore banks	2	2	2
3. Bank-like institutions	4	4	4
a. Mortgage banks	2	2	2
b. Finance companies	1	1	1
c. Other financial institutions	1	1	1
4. Credit unions	2	2	2
Total	14	13	13

2.2 Commercial banks

Of the five commercial banks that are currently operating in Aruba, one is a branch and one is a subsidiary of, respectively, Banco di Caribe N.V. and Maduro & Curiel's Bank N.V. Both banks are established in Curaçao, Netherlands Antilles and are, therefore, also supervised (on a consolidated basis) by the Bank van de Nederlandse Antillen.

Table 2 shows that the aggregated balance sheet total of the five commercial banks increased by AFL 265 million or 11 percent to AFL 2,690 million at the end of 2002, equivalent to 80 percent of estimated Gross Domestic Product (GDP). Loans granted in 2002 grew by AFL 124 million or 8 percent to AFL 1,726 million, mainly due to a growth in the commercial credit and loans to individuals by AFL 37 million (5 percent) and AFL 87 million (11 percent), respectively. On the liabilities side, deposits grew by AFL 229 million or 11 percent. Capital and reserves declined by AFL 17 million or 8 percent, largely associated with a surge in declared dividends in connection with the introduction of the New Fiscal Framework as of January 1, 2003.

Table 2: Balance sheet of the commercial banks

End-of-period figures in AFL million

	2000	2001	2002 ¹⁾
1. Assets			
a. Cash & due from banks	523.7	608.4	684.1
b. Investments	88.4	74.9	99.4
c. Loans	1,557.4	1,602.4	1,726.0
- Commercial ²⁾	788.4	777.4	814.5
- Individuals ³⁾	768.7	824.7	911.3
- Government	0.3	0.3	0.2
d. Other assets	116.7	139.7	180.7
Total assets	2,286.2	2,425.4	2,690.2
2. Capital and liabilities			
a. Deposits	2,002.0	2,100.6	2,329.2
- Demand	594.5	655.5	803.9
- Time	961.3	992.4	1,054.6
- Savings	446.2	452.7	470.7
b. Other liabilities	129.2	109.9	163.2
c. Capital and reserves ⁴⁾	155.0	214.9	197.8
Total capital and liabilities	2,286.2	2,425.4	2,690.2

1) Preliminary figures.

2) Corrected for allocated reserves.

3) Corrected for unearned income.

4) Including general (unallocated) reserves.

As shown in table 3, the net income before taxes decreased slightly during 2002. The net interest margin shrank by AFL 7 million (6 percent), while the other operating income increased with AFL 4 million (7 percent). The total expenses remained almost the same compared to 2001.

Table 3: Income statement of the commercial banks

In AFL million

	2000	2001	2002 ¹⁾
Net interest margin	114.0	114.1	106.8
Other operating income	58.3	59.4	63.4
Total operating income	172.3	173.5	170.2
1. Salaries & employees benefits	53.4	57.0	56.5
2. Additions to provision for loan losses	12.3	4.3	5.1
3. Other expenses	63.2	63.2	63.6
Total expenses	128.9	124.5	125.2
Net income before extraordinary items, result subsidiaries & taxes	43.4	49.0	45.0
Net income before taxes	42.8	46.8	45.2
Taxes	17.0	10.6	15.5
Net income	25.8	36.2	29.7

1) Preliminary figures.

The various macroprudential indicators show that the commercial banking sector is generally sound and profitable (see table 4). Although, due to an incidental factor mentioned earlier, the banks' aggregated risk-weighted capital asset ratio declined from 10.5 to 9.3, it is still well above the minimum capital requirement of 8 adopted by the Basel Committee on Banking Supervision. Despite the weaker macroeconomic environment, asset quality continued to be satisfactory, and even improved somewhat.

Mainly due to the decrease in the net income (after taxes), the banks' return on equity fell by 10 percentage points to 23 percent in 2002. Their liquidity ratio rose by a mere 1 percentage point to 28 percent, well above the minimum prudential liquidity requirement of 20 percent. The banks are required to hold a 7 percent interest bearing monetary cash reserve, as well as sufficient funds for clearing purposes with the Bank. These are included in the calculation of the prudential liquidity ratio. The increase in deposits exceeded that in loans and, consequently, resulted in a decrease of the loans-to-deposits ratio by 1 percentage point to 72 percent at the end of 2002, which is below the prudential maximum of 80 percent.

As a result of its oligopolistic market structure, as well as the small scale of the domestic banking sector, interest rates are generally high and inflexible compared to that of industrialized countries. The weighted average interest rate margin increased by 1 percentage point to 7 percent. Measures should be taken to create economies of scale and enhance efficiency to be able to cope with the expected further increase of international competition.

Table 4: Core set of macroprudential indicators of the commercial banks

End-of-period figures in percentages

	2000	2001	2002 ¹
1. Capital adequacy			
a. Risk-weighted capital asset ratio = regulatory capital ratio	8.2	10.5	9.3
b. Tier 1 capital ratio	3.8	4.0	5.4
2. Asset quality			
a. Non-performing loans (net of provisions) to gross loans	2.6	3.4	3.0
b. Non-performing loans (net of provisions) to regulatory capital	33.7	34.0	34.2
c. Large loans to regulatory capital	2.8	1.4	2.0
3. Earnings and profitability			
a. Return on assets	1.2	1.6	1.1
b. Return on equity	30.1	32.9	23.2
c. Interest margin to gross income	65.9	65.7	62.7
d. Non-interest expenses to gross income	85.1	78.7	82.6
4. Liquidity			
a. Loan-to-deposit ratio	75.6	73.1	72.0
b. Prudential liquidity ratio	24.5	27.5	28.1
c. Liquid assets to short-term liabilities	78.5	85.4	74.4
5. Sensitivity to market risk			
a. Interest rate margin ²	5.8	6.2	7.3
b. Net foreign assets to regulatory capital	111.0	71.3	53.7

1) Preliminary figures.

2) Weighted averages related to transactions during the indicated period.

2.3 Offshore Banks

The Bank adheres to a strict admission policy for offshore banks. The most important requirements are that the parent bank is subject to comprehensive and consolidated supervision in the home country, and that it possesses an excellent financial position and reputation.

Consequently, at the end of 2002, only two U.S.-based offshore banks were registered in Aruba. These banks, which also fall under consolidated supervision of the U.S. authorities, had a balance sheet total of AFL 1,866 million or 56 percent of GDP (see table 5). This variable increased slightly during 2002, i.e., by AFL 4 million. On the assets side, investments declined by the same amount, while on the liabilities side the deposits shrank by AFL 20 million. The capital and reserves rose significantly, i.e., by AFL 51 million or 31 percent, due to a higher profit. Consequently, the offshore banks' aggregated risk weighted capital ratio strengthened from 14 percent to 21 percent in 2002.

Table 5: Balance sheet of the offshore banks

End-of-period figures in AFL million

	2000	2001	2002 ¹⁾
1. Assets			
a. Cash & due from banks	745.0	707.0	892.7
b. Investments	277.2	49.3	45.6
c. Loans ²⁾	1,083.5	1,090.6	916.3
d. Other assets	28.3	14.8	11.3
Total assets	2,134.0	1,861.7	1,865.9
2. Capital and liabilities			
a. Deposits	1,849.4	1,658.5	1,638.1
- Demand	218.3	114.5	87.2
- Time	1,631.1	1,544.0	1,550.9
b. Other liabilities	133.5	37.3	10.7
c. Capital and reserves ³⁾	151.1	165.9	217.1
Total capital and liabilities	2,134.0	1,861.7	1,865.9

1) Preliminary figures.

2) Corrected for allocated reserves.

3) Including general (unallocated) reserves.

As shown in table 6, the offshore banks earned a net income (after taxes) of AFL 57 million, compared to only AFL 10 million in 2001. This was mainly due to an increase in the other operating income, which largely consists of revenue from foreign exchange transactions.

Table 6: Income statement of the offshore banks

In AFL million

	2000	2001	2002 ¹⁾
Net interest margin	21.1	31.3	26.4
Other operating income	39.3	9.4	67.1
Total operating income	60.4	40.7	93.5
Total operating expenses	16.2	29.6	29.4
Net income before extraordinary items and taxes	44.2	11.1	64.1
Net income before taxes	-21.2	11.2	60.8
Taxes	2.7	1.1	4.2
Net income	-23.9	10.1	56.6

1) Preliminary figures.

2.4 Bank-like institutions

Important institutions in this subsector are: OHRA Hypotheekbank N.V., Fundacion Caspa Comunidad Arubano, Aruban Investment Bank N.V., and Island Finance Aruba N.V. These institutions are engaged mainly in mortgage lending to individuals, financing of social housing projects, long-term project financing, and/or granting of personal loans for consumptive and home improvement purposes. The financing of their activities is done largely by attracting funds from their parent company, other (local) financial institutions, and/or institutional investors.

The bank-like institutions had a combined loan portfolio of about AFL 424 million at year-end 2002, equivalent to 13 percent of the estimated GDP (see table 7). This figure represents a slight decrease of AFL 6 million or 1 percent compared to 2001. On the liabilities side, the commercial borrowings increased slightly by AFL 2 million. Capital and reserves amounted to AFL 206 million.

Table 7: Balance sheet of the bank-like institutions

End-of-period figures in AFL million

	2000	2001	2002 ¹⁾
1. Assets			
a. Cash & due from banks	63.5	41.8	68.2
b. Investments	4.0	5.2	4.7
c. Loans	430.9	429.9	423.8
- Commercial	95.9	83.0	78.4
- Individuals	335.0	344.1	345.4
- Government	0.0	2.8	0.0
d. Other assets	52.1	57.3	63.1
Total assets	550.5	534.2	559.8
2. Capital and liabilities			
a. Deposits	13.6	15.3	17.9
b. Borrowings	270.3	249.1	250.8
- Commercial	232.0	212.5	214.2
- Individuals	1.7	0.0	0.0
- Government	36.6	36.6	36.6
c. Other liabilities	45.4	65.0	84.9
d. Capital and reserves	221.2	204.8	206.2
Total capital and liabilities	550.5	534.2	559.8

1) Preliminary figures.

As can be derived from table 8, the net income (after taxes) amounted to AFL 10 million for 2002, which represents a growth of 162 percent or AFL 6 million. This can mainly be attributed to an AFL 5 million or 14 percent increase in the net interest margin and lower additions to the allocated loan loss provision. The aggregated risk-weighted capital asset ratio of the bank-like institutions remained notably high at around 57 percent.

Table 8: Income statement of the bank-like institutions

In AFL million

	2000	2001	2002 ¹⁾
Net interest margin	29.8	33.6	38.4
Other operating income	10.6	10.2	8.6
Total operating income	40.4	43.8	47.0
1. Salaries & employees benefits	10.3	10.9	11.7
2. Additions to the loan loss provision	3.2	8.2	2.3
3. Other expenses	11.2	10.4	13.4
Total expenses	24.7	29.5	27.4
Net income before extraordinary items, result subsidiaries & taxes	15.7	14.3	19.6
Net income before taxes	15.6	5.8	12.1
Taxes	2.5	2.1	2.4
Net income	13.1	3.7	9.7

1) Preliminary figures.

3. Institutional investors' sector

3.1 Supervised institutions

With the enactment of the State Ordinance on the Supervision of the Insurance Business as of July 1, 2001, all life and non-life (general) insurance companies operating in or from Aruba have been brought under the Bank's supervision. In accordance with section V of the implementation ordinance these companies were required to submit an application for a license within six (6) months after its implementation. With the exception of three, all insurance companies applied for a license. Two companies did not qualify for a license and, consequently, received a negative decision on their application, while two withdrew their application. There are currently twenty two licensed insurance companies operating in Aruba (see table 9).

In 2002, the Stichting Pensioenfond's First National Bank of Aruba N.V. was added to the list of company pension funds supervised by the Bank. Currently, eleven pension funds are supervised by the Bank.

In paragraph 4.2, an overview is given of the non-life insurance companies and the indemnity lines, for which a license has been granted.

Table 9: Number of supervised institutions within the institutional investors' sector

End-of-period figures

	2000	2001	2002
1. Life insurance companies	9	9	8
2. Non-life insurance companies	-	15	12
3. Offshore non-life insurance companies	-	2	0
4. Captive insurance companies	-	3	2
5. Company pension funds	9	10	11
Total	18	39	33

3.2 The non-life insurance sector

As of the reporting year 2001, the general insurance companies (both on-shore and offshore) have to submit in a prescribed format detailed figures on their operations to the Bank.

At the end of December 2001, the aggregated balance sheet total of the non-life insurance companies amounted to AFL 126 million (equivalent to 4 percent of GDP), i.e., an 11 percent increase compared to 2000 (see table 10). On the liabilities side, technical provisions dropped by 10 percent to AFL 47 million. The capital and reserves went up by AFL 9 million or 21 percent to AFL 51 million.

Table 10: Balance sheet of the non-life insurance companies

End-of-period figures in AFL million

	2000 ¹⁾	2001
1. Assets		
a. Investments	24.0	77.2
b. Fixed assets	0.5	0.5
c. Affiliated companies	68.8	19.6
d. Current assets	19.6	28.2
Total assets	112.9	125.5
2. Capital and liabilities		
a. Technical provisions	52.3	47.0
b. Long-term liabilities	-	-
c. Current liabilities	18.5	27.5
d. Capital and reserves	42.1	51.0
Total capital and liabilities	112.9	125.5

1) Unaudited figures.

As shown in table 11, an AFL 53 million growth in investments resulted mainly from an increase in the holding of bonds and time deposits. Some 6 percent (AFL 5 million) of the total investment portfolio consisted of foreign assets.

Table 11: Investments of the non-life insurance companies

End-of-period figures in AFL million

	2000 ¹⁾	2001
1. Shares	0.1	0.1
2. Bonds	7.3	30.4
3. Time deposits	15.5	45.5
4. Loans	-	1.1
5. Other investments	1.1	0.1
Total	24.0	77.2

1) Unaudited figures.

The net premiums, which are the main income source of the non-life insurance companies, declined by a notable 24 percent, mainly as a result of a loss in market share in the health insurance sector following the introduction of the General Health Insurance (AZV). The majority of the net premiums received relates to motor vehicle (63 percent) and property insurance (23 percent). On the other hand investment income increased by a slight 6 percent. Total expenses decreased to 31 percent or AFL 23 million, due largely to lower net claims. On balance, the net income (after taxes) increased significantly, i.e., by 300 percent to AFL 9 million (see table 12).

Table 12: Income statement of the non-life insurance companies

In AFL million

	2000 ¹⁾	2001
1. Net premiums	74.4	56.8
2. Investment income	5.0	5.3
3. Other income	-1.2	-1.2
Total income	78.2	60.9
4. Net claims	40.2	21.8
5. Commissions	15.0	12.9
6. Management expenses	16.5	14.6
7. Extraordinary items	-	-
8. Policyholders' dividends	0.2	0.1
Total expenses	71.9	49.4
Net income before taxes	6.3	11.5
9. Taxes	4.0	2.3
Net income	2.3	9.2

1) Unaudited figures.

The liquidity ratio increased by 10 percentage points compared to 2000 (see table 13). The profitability ratio amounted to 11 percent and the coverage ratio to 246 percent, which is well above the minimum requirement of 100 percent.

Table 13: Financial ratios of the non-life insurance companies

End-of-period figures

	2000 ¹⁾	2001
1. Liquidity ratio (current ratio) <i>Current assets to technical provisions & current liabilities</i>	0.28	0.38
2. Profitability ratio <i>Investment income to average invested assets</i>	n.a.	0.11
3. Coverage ratio ²⁾ <i>Weighted assets less borrowings to technical provisions</i>	n.a.	2.46

1) Unaudited figures.

2) The calculation of the weighted assets cannot be derived from table 13.

3.3 The life insurance sector

The life insurance companies have expanded their activities in recent years. At the end of 2001, their aggregated balance sheet total amounted to AFL 514 million (equivalent to 15 percent of GDP), which is a 17 percent growth compared to 2000 (see table 14). This was mainly attributed to the increase in the current accounts with affiliated companies by AFL 104 million. On the liabilities side, technical provisions surged by 10 percent or AFL 24 million and current liabilities by AFL 50 million, predominantly related to an increase of the accounts payable to affiliated companies. Capital and reserves remained almost the same.

Table 14: Balance sheet of the life insurance companies

End-of-period figures in AFL million

	1999	2000	2001
1. Assets			
a. Investments	245.8	287.0	247.1
b. Fixed assets	0.2	0.1	0.2
c. Affiliated companies	41.2	118.4	222.4
d. Current assets	36.1	35.1	43.9
Total assets	323.3	440.6	513.6
2. Capital and liabilities			
a. Technical provisions	205.9	232.6	256.3
b. Capital loans	0.6	0.5	0.4
c. Current liabilities	67.4	150.2	199.9
d. Capital and reserves	49.4	57.3	57.0
Total capital and liabilities	323.3	440.6	513.6

On the assets side of the life insurance companies' balance sheet, investments constitute the largest item. As shown in table 15, the 14 percent decline in investments was caused

mainly by a decrease in the holding of bonds. About 19 percent (AFL 46 million) of the total investment portfolio consisted of foreign investments.

Table 15: Investments of the life insurance companies

End-of-period figures in AFL million

	1999	2000	2001
1. Shares	2.6	1.2	1.9
2. Bonds	134.4	149.7	116.9
3. Real estate	6.1	7.2	7.9
4. Time deposits	22.3	37.5	33.5
5. Mortgage loans	62.5	74.9	72.4
6. Other loans	17.9	16.5	14.5
Total	245.8	287.0	247.1

The two main income sources are net premiums and investment income (see table 16). The former increased slightly by 3 percent and the latter by only 1 percent. The total expenses remained almost the same. Thus, net income (after) taxes rose substantially, i.e., by 35 percent to AFL 7 million.

Table 16: Income statement of the life insurance companies

In AFL million

	1999	2000	2001
1. Net premiums	36.0	44.5	45.9
2. Investment income	18.8	23.3	23.6
3. Other income	0.2	-0.1	0.3
Total income	55.0	67.7	69.8
4. Changes in technical provisions	21.0	23.7	24.3
5. Net claims	13.0	15.3	15.4
6. Commissions	2.9	3.3	2.6
7. Management expenses	5.5	7.9	7.7
8. Extraordinary items	-0.1	0.0	0.0
9. Policyholders' dividends	2.8	3.1	3.2
10. Other expenses	2.3	7.1	6.8
Total expenses	47.4	60.4	60.0
Net income before taxes	7.6	7.3	9.8
11. Taxes	-2.4	1.8	2.4
Net income	10.0	5.5	7.4

The liquidity and profitability ratio remained at the same level, while the coverage ratio increased by 7 percentage points. All life insurance companies complied with the minimum solvency requirements.

Table 17: Financial ratios of the life insurance companies

End-of-period figures

	1999	2000	2001
1. Liquidity ratio <i>Current assets to technical provisions</i>	0.18	0.17	0.17
2. Profitability ratio <i>Investment income to average invested assets</i>	0.08	0.09	0.09
3. Coverage ratio ¹⁾ <i>Weighted assets less borrowings to technical provisions</i>	1.51	1.79	1.86

1) The calculation of the weighted assets cannot be derived from table 17.

3.4 The company pension funds

A survey indicates that, as of December 31, 2002, only 12 percent of the active labor force (excluding the participants of the civil servants pension fund) took part in a pension plan, either through their employers or on an individual basis. This figure implies that the vast majority of the population will rely solely on the general pension fund, the so-called Algemene Ouderdomsvoorziening, when they reach the age of 60. Consequently, the company pension funds are relatively small. Their aggregated balance sheet total amounted to AFL 192 million at the end of 2001 (equivalent to 6 percent of GDP). On the liabilities side, technical provisions increased by 10 percent to AFL 223 million. Due to relatively large losses on investments by some pension funds, capital and reserves declined further and amounted to a negative AFL 35 million (see table 18). This is a rather disquieting situation.

Table 18: Balance sheet of the company pension funds

End-of-period figures in AFL million

	1999	2000	2001
1. Assets			
a. Investments	194.7	195.2	180.5
b. Fixed assets	0.1	0.1	0.0
c. Current assets	15.1	10.2	11.9
Total assets	209.9	205.5	192.4
2. Capital and liabilities			
a. Technical provisions	192.6	202.9	223.2
b. Long-term liabilities	0.5	0.5	0.8
c. Current liabilities	2.4	1.8	3.1
d. Capital and reserves	14.4	0.3	-34.7
Total capital and liabilities	209.9	205.5	192.4

Investments decreased by 8 percent to AFL 181 million, constituting the largest item on the assets side. This decrease was mainly due to the drop in the value of shares and bonds caused by the bearish international financial markets (see table 19). The share of foreign investments in the total investment portfolio amounted to 66 percent (AFL 120 million).

Table 19: Investments of the company pension funds

End-of-period figures in AFL million

	1999	2000	2001
1. Shares	81.9	74.6	68.2
2. Bonds	55.5	64.2	54.3
3. Real estate	6.0	6.0	6.0
4. Time deposits	20.1	20.9	22.0
5. Mortgage loans	15.2	15.5	17.6
6. Other	16.0	14.0	12.4
Total	194.7	195.2	180.5

According to table 20, the two principal income sources are premium income and investment income. In 2001, investment income turned into a negative AFL 5 million, mainly due to losses on securities as a result of the sharp fall in the foreign securities prices. Premium income increased by 22 percent or AFL 4 million. The 43 percent increase in total expenses was largely associated with additions to the technical provisions and higher pension payments. As a consequence, for the second consecutive year the company pension funds incurred a net loss, i.e., AFL 38 million (2000: AFL 14 million).

Table 20: Income statement of the company pension funds

In AFL million

	1999	2000	2001
1. Direct investment income	18.4	7.2	5.5
2. Indirect investment income	1.8	-1.6	-10.5
Net investment income	20.2	5.6	-5.0
3. Premium income	21.1	20.3	24.7
Total income	41.3	25.9	19.7
4. Change in technical provisions	-3.4	10.8	20.7
5. Pension benefits paid	27.7	27.3	33.3
6. Reinsurance net	0.4	0.8	1.1
7. Management expenses	1.2	1.2	2.2
Total expenses	25.9	40.1	57.4
Net result	15.4	-14.2	-37.7

As shown in table 21, the profitability ratio of the company pension funds turned negative in 2001. The coverage ratio, which decreased by nine percentage points, remained just above the minimum requirement of 100 percent. As noted earlier, the profitability and coverage ratios came under increasing pressure, predominantly as a result of the bearish international financial markets. For some company pension funds the coverage ratio has even fallen under the minimum requirement, which is a cause for concern. Therefore, the Bank has required the latter pension funds to submit a financial recovery plan.

Table 21: Financial ratios of the company pension funds

End-of-period figures

	1999	2000	2001
1. Liquidity ratio <i>Current assets to technical provisions</i>	0.08	0.05	0.05
2. Profitability ratio <i>Investment income to average invested assets</i>	0.11	0.03	-0.06
3. Coverage ratio ¹⁾ <i>Investments & cash minus volatility cushion to technical provisions</i>	1.19	1.11	1.02

1) The calculation of the volatility cushion cannot be derived from table 21.

3.5 The civil servants pension fund

At present, the Bank only has an advisory role with regard to the civil servants pension fund (APFA). However, it is the Government's intention to privatize this institution and to bring it under the Bank's supervision. It should be noted, that far-reaching reforms are required with respect to the current unsustainable pension plan in order to safeguard the fund's long-term viability. As a minimum to reach this goal, the pension age should be increased and an AOV-franchise should be built into the pension plan. However, until now, despite the repeated advises from the IMF and the Bank, no decisive action has been taken to implement these recommendations.

It should also be mentioned that as of January 1, 1998, a new actuarial method has been applied to determine the technical provisions. This has led to an approximate AFL 300 million decrease of these provisions as per the latter date, partly compensated by the ensuing loss in claims on the Government. Nonetheless, the financial position of APFA continues to be vulnerable. Telling is that its coverage ratio as of December 31, 2001, is estimated at 86 percent.

Table 22 provides a summary of the figures from the unaudited draft annual reports over the years 1998 to 2000 and the draft data for 2001. The balance sheet total amounted to AFL 986 million at the end of 2001 (equivalent to 29 percent of GDP).

Table 22: Balance sheet of the civil servants pension fund ¹⁾

End-of-period figures in AFL million

	1998	1999	2000	2001
1. Assets				
a. Investments	644.0	752.9	799.7	757.1
b. Fixed assets	96.0	56.7	8.8	-0.5
c. Current assets	90.3	111.1	156.8	229.5
Total assets	830.3	920.7	965.3	986.1
2. Capital and liabilities				
a. Technical provisions	776.1	890.4	970.2	1,047.6
b. Current liabilities	3.3	3.1	3.6	9.3
c. Capital and reserves	50.9	27.2	-8.5	-70.8
Total capital and liabilities	830.3	920.7	965.3	986.1

1) Preliminary figures.

In 2001, investments fell by 5 percent to AFL 757 million, constituting the largest item on the assets side. This was mainly due to a decline in the holding of shares and convertible bonds (see table 23). At the end of December 2001, the share of foreign investments in the total investment portfolio amounted to 45 percent (AFL 339 million).

Table 23: Investments of the civil servants pension fund ¹⁾

End-of-period figures in AFL million

	1998	1999	2000	2001
1. Shares and convertible bonds	129.3	230.0	291.0	236.0
2. Bonds and treasury bills	131.8	131.8	111.9	117.2
3. Real estate	6.4	7.3	8.1	7.8
4. Time deposits	165.2	166.3	162.1	168.8
5. Mortgage loans	38.5	45.4	51.8	62.5
6. Other	172.8	172.1	174.8	164.8
Total	644.0	752.9	799.7	757.1

1) Preliminary figures.

As shown in table 24, APFA incurred an investment loss of AFL 11 million in 2001, mainly due to the losses incurred on its securities resulting from a fall in the foreign securities prices. Premium income increased by 19 percent or AFL 9 million. The net loss over 2001 is estimated at AFL 62 million, which is much bigger than the losses incurred in 1999 and 2000. The positive net result realized in 1998 was incidental and was largely the result of the change in the actuarial method discussed previously.

Table 24: Income statement of the civil servants pension fund ¹⁾

In AFL million

	1998	1999	2000	2001
1. Investment income	101.0	71.2	25.1	-11.0
2. Premium income	26.9	46.1	49.6	58.9
Total income	127.9	117.3	74.7	47.9
3. Change in technical provisions ²⁾	-193.3	114.3	79.8	77.4
4. Pension benefits paid	20.5	22.8	25.4	29.1
5. Management expenses	2.8	3.9	5.2	3.7
6. Extraordinary items ²⁾	247.0	-	-	-
Total expenses	77.0	141.0	110.4	110.2
Net result ³⁾	50.9	-23.7	-35.7	-62.3

1) Preliminary figures.

2) The change in the actuarial method applied as of January 1, 1998 has led in that year to a release of the technical provisions of approximately AFL 300 million and an ensuing extraordinary loss of AFL 247 million, due to lower claims on the Government on account of the equity shortages.

3) In 1998, an AFL 51 million investment reserve was formed. The losses incurred in 1999 and 2000 of AFL 24 million and AFL 36 million, respectively, were brought against this reserve. Consequently, it was fully used up at the end of 2000. Therefore, the loss incurred in 2001 had to be changed against the general reserves.

3.6 Social Security Bank

The Social Security Bank (SVb) is responsible for the execution of the following state ordinances:

- Landsverordening Ziekteverzekering (ZV)
- Landsverordening Ongevallenverzekering (OV)
- Landsverordening Cessantia (Cessantia)
- Landsverordening Algemene Ouderdomsverzekering (AOV)
- Landsverordening Algemene Weduwen- en Wezenverzekering (AWW)

The ZV, OV and Cessantia are employee insurances, while the AOV and AWW are general pension schemes. Furthermore, the SVb is entrusted with the management of the so-called Schommelfonds ZV/OV and Schommelfonds AOV/AWW. As of January 1, 2001 the payment of health insurance claims was transferred from the ZV to the AZV.

At the end of 2001 the aggregated balance sheet total of the SVb, after eliminating the intercompany claims and liabilities, amounted to AFL 207 million (equivalent to 6 percent of GDP). Capital and reserves increased by AFL 17 million or 11 percent to AFL 168 million (see table 25).

Table 25: Aggregated balance sheet of the SVb

End-of-period figures in AFL million

	1999	2000	2001
1. Assets			
a. Investments	54.0	76.3	87.6
b. Fixed assets	35.4	36.7	38.1
c. Current assets	105.4	83.7	80.9
Total assets	194.8	196.7	206.6
2. Capital and liabilities			
a. Current liabilities	43.9	45.3	38.2
b. Capital and reserves	150.9	151.4	168.4
Total capital and liabilities	194.8	196.7	206.6

In 2001 investments increased by 15 percent to AFL 88 million, comprising the largest item on the assets side. This stemmed from an AFL 25 million increase in the holding of time deposits, which was partly off-set by an AFL 154 million decline in the holding of bonds (see table 26). No foreign investments were made in the years under review.

Table 26: Investments of the SVb

End-of-period figures in AFL million

	1999	2000	2001
1. Bonds	38.0	36.3	22.3
2. Time deposits	16.0	40.0	65.3
Total	54.0	76.3	87.6

1) Preliminary figures.

As shown in table 27, the principal income of the SVb is premium revenue, which decreased by 10 percent or AFL 19 million in 2001. This is due to the fact that the premium rates of the ZV were reduced following the introduction of the AZV. Total expenses fell by AFL 36 million or 18 percent, because of a decrease in health claims paid. On balance, a positive result of AFL 19 million was realized, which is notably higher than the AFL 1 million incurred in 2000. Although these figures paint a rather positive picture, it should be noted that due to aggregation, weaknesses in some of the SVb funds have been concealed. Furthermore, their financial position is expected to come under pressure due to the aging of the population. Therefore, increasing the AOV pension age is essential to make the SVb sustainable.

Table 27: Aggregated income statement of the SVb

In AFL million

	1999	2000	2001
1. Premium income	198.2	190.1	171.2
2. Interest income	13.3	11.3	12.8
Total income	211.5	201.4	184.0
3. Claims paid	178.0	188.1	152.1
4. Interest expenses	8.0	4.0	4.1
5. Administrative expenses	9.4	8.8	9.0
Total expenses	195.4	200.9	165.2
Net result	16.1	0.5	18.8

4. Financial institutions under supervision of the Bank as of December 31, 2002

4.1 Banking sector ¹⁾

Commercial banks

Aruba Bank N.V.
 Banco di Caribe N.V., Aruba Branch
 Caribbean Mercantile Bank N.V.
 RBTT Bank Aruba N.V.
 Interbank Aruba N.V.

Offshore banks

Citibank N.A, Aruba Branch
 Inarco International Bank N.V.

Mortgage banks

OHRA Hypotheekbank N.V.
 Fundacion Cas pa Comunidad Arubano

¹⁾ Supervision by virtue of the State Ordinance on the supervision of the credit system (AB 1998 No. 16).

Credit unions

Coöperatieve Spaar- en Kredietvereniging Douane Aruba
Cooperativa di Ahorro y Prestamo Aruba

Finance companies

Island Finance Aruba N.V.

Other financial institutions

Aruban Investment Bank N.V.

4.2 Institutional investors' sector

Company pension funds ²⁾

Lago Annuity Foundation

Stichting Bedrijfspensioenfonds Aruba

Stichting Pensioenfonds Havenwerkers Aruba

Stichting Pensioenfonds Martijn Trading Company N.V.

Stichting Pensioenfonds META Bedrijven Aruba

Stichting Pensioenfonds Tourist Sector Aruba

Stichting Pensioenfonds RBTT Bank Aruba

Stichting Pensioenfonds N.V. Aruba Bank

Stichting Pensioenfonds Caribbean Mercantile Bank

Stichting Fondo di Pensioen di Trahadornan di Empresanan y Fundacionnan Publico

Stichting Pensioenfonds First National Bank of Aruba

Insurance Companies ¹⁾

Life insurance companies operating in Aruba

American Bankers Life Assurance Company of Florida Limited Agency

American Life Insurance Company, Aruba Branch

British-American Insurance Company Limited, Aruba Branch

Capital Life Insurance Company Limited, Aruba Branch

Ennia Caribe Leven N.V., Aruba Branch

Guardian Life of the Caribbean Limited, Aruba Branch

Fatum Life N.V., Aruba Branch

The National Life Assurance Company of Canada, Agency

²⁾ Supervision by virtue of the State Ordinance on company pension funds (AB 1998 GT 17).

¹⁾ Supervision by virtue of the State Ordinance on supervision of the insurance business (AB 2000 no. 82)

Non-life (general) insurance companies operating in Aruba

	Accident & health	Motor vehicle	Maritime, transport & aviation	Fire & other property	Other indemnity
Ennia Caribe Schade N.V., Aruba Branch	X	X	X	X	X
Fatum General Insurance N.V., Aruba Branch	X	X	X	X	X
Netherlands Antilles & Assurance Co. N.V. (NA&A), Agency	X	X	X	X	X
Royal & Sun Alliance (Antilles) N.V., Aruba Branch	X	X	X	X	X
Hannover International Insurance (Nederland) N.V., Agency	X	X	X	X	X
American Home Assurance Co. Ltd., Agency	X	X	X	X	X
The New India Assurance Co. Ltd., Agency	X	X	X	X	X
International Health Insurance Denmark, Agency	X				
Elvia Reisverzekeringen Maatschappij, Agency					X
United Insurance Company Ltd., Agency	X	X	X	X	X
Island Heritage Insurance Co. N.V., Agency				X	
Amedex Worldwide Insurance Services, Agency	X				

Captive insurance companies

1. Bancarib Real Insurance Aruba N.V.
2. MCB Risk Insurance Aruba N.V.

III. Statistical annex

Statistical annex
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TABLE 1.1: GROSS DOMESTIC PRODUCT

	1995	1996	1997	1998	1999	2000	2001	2002
1. GDP at market prices (= A + B + C - D)	2,364	2,470	2,742	2,981	3,087	3,326	3,381	3,357
A. Final consumption	1,665	1,818	2,014	2,155	2,306	2,321	2,551	2,726
1. Household	1,193	1,320	1,367	1,500	1,617	1,659	1,783	1,871
2. Government	472	498	647	655	689	662	768	855
B. Gross capital formation	736	703	829	945	889	839	713	757
1. Private	680	645	758	905	873	792	692	740
2. Public	56	58	71	40	16	47	21	17
C. Exports of goods and services	2,007	2,140	2,263	2,374	2,496	2,489	2,439	2,229
D. Imports of goods and services	2,044	2,191	2,365	2,493	2,605	2,323	2,321	2,356
2. Consumer price index (1995 = 100)	100.0	103.2	106.3	108.3	110.8	115.3	118.6	122.5
3. Real gross domestic product	2,364	2,394	2,580	2,752	2,785	2,886	2,852	2,740
4. GDP growth (in percent)								
A. Nominal	6.0	4.5	11.0	8.7	3.6	7.8	1.7	-0.7
B. Real	2.5	1.3	7.8	6.7	1.2	3.6	-1.2	-3.9
5. Mid-year population	79,805	83,022	86,302	88,452	89,659	90,600	91,852	93,194
6. GDP per capita								
A. In AFL	29,128	29,099	31,259	33,426	34,249	36,523	36,497	35,808
B. In US\$	16,273	16,256	17,463	18,674	19,134	20,404	20,389	20,004
C. Percentage change		-0.1	7.4	6.9	2.5	6.6	-0.1	-1.9

Source: CBS; IMF.

TABLE 1.2: BUSINESS PERCEPTION RESULTS

Survey questionnaire responses

	Improvement		No change		Worsening	
	2002		2002		2002	
	III	IV	III	IV	III	IV
<i>(as a percentage of the total)</i>						
A. Current economic condition	19	29	38	42	42	29
1. The economic conditions in Aruba	17	28	19	39	64	33
2. The activities of your business	25	39	36	28	39	33
3. The investments of your business	19	33	58	47	22	20
4. The number of employees that work for your company	17	17	39	55	44	28
B. Expected short-term economic conditions 1)	24	25	56	56	19	19
1. The economic conditions in Aruba	28	28	50	50	22	22
2. The activities of your business	36	28	50	55	14	17
3. The investments of your business	22	25	61	58	17	17
4. The number of employees that work for your company	11	20	64	58	25	22

1) During the next 6 months.

Perceived developments of employment, profitability, sales, and average wage costs 1)

	Employment		Operational results				Sales		Average wage costs	
			Profits		Losses					
	2002		2002		2002		2002		2002	
	III	IV	III	IV	III	IV	III	IV	III	IV
1. no change	33	50	14	5	6	3	14	9	9	25
2. increase of less than 5.1 percent	14	14	8	23	6	6	25	39	51	36
3. increase between 5.1 and 10.1 percent	3	2	14	9	0	3	11	14	11	17
4. increase of more than 10.1 percent	0	3	3	14	6	3	3	8	3	5
5. decrease of less than 5 percent	33	14	17	3	3	6	25	11	14	11
6. decrease between 5.1 and 10.1 percent	11	14	8	8	0	0	11	11	11	3
7. decrease of more than 10.1 percent	6	3	8	9	8	9	11	8	0	3
Total	100	100	71	71	28	29	100	100	100	100

1) In percentages of all respondents.

Source: CBA

Business Perception indices

	Current	Short-term	Business perception index
2002	98.4	102.4	100.3
2002 II	92.6	100.1	96.0
III	96.3	101.1	98.3
IV	100.1	101.3	100.6

TABLE 1.3: TOURISM

period	Total visitor nights	Total visitors	Visitors by origin							Average nights stayed	Average hotel occupancy rate	Cruise tourism	
			North America	Of which USA	Latin America	Of which Venezuela	Europe	Of which Netherlands	Other			Number of passengers	Ship calls
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1999	5,143,302	683,323	442,833	422,186	155,171	103,601	49,326	32,014	35,993	7.5	77.0	289,052	230
2000	5,247,824	721,224	478,726	458,132	162,474	112,018	47,063	30,575	32,961	7.3	75.9	490,005	331
2001	5,144,594	691,419	467,418	448,492	150,659	109,337	44,961	28,457	28,381	7.4	75.6	487,296	298
2002	4,862,548	642,627	454,261	436,660	117,568	81,665	43,980	27,992	26,818	7.6	71.7	582,195	337
2000 I	1,380,946	179,192	131,850	122,789	29,131	17,703	11,418	7,529	6,793	7.7	81.6	208,820	150
2000 II	1,199,727	175,941	120,421	117,296	36,672	23,998	10,989	7,157	7,859	6.8	71.8	85,535	50
2000 III	1,402,755	196,820	112,711	109,831	61,999	47,076	12,233	7,906	9,877	7.1	76.6	35,349	22
2000 IV	1,264,396	169,271	113,744	108,216	34,672	23,241	12,423	7,983	8,432	7.5	73.7	160,301	109
2001 I	1,371,383	183,572	140,578	131,479	26,476	16,637	10,945	7,112	5,573	7.5	83.6	195,713	125
2001 II	1,269,191	179,632	129,013	126,474	33,031	23,240	10,389	6,497	7,199	7.1	74.9	92,484	50
2001 III	1,343,214	176,294	103,177	100,806	54,021	42,512	10,995	6,803	8,101	7.6	74.5	40,401	25
2001 IV	1,160,806	151,921	94,650	89,733	37,131	26,948	12,632	8,045	7,508	7.6	68.4	158,698	98
2002 I	1,290,244	168,427	123,831	116,167	28,025	19,142	10,987	7,195	5,584	7.7	75.7	215,581	128
2002 II	1,092,113	153,569	113,276	109,964	23,188	14,284	10,791	6,805	6,314	7.1	69.8	125,872	64
2002 III	1,252,437	165,739	105,019	102,562	42,874	32,946	10,215	6,350	7,631	7.6	72.8	67,625	42
2002 IV	1,227,754	154,892	112,135	107,967	23,481	15,293	11,987	7,642	7,289	7.9	71.7	173,117	103

Source: Aruba Tourism Authority; CBS; Aruba Hotel and Tourism Association; Cruise Tourism Authority.

TABLE 1.4: GROWTH IN STAY-OVER TOURISM

		Total visitor nights	Total visitors	North America	Of which USA	Latin America	Of which Venezuela	Europe	Of which Nether- lands	Other
period		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<i>Quarterly percentage changes 1)</i>										
2000	I	4.9	9.0	14.9	15.3	-9.6	-7.6	7.7	10.7	0.4
	II	5.3	8.7	7.6	8.7	21.0	22.5	0.4	-1.2	-9.2
	III	3.4	7.4	11.6	11.6	8.2	10.8	-10.5	-14.1	-12.4
	IV	-5.0	-2.7	-1.3	-1.0	-1.8	3.9	-11.9	-8.9	-9.3
2001	I	-0.7	2.4	6.6	7.1	-9.1	-6.0	-4.1	-5.5	-18.0
	II	5.8	2.1	7.1	7.8	-9.9	-3.2	-5.5	-9.2	-8.4
	III	-4.2	-10.4	-8.5	-8.2	-12.9	-9.7	-10.1	-14.0	-18.0
	IV	-8.2	-10.2	-16.8	-17.1	7.1	16.0	1.7	0.8	-11.0
2002	I	-5.9	-8.3	-11.9	-11.6	5.9	15.1	0.4	1.2	0.2
	II	-14.0	-14.5	-12.2	-13.1	-29.8	-38.5	3.9	4.7	-12.3
	III	-6.8	-6.0	1.8	1.7	-20.6	-22.5	-7.1	-6.7	-5.8
	IV	5.8	2.0	18.5	20.3	-36.8	-43.2	-5.1	-5.0	-2.9
<i>Cumulative percentage changes 2)</i>										
2000	I	4.9	9.0	14.9	15.3	-9.6	-7.6	7.7	10.7	0.4
	II	5.1	8.9	11.3	12.0	5.2	7.6	4.0	4.6	-5.0
	III	4.5	8.4	11.4	11.8	6.6	9.3	-1.6	-2.8	-8.1
	IV	2.0	5.5	8.1	8.5	4.7	8.1	-4.6	-4.5	-8.4
2001	I	-0.7	2.4	6.6	7.1	-9.1	-6.0	-4.1	-5.5	-18.0
	II	2.3	2.3	6.9	7.4	-9.6	-4.4	-4.8	-7.3	-12.8
	III	0.0	-2.3	2.1	2.5	-11.2	-7.2	-6.7	-9.6	-14.9
	IV	-2.0	-4.1	-2.4	-2.1	-7.3	-2.4	-4.5	-6.9	-13.9
2002	I	-5.9	-8.3	-11.9	-11.6	5.9	15.1	0.4	1.2	0.2
	II	-9.8	-11.3	-12.0	-12.3	-13.9	-16.2	2.1	2.9	-6.8
	III	-8.8	-9.6	-8.2	-8.4	-17.1	-19.4	-1.0	-0.3	-6.4
	IV	-5.5	-7.1	-2.8	-2.6	-22.0	-25.3	-2.2	-1.6	-5.5

1) As compared to a year earlier.

2) From the beginning of the year to the end of the indicated period as compared to the corresponding period of a year earlier.

TABLE 1.5: CONSUMER PRICE INDICES

(August 1994 = 100)

(September 2000 = 100)

	Total index	Food	Beverage & tobacco	Clothing & footwear	Housing	House-keeping & furnishing	Health	Transport & communication	Recreation & education	Other
Weights (September 1994 = 100)	10,000	1,625	254	1,134	1,786	1,039	307	2,072	808	975
Weights (September 2000 = 100)	10,000	1,469	219	1,086	2,296	1,002	88	1,967	799	1,074
End of period	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1999	115.8	116.3	111.3	134.0	118.0	117.7	113.1	105.9	117.1	109.9
2000	100.8	100.8	100.0	101.5	101.1	101.4	100.0	100.1	100.5	100.8
2001	103.4	104.9	100.4	111.5	102.5	106.5	100.0	98.2	102.5	103.1
2002	107.7	107.3	106.4	116.4	110.2	109.5	100.0	101.5	105.3	106.2
2000 I	116.9	116.7	111.3	136.0	119.3	118.2	113.2	107.3	118.5	110.7
II	117.9	117.3	111.4	138.5	120.6	119.4	113.2	108.0	119.2	111.7
III	118.9	118.3	111.8	141.4	121.8	119.9	113.3	108.3	120.2	112.7
IV d	100.8	100.8	100.0	101.5	101.1	101.4	100.0	100.1	100.5	100.8
2001 I	101.3	101.6	99.0	104.3	100.9	102.2	100.0	100.1	100.5	101.4
II	102.1	102.5	99.6	106.1	101.3	102.7	100.0	101.0	101.0	101.9
III	102.6	103.4	99.9	108.4	101.4	105.0	100.0	99.9	101.6	102.4
IV	103.4	104.9	100.4	111.5	102.5	106.5	100.0	98.2	102.5	103.1
2002 I	103.6	105.4	100.4	113.0	101.1	106.7	100.0	99.1	102.7	103.3
II	105.5	106.0	100.6	113.9	106.0	107.8	100.0	100.7	104.0	104.5
III	106.7	106.5	103.2	115.6	107.7	108.6	100.0	101.9	104.6	105.3
IV	107.7	107.3	106.4	116.4	110.2	109.5	100.0	101.5	105.3	106.2

Source: CBS.

TABLE 1.6: PERCENTAGE PRICE CHANGES

(August 1994 = 100)

(September 2000 = 100)

End of period	Percentage change				
	All groups index	Over previous month	Over 3 months earlier	Over a year earlier	Last 12 months over previous 12 months
1999	115.8	0.3	1.3	3.7	2.3
2000	100.8	0.3	0.8	3.5	4.0
2001	103.4	0.4	0.8	2.6	2.9
2002	107.7	0.1	0.9	4.2	3.3
2000 I	116.9	0.6	0.9	4.3	2.9
II	117.9	0.3	0.9	4.4	3.5
III	118.9	0.2	0.8	4.0	4.0
IV d	100.8	0.3	0.8	3.5	4.0
2001 I	101.3	0.1	0.5	3.0	3.9
II	102.1	0.2	0.8	3.0	3.6
III	102.6	0.3	0.5	2.6	3.1
IV	103.4	0.4	0.8	2.6	2.9
2002 I	103.6	0.2	0.2	2.3	2.6
II	105.5	0.2	1.8	3.3	2.6
III	106.7	0.6	1.1	4.0	2.9
IV	107.7	0.1	0.9	4.2	3.3

TABLE 1.7: CONSTRUCTION ACTIVITIES

	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Number of construction permits granted	1,693	1,371	1,243	1,185	292	341	458	280	265	327	328	323	286	292	317	290
a. Houses 1)	1,182	871	749	852	209	198	311	153	146	178	208	217	195	203	233	221
b. Apartments	24	35	22	42	8	8	12	7	9	5	4	4	10	12	14	6
c. Office buildings	16	16	12	10	1	7	3	5	3	3	5	1	3	1	2	4
d. Stores and shopping malls 2)	15	18	24	25	0	3	8	7	5	5	11	3	7	8	4	6
e. Others	456	431	435	256	74	125	124	108	102	135	100	98	71	68	64	53
2. Total value of construction permits (x AFL million)	168.4	184.8	198.2	229.4	37.3	40.0	63.1	44.4	30.5	42.6	75.9	49.2	113.4	32.8	46.1	37.1
a. Houses 1)	104.5	91.6	78.6	79.7	19.7	21.3	34.5	16.0	17.2	17.0	23.6	20.8	18.8	16.8	23.6	20.4
b. Apartments	13.8	16.1	4.5	18.1	6.0	4.2	3.7	2.2	1.9	0.8	0.6	1.2	1.5	2.3	12.9	1.4
c. Office buildings	9.6	7.3	11.6	15.4	0.4	3.6	1.0	2.4	0.9	9.4	1.3	0.1	5.9	1.4	0.7	7.5
d. Stores and shopping malls 2)	9.0	26.6	33.7	15.2	0.0	2.5	12.6	11.4	2.7	2.4	12.7	15.9	3.4	7.1	2.9	1.7
e. Others	31.5	43.3	69.7	101.1	11.2	8.3	11.4	12.4	7.9	12.9	37.8	11.2	83.8	5.2	6.0	6.1
3. Total cement imported (x 1,000 Kg)	55,626	41,879	35,277	47,643	11,823	12,031	8,391	9,635	4,937	9,009	11,082	10,249	8,592	9,057	17,663	12,331
4. Number of electrical installations approved	2,483	3,034	2,873	2,628	486	708	916	924	501	674	756	942	427	631	692	878
a. Houses 1)	825	970	722	667	111	243	287	329	99	138	191	294	59	167	176	265
b. Apartments	132	189	197	206	14	31	66	78	20	33	58	86	12	72	45	77
b. Enterprises	135	112	175	151	9	37	31	35	33	32	60	50	15	32	38	66
c. Others	1,391	1,763	1,779	1,604	352	397	532	482	349	471	447	512	341	360	433	470

1) Excluding additions to and remodelling of existing houses.

2) Excluding additions to and remodelling of existing stores and shopping malls.

Source: Department of Public Works; Department of Technical Inspection; CBS.

TABLE 1.8: UTILITIES

	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. a. Water (x1,000 m3) 1)	10,406	10,929	11,353	11,374	2,604	2,938	2,700	2,687	2,831	2,923	2,880	2,718	2,776	2,875	2,999	2,722
b. Connected premises	29,211	30,225	31,218	31,952	29,386	29,682	29,951	30,225	30,409	30,657	30,958	31,218	31,412	31,527	31,800	31,952
2. a. Electricity (x 1,000 KWH)	614,931	644,348	673,611	692,813	144,507	158,585	172,196	169,060	151,513	166,433	178,640	177,026	160,454	173,183	181,324	177,852
b. Connections	35,496	36,448	37,404	38,051	35,668	35,775	36,016	36,448	36,575	36,749	37,058	37,404	37,435	37,541	37,720	38,051
c. Number of users	30,971	32,062	33,147	33,909	31,199	31,346	31,700	32,062	32,281	32,457	32,763	33,147	33,202	33,340	33,597	33,909
3. a. Gas (x 1,000 pounds)	16,345	17,162	17,629	17,795	4,135	4,150	4,228	4,649	4,270	4,374	4,314	4,671	4,128	4,368	4,380	4,919
b. Household	7,215	7,354	7,206	7,337	1,673	1,797	1,760	2,124	1,644	1,764	1,699	2,099	1,603	1,787	1,779	2,168
c. Commercial	9,130	9,808	10,422	10,458	2,462	2,353	2,468	2,525	2,626	2,610	2,614	2,572	2,525	2,581	2,601	2,751
4. Utilities index 2)	115.2	121.0	126.1	128.4	111.5	123.2	125.4	124.5	118.5	126.5	131.1	128.5	121.1	128.7	134.4	129.6

1) Sale of water, excluding to Coastal Aruba N.V. and vessels.

2) For annual data, base: 1996 = 100

For quarterly data, base: quarterly average 1996 = 100

Source: WEB Aruba N.V.; N.V. ELMAR; Arugas N.V.

TABLE 1.9: MERCHANDISE FOREIGN TRADE BY COUNTRY

	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Export of goods (f.o.b.)	52.3	48.3	51.7	62.4	11.5	15.4	14.0	7.4	7.9	12.5	15.9	15.4	13.8	15.0	20.6	12.9
a. United States	24.0	14.5	13.4	25.3	4.6	4.3	4.1	1.5	2.3	3.3	4.0	3.8	4.6	4.3	9.8	6.6
b. Colombia	10.6	12.5	7.0	5.0	4.4	4.7	1.9	1.5	1.4	1.7	1.5	2.5	1.8	1.6	1.0	0.6
c. The Netherlands	6.3	6.1	7.5	6.3	0.4	2.0	3.2	0.5	0.9	2.0	3.8	0.9	0.5	1.8	2.9	1.2
d. Netherlands Antilles	4.4	5.2	10.2	9.2	0.9	1.1	1.8	1.4	1.4	3.2	2.5	3.1	1.9	2.4	2.8	2.1
e. Venezuela	3.8	6.2	11.0	12.4	0.7	1.5	1.9	2.0	1.5	1.4	3.5	4.6	3.6	4.1	3.2	1.6
f. Other countries	3.2	3.9	2.6	4.2	0.4	1.7	1.1	0.6	0.4	0.9	0.7	0.5	1.5	0.8	0.9	1.0
2. Import of goods (c.i.f.)	1,400.8	1,292.2	1,319.2	1,361.7	312.1	304.5	328.5	347.0	290.8	294.0	345.5	389.0	304.3	307.9	352.0	397.5
a. United States	926.2	783.3	816.9	822.5	200.9	187.5	187.7	207.1	182.5	180.3	216.0	238.2	185.2	186.1	219.4	231.8
b. The Netherlands	155.6	161.4	153.0	172.5	32.8	34.7	50.8	43.1	37.7	33.8	40.0	41.5	39.3	38.2	50.0	45.0
c. Netherlands Antilles	39.8	51.0	48.1	44.7	10.3	12.5	13.2	14.9	11.5	11.3	11.3	14.0	9.5	11.3	11.8	12.1
d. Venezuela	42.0	47.3	40.8	41.0	10.2	11.7	13.0	12.4	9.2	10.0	10.8	10.9	8.5	10.3	12.5	9.7
e. Japan	35.9	40.1	28.5	35.5	10.6	10.0	10.0	9.5	6.3	7.4	3.7	11.1	7.4	7.5	8.8	11.8
f. Other countries	201.4	209.1	231.8	245.3	47.2	48.1	53.8	60.0	43.5	51.2	63.7	73.4	54.4	54.4	49.5	87.0
3. Trade balance	-1,348.5	-1,243.8	-1,267.5	-1,299.3	-300.6	-289.1	-314.5	-339.7	-282.9	-281.5	-329.5	-373.6	-290.5	-292.9	-331.4	-384.5

Source: CBS.

TABLE 1.10: MERCHANDISE FOREIGN TRADE BY PRODUCT CATEGORY

	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Export of goods (f.o.b.)	52.3	48.3	51.7	62.4	11.5	15.4	14.0	7.4	7.9	12.5	15.9	15.4	13.8	15.0	20.6	12.9
a. Live animals and other animal products	13.9	18.5	17.8	18.1	4.8	6.5	3.9	3.2	2.7	3.0	5.5	6.6	5.3	6.8	4.0	2.0
b. Transport equipment	4.0	2.2	3.0	3.2	0.4	0.7	0.7	0.4	0.4	1.0	1.1	0.5	0.6	0.9	0.8	0.9
c. Art objects and collectors' items	7.1	8.2	9.5	8.5	1.2	2.2	3.7	1.1	1.6	2.6	4.0	1.3	0.9	2.9	3.8	0.9
d. Machinery and electrotechnical equipment	5.4	4.0	4.0	11.1	0.9	1.3	1.1	0.7	0.6	0.2	0.7	2.5	1.5	0.9	7.3	1.4
e. Other goods	21.9	15.5	17.4	21.4	4.2	4.7	4.4	2.1	2.6	5.6	4.7	4.5	5.5	3.5	4.7	7.7
2. Import of goods (c.i.f.)	1,400.8	1,292.2	1,319.2	1,361.7	312.1	304.5	328.5	347.0	290.8	294.0	345.5	389.0	304.3	307.9	352.0	397.5
a. Live animals and other animal products	90.7	99.9	100.7	90.8	24.3	25.6	25.6	24.4	22.1	24.6	29.5	24.5	25.6	20.6	22.2	22.4
b. Food products	137.7	141.7	145.3	146.8	33.2	34.9	35.4	38.2	34.7	35.5	33.9	41.2	34.1	36.1	38.1	38.5
c. Chemical products	137.9	162.0	158.3	163.4	43.6	38.2	41.8	38.4	35.3	35.9	40.5	46.6	40.1	44.0	40.7	38.6
d. Base metals and derivated works	154.4	90.7	107.7	102.1	23.8	20.1	24.6	22.2	18.3	24.5	31.9	33.0	15.8	21.5	39.1	25.7
e. Machinery and electrotechnical equipment	287.0	189.2	233.0	249.7	47.6	45.4	51.7	44.4	42.0	40.0	75.9	75.1	48.9	48.6	69.8	82.4
f. Transport equipment	109.2	117.5	102.9	119.2	27.9	27.4	31.3	30.8	22.8	24.2	24.8	31.2	26.4	27.2	28.8	36.8
g. Other goods	483.9	491.2	471.4	489.8	111.6	112.8	118.1	148.6	115.6	109.2	109.1	137.5	113.4	109.9	113.4	153.0
3. Trade balance	-1,348.5	-1,243.8	-1,267.5	-1,299.3	-300.6	-289.1	-314.5	-339.7	-282.9	-281.5	-329.5	-373.6	-290.5	-292.9	-331.4	-384.5

Source: CBS.

TABLE 1.11: OIL REFINING

	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Export of oil (x AFL million)	2,192	2,331	2,980	1,990	445	546	557	783	962	975	644	398	581	443	421	545
2. Import of crude (x AFL million)	2,092	1,922	2,030	1,789	277	550	534	561	812	401	442	374	675	206	397	510
3. Quantity of oil refined (x 1,000 barrels)	73,713	83,553	64,327	52,383	16,808	21,569	21,876	23,300	22,242	12,933	15,630	13,522	19,178	11,163	10,662	11,380
4. Number of employees (at end of period) 1)	520	564	597	672	568	577	571	564	564	564	564	597	574	621	638	672

1) Excluding persons employed with contractors.

Source: Coastal Aruba Refining Co. N.V.

TABLE 2.1: MONETARY SURVEY

End of period	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
I. Net domestic assets	1,121.9	1,207.9	1,180.5	1,333.8	1,162.6	1,185.9	1,217.9	1,207.9	1,190.5	1,205.5	1,179.6	1,180.5	1,201.1	1,245.4	1,277.6	1,333.8
A) Domestic credit	1,394.6	1,512.1	1,543.9	1,701.9	1,460.2	1,494.8	1,519.4	1,512.1	1,523.2	1,563.0	1,545.3	1,543.9	1,579.0	1,609.1	1,651.4	1,701.9
1) Net claims on public sector	12.4	-1.1	-25.7	-61.9	14.1	2.3	3.5	-1.1	0.8	23.3	-0.4	-25.7	5.9	-1.3	-2.0	-61.9
a) Gross claims	75.9	65.8	77.6	81.4	75.9	85.2	68.5	65.8	68.5	94.9	72.4	77.6	77.7	77.7	82.8	81.4
b) Government's deposits	-54.2	-44.3	-72.0	-72.4	-52.4	-53.6	-42.6	-44.3	-38.9	-40.5	-41.6	-72.0	-46.1	-50.3	-56.4	-72.4
c) Development funds	-9.4	-22.6	-31.3	-71.0	-9.4	-29.3	-22.4	-22.6	-28.8	-31.1	-31.2	-31.3	-25.6	-28.7	-28.3	-71.0
2) Claims on private sector	1,382.2	1,513.2	1,569.6	1,763.9	1,446.1	1,492.5	1,515.9	1,513.2	1,522.4	1,539.7	1,545.6	1,569.6	1,573.1	1,610.4	1,653.4	1,763.9
a) Enterprises	670.0	730.0	739.9	836.2	719.3	735.4	741.0	730.0	736.6	737.6	728.2	739.9	731.2	757.7	778.6	836.2
b) Individuals	686.1	757.8	811.5	900.4	700.8	731.0	749.6	757.8	763.7	779.4	797.8	811.5	823.7	833.2	855.2	900.4
1) Consumer credit	335.6	357.3	366.7	409.3	340.3	351.6	354.7	357.3	355.9	358.8	365.7	366.7	371.9	374.4	384.9	409.3
2) Housing mortgages	350.4	400.5	444.8	491.2	360.5	379.4	394.9	400.5	407.9	420.5	432.1	444.8	451.8	458.9	470.3	491.2
c) Other	26.1	25.4	18.2	27.2	26.0	26.1	25.2	25.4	22.1	22.7	19.6	18.2	18.2	19.5	19.6	27.2
B) Other items, net	-272.7	-304.3	-363.4	-368.1	-297.6	-308.9	-301.5	-304.3	-332.7	-357.6	-365.7	-363.4	-378.0	-363.7	-373.9	-368.1
II. Net foreign assets	577.2	530.4	660.1	699.8	605.4	591.0	558.9	530.4	620.8	589.1	660.0	660.1	738.5	704.9	702.7	699.8
A) Centrale Bank van Aruba	418.2	391.4	539.5	612.2	412.0	425.8	418.8	391.4	428.1	470.3	509.5	539.5	587.8	577.5	546.2	612.2
B) Commercial banks	158.9	139.0	120.5	87.6	193.4	165.2	140.2	139.0	192.7	118.9	150.5	120.5	150.7	127.4	156.5	87.6
III. Broad money	1,699.1	1,738.3	1,840.6	2,033.6	1,768.0	1,776.9	1,776.9	1,738.3	1,811.3	1,794.6	1,839.6	1,840.6	1,939.6	1,950.2	1,980.3	2,033.6
A) Money	590.4	596.3	701.0	844.5	591.1	629.7	606.8	596.3	626.2	612.2	649.2	701.0	740.2	770.8	774.6	844.5
B) Quasi-money	1,108.7	1,142.0	1,139.6	1,189.1	1,176.9	1,147.2	1,170.1	1,142.0	1,185.1	1,182.4	1,190.4	1,139.6	1,199.4	1,179.4	1,205.7	1,189.1

TABLE 2.2: COMPONENTS OF BROAD MONEY

End of period	Currency			Demand deposits			Money	Other deposits		Trea- sury bills	Quasi- money	Broad money
	Issued	At banks	Outside banks	AFL	Foreign currency	Total		Savings	Time			
	(1)	(2)	(3= 1-2)	(4)	(5)	(6= 4+5)		(7= 3+6)	(8)			
1999	146.3	24.0	122.4	398.0	70.1	468.1	590.4	391.6	715.6	1.5	1,108.7	1,699.1
2000	151.0	29.7	121.3	406.3	68.7	474.9	596.3	404.6	729.0	8.4	1,142.0	1,738.3
2001	156.6	30.7	125.9	481.1	94.0	575.1	701.0	410.7	728.4	0.5	1,139.6	1,840.6
2002	163.0	35.1	127.8	612.5	104.2	716.6	844.5	417.3	771.8	0.0	1,189.1	2,033.6
2000 I	139.3	24.1	115.2	401.2	74.6	475.8	591.1	403.4	760.0	13.5	1,176.9	1,768.0
II	144.7	23.9	120.8	443.3	65.6	509.0	629.7	410.8	726.4	10.0	1,147.2	1,776.9
III	140.3	23.6	116.8	420.0	70.0	490.0	606.8	403.3	763.8	3.0	1,170.1	1,776.9
IV	151.0	29.7	121.3	406.3	68.7	474.9	596.3	404.6	729.0	8.4	1,142.0	1,738.3
2001 I	140.1	24.0	116.1	424.7	85.4	510.1	626.2	412.6	767.5	5.0	1,185.1	1,811.3
II	143.9	22.8	121.1	417.0	74.2	491.2	612.2	418.9	751.4	12.0	1,182.4	1,794.6
III	143.4	24.4	119.0	441.2	89.0	530.2	649.2	422.5	767.8	0.2	1,190.4	1,839.6
IV	156.6	30.7	125.9	481.1	94.0	575.1	701.0	410.7	728.4	0.5	1,139.6	1,840.6
2002 I	141.0	24.6	116.5	519.7	104.1	623.7	740.2	422.1	777.1	0.2	1,199.4	1,939.6
II	146.7	24.3	122.4	555.7	92.7	648.4	770.8	399.8	771.3	8.3	1,179.4	1,950.2
III	141.8	24.4	117.3	571.4	85.9	657.3	774.6	409.7	795.9	0.1	1,205.7	1,980.3
IV	163.0	35.1	127.8	612.5	104.2	716.6	844.5	417.3	771.8	0.0	1,189.1	2,033.6

TABLE 2.3: CAUSES OF CHANGES IN BROAD MONEY

During period	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
I. Net domestic money creation	141.0	86.0	-27.4	153.3	40.7	23.3	32.0	-10.0	-17.3	14.9	-25.9	0.9	20.6	44.3	32.2	56.2
A) Domestic credit	150.5	117.6	31.8	158.0	65.6	34.6	24.6	-7.3	11.1	39.8	-17.8	-1.4	35.2	30.1	42.3	50.5
1) Net claims on public sector	21.3	-13.4	-24.7	-36.2	1.7	-11.7	1.2	-4.6	1.9	22.5	-23.7	-25.4	31.7	-7.3	-0.7	-59.9
a) Recourse to monetary system	8.0	-10.1	11.8	3.9	0.0	9.2	-16.7	-2.7	2.7	26.4	-22.5	5.2	0.1	0.0	5.1	-1.3
b) Drawing down of bank balances	13.3	-3.3	-36.4	-40.1	1.7	-21.0	17.9	-1.9	-0.8	-3.9	-1.2	-30.5	31.6	-7.3	-5.7	-58.6
1) Government's deposits	12.8	9.9	-27.7	-0.3	1.8	-1.1	10.9	-1.7	5.4	-1.6	-1.1	-30.5	25.9	-4.2	-6.1	-15.9
2) Development funds	0.5	-13.2	-8.7	-39.7	-0.1	-19.9	6.9	-0.2	-6.3	-2.2	-0.1	-0.1	5.7	-3.1	0.4	-42.7
2) Claims on private sector	129.2	131.0	56.4	194.2	63.9	46.4	23.4	-2.7	9.2	17.3	5.9	24.0	3.5	37.3	43.0	110.4
a) Enterprises	33.8	60.0	9.9	96.3	49.3	16.1	5.6	-11.1	6.6	1.1	-9.5	11.7	-8.7	26.5	20.9	57.6
b) Individuals	97.4	71.8	53.7	88.9	14.7	30.2	18.6	8.2	5.9	15.6	18.5	13.7	12.2	9.5	22.0	45.2
1) Consumer credit	47.7	21.7	9.4	42.6	4.6	11.4	3.1	2.6	-1.4	3.0	6.9	1.0	5.2	2.4	10.5	24.4
2) Housing mortgages	49.7	50.1	44.2	46.4	10.1	18.9	15.6	5.6	7.3	12.7	11.5	12.7	7.0	7.1	11.4	20.8
c) Other	-1.9	-0.7	-7.2	9.0	-0.1	0.1	-0.8	0.2	-3.3	0.6	-3.1	-1.4	-0.1	1.3	0.1	7.6
B) Other domestic factors	-9.5	-31.6	-59.1	-4.8	-24.9	-11.3	7.4	-2.7	-28.4	-24.9	-8.1	2.3	-14.6	14.2	-10.1	5.7
II. Inflow of foreign funds	19.2	-46.8	129.7	39.7	28.2	-14.4	-32.0	-28.6	90.4	-31.6	70.9	0.0	78.4	-33.6	-2.2	-2.9
III. Broad money	160.3	39.2	102.3	193.0	68.9	9.0	-0.1	-38.6	73.0	-16.7	45.0	1.0	99.0	10.7	30.0	53.3
1) Money	43.4	5.8	104.7	143.5	0.7	38.7	-23.0	-10.5	30.0	-14.0	37.0	51.8	39.2	30.6	3.7	69.9
2) Quasi-money	116.9	33.3	-2.4	49.5	68.2	-29.7	22.9	-28.1	43.1	-2.7	8.0	-50.8	59.8	-20.0	26.3	-16.6

TABLE 2.4: FOREIGN ASSETS

End of period	Centrale Bank van Aruba				Commercial banks			Total	Revaluation differences	Total excl. (9)	Broad money	Import of goods (excl. oil) during a 12-month period	Percentages		
	Gold	Other assets	Liabilities	Net	Assets	Liabilities	Net						Broad money coverage	Import coverage	
	(1)	(2)	(3)	(4= 1+2-3)	(5)	(6)	(7= 5-6)	(8= 4+7)	(9)	(10= 8-9)	(11)	(12)	(13= 10:11)	(14= 8:12)	
1999	41.0	399.3	0.1	440.2	501.1	342.2	158.9	599.1	22.0	577.2	1,699.1	1,350.0	34.0	44.4	
2000	41.0	381.2	2.3	419.8	530.8	391.8	139.0	558.9	28.5	530.4	1,738.3	1,271.0	30.5	44.0	
2001	55.0	525.7	2.6	578.2	524.0	403.5	120.5	698.7	38.7	660.1	1,840.6	1,220.9	35.9	57.2	
2002	68.2	608.1	7.7	668.7	538.3	450.7	87.6	756.3	56.5	699.8	2,033.6	1,257.9	34.4	60.1	
2000	I	41.0	395.0	1.1	434.9	543.0	349.7	193.4	628.2	22.8	605.4	1,768.0	1,314.1	34.2	47.8
	II	41.0	408.6	0.1	449.5	518.1	352.9	165.2	614.7	23.7	591.0	1,776.9	1,278.7	33.3	48.1
	III	41.0	404.2	3.1	442.1	516.3	376.2	140.2	582.3	23.3	558.9	1,776.9	1,291.0	31.5	45.1
	IV	41.0	381.2	2.3	419.8	530.8	391.8	139.0	558.9	28.5	530.4	1,738.3	1,271.0	30.5	44.0
2001	I	41.0	416.8	0.9	456.9	556.2	363.5	192.7	649.6	28.8	620.8	1,811.3	1,247.2	34.3	52.1
	II	41.0	461.5	7.2	495.3	518.3	399.5	118.9	614.2	25.0	589.1	1,794.6	1,259.2	32.8	48.8
	III	41.0	506.4	10.8	536.7	505.4	354.9	150.5	687.2	27.1	660.0	1,839.6	1,232.9	35.9	55.7
	IV	55.0	525.7	2.6	578.2	524.0	403.5	120.5	698.7	38.7	660.1	1,840.6	1,220.9	35.9	57.2
2002	I	60.0	571.3	1.3	630.1	479.4	328.8	150.7	780.7	42.2	738.5	1,939.6	1,216.8	38.1	64.2
	II	63.4	560.5	0.1	623.8	465.5	338.1	127.4	751.2	46.3	704.9	1,950.2	1,206.6	36.1	62.3
	III	64.4	542.9	6.3	601.0	504.1	347.6	156.5	757.4	54.8	702.7	1,980.3	1,195.4	35.5	63.4
	IV	68.2	608.1	7.7	668.7	538.3	450.7	87.6	756.3	56.5	699.8	2,033.6	1,257.9	34.4	60.1

TABLE 3.1: CONSOLIDATED BALANCE SHEET OF THE MONEY-CREATING INSTITUTIONS

End of period	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
ASSETS																
1. Claims on money-creating institution	298.2	241.9	333.0	408.7	271.5	267.6	285.2	241.9	258.6	289.2	330.1	333.0	442.5	432.5	420.7	408.7
a) Monetary authorities	261.9	213.2	293.4	362.0	244.8	238.7	258.0	213.2	239.8	274.6	318.5	293.4	393.5	392.1	379.6	362.0
b) Commercial banks	36.3	28.8	39.5	46.7	26.7	28.9	27.1	28.8	18.8	14.6	11.6	39.5	48.9	40.4	41.1	46.7
2. Claims on the public sector	75.9	65.8	77.6	81.4	75.9	85.2	68.5	65.8	68.5	94.9	72.4	77.6	77.7	77.7	82.8	81.4
a) Short-term	65.2	56.1	64.1	65.3	66.3	74.3	58.2	56.1	58.8	85.2	63.7	64.1	64.2	64.2	66.6	65.3
b) Long-term	10.7	9.7	13.4	16.1	9.6	10.9	10.3	9.7	9.7	9.7	8.7	13.4	13.4	13.4	16.1	16.1
3. Claims on the private sector	1,382.2	1,513.2	1,569.6	1,763.9	1,446.1	1,492.5	1,515.9	1,513.2	1,522.4	1,539.7	1,545.6	1,569.6	1,573.1	1,610.4	1,653.4	1,763.9
a) Enterprises	670.0	730.0	739.9	836.2	719.3	735.4	741.0	730.0	736.6	737.6	728.2	739.9	731.2	757.7	778.6	836.2
b) Individuals	686.1	757.8	811.5	900.4	700.8	731.0	749.6	757.8	763.7	779.4	797.8	811.5	823.7	833.2	855.2	900.4
1) Consumer credit	335.6	357.3	366.7	409.3	340.3	351.6	354.7	357.3	355.9	358.8	365.7	366.7	371.9	374.4	384.9	409.3
2) Housing mortgages	350.4	400.5	444.8	491.2	360.5	379.4	394.9	400.5	407.9	420.5	432.1	444.8	451.8	458.9	470.3	491.2
c) Capital market investmen	11.8	11.9	6.0	6.1	11.7	11.9	11.8	11.9	9.2	9.1	6.0	6.0	6.1	6.0	6.1	6.1
d) Other	14.3	13.5	12.2	21.1	14.3	14.2	13.4	13.5	13.0	13.7	13.6	12.2	12.1	13.5	13.5	21.1
4. Foreign assets	941.4	953.0	1,104.8	1,214.6	979.0	967.7	961.5	953.0	1,014.0	1,020.8	1,052.8	1,104.8	1,110.7	1,089.4	1,111.4	1,214.6
a) Gold	41.0	41.0	55.0	68.2	41.0	41.0	41.0	41.0	41.0	41.0	41.0	55.0	60.0	63.4	64.4	68.2
b) Short-term	398.0	414.2	475.2	491.3	420.3	402.7	401.3	414.2	470.2	433.2	429.0	475.2	499.0	439.9	437.3	491.3
c) Long-term	502.5	497.8	574.5	655.1	517.7	524.0	519.3	497.8	502.8	546.6	582.8	574.5	551.8	586.1	609.6	655.1
5. Other domestic assets	-60.4	-44.0	-65.0	-63.3	-50.6	-54.1	-25.0	-44.0	-40.2	-57.1	-67.1	-65.0	-62.5	-63.7	-63.3	-63.3
6. Total assets	2,637.3	2,729.8	3,020.0	3,405.3	2,722.0	2,758.9	2,806.2	2,729.8	2,823.3	2,887.5	2,933.8	3,020.0	3,141.5	3,146.3	3,205.0	3,405.3

TABLE 3.1: CONSOLIDATED BALANCE SHEET OF THE MONEY-CREATING INSTITUTIONS

(continued)

End of period	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
LIABILITIES																
7. Broad money	1,699.1	1,738.3	1,840.6	2,033.6	1,768.0	1,776.9	1,776.9	1,738.3	1,811.3	1,794.6	1,839.6	1,840.6	1,939.6	1,950.2	1,980.3	2,033.6
a) Money	590.4	596.3	701.0	844.5	591.1	629.7	606.8	596.3	626.2	612.2	649.2	701.0	740.2	770.8	774.6	844.5
b) Quasi-money	1,108.7	1,142.0	1,139.6	1,189.1	1,176.9	1,147.2	1,170.1	1,142.0	1,185.1	1,182.4	1,190.4	1,139.6	1,199.4	1,179.4	1,205.7	1,189.1
8. Money-creating institutions	271.6	229.8	303.8	376.5	262.8	253.4	275.2	229.8	263.3	290.4	331.4	303.8	413.8	393.1	390.0	376.5
a) Monetary authorities	245.6	202.7	295.5	358.3	236.0	224.6	253.0	202.7	239.3	267.0	323.5	295.5	400.3	375.6	375.8	358.3
b) Commercial banks	26.0	27.1	8.2	18.2	26.8	28.8	22.2	27.1	24.0	23.3	7.8	8.2	13.5	17.6	14.3	18.2
9. Public sector deposits	63.6	66.9	103.3	143.4	61.9	82.8	65.0	66.9	67.7	71.6	72.8	103.3	71.7	79.0	84.7	143.4
a) Government	54.2	44.3	72.0	72.4	52.4	53.6	42.6	44.3	38.9	40.5	41.6	72.0	46.1	50.3	56.4	72.4
b) Development funds	9.4	22.6	31.3	71.0	9.4	29.3	22.4	22.6	28.8	31.1	31.2	31.3	25.6	28.7	28.3	71.0
10. Long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
a) Government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
b) Private sector	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11. Subordinated debt	11.3	13.8	14.1	9.1	11.3	11.3	13.8	13.8	13.8	13.8	14.1	14.1	14.1	9.1	9.1	9.1
12. Capital and reserves	125.9	141.7	194.5	190.8	142.0	146.4	145.6	141.7	155.0	157.7	155.4	194.5	203.6	206.7	206.7	190.8
13. Foreign liabilities	342.3	394.1	406.1	458.4	350.8	353.0	379.3	394.1	364.4	406.6	365.6	406.1	330.0	338.2	353.9	458.4
a) Short-term	310.5	367.8	356.8	387.8	317.5	325.5	351.5	367.8	328.6	374.4	324.7	356.8	270.2	263.2	279.5	387.8
b) Long-term	31.8	26.2	49.3	70.6	33.2	27.5	27.8	26.2	35.9	32.2	40.9	49.3	59.8	75.0	74.4	70.6
14. Revaluation differences	22.0	28.5	38.7	56.5	22.8	23.7	23.3	28.5	28.8	25.0	27.1	38.7	42.2	46.3	54.8	56.5
15. Other domestic liabilities	101.5	116.9	119.0	137.1	102.4	111.3	127.0	116.9	118.9	127.7	127.7	119.0	126.3	123.5	125.4	137.1
16. Total liabilities	2,637.3	2,729.8	3,020.0	3,405.3	2,722.0	2,758.9	2,806.2	2,729.8	2,823.3	2,887.5	2,933.8	3,020.0	3,141.5	3,146.3	3,205.0	3,405.3

TABLE 3.2: DETAILED BALANCE SHEET OF THE CENTRALE BANK VAN ARUBA

End of period	Domestic assets		Total domestic assets	Foreign assets				Total foreign assets	Total assets
	Government	Other		Gold and claims in gold	Claims on				
	(1)	(2)	(3)		(4)	Banks	Governments	Other	(7)
1999	0.0	14.2	14.2	41.0	45.5	0.0	353.8	440.3	454.5
2000	0.0	13.4	13.4	41.0	31.4	0.0	349.8	422.2	435.6
2001	0.0	18.6	18.6	55.0	60.7	0.0	465.0	580.8	599.3
2002	0.0	29.4	29.4	68.2	40.3	0.0	567.8	676.3	705.8
2000 I	0.0	14.5	14.5	41.0	23.1	0.0	371.9	436.0	450.5
II	0.0	13.5	13.5	41.0	32.0	0.0	376.6	449.6	463.1
III	0.0	15.0	15.0	41.0	39.3	0.0	364.9	445.2	460.2
IV	0.0	13.4	13.4	41.0	31.4	0.0	349.8	422.2	435.6
2001 I	0.0	14.2	14.2	41.0	60.5	0.0	356.3	457.8	472.0
II	0.0	19.5	19.5	41.0	60.2	0.0	401.3	502.5	522.0
III	0.0	18.3	18.3	41.0	70.7	0.0	435.8	547.4	565.7
IV	0.0	18.6	18.6	55.0	60.7	0.0	465.0	580.8	599.3
2002 I	0.0	21.1	21.1	60.0	99.1	0.0	472.2	631.3	652.4
II	0.0	25.2	25.2	63.4	53.2	0.0	507.3	623.9	649.1
III	0.0	28.0	28.0	64.4	17.7	0.0	525.2	607.3	635.4
IV	0.0	29.4	29.4	68.2	40.3	0.0	567.8	676.3	705.8

TABLE 3.2: DETAILED BALANCE SHEET OF THE CENTRALE BANK VAN ARUBA
(continued)

End of period	Domestic liabilities										Total domestic liabilities	Total foreign liabilities	Revaluation of gold and foreign exchange holdings	Total liabilities
	Capital and reserves	Bank notes issued	Government	Development funds	Official entities	Commercial banks deposits		Other fin.inst. deposits	Private sector deposits	Other deposits				
						Demand	Time							
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)
1999	44.0	133.3	46.3	9.4	3.2	42.8	140.3	0.0	5.4	7.7	432.4	0.1	22.0	454.5
2000	52.1	137.1	35.3	22.6	1.3	25.5	118.5	0.0	2.7	9.7	404.8	2.3	28.5	435.6
2001	64.3	141.8	65.7	31.3	2.5	60.9	156.5	0.0	19.4	15.8	558.1	2.6	38.7	599.3
2002	64.3	147.4	64.3	47.9	3.4	80.1	195.1	0.0	8.5	30.7	641.7	7.7	56.5	705.8
2000 I	44.0	126.1	46.6	9.4	4.3	25.5	159.9	0.0	4.3	6.5	426.5	1.1	22.8	450.5
II	44.0	131.4	46.9	29.3	3.3	16.7	154.0	0.0	3.9	9.8	439.3	0.1	23.7	463.1
III	44.0	126.9	37.8	11.5	3.7	38.8	153.6	0.0	1.8	15.7	433.8	3.1	23.3	460.2
IV	52.1	137.1	35.3	22.6	1.3	25.5	118.5	0.0	2.7	9.7	404.8	2.3	28.5	435.6
2001 I	52.1	126.0	35.4	28.8	2.0	21.6	158.7	0.0	2.1	15.5	442.3	0.9	28.8	472.0
II	52.1	129.6	36.7	31.1	1.8	35.7	180.5	6.7	0.0	15.6	489.8	7.2	25.0	522.0
III	52.1	129.0	36.4	31.2	3.0	53.0	198.3	0.0	5.4	19.4	527.8	10.8	27.1	565.7
IV	64.3	141.8	65.7	31.3	2.5	60.9	156.5	0.0	19.4	15.8	558.1	2.6	38.7	599.3
2002 I	64.3	126.2	42.5	25.6	3.0	53.8	274.2	0.0	4.0	15.4	608.9	1.3	42.2	652.4
II	64.3	131.7	44.4	28.7	2.2	103.1	208.5	0.0	8.1	11.7	602.7	0.1	46.3	649.1
III	64.3	126.8	39.7	11.3	1.6	92.9	210.5	0.0	8.1	19.0	574.3	6.3	54.8	635.4
IV	64.3	147.4	64.3	47.9	3.4	80.1	195.1	0.0	8.5	30.7	641.7	7.7	56.5	705.8

TABLE 3.3: BANK NOTES ISSUED

End of period	Denominations: number (x 1,000)						Total number of notes issued
	5	10	25	50	100	500	
	(1)	(2)	(3)	(4)	(5)	(6)	
1999	251	479	445	176	970	21	2,342
2000	250	494	450	182	1,013	18	2,409
2001	182	496	489	191	1,050	18	2,426
2002	181	475	459	262	1,082	18	2,477
2000 I	251	447	416	165	929	18	2,225
II	250	454	439	163	964	20	2,290
III	251	459	416	157	929	20	2,231
IV	250	494	450	182	1,013	18	2,409
2001 I	250	453	428	162	918	19	2,231
II	249	462	424	162	955	19	2,271
III	249	471	455	164	940	19	2,298
IV	182	496	489	191	1,050	18	2,426
2002 I	182	459	432	168	925	18	2,184
II	182	465	473	173	965	18	2,276
III	181	460	408	216	912	18	2,195
IV	181	475	459	262	1,082	18	2,477

End of period	Denominations: value (AFL million)						Total value of notes issued
	5	10	25	50	100	500	
	(1)	(2)	(3)	(4)	(5)	(6)	
1999	1.3	4.8	11.1	8.8	97.0	10.4	133.3
2000	1.3	4.9	11.3	9.1	101.3	9.2	137.1
2001	0.9	5.0	12.2	9.5	105.0	9.2	141.8
2002	0.9	4.7	11.5	13.1	108.2	9.0	147.5
2000 I	1.3	4.5	10.4	8.2	92.9	8.8	126.1
II	1.3	4.5	11.0	8.1	96.4	10.1	131.4
III	1.3	4.6	10.4	7.8	92.9	9.9	126.9
IV	1.3	4.9	11.3	9.1	101.3	9.2	137.1
2001 I	1.3	4.5	10.7	8.1	91.8	9.6	126.0
II	1.2	4.6	10.6	8.1	95.5	9.6	129.6
III	1.2	4.7	11.4	8.2	94.0	9.6	129.0
IV	0.9	5.0	12.2	9.5	105.0	9.2	141.8
2002 I	0.9	4.6	10.8	8.4	92.5	9.0	126.2
II	0.9	4.6	11.8	8.7	96.5	9.2	131.7
III	0.9	4.6	10.2	10.8	91.2	9.1	126.8
IV	0.9	4.7	11.5	13.1	108.2	9.0	147.5

TABLE 3.4: COINS ISSUED

	Denominations: number (x 1,000)								Total value of coins issued excl. (8) (AFL million)
	Cents				Florin			Com-memo-rative coins	
	5	10	25	50	1	2 ½	5		
End of period	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1999	9,509	9,822	6,589	3,493	4,759	68	617	11	13
2000	10,387	10,573	6,929	3,768	5,084	69	670	11	14
2001	11,925	11,584	7,677	4,047	5,311	70	690	11	15
2002	12,494	12,109	7,986	4,236	5,626	72	739	11	15
2000 I	9,724	10,066	6,693	3,560	4,866	68	625	11	13
II	9,938	10,268	6,812	3,610	4,891	68	626	11	13
III	10,124	10,414	6,912	3,641	4,897	69	634	11	13
IV	10,387	10,573	6,929	3,768	5,084	69	670	11	14
2001 I	10,730	10,797	7,076	3,801	5,095	69	670	11	14
II	11,442	11,034	7,361	3,898	5,108	69	680	11	14
III	11,596	11,180	7,475	3,929	5,182	69	680	11	14
IV	11,925	11,584	7,677	4,047	5,311	70	690	11	15
2002 I	12,007	11,627	7,689	4,072	5,367	71	698	11	15
II	12,091	11,724	7,712	4,091	5,368	71	698	11	15
III	12,129	11,884	7,812	4,136	5,374	71	698	11	15
IV	12,494	12,109	7,986	4,236	5,626	72	739	11	15

TABLE 4.1: COMMERCIAL BANKS: SUMMARY ACCOUNT

	Assets				Total assets	Liabilities		
	Cash and claims on banks	Investments	Loans	Other		Deposits	Capital and reserves	Other
End of period	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1999	559.6	104.0	1,485.7	121.1	2,270.4	1,909.2	101.7	259.6
2000	523.7	88.4	1,644.2	116.7	2,373.0	2,002.0	111.8	259.2
2001	608.4	74.9	1,688.9	139.7	2,511.9	2,100.6	147.3	263.9
2002	684.0	99.4	1,852.5	180.7	2,816.7	2,329.1	143.6	343.9
2000	I	582.9	92.2	1,555.8	121.0	2,351.8	1,987.3	246.8
	II	553.0	89.7	1,623.3	115.0	2,381.0	2,001.5	257.4
	III	557.9	96.9	1,635.7	114.8	2,405.2	2,038.0	243.3
	IV	523.7	88.4	1,644.2	116.7	2,373.0	2,002.0	259.2
2001	I	561.8	91.7	1,653.6	119.8	2,426.9	2,048.8	253.0
	II	567.3	80.1	1,697.5	115.2	2,460.1	2,058.7	277.1
	III	580.2	94.6	1,673.3	115.6	2,463.7	2,068.6	274.7
	IV	608.4	74.9	1,688.9	139.7	2,511.9	2,100.6	263.9
2002	I	698.7	85.8	1,663.2	134.3	2,581.9	2,151.0	274.4
	II	672.1	80.2	1,704.1	141.4	2,597.8	2,153.5	284.7
	III	679.9	99.3	1,745.2	148.5	2,672.9	2,221.5	291.8
	IV	684.0	99.4	1,852.5	180.7	2,816.7	2,329.1	343.9

TABLE 4.2: COMMERCIAL BANKS: PRUDENTIAL RATIOS

	Liquidity	Loan/ deposit	Capital/ risk value of assets	
	(1)	(2)	(3)	
End of period	(1)	(2)	(3)	
1999	29.3	70.5	8.8	
2000	26.2	75.6	9.4	
2001	28.5	73.1	10.6	
2002	29.2	71.8	9.3	
2000	I	28.7	71.6	9.7
	II	26.9	74.2	9.8
	III	27.4	74.7	8.8
	IV	26.2	75.6	9.4
2001	I	27.5	74.4	10.7
	II	27.1	75.2	11.7
	III	28.5	73.2	10.1
	IV	28.5	73.1	10.6
2002	I	31.9	70.1	12.2
	II	30.5	71.5	11.4
	III	30.6	71.1	10.2
	IV	29.2	71.8	9.3

TABLE 4.3: COMMERCIAL BANKS: DETAILED BALANCE SHEET

Domestic assets										
End of period	Notes and coins	Central Bank		Investments		Loans and advances				
		Current account	Time deposits	Government securities	Non government securities	Enterprises	Mortgages	Individuals	Government	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1999	24.0	35.7	163.8	60.8	11.8	511.9	503.2	335.6	0.7	
2000	29.7	28.0	126.4	43.1	11.9	561.3	563.3	357.3	0.3	
2001	30.7	60.4	154.8	62.1	6.0	548.2	629.9	366.7	0.3	
2002	35.1	73.8	205.1	65.7	6.1	633.4	687.6	409.3	0.2	
2000	I	24.1	26.7	167.5	48.8	11.7	557.2	517.4	340.3	0.4
	II	23.9	29.0	155.7	46.4	11.9	561.2	548.3	351.6	15.4
	III	23.6	39.3	158.2	51.7	11.8	556.6	573.8	354.7	0.4
	IV	29.7	28.0	126.4	43.1	11.9	561.3	563.3	357.3	0.3
2001	I	24.0	22.5	158.3	49.1	9.2	570.0	568.2	355.9	0.4
	II	22.8	45.1	178.7	37.7	9.1	566.9	584.9	358.8	30.9
	III	24.4	48.1	198.1	57.6	6.0	550.0	603.8	365.7	0.3
	IV	30.7	60.4	154.8	62.1	6.0	548.2	629.9	366.7	0.3
2002	I	24.6	47.1	274.2	62.3	6.1	542.1	634.3	371.9	0.3
	II	24.3	120.0	208.1	54.3	6.0	575.1	635.2	374.4	0.2
	III	24.4	90.8	216.5	65.6	6.1	590.9	651.7	384.9	2.1
	IV	35.1	73.8	205.1	65.7	6.1	633.4	687.6	409.3	0.2

TABLE 4.3: COMMERCIAL BANKS: DETAILED BALANCE SHEET
(continued)

End of period	Domestic assets (cont'd)				Total domestic assets	Foreign assets					Total foreign assets	Total assets
	Premises	Subsidiaries	Accounts receivable	Other (net)		Cash	Due from banks	Investments	Loans	Other		
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
1999	54.3	14.3	17.0	10.3	1,743.2	11.6	288.4	31.4	134.3	35.5	501.1	2,244.3
2000	58.0	13.5	18.7	1.7	1,813.3	13.0	297.8	33.3	160.3	26.4	530.8	2,344.1
2001	59.4	39.7	16.5	3.8	1,978.5	12.2	338.3	6.8	142.6	24.1	524.0	2,502.5
2002	61.2	47.2	31.3	2.4	2,258.4	15.1	334.3	27.6	120.2	41.0	538.3	2,796.7
2000 I	53.6	14.3	18.6	-0.1	1,780.5	10.4	327.4	31.6	139.1	34.4	543.0	2,323.6
II	55.9	14.2	18.9	0.2	1,832.7	9.4	306.0	31.4	145.3	26.0	518.1	2,350.7
III	56.8	13.4	19.8	5.0	1,865.1	9.9	299.8	33.4	148.5	24.7	516.3	2,381.4
IV	58.0	13.5	18.7	1.7	1,813.3	13.0	297.8	33.3	160.3	26.4	530.8	2,344.1
2001 I	59.0	13.0	20.5	-5.2	1,844.8	11.3	326.9	33.4	157.3	27.3	556.2	2,401.0
II	58.0	13.7	18.6	-8.7	1,916.4	13.8	292.3	33.3	153.9	25.0	518.3	2,434.7
III	57.4	13.6	19.5	3.8	1,948.3	9.8	288.1	31.0	151.3	25.2	505.4	2,453.7
IV	59.4	39.7	16.5	3.8	1,978.5	12.2	338.3	6.8	142.6	24.1	524.0	2,502.5
2002 I	58.6	39.4	18.9	8.2	2,087.8	14.7	316.5	17.4	113.3	17.6	479.4	2,567.3
II	60.2	40.3	19.3	-4.0	2,113.3	11.6	294.6	19.9	117.9	21.5	465.5	2,578.8
III	59.5	40.0	20.2	0.4	2,153.0	13.8	319.8	27.6	114.0	28.8	504.1	2,657.1
IV	61.2	47.2	31.3	2.4	2,258.4	15.1	334.3	27.6	120.2	41.0	538.3	2,796.7

TABLE 4.3: COMMERCIAL BANKS: DETAILED BALANCE SHEET
(continued)

Domestic liabilities										
End of period	Demand deposits				Time deposits				Savings deposit	Other liabilities
	Individuals	Companies	Other fin.inst.	Government	Individuals	Companies	Other fin.inst.	Development funds		
	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)
1999	90.9	321.8	46.9	7.9	212.2	247.6	255.7	0.0	391.6	234.3
2000	99.5	312.8	58.9	9.0	228.8	258.1	242.0	0.0	404.6	235.4
2001	107.1	385.4	60.9	6.3	235.5	229.7	263.0	0.0	410.7	256.1
2002	121.8	467.7	116.0	8.1	263.3	256.3	251.4	23.1	417.3	285.3
2000 I	92.6	322.8	52.0	5.9	212.1	302.3	245.4	0.0	403.4	228.0
II	102.6	337.4	61.9	6.6	212.4	270.3	243.5	0.0	410.8	238.6
III	99.8	330.4	54.6	4.8	197.7	292.7	273.2	10.8	403.3	222.4
IV	99.5	312.8	58.9	9.0	228.8	258.1	242.0	0.0	404.6	235.4
2001 I	95.0	338.6	72.6	3.5	235.8	288.0	243.6	0.0	412.6	231.2
II	105.1	316.7	61.0	3.8	230.7	279.7	240.9	0.0	418.9	258.9
III	107.1	354.9	60.4	5.2	229.4	291.0	246.7	0.0	422.5	264.2
IV	107.1	385.4	60.9	6.3	235.5	229.7	263.0	0.0	410.7	256.1
2002 I	113.0	426.6	77.6	3.6	237.6	273.3	265.9	0.0	422.1	265.5
II	118.8	434.8	84.8	5.9	258.8	252.7	259.6	0.0	399.8	274.0
III	113.8	453.4	80.5	16.8	262.0	261.9	271.8	17.0	409.7	271.0
IV	121.8	467.7	116.0	8.1	263.3	256.3	251.4	23.1	417.3	285.3

TABLE 4.3: COMMERCIAL BANKS: DETAILED BALANCE SHEET

(continued)

End of period	Domestic liabilities (cont'd)		Total domestic liabilities	Foreign liabilities						Total Foreign liabilities	Total Liabilities	
	Capital base			Demand deposits		Time deposits		Savings deposits	Capital and reserves and subordinated debt			Other
	Capital and reserves	Subordinated debt	Banks	Non-banks	Banks	Non-banks						
	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)
1999	82.0	11.3	1,902.2	18.4	49.3	57.6	145.8	37.5	8.4	25.2	342.2	2,244.3
2000	89.5	13.8	1,952.4	28.9	71.9	68.1	150.9	41.6	8.4	22.0	391.8	2,344.1
2001	130.2	14.1	2,099.0	23.2	65.3	61.4	201.8	42.0	3.0	6.7	403.5	2,502.5
2002	126.5	9.1	2,346.0	15.3	67.9	57.4	192.0	53.4	8.0	56.9	450.7	2,796.7
2000 I	98.0	11.3	1,973.9	27.0	61.7	56.0	139.9	39.4	8.4	17.3	349.7	2,323.6
II	102.4	11.3	1,997.8	19.1	69.1	55.4	142.0	41.4	8.4	17.3	352.9	2,350.7
III	101.6	13.8	2,005.2	13.8	90.9	55.3	145.0	43.5	8.4	19.3	376.2	2,381.4
IV	89.5	13.8	1,952.4	28.9	71.9	68.1	150.9	41.6	8.4	22.0	391.8	2,344.1
2001 I	102.8	13.8	2,037.5	9.7	74.2	54.1	157.1	40.2	8.4	19.9	363.5	2,401.0
II	105.6	13.8	2,035.2	21.7	73.3	83.9	158.0	41.6	4.8	16.1	399.5	2,434.7
III	103.3	14.1	2,098.8	11.2	59.3	50.0	182.1	41.0	3.0	8.2	354.9	2,453.7
IV	130.2	14.1	2,099.0	23.2	65.3	61.4	201.8	42.0	3.0	6.7	403.5	2,502.5
2002 I	139.3	14.1	2,238.5	26.0	57.4	10.8	182.1	41.7	3.0	7.7	328.8	2,567.3
II	142.4	9.1	2,240.7	10.8	65.0	7.3	196.8	40.9	8.0	9.4	338.1	2,578.8
III	142.4	9.1	2,309.5	8.0	61.3	7.3	201.5	42.4	8.0	19.2	347.6	2,657.1
IV	126.5	9.1	2,346.0	15.3	67.9	57.4	192.0	53.4	8.0	56.9	450.7	2,796.7

TABLE 4.4: COMMERCIAL BANKS' LOANS TO DOMESTIC SECTORS BY KIND OF ECONOMIC ACTIVITY AS OF END DECEMBER 2002

	Loans outstanding				Percentages			
	Current account	Term loans	Mortgage	Total	Current account	Term loans	Mortgage	Percentage of total loans
Agriculture, hunting, forestry and fishing	0.1	5.0	0.4	5.5	1.8	90.9	7.3	0.3
Mining and manufacturing	11.6	5.3	7.1	24.0	48.1	22.2	29.7	1.4
Electricity, gas and water supply	3.7	30.3	0.9	34.9	10.7	86.8	2.6	2.0
Construction	14.4	3.0	3.4	20.8	69.1	14.4	16.5	1.2
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	188.2	125.4	72.1	385.7	48.8	32.5	18.7	22.0
Hotels and restaurants	36.2	17.3	22.6	76.1	47.5	22.7	29.7	4.3
Transport, storage and communications	11.0	13.0	6.2	30.1	36.3	43.0	20.6	1.7
Financial intermediation	6.7	5.1	18.5	30.3	22.0	16.9	61.1	1.7
Real estate, renting and business activities	30.1	52.9	45.1	128.0	23.5	41.3	35.2	7.3
Other enterprises	19.5	54.7	26.4	100.7	19.4	54.4	26.2	5.7
Total loans to enterprises	321.4	312.0	202.8	836.2	38.4	37.3	24.3	47.6
Government	0.0	0.2	0.0	0.2	0.0	100.0	0.0	0.0
Individuals	56.3	378.3	484.8	919.4	6.1	41.1	52.7	52.4
Total loans	377.7	690.5	687.6	1,755.8	21.5	39.3	39.2	100.0

TABLE 4.5: COMMERCIAL BANKS' LOANS TO DOMESTIC SECTORS BY KIND OF ECONOMIC ACTIVITY

End of period	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
Agriculture, hunting, forestry and fishing	5.7	5.8	5.9	5.5	5.7	6.2	5.1	5.8	5.7	6.3	6.4	5.9	5.8	5.8	5.6	5.5
Mining and manufacturing	22.0	17.6	18.6	24.0	26.0	25.6	22.8	17.6	21.3	21.9	20.2	18.6	20.1	19.3	23.0	24.0
Electricity, gas and water supply	28.6	36.3	29.0	34.9	29.1	31.7	34.9	36.3	30.4	29.9	29.0	29.0	27.9	31.3	33.1	34.9
Construction	24.5	20.6	19.3	20.8	25.2	26.0	22.9	20.6	21.2	20.4	20.9	19.3	21.2	21.8	21.7	20.8
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	242.7	289.3	328.7	385.7	267.4	273.1	281.1	289.3	300.8	303.7	212.3	328.7	325.4	345.2	369.3	385.7
Hotels and restaurants	84.1	74.7	66.0	76.1	82.0	67.2	73.4	74.7	67.1	65.0	66.7	66.0	67.7	64.0	69.7	76.1
Transport, storage and communications	52.2	45.5	32.1	30.1	59.1	57.3	56.6	45.5	44.5	48.2	143.0	32.1	29.8	31.4	29.5	30.1
Financial intermediation	44.8	63.1	37.3	30.3	66.2	65.8	66.0	63.1	59.5	55.5	41.2	37.3	34.4	37.1	31.2	30.3
Real estate, renting and business activities	101.0	113.5	129.5	128.0	100.5	117.7	119.9	113.5	128.4	127.4	123.9	129.5	129.1	123.8	121.5	128.0
Other enterprises	64.3	63.6	73.6	100.7	58.2	64.9	58.4	63.6	57.7	59.2	64.6	73.6	70.6	74.3	74.1	100.7
Total loans to enterprises	670.0	730.0	739.9	836.2	719.3	735.4	741.0	730.0	736.6	737.6	728.2	739.9	732.0	753.8	778.6	836.2
Government	0.7	0.3	0.3	0.2	0.4	15.4	0.4	0.3	0.4	30.9	0.3	0.3	0.3	0.2	2.1	0.2
Individuals	705.2	776.2	829.9	919.4	720.1	750.8	769.3	776.2	782.1	798.3	816.3	829.9	841.7	851.7	873.6	919.4
Total loans	1,375.9	1,506.5	1,570.1	1,755.8	1,439.8	1,501.6	1,510.7	1,506.5	1,519.0	1,566.8	1,544.8	1,570.1	1,574.0	1,605.8	1,654.3	1,755.8

TABLE 5.1: FINANCIAL SURVEY

End of December 2002	Central Bank and Treasury	Commercial Banks	Monetary Sector	Nonmonetary Financial Institutions	Financial Sector
	(1)	(2)	(3)=(1)+(2)	(4)	(5)=(3)+(4)
1. Foreign assets	676.3	538.3	1,214.6	479.5	1,694.2
2. Domestic claims	69.9	1,744.3	1,814.2	1,076.6	2,890.8
a) Government	63.6	17.9	81.4	454.5	536.0
b) Non-financial public enterprises	0.0	33.8	33.8	23.5	57.3
c) Enterprises	0.0	798.5	798.5	76.2	874.8
d) Individuals	6.3	894.1	900.4	522.4	1,422.8
1) Consumer credit	0.0	409.3	409.3	71.1	480.4
2) Housing mortgages	6.3	484.8	491.2	451.2	942.4
3. Other domestic claims	23.1	532.3	555.4	914.6	1,470.0
4. TOTAL ASSETS=TOTAL LIABILITIE	769.4	2,814.8	3,584.2	2,470.8	6,055.0
5. Foreign liabilities	64.1	450.7	514.9	159.2	674.1
6. Deposits and borrowings	124.0	1925.1	2049.1	55.8	2104.9
a) Government	112.2	31.2	143.4	36.6	180.0
b) Other residents	11.9	1,893.9	1,905.8	19.2	1,924.9
7. Pension fund provisions	0.0	0.0	0.0	1,145.3	1,145.3
8. Insurance reserve fund	0.0	0.0	0.0	258.3	258.3
9. Other domestic liabilities	581.2	439.0	1,020.2	852.1	1,872.3

TABLE 6.1: INTEREST RATES OF COMMERCIAL BANKS 1)

Period	Time deposits		Savings deposits	Weighted average rate of interest on deposits	Loans				Weighted average rate of interest on loans	Interest rate margin
	≤ 12-months	> 12 months			Individual		Commercial			
	(1)	(2)			Consumer credit	Housing mortgages	Mortgages	Other loans 2)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10=9-4)	
1999	5.8	7.7	3.8	6.2	17.1	10.9	10.4	10.8	13.0	6.8
2000	6.0	7.7	3.9	6.2	17.2	10.7	10.8	10.4	12.0	5.8
2001	5.3	7.7	3.8	5.8	17.2	10.9	10.7	10.1	12.1	6.2
2002	5.2	7.1	3.7	5.5	16.7	10.3	10.0	10.6	12.8	7.3
2000 I	6.3	7.5	4.0	6.4	17.2	10.8	10.8	10.2	11.8	5.4
II	5.8	7.5	3.9	5.9	17.1	10.7	10.5	10.6	12.3	6.4
III	5.7	7.8	3.9	6.3	17.3	10.8	10.6	10.7	12.2	5.9
IV	6.1	7.7	3.9	6.2	17.1	10.7	11.2	10.4	11.7	5.5
2001 I	5.7	7.8	3.8	6.0	17.7	10.7	10.9	10.3	11.8	5.8
II	5.7	7.8	3.8	6.3	17.0	10.8	10.4	10.3	12.2	5.9
III	4.9	7.5	3.8	5.3	17.3	11.0	10.3	10.5	12.5	7.2
IV	5.2	7.9	3.9	5.7	17.2	10.9	10.8	9.4	11.7	6.0
2002 I	6.0	7.9	3.7	6.4	17.2	10.8	10.4	11.2	13.2	6.9
II	5.6	7.2	3.8	5.8	16.9	10.6	10.9	10.3	13.2	7.3
III	4.0	6.5	3.7	4.3	16.7	10.4	10.5	11.0	13.4	9.0
IV	5.4	6.7	3.8	5.7	16.2	9.9	9.5	10.3	12.1	6.4

1) Weighted averages related to transactions during the indicated period.

2) Including current account overdraft facilities.

TABLE 6.2: CENTRAL BANK LENDING RATES

	Redis- count	Advance
In % per annum		
As from	(1)	(2)
January 1, 1986	8.0	9.0
July 1, 1986	8.5	9.5
April 1, 1999		6.5
February 1, 2002		6.0

TABLE 6.3: CENTRAL BANK-OFFERED RATES ON COMMERCIAL BANKS' DEPOSITS 1)

	7-day	30-day	90-day
Period averages in % per annum	(1)	(2)	(3)
1999	2.6	3.0	3.1
2000	3.4	3.5	3.5
2001	2.2	2.2	2.3
2002	0.4	0.6	0.7
2000 I	3.1	3.3	3.4
II	3.3	3.4	3.5
III	3.5	3.6	3.6
IV	3.6	3.7	3.7
2001 I	3.2	3.2	3.5
II	2.6	2.6	2.5
III	2.0	2.0	2.0
IV	0.9	1.1	1.0
2002 I	0.5	0.8	0.8
II	0.5	0.8	0.9
III	0.4	0.7	0.7
IV	0.3	0.4	0.4

1) For deposits of AFL 1 million to less than AFL 3 million.

TABLE 6.4: LONDON INTERBANK-OFFERED RATES ON US DOLLAR DEPOSITS

	7-day	30-day	90-day
Period averages in % per annum	(1)	(2)	(3)
1999	5.2	5.3	5.4
2000	6.4	6.4	6.5
2001	4.0	3.9	3.8
2002	1.8	1.8	1.8
2000 I		5.9	6.1
II	6.4	6.5	6.6
III	6.6	6.6	6.7
IV	6.6	6.7	6.7
2001 I	5.6	5.5	5.3
II	4.4	4.3	4.2
III	3.6	3.5	3.5
IV	2.2	2.2	2.1
2002 I	1.8	1.9	1.9
II	1.8	1.8	1.9
III	1.8	1.8	1.8
IV	1.5	1.6	1.6

Source: International Financial Statistics.

TABLE 6.5: GOVERNMENT SECURITY MARKETS

3-month treasury bills					6-month cash loan certificates				
	Date of issue	Amount (AFL million)	Average price per AFL 100	Yield per annum (%)		Date of issue	Amount (AFL million)	Average price per	Yield per annum (%)
End of period	(1)	(2)	(3)	(4)	End of period	(1)	(2)	(3)	(4)
1999	January	17.0	98.41	6.46	1999	June	8.0	97.63	4.86
	February	15.0	98.38	6.49		December	8.0	96.95	6.29
	April	17.0	98.56	5.79	2000	June	8.0	96.95	6.29
	May	15.0	98.69	5.18		December	8.0	96.55	7.15
	July	17.0	98.85	4.56	2001	June	8.0	96.69	6.49
	August	15.0	98.81	4.86		December	8.0	98.95	2.10
	October	17.0	98.88	4.44	2002	June	8.0	99.73	1.06
	November	15.0	98.83	4.64		December	8.0	99.72	1.10
	2000	January	17.0	98.35	6.57	Government bonds			
February		15.0	98.41	6.34		Date of issue	Maturity in years	Amount (AFL million)	Yield per annum (%)
April		17.0	98.36	6.13	End of period	(1)	(2)	(3)	(4)
May		15.0	98.48	6.12	1996	June	5	5.4	7.625
July		17.0	98.35	6.20	June	7	24.6	8.000	
August		15.0	98.45	6.21	September	6	27.3	7.875	
October		17.0	98.34	6.10	September	8	14.7	8.000	
November		12.4	98.28	6.91	1997	June	4	10.4	7.625
2001		January	17.0	98.28	6.93	June	9	15.4	8.125
February	15.0	98.29	6.77	2000	April	5	30.0	8.250	
April	17.0	98.39	6.54		2001	December	7	24.9	7.125
May	15.0	98.38	6.56	2002		September	7	30.0	6.250
July	17.0	98.46	6.13		September	10	53.7	7.375	
August	23.0	98.46	6.24						
October	17.0	98.70	5.05						
November	23.0	98.77	4.98						
2002	January	17.0	99.46	2.30					
	February	23.0	99.14	3.60					
	April	17.0	99.47	2.09					
	May	23.0	99.46	2.58					
	July	17.0	99.68	1.03					
	July*	30.0	99.76	1.77					
	August	23.0	99.54	1.92					
	October	17.0	99.58	1.08					
	November	23.0	99.74	1.05					
2003	January	17.0	99.72	0.87					
	January	23.0	99.75	0.98					

TABLE 7.1: GOVERNMENT FINANCIAL OPERATIONS 1)

	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Revenue and grants	701.5	742.2	731.8	751.2	155.0	181.9	162.2	243.1	161.9	150.1	173.1	246.6	177.8	169.4	161.8	242.2
A. Tax revenue	608.6	624.5	606.3	610.0	144.0	136.1	140.5	203.9	141.7	131.9	159.3	173.3	152.4	137.0	141.9	178.7
1. Taxes on income and profit	309.0	309.6	302.8	301.3	63.5	61.0	71.7	113.4	64.1	59.3	91.9	87.5	71.2	65.3	74.7	90.2
2. Taxes on commodities	198.0	212.6	202.6	213.5	47.9	51.1	52.7	60.8	45.5	47.9	48.8	60.4	44.8	50.1	50.5	68.1
3. Taxes on property	35.2	34.3	27.8	33.7	14.3	4.1	5.1	10.8	12.1	4.3	4.9	6.5	16.3	3.8	7.1	6.5
4. Taxes on services	44.8	44.4	48.3	47.1	12.8	11.0	9.2	11.4	15.0	12.9	11.0	9.4	14.9	11.6	9.7	10.9
5. Foreign exchange tax	21.6	23.6	24.8	14.4	5.6	8.8	1.7	7.5	5.1	7.5	2.8	9.4	5.2	6.2	0.0	3.0
B. Nontax revenue	91.5	100.8	125.5	103.8	11.0	28.9	21.7	39.2	20.2	18.2	13.8	73.3	25.4	32.4	19.9	26.1
C. Grants	1.4	16.9	0.0	37.4	0.0	16.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	37.4
2. Expenditure	688.1	719.9	717.0	807.5	152.6	173.8	170.5	223.0	162.4	159.6	174.9	220.1	201.4	202.9	191.1	212.2
1. Wages	222.3	246.3	255.2	261.7	53.9	69.4	58.8	64.2	57.8	72.0	59.0	66.4	56.7	71.9	64.7	68.4
2. Employer's contribution	29.0	38.9	24.2	66.0	11.8	8.6	8.5	10.1	4.5	4.2	5.5	10.1	7.9	16.8	17.6	23.7
3. Wage subsidies	85.6	89.7	91.5	108.1	19.8	24.8	21.4	23.8	22.4	27.0	22.8	19.4	24.6	29.7	24.8	29.0
4. Goods and services	197.4	192.7	135.9	149.4	46.1	39.2	42.6	64.7	31.7	23.2	27.1	54.0	51.6	36.0	23.1	38.7
5. Interest	33.4	30.2	35.7	38.2	3.5	7.6	8.9	10.2	6.6	9.7	10.6	8.8	7.8	8.0	11.2	11.2
6. Development fund spending	6.6	0.0	0.0	3.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	3.4
7. Investment	24.8	28.3	18.4	13.3	5.0	3.3	3.9	16.1	4.9	1.8	5.1	6.6	4.7	1.5	4.3	2.8
8. Items n.i.e. 2)	89.0	93.9	156.0	167.2	12.5	21.0	26.4	34.0	34.5	21.8	44.8	54.9	48.1	38.9	45.1	35.2
3. Lending minus repayments	37.4	16.2	32.0	5.9	3.0	1.6	7.3	4.3	5.7	1.0	8.0	17.4	8.1	-41.3	23.3	15.8
1. Lending	40.8	19.9	36.1	50.9	3.8	2.5	8.3	5.3	6.8	1.9	9.0	18.4	8.1	3.7	23.3	15.8
2. Repayments 3)	-3.4	-3.7	-4.1	-45.0	-0.8	-0.9	-0.9	-1.0	-1.1	-1.0	-1.0	-1.0	0.0	-45.0	0.0	0.0
4. Financial deficit (-)	-24.1	6.1	-17.3	-62.2	-0.6	6.5	-15.6	15.8	-6.1	-10.5	-9.8	9.1	-31.7	7.8	-52.6	14.3
5. Net foreign capital	13.3	24.1	27.9	96.0	-0.2	-0.6	35.7	-10.8	4.2	-0.6	35.4	-11.1	0.0	-0.5	46.5	50.0
A. Loans received 4)	26.7	73.4	49.3	136.0	0.0	0.0	35.8	37.6	6.0	0.0	37.6	5.7	0.0	0.0	73.3	62.7
B. Repayments on loans	-13.4	-49.3	-21.4	-40.0	-0.2	-0.6	-0.1	-48.4	-1.8	-0.6	-2.2	-16.8	0.0	-0.5	-26.8	-12.7
6. Net domestic capital 5)	-10.5	-16.8	14.2	2.5	-0.9	5.8	-21.3	-0.4	0.0	-11.4	-1.9	27.5	0.0	0.0	6.8	-4.3
A. Loans received	0.0	33.5	29.4	34.1	0.0	30.0	3.5	0.0	0.0	0.0	0.0	29.4	0.0	0.0	34.1	0.0
B. Repayments on loans	-10.5	-50.3	-15.2	-31.6	-0.9	-24.2	-24.8	-0.4	0.0	-11.4	-1.9	-1.9	0.0	0.0	-27.3	-4.3
7. Net recourse to the monetary system (-)	-21.3	13.4	24.7	36.1	-1.7	11.7	-1.2	4.6	-1.9	-22.5	23.7	25.5	-31.7	7.3	0.7	59.9
A. Loans received	1.0	8.4	-0.3	-3.1	0.2	-9.1	16.7	0.6	0.0	-26.1	30.6	-4.8	0.0	0.0	-5.0	1.9
B. Drawings on deposits	-13.2	3.3	36.6	39.9	-1.7	20.9	-17.8	1.9	0.8	4.0	1.2	30.6	-31.7	7.3	5.7	58.6
-Earmarked	-6.8	-8.4	4.4	12.2	-1.1	-6.8	-1.2	0.7	-0.5	-0.3	0.0	5.2	1.0	-5.2	0.0	16.4
-Free	-6.6	11.7	32.1	27.7	-0.5	27.7	-16.7	1.3	1.2	4.3	1.2	25.4	-32.7	12.5	5.7	42.2
C. Other	-9.0	1.7	-11.5	-0.7	-0.2	-0.1	-0.2	2.2	-2.7	-0.3	-8.1	-0.4	-0.1	0.0	0.0	-0.6
8. Memorandum items																
A. Unmet financing requirements	115.2	152.5	269.4	275.6	122.6	141.8	171.5	152.5	183.3	235.9	281.4	269.4	280.7	291.6	269.2	275.6
B. Financial deficit (-)	-39.2	-31.2	-134.2	-68.5	-8.1	-12.6	-45.3	34.8	-36.9	-63.1	-55.3	21.1	-43.1	-3.1	-30.2	7.9

1) Preliminary figures and estimates on a cash basis.

2) Residual item, including errors and omissions.

3) In the first quarter of 2002, an early debt repayment of AFL 45 million was received from Utilities N.V. related to the taking over of certain assets from the government in 1992.

4) Includes net-borrowing on behalf of public institutions.

5) Net long-term capital attracted from nonmonetary sectors mainly by issuing government bonds. The commercial bank's purchases of such bonds are included under item 7a, while the nonresident's purchases are included under 5. For the third quarter of 2000, AFL 6 million certificates of deposit by the Fondo Desaroyo Aruba at the Aruba Investment Bank is included.

Source: Department of Finance; Tax Collector's Office; CBA.

TABLE 7.2: GOVERNMENT REVENUE

	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
TOTAL REVENUE AND GRANTS	701.5	742.2	731.8	751.2	155.0	181.9	162.2	243.1	161.9	150.1	173.1	246.6	177.8	169.4	161.8	242.2
TAX REVENUE	608.6	624.5	606.3	610.0	144.0	136.1	140.5	203.9	141.7	131.9	159.3	173.3	152.4	137.0	141.9	178.7
Taxes on income and profit	309.0	309.6	302.8	301.3	63.5	61.0	71.7	113.4	64.1	59.3	91.9	87.5	71.2	65.3	74.7	90.2
Of which:																
-Wage tax	200.6	202.3	209.7	220.1	53.0	50.0	48.4	50.9	53.6	50.1	52.5	53.4	62.2	52.1	47.7	58.2
-Income tax	28.1	25.8	3.1	3.0	2.3	4.3	1.1	18.1	1.2	1.3	0.7	-0.1	1.7	1.2	-0.9	1.0
-Profit tax	80.1	81.4	90.0	78.3	8.2	6.7	22.2	44.3	9.3	7.8	38.7	34.2	7.3	12.1	27.9	31.0
-Solidarity tax	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Taxes on commodities	198.0	212.6	202.6	213.5	47.9	51.1	52.7	60.8	45.5	47.9	48.8	60.4	44.8	50.1	50.5	68.1
Of which:																
-Excises on gasoline	59.9	62.6	62.2	65.2	15.1	16.0	16.1	15.5	14.7	15.2	16.2	16.2	15.5	15.8	15.1	18.7
-Excises on tobacco	10.4	11.4	9.8	10.4	2.1	3.3	2.4	3.6	2.4	2.5	2.1	2.9	2.1	1.3	3.1	3.9
-Excises on beer	19.3	20.3	19.4	20.3	4.3	4.1	5.4	6.5	4.3	4.6	5.1	5.4	4.3	4.4	5.1	6.5
-Excises on liquor	11.0	12.2	13.2	13.1	2.3	2.3	3.5	4.1	3.0	2.8	2.7	4.7	2.8	3.7	3.4	3.3
-Import duties	97.4	106.1	98.0	104.5	24.2	25.3	25.4	31.2	21.2	22.9	22.7	31.3	20.2	24.8	23.8	35.7
Taxes on property	35.2	34.3	27.8	33.7	14.3	4.1	5.1	10.8	12.1	4.3	4.9	6.5	16.3	3.8	7.1	6.5
Of which:																
-Motor vehicle fees	11.8	12.8	13.3	15.2	7.0	1.4	1.8	2.6	6.9	1.5	1.7	3.1	7.4	1.3	2.5	4.0
-Succession tax	1.6	0.9	0.6	0.3	0.1	-0.1	0.0	0.8	0.3	0.1	0.2	0.1	0.0	0.1	0.1	0.1
-Land tax	14.7	11.6	9.7	12.3	2.8	1.4	0.8	6.6	3.4	1.9	1.5	2.9	6.0	2.2	2.6	1.4
-Transfer tax	7.2	9.0	4.2	5.9	4.5	1.3	2.4	0.9	1.5	0.9	1.5	0.4	2.9	0.3	1.8	1.0
Taxes on services	44.8	44.4	48.3	47.1	12.8	11.0	9.2	11.4	15.0	12.9	11.0	9.4	14.9	11.6	9.7	10.9
Of which:																
-Gambling licenses	17.5	15.2	16.1	17.1	5.3	3.4	3.2	3.4	4.6	4.2	2.4	4.9	5.5	4.1	3.3	4.2
-Hotel room tax	19.3	21.9	26.6	24.8	5.8	6.0	4.6	5.6	8.8	7.4	6.9	3.4	7.5	6.5	5.1	5.7
-Stamp duties	2.8	3.0	1.9	2.1	0.6	0.5	0.7	1.2	0.5	0.3	0.6	0.5	0.8	0.4	0.5	0.3
-Other	5.2	4.4	3.7	3.1	1.1	1.2	0.9	1.2	1.1	1.1	0.9	0.6	1.0	0.6	0.8	0.7
Foreign exchange tax	21.6	23.6	24.8	14.4	5.6	8.8	1.7	7.5	5.1	7.5	2.8	9.4	5.2	6.2	0.0	3.0
NONTAX REVENUE	91.5	100.8	125.5	103.8	11.0	28.9	21.7	39.2	20.2	18.2	13.8	73.3	25.4	32.4	19.9	26.1
GRANTS	1.4	16.9	0.0	37.4	0.0	16.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	37.4

Source: Tax Collector's Office; CBA.

TABLE 7.3: GOVERNMENT'S POSITION WITH THE MONETARY SYSTEM

End of period	Domestic deposits						Gross liquidity position (7= 4+5+6)	Liabilities to			Net liability to the monetary system (11= 10-7)	Change in net liability during period (12)
	Central Bank			Commercial banks				Monetary authorities (8)	Commercial banks (9)	Total (10= 8+9)		
	Free	Earmarked	Development	Total	Demand	Development						
	(1)	(2)	funds (3)	(4= 1+2+3)	funds (5)	(6)						
1999	2.6	43.7	9.4	55.6	7.9	0.0	63.6	53.0	22.9	75.9	12.4	21.3
2000	0.0	35.3	22.6	57.8	9.0	0.0	66.9	51.3	14.5	65.8	-1.1	-13.4
2001	26.0	39.7	31.3	97.0	6.3	0.0	103.3	62.8	14.8	77.6	-25.7	-24.7
2002	12.3	51.9	47.9	112.2	8.1	23.1	143.4	63.6	17.9	81.4	-61.9	-36.2
2000 I	4.0	42.6	9.4	56.0	5.9	0.0	61.9	53.2	22.7	75.9	14.1	1.7
II	11.1	35.8	29.3	76.2	6.6	0.0	82.8	53.3	31.8	85.2	2.3	-11.7
III	3.2	34.6	11.5	49.3	4.8	10.8	65.0	53.5	15.1	68.5	3.5	1.2
IV	0.0	35.3	22.6	57.8	9.0	0.0	66.9	51.3	14.5	65.8	-1.1	-4.6
2001 I	0.5	34.8	28.8	64.2	3.5	0.0	67.7	54.0	14.5	68.5	0.8	1.9
II	2.2	34.5	31.1	67.8	3.8	0.0	71.6	54.3	40.6	94.9	23.3	22.5
III	1.9	34.5	31.2	67.6	5.2	0.0	72.8	62.4	10.0	72.4	-0.4	-23.7
IV	26.0	39.7	31.3	97.0	6.3	0.0	103.3	62.8	14.8	77.6	-25.7	-25.4
2002 I	1.8	40.7	25.6	68.1	3.6	0.0	71.7	62.9	14.8	77.7	5.9	31.7
II	8.9	35.5	28.7	73.1	5.9	0.0	79.0	62.9	14.8	77.7	-1.3	-7.3
III	4.2	35.5	11.3	51.0	16.8	17.0	84.7	63.0	19.8	82.8	-2.0	-0.7
IV	12.3	51.9	47.9	112.2	8.1	23.1	143.4	63.6	17.9	81.4	-61.9	-59.9

TABLE 7.4 OUTSTANDING GOVERNMENT DEBT

	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Total Debt	870.9	947.2	1,105.9	1,242.9	899.2	932.1	959.7	947.2	975.5	1,034.9	1,103.9	1,105.9	1,116.9	1,150.7	1,180.2	1,242.9
2. Domestic Debt	503.6	571.5	712.8	719.8	542.8	576.4	584.5	571.5	604.9	672.1	696.0	712.8	723.5	733.4	718.3	719.8
A. Negotiable	189.2	165.1	179.2	189.1	189.2	189.2	167.7	165.1	167.7	152.0	160.0	179.2	179.2	179.2	189.1	189.1
1. Treasury bills	32.0	29.4	40.0	40.0	32.0	32.0	32.0	29.4	32.0	32.0	40.0	40.0	40.0	40.0	40.0	40.0
2. Cash certificates	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
3. Government bonds	149.2	127.7	131.2	141.1	149.2	149.2	127.7	127.7	127.7	112.0	112.0	131.2	131.2	131.2	141.1	141.1
B. Non-negotiable	314.4	406.4	533.7	530.7	353.6	387.2	416.8	406.4	437.1	520.1	536.1	533.7	544.3	554.3	529.2	530.7
1. Short-term	88.7	156.0	272.2	275.6	122.6	151.7	176.0	156.0	186.8	269.8	284.9	272.2	283.6	294.4	272.1	275.6
a. APFA	70.0	111.2	179.5	214.1	80.3	90.6	100.9	111.2	128.3	145.3	162.4	179.5	188.1	196.8	205.5	214.1
b. Suppliers' credit	14.0	38.1	74.8	43.0	30.0	35.0	50.7	38.1	45.6	61.7	90.2	74.8	72.8	67.6	45.5	43.0
c. Other	4.7	6.7	17.9	18.5	12.3	26.1	24.4	6.7	12.9	62.7	32.3	17.9	22.7	30.0	21.1	18.5
2. Long-term	225.7	250.4	261.5	255.1	230.9	235.5	240.8	250.4	250.4	250.4	251.2	261.5	260.7	259.9	257.2	255.1
a. APFA	80.2	78.5	75.4	72.1	79.8	79.3	78.9	78.5	78.5	78.5	78.5	75.4	74.6	73.8	73.0	72.1
b. SVB	72.2	94.9	94.9	94.9	77.9	83.6	89.2	94.9	94.9	94.9	94.9	94.9	94.9	94.9	94.9	94.9
c. Private loans	62.0	60.8	57.7	54.6	62.0	62.0	62.0	60.8	60.8	60.8	58.9	57.7	57.7	57.7	55.8	54.6
d. Other	11.3	16.2	33.5	33.5	11.3	10.6	10.6	16.2	16.2	16.2	18.9	33.5	33.5	33.5	33.5	33.5
3. Foreign debt	367.3	375.7	393.1	523.1	356.4	355.6	375.2	375.7	370.6	362.8	407.8	393.1	393.4	417.3	461.9	523.1
A. The Netherlands	231.0	204.4	181.5	199.7	221.0	220.5	205.5	204.4	195.8	188.6	201.0	181.5	181.9	204.0	202.0	199.7
1. Development cooperation	227.6	201.0	177.8	195.9	217.8	217.9	202.2	201.0	192.5	186.0	198.1	177.8	178.8	200.4	198.4	195.9
2. Commercial loans	3.4	3.4	3.7	3.8	3.2	2.6	3.3	3.4	3.3	2.7	2.9	3.7	3.2	3.6	3.6	3.8
B. EIB	16.5	14.4	13.0	15.0	15.7	15.4	14.0	14.4	13.8	13.1	14.1	13.0	12.9	14.7	14.5	15.0
C. USA	72.1	144.0	181.8	291.6	72.0	72.0	108.0	144.0	150.1	150.1	181.8	181.8	181.8	181.8	181.8	244.8
D. Other	47.7	12.8	16.8	16.8	47.7	47.7	47.7	12.8	11.0	11.0	11.0	16.8	16.8	16.8	63.6	63.6

Source: Department of Finance; APFA; CBA.

TABLE 8.1: BALANCE OF PAYMENTS 1)

During period	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Current account (net)	-622.8	527.9	729.3	-451.1	507.8	-234.5	115.6	139.0	568.1	643.0	-731.3	249.5	22.2	-139.2	-20.1	-314.0
A. Goods and services	-551.4	628.0	879.3	-200.1	522.0	-196.4	144.7	157.7	608.9	673.3	-673.1	270.2	58.3	-88.6	56.2	-226.0
1. Goods	-1063.5	-62.7	138.8	-943.9	258.5	-373.8	11.0	41.6	322.9	474.8	-744.7	85.8	-207.8	-257.6	-93.6	-384.9
2. Services	512.1	690.7	740.5	743.8	263.5	177.4	133.7	116.1	286.0	198.5	71.6	184.4	266.1	169.0	149.8	158.9
B. Income	-52.0	-10.3	-68.4	-126.6	2.3	-6.2	-0.5	-5.9	-25.5	-1.6	-39.1	-2.2	-6.6	-19.0	-46.1	-54.9
C. Current transfers	-19.4	-89.8	-81.6	-124.4	-16.5	-31.9	-28.6	-12.8	-15.3	-28.7	-19.1	-18.5	-29.5	-31.6	-30.2	-33.1
2. Capital and financial account (net)	658.9	-561.2	-578.9	481.6	-473.9	226.6	-147.5	-166.4	-481.3	-672.7	813.8	-238.7	50.8	112.1	12.9	305.8
A. Capital account	0.0	17.8	-1.5	37.4	0.6	16.7	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-2.4	2.6	37.4
1. Capital transfers	0.0	17.8	-1.5	39.7	0.6	16.7	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-0.1	2.6	37.4
2. Acquisition/disposal of non-produced, nonfinancial assets	0.0	0.0	0.0	-2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.3	0.0	0.0
B. Financial account	658.9	-579.0	-577.4	444.2	-474.5	209.9	-148.1	-166.3	-480.8	-672.8	814.8	-238.6	51.0	114.5	10.3	268.4
1. Direct investment	715.8	-278.6	-593.1	422.5	-413.0	451.7	-149.1	-168.2	-488.4	-643.4	754.2	-215.5	82.6	118.6	-25.9	247.2
2. Portfolio investment	-86.0	-72.3	35.6	64.4	-11.7	-22.2	-44.0	5.6	20.2	0.0	8.6	6.8	-9.4	7.9	50.3	15.6
3. Other investment	29.1	-228.1	-19.9	-42.7	-49.8	-219.6	45.0	-3.7	-12.6	-29.4	52.0	-29.9	-22.2	-12.0	-14.1	5.6
3. Items not yet classified 2)	-16.9	-13.5	-20.7	9.2	-5.7	-6.5	-0.1	-1.2	3.6	-1.9	-11.6	-10.8	5.4	-6.5	5.0	5.3
4. Overall balance (1+2+3)	19.2	-46.8	129.7	39.7	28.2	-14.4	-32.0	-28.6	90.4	-31.6	70.9	0.0	78.4	-33.6	-2.2	-2.9
5. Banking transactions 3)	-14.0	19.9	20.5	32.9	-34.4	28.1	25.1	1.1	-53.7	73.9	-31.7	32.0	-30.1	23.2	-29.1	68.9
6. Increase (-) in official reserves 4)	-5.2	26.9	-150.2	-72.6	6.2	-13.7	6.9	27.5	-36.7	-42.3	-39.2	-32.0	-48.3	10.4	31.3	-66.0
A. Monetary gold	0.0	0.0	-14.0	-13.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-14.0	-5.0	-3.4	-1.0	-3.8
B. Foreign exchange holdings	-5.2	26.9	-136.2	-59.4	6.2	-13.7	6.9	27.5	-36.7	-42.3	-39.2	-18.0	-43.3	13.8	32.3	-62.2

1) On a cash basis.

2) Including errors and omissions.

3) Minus (-) sign denotes an increase in assets and a decrease in liabilities.

4) Excluding revaluation differences of gold and official foreign exchange holdings.

TABLE 8.2: COMPONENTS OF THE CURRENT ACCOUNT

During period	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Goods and services	-551.4	628.0	879.3	-200.1	522.0	-196.4	144.7	157.7	608.9	673.3	-673.1	270.2	58.3	-88.6	56.2	-226.0
A. Goods	-1,063.5	-62.7	138.8	-943.9	258.5	-373.8	11.0	41.6	322.9	474.8	-744.7	85.8	-207.8	-257.6	-93.6	-384.9
1. Exports f.o.b.	2,533.6	4,618.2	4,369.2	2,712.3	1,041.4	937.9	1,180.1	1,458.8	1,216.9	1,617.3	715.0	820.0	721.1	716.7	624.8	649.7
2. Imports f.o.b.	3,597.1	4,680.9	4,230.4	3,656.2	782.9	1,311.7	1,169.1	1,417.2	894.0	1,142.5	1,459.7	734.2	928.9	974.3	718.4	1,034.6
B. Services	512.1	690.7	740.5	743.8	263.5	177.4	133.7	116.1	286.0	198.5	71.6	184.4	266.1	169.0	149.8	158.9
1. Receipts	1,784.8	1,881.2	1,895.6	1,907.9	541.2	466.8	436.5	436.7	536.9	489.3	441.5	427.9	534.4	459.8	434.7	479.0
1.1 Transportation	146.0	133.5	74.9	57.8	38.5	43.1	33.8	18.1	20.8	20.0	18.2	15.9	14.3	17.7	15.2	10.6
1.1.1 Passenger	96.6	62.8	1.8	2.7	19.0	23.7	19.0	1.1	0.0	0.3	1.2	0.3	2.2	0.4	0.0	0.1
1.1.2 Freight	3.4	1.2	0.9	0.5	0.4	0.1	0.1	0.6	0.3	0.0	0.6	0.0	0.2	0.0	0.3	0.0
1.1.3 Other	46.0	69.5	72.2	54.6	19.1	19.3	14.7	16.4	20.5	19.7	16.4	15.6	11.9	17.3	14.9	10.5
1.2 Travel	1,424.9	1,548.4	1,614.8	1,630.2	457.1	374.7	356.3	360.3	469.9	415.4	374.3	355.2	472.6	396.1	361.5	400.0
1.2.1 Tourism	1,411.6	1,538.3	1,605.1	1,616.7	454.7	372.4	353.0	358.2	468.3	412.0	371.8	353.0	469.6	392.6	357.1	397.4
1.2.2 Other	13.3	10.1	9.7	13.5	2.4	2.3	3.3	2.1	1.6	3.4	2.5	2.2	3.0	3.5	4.4	2.6
1.3 Government services, n.i.e.	31.7	30.3	24.2	28.3	5.8	11.0	5.7	7.8	7.2	5.7	6.9	4.4	1.4	5.3	9.0	12.6
1.4 Other services	182.2	169.0	181.7	191.6	39.8	38.0	40.7	50.5	39.0	48.2	42.1	52.4	46.1	40.7	49.0	55.8
1.4.1 Construction services	18.5	2.2	7.6	2.8	0.2	0.0	0.3	1.7	1.9	2.5	2.6	0.6	2.2	0.2	0.4	0.0
1.4.2 Other business services	79.5	112.1	130.6	131.1	28.9	24.6	23.7	34.9	29.1	29.4	29.3	42.8	27.7	29.6	37.2	36.6
1.4.3 Other services, n.i.e.	84.2	54.7	43.5	57.7	10.7	13.4	16.7	13.9	8.0	16.3	10.2	9.0	16.2	10.9	11.4	19.2
2. Payments	1,272.7	1,190.5	1,155.1	1,164.1	277.7	289.4	302.8	320.6	250.9	290.8	369.9	243.5	268.3	290.8	284.9	320.1
2.1 Transportation	375.8	484.9	466.5	395.5	79.5	130.7	127.7	147.0	98.5	125.3	160.2	82.5	97.8	103.0	82.9	111.8
2.1.1 Passenger	14.3	16.2	20.8	20.2	2.9	2.4	6.8	4.1	3.9	4.9	8.1	3.9	3.4	3.6	8.9	4.3
2.1.2 Freight	349.1	455.7	429.4	366.1	73.1	124.2	118.0	140.4	91.3	116.3	147.2	74.6	93.1	97.1	73.0	102.9
2.1.3 Other	12.4	13.0	16.3	9.2	3.5	4.1	2.9	2.5	3.3	4.1	4.9	4.0	1.3	2.3	1.0	4.6
2.2 Travel	265.1	281.3	285.0	334.0	65.2	66.2	75.2	74.7	61.9	69.3	91.4	62.4	66.7	83.1	90.2	94.0
2.2.1 Tourism	217.8	238.2	239.8	277.8	56.1	57.4	62.1	62.6	52.5	58.6	79.4	49.3	54.2	71.6	75.0	77.0
2.2.2 Other	47.3	43.1	45.2	56.2	9.1	8.8	13.1	12.1	9.4	10.7	12.0	13.1	12.5	11.5	15.2	17.0
2.3 Government services, n.i.e.	50.3	42.0	42.9	55.1	11.6	10.2	12.1	8.1	8.4	9.4	7.6	17.5	16.9	10.6	17.8	9.8
2.4 Other services	581.5	382.3	360.7	379.5	121.4	82.3	87.8	90.8	82.1	86.8	110.7	81.1	86.9	94.1	94.0	104.5
2.4.1 Construction services	196.6	35.7	16.7	24.3	17.3	8.2	5.9	4.3	2.5	6.2	4.3	3.7	5.2	2.7	13.7	2.7
2.4.2 Other business services	188.7	201.3	213.9	233.5	57.4	49.5	50.1	44.3	42.8	45.3	77.8	48.0	49.1	62.0	53.6	68.8
2.4.3 Other services, n.i.e.	196.2	145.3	130.1	121.7	46.7	24.6	31.8	42.2	36.8	35.3	28.6	29.4	32.6	29.4	26.7	33.0
2. Income	-52.0	-10.3	-68.4	-126.6	2.3	-6.2	-0.5	-5.9	-25.5	-1.6	-39.1	-2.2	-6.6	-19.0	-46.1	-54.9
1. Receipts	72.9	93.1	89.7	60.3	19.0	23.4	26.3	24.4	19.1	21.8	15.6	33.2	14.3	14.3	15.7	16.0
1.1 Compensation of employees	1.3	0.2	1.0	0.7	0.1	0.0	0.1	0.0	0.0	0.0	0.4	0.6	0.3	0.1	0.2	0.1
1.2 Investment income	71.6	92.9	88.7	59.6	18.9	23.4	26.2	24.4	19.1	21.8	15.2	32.6	14.0	14.2	15.5	15.9
2. Payments	124.9	103.4	158.1	186.9	16.7	29.6	26.8	30.3	44.6	23.4	54.7	35.4	20.9	33.3	61.8	70.9
2.1 Compensation of employees	1.1	0.6	0.5	1.0	0.1	0.1	0.2	0.2	0.1	0.1	0.2	0.1	0.2	0.2	0.2	0.4
2.2 Investment income	123.8	102.8	157.6	185.9	16.6	29.5	26.6	30.1	44.5	23.3	54.5	35.3	20.7	33.1	61.6	70.5
3. Current transfers	-19.4	-89.8	-81.6	-124.4	-16.5	-31.9	-28.6	-12.8	-15.3	-28.7	-19.1	-18.5	-29.5	-31.6	-30.2	-33.1
1. Receipts	63.7	55.0	67.6	60.7	10.8	12.8	15.2	16.2	10.8	10.8	23.7	22.3	13.6	13.2	14.0	19.9
1.1 General government	26.5	25.5	32.6	16.7	5.4	6.0	6.2	7.9	3.8	3.2	12.7	12.9	5.9	4.3	1.4	5.1
1.2 Other sectors	37.2	29.5	35.0	44.0	5.4	6.8	9.0	8.3	7.0	7.6	11.0	9.4	7.7	8.9	12.6	14.8
1.2.1 Workers' remittances	6.7	2.3	2.2	4.3	0.6	0.8	0.4	0.5	0.7	0.3	0.3	0.9	0.7	0.5	1.7	1.4
1.2.2 Other transfers	30.5	27.2	32.8	39.7	4.8	6.0	8.6	7.8	6.3	7.3	10.7	8.5	7.0	8.4	10.9	13.4
2. Payments	83.1	144.8	149.2	185.1	27.3	44.7	43.8	29.0	26.1	39.5	42.8	40.8	43.1	44.8	44.2	53.0
2.1 General government	28.0	25.1	22.5	26.2	7.2	2.9	6.5	8.5	5.0	5.9	3.5	8.1	5.6	5.4	6.5	8.7
2.2 Other sectors	55.1	119.7	126.7	158.9	20.1	41.8	37.3	20.5	21.1	33.6	39.3	32.7	37.5	39.4	37.7	44.3
2.2.1 Workers' remittances	33.9	55.8	54.4	74.7	13.6	14.9	15.7	11.6	14.2	12.1	13.4	14.7	14.9	16.2	19.6	24.0
2.2.2 Other transfers	21.2	63.9	72.3	84.2	6.5	26.9	21.6	8.9	6.9	21.5	25.9	18.0	22.6	23.2	18.1	20.3
4. Current account balance (1+2+3)	-622.8	527.9	729.3	-451.1	507.8	-234.5	115.6	139.0	568.1	643.0	-731.3	249.5	22.2	-139.2	-20.1	-314.0

TABLE 8.3: COMPONENTS OF THE CAPITAL AND FINANCIAL ACCOUNT 1)

During period	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Nonbanks	658.9	-561.2	-578.9	481.6	-473.9	226.6	-147.5	-166.4	-481.3	-672.7	813.8	-238.7	50.8	112.1	12.9	305.8
A. Capital account	0.0	17.8	-1.5	37.4	0.6	16.7	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-2.4	2.6	37.4
1. Capital transfers	0.0	17.8	-1.5	39.7	0.6	16.7	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-0.1	2.6	37.4
1.1 General government	1.4	16.9	0.0	37.4	0.0	16.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	37.4
1.2 Other sectors	-1.4	0.9	-1.5	2.3	0.6	-0.2	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-0.1	2.6	0.0
1.2.1 Migrants' transfers	-1.4	0.9	-1.5	2.3	0.6	-0.2	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-0.1	2.6	0.0
1.2.2 Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2. Acquisition/disposal of non-produced, nonfinancial assets	0.0	0.0	0.0	-2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.3	0.0	0.0
B. Financial account	658.9	-579.0	-577.4	444.2	-474.5	209.9	-148.1	-166.3	-480.8	-672.8	814.8	-238.6	51.0	114.5	10.3	268.4
1. Direct investment	715.8	-278.6	-593.1	422.5	-413.0	451.7	-149.1	-168.2	-488.4	-643.4	754.2	-215.5	82.6	118.6	-25.9	247.2
1.1 Investment abroad	15.0	-21.6	-22.8	-9.1	-1.6	-4.8	-5.4	-9.8	0.6	-1.3	-23.5	1.4	-5.4	-10.0	-1.0	7.3
1.2 Investment in Aruba	700.8	-257.0	-570.3	431.6	-411.4	456.5	-143.7	-158.4	-489.0	-642.1	777.7	-216.9	88.0	128.6	-24.9	239.9
2. Portfolio investment	-86.0	-72.3	35.6	64.4	-11.7	-22.2	-44.0	5.6	20.2	0.0	8.6	6.8	-9.4	7.9	50.3	15.6
2.1 Domestic securities	31.2	4.8	-5.5	38.7	-0.1	0.1	4.7	0.1	-0.4	-0.2	-6.5	1.6	-7.7	0.0	46.4	0.0
2.2 Foreign securities	-117.2	-77.1	41.1	25.7	-11.6	-22.3	-48.7	5.5	20.6	0.2	15.1	5.2	-1.7	7.9	3.9	15.6
3. Other investment	29.1	-228.1	-19.9	-42.7	-49.8	-219.6	45.0	-3.7	-12.6	-29.4	52.0	-29.9	-22.2	-12.0	-14.1	5.6
3.1. Loans	52.2	-139.5	-23.6	31.9	-17.5	-145.1	18.0	5.1	-18.4	-21.3	32.5	-16.4	-4.1	14.6	2.7	18.7
3.1.1 General government	13.4	60.8	22.2	49.4	-0.2	-0.6	35.7	25.9	-1.8	-0.6	37.4	-12.8	0.0	-0.5	0.0	49.9
3.1.2 Other sectors	38.8	-200.3	-45.8	-17.5	-17.3	-144.5	-17.7	-20.8	-16.6	-20.7	-4.9	-3.6	-4.1	15.1	2.7	-31.2
3.2. Other financial transactions	-23.1	-88.6	3.7	-74.6	-32.3	-74.5	27.0	-8.8	5.8	-8.1	19.5	-13.5	-18.1	-26.6	-16.8	-13.1
2. Banking transactions 2)	-14.0	19.9	20.5	32.9	-34.4	28.1	25.1	1.1	-53.7	73.9	-31.7	32.0	-30.1	23.2	-29.1	68.9
A. Assets	-14.7	-29.7	6.8	-14.3	-41.9	24.9	1.8	-14.5	-25.4	37.9	12.9	-18.6	44.6	13.9	-38.6	-34.2
1. Investments	-8.9	-1.9	26.5	-20.8	-0.2	0.2	-2.0	0.1	-0.1	0.1	2.3	24.2	-10.6	-2.5	-7.7	0.0
2. Loans	-12.5	-26.0	17.7	22.4	-4.8	-6.2	-3.2	-11.8	3.0	3.4	2.6	8.7	29.3	-4.6	3.9	-6.2
3. Other assets	6.7	-1.8	-37.4	-15.9	-36.9	30.9	7.0	-2.8	-28.3	34.4	8.0	-51.5	25.9	21.0	-34.8	-28.0
B. Liabilities	0.7	49.6	13.7	47.2	7.5	3.2	23.3	15.6	-28.3	36.0	-44.6	50.6	-74.7	9.3	9.5	103.1
1. Subordinated debts	0.0	0.0	-5.4	5.0	0.0	0.0	0.0	0.0	0.0	-3.6	-1.8	0.0	0.0	5.0	0.0	0.0
2. Other liabilities	0.7	49.6	19.1	42.2	7.5	3.2	23.3	15.6	-28.3	39.6	-42.8	50.6	-74.7	4.3	9.5	103.1
3. Total banks and nonbanks, net (1+2)	644.9	-541.3	-558.4	514.5	-508.3	254.7	-122.4	-165.3	-535.0	-598.8	782.1	-206.7	20.7	135.3	-16.2	374.7

1) Excluding official reserves.

2) Minus (-) sign denotes an increase in assets and a decrease in liabilities.

Table 8.4: BALANCE OF PAYMENTS BY SECTORS 1)

During period	2000-IV				2001-IV				2002-IV			
	Oil sector	Free-zone	Rest of economy	Total	Oil sector	Free-zone	Rest of economy	Total	Oil sector	Free-zone	Rest of economy	Total
1. Current account (net)	154.7	-5.4	-10.3	139.0	248.2	2.8	-1.5	249.5	-217.2	5.7	-102.5	-314.0
A. Goods and services	156.2	-5.4	6.9	157.7	253.2	3.2	13.8	270.2	-209.2	6.0	-22.8	-226.0
1. Goods	286.5	-1.4	-243.5	41.6	312.4	6.7	-233.3	85.8	-121.5	9.0	-272.4	-384.9
1.1 Exports f.o.b.	1413.7	34.6	10.5	1458.8	766.7	41.3	12.0	820.0	603.6	39.5	6.6	649.7
1.2 Imports f.o.b.	1127.2	36.0	254.0	1417.2	454.3	34.6	245.3	734.2	725.1	30.5	279.0	1034.6
2. Services	-130.3	-4.0	250.4	116.1	-59.2	-3.5	247.1	184.4	-87.7	-3.0	249.6	158.9
2.1 Receipts	0.0	0.0	436.7	436.7	0.0	0.0	427.9	427.9	0.0	0.0	479.0	479.0
2.2 Payments	130.3	4.0	186.3	320.6	59.2	3.5	180.8	243.5	87.7	3.0	229.4	320.1
B. Income	0.0	0.0	-5.9	-5.9	0.0	0.0	-2.2	-2.2	0.0	0.0	-54.9	-54.9
1. Receipts	0.0	0.0	24.4	24.4	0.0	0.0	33.2	33.2	0.0	0.0	16.0	16.0
2. Payments	0.0	0.0	30.3	30.3	0.0	0.0	35.4	35.4	0.0	0.0	70.9	70.9
C. Current transfers	-1.5	0.0	-11.3	-12.8	-5.0	-0.4	-13.1	-18.5	-8.0	-0.3	-24.8	-33.1
1. Receipts	0.0	0.0	16.2	16.2	0.0	0.0	22.3	22.3	0.0	0.0	19.9	19.9
2. Payments	1.5	0.0	27.5	29.0	5.0	0.4	35.4	40.8	8.0	0.3	44.7	53.0
2. Capital and financial account (net)	-143.8	0.0	-22.6	-166.4	-229.5	0.0	-9.2	-238.7	241.9	0.0	63.9	305.8
A. Capital account	0.0	0.0	-0.1	-0.1	0.0	0.0	-0.1	-0.1	0.0	0.0	37.4	37.4
1. Capital transfers	0.0	0.0	-0.1	-0.1	0.0	0.0	-0.1	-0.1	0.0	0.0	37.4	37.4
2. Acquisition/disposal of non-produced, nonfinancial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
B. Financial account	-143.8	0.0	-22.5	-166.3	-229.5	0.0	-9.1	-238.6	241.9	0.0	26.5	268.4
1. Direct investment	-143.4	0.0	-24.8	-168.2	-229.5	0.0	14.0	-215.5	241.9	0.0	5.3	247.2
2. Portfolio investment	-0.4	0.0	6.0	5.6	0.0	0.0	6.8	6.8	0.0	0.0	15.6	15.6
3. Other investment	0.0	0.0	-3.7	-3.7	0.0	0.0	-29.9	-29.9	0.0	0.0	5.6	5.6
3. Items not yet classified 2)	0.0	0.0	-1.2	-1.2	0.0	0.0	-10.8	-10.8	0.0	0.0	5.3	5.3
4. Overall balance (1+2+3)	10.9	-5.4	-34.1	-28.6	18.7	2.8	-21.5	0.0	24.7	5.7	-33.3	-2.9
5. Banking transactions 3)	-10.9	5.4	6.6	1.1	-18.7	-2.8	53.5	32.0	-24.7	-5.7	99.3	68.9
6. Increase (-) in official reserves 4)	0.0	0.0	27.5	27.5	0.0	0.0	-32.0	-32.0	0.0	0.0	-66.0	-66.0
A. Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0	-14.0	-14.0	0.0	0.0	-3.8	-3.8
B. Foreign exchange holdings	0.0	0.0	27.5	27.5	0.0	0.0	-18.0	-18.0	0.0	0.0	-62.2	-62.2

1) On a cash basis.

2) Including errors and omissions.

3) "-" sign denotes an increase in assets and a decrease in liabilities.

4) Excluding revaluation differences of gold and official foreign exchange holdings.

TABLE 8.5: BREAKDOWN OF MERCHANDISE TRADE

During period	1999	2000	2001	2002	2000				2001				2002			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Exports f.o.b.	2,533.6	4,618.2	4,369.2	2,712.3	1,041.4	937.9	1,180.1	1,458.8	1,216.9	1,617.3	715.0	820.0	721.1	716.7	624.8	649.7
A. General merchandise	2,361.6	4,350.3	4,210.6	2,454.3	980.1	877.6	1,091.4	1,401.2	1,177.1	1,569.8	679.2	784.5	688.1	662.5	492.4	611.3
1. Oil sector	2,018.2	4,177.7	4,024.8	2,311.9	919.3	847.0	1,053.3	1,358.1	1,123.6	1,534.3	634.3	732.6	651.1	627.2	466.9	566.7
2. Free-zone	303.8	139.4	150.3	122.5	50.6	24.6	29.6	34.6	45.6	27.3	36.1	41.3	29.6	30.6	22.7	39.6
3. Other sectors	39.6	33.2	35.5	19.9	10.2	6.0	8.5	8.5	7.9	8.2	8.8	10.6	7.4	4.7	2.8	5.0
B. Goods procured in ports by carriers	171.7	267.0	158.6	258.0	61.3	60.3	88.7	56.7	39.8	47.5	35.8	35.5	33.0	54.2	132.4	38.4
C. Repairs on goods	0.3	0.9	0.0	0.0	0.0	0.0	0.0	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2. Imports f.o.b.	3,597.1	4,680.9	4,230.4	3,656.2	782.9	1,311.7	1,169.1	1,417.2	894.0	1,142.5	1,459.7	734.2	928.9	974.3	718.4	1,034.6
A. General merchandise	1,533.0	1,404.2	1,591.1	1,636.5	378.0	341.0	360.3	324.9	310.2	312.2	578.6	390.1	424.3	458.1	303.1	451.0
1. Oil sector	327.0	270.2	500.8	539.1	82.1	76.5	76.7	34.9	34.9	37.5	318.2	110.2	152.8	191.8	52.9	141.6
2. Free-zone	253.9	128.9	125.7	99.8	35.8	24.1	33.0	36.0	32.8	30.3	28.0	34.6	31.2	22.7	15.4	30.5
3. Other sectors	952.1	1,005.1	964.6	997.6	260.1	240.4	250.6	254.0	242.5	244.4	232.4	245.3	240.3	243.6	234.8	278.9
B. Goods for processing	2,035.3	3,251.0	2,638.6	2,019.7	397.8	961.2	799.7	1,092.3	583.8	830.2	880.5	344.1	504.6	516.2	415.3	583.6
C. Goods procured in ports by carriers	19.2	19.8	0.1	0.0	5.9	6.6	7.3	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
D. Repairs on goods	9.6	5.9	0.6	0.0	1.2	2.9	1.8	0.0	0.0	0.1	0.5	0.0	0.0	0.0	0.0	0.0
3. Merchandise trade (1-2)	-1,063.5	-62.7	138.8	-943.9	258.5	-373.8	11.0	41.6	322.9	474.8	-744.7	85.8	-207.8	-257.6	-93.6	-384.9

TABLE 8.6: OFFICIAL FOREIGN EXCHANGE RATES (SELLING)

(Period averages)

	Can. dollar	Pound sterling	Neth. guilder (x 100)	Swiss franc (x 100)	French franc (x 100)	German mark (x 100)	Italian lire (x 1,000)	Japanese yen (x 10,000)	ECU/EURO1) (x 100)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1999	1.215	2.926	86.955	119.161	29.208	97.957	0.990	158.931	191.191
2000	1.215	2.740	75.304	106.012	25.299	84.843	0.857	167.047	165.948
2001	1.179	2.608	73.083	106.553	24.562	82.344	0.832	148.245	160.736
2002	1.151	2.723		115.940				144.179	170.324
2000 I	1.241	2.903	80.538	110.294	27.056	90.745	0.917	168.239	177.480
II	1.219	2.770	76.204	107.315	25.601	85.862	0.867	168.700	167.931
III	1.219	2.674	73.851	105.273	24.812	83.201	0.841	167.220	162.758
IV	1.182	2.615	70.749	101.295	23.767	79.705	0.805	164.124	155.898
2001 I	1.202	2.638	75.343	108.109	25.313	84.892	0.857	152.416	164.688
II	1.202	2.578	71.222	102.592	23.961	80.249	0.811	146.797	156.953
III	1.170	2.603	72.676	106.176	24.415	81.887	0.827	147.911	160.155
IV	1.143	2.613	73.121	109.232	24.571	82.386	0.833	145.995	161.173
2002 I	1.133	2.582		106.861				135.916	157.626
II	1.162	2.646		112.721				141.974	165.382
III	1.157	2.801		120.728				150.984	176.980
IV	1.150	2.842		122.373				146.856	179.781

1) On January 1, 1999, the ECU was replaced by the EURO. Also, on January 1, 2002, the EURO replaced the Netherlands guilder, the French franc, the German mark and the Italian lire.

TABLE 8.7: OFFICIAL FOREIGN EXCHANGE RATES (SELLING)

(End of period)

	Can. dollar	Pound sterling	Neth. guilder (x 100)	Swiss franc (x 100)	French franc (x 100)	German mark (x 100)	Italian lire (x 1,000)	Japanese yen (x 10,000)	ECU/EURO ¹⁾ (x 100)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1999	1.240	2.920	82.010	112.430	27.550	92.400	0.930	175.920	180.720
2000	1.200	2.690	75.800	109.200	25.460	85.400	0.860	156.990	167.030
2001	1.130	2.620	71.940	106.780	24.170	81.060	0.820	137.470	158.540
2002	1.140	2.920		129.650				151.660	188.660
2000 I	1.240	2.890	77.980	107.900	26.200	87.870	0.890	174.420	171.850
II	1.220	2.740	78.010	110.220	26.210	87.890	0.890	170.930	171.910
III	1.200	2.660	71.550	103.350	24.040	80.620	0.810	166.080	157.680
IV	1.200	2.690	75.800	109.200	25.460	85.400	0.860	156.990	167.030
2001 I	1.150	2.580	72.100	103.920	24.220	81.240	0.820	143.470	158.880
II	1.180	2.550	69.220	100.080	23.260	78.000	0.790	144.780	152.550
III	1.140	2.660	74.540	111.130	25.040	83.990	0.850	150.670	164.260
IV	1.130	2.620	71.940	106.780	24.170	81.060	0.820	137.470	158.540
2002 I	1.130	2.580		106.850				135.870	156.940
II	1.200	2.780		121.690				151.810	179.450
III	1.140	2.830		121.200				148.220	177.380
IV	1.140	2.920		129.650				151.660	188.660

1) On January 1, 1999, the ECU was replaced by the EURO. Also, on January 1, 2002, the EURO replaced the Netherlands guilder, the French franc, the German mark and the Italian lire.

General note to the tables of the statistical annex

Figures in the Statistical annex are quoted in millions of Aruban florin (AFL), unless otherwise stated. The sum of separate items may differ in the final digit from the total shown, due to rounding.

Data are subject to revision if additional information becomes available.

The following symbols and conventions are used throughout the Statistical annex:

blank: not available

0.0: nil

(d): discontinuity in the series; this sign will be accompanied by an explanatory note in the back section of the report.

Explanatory notes to the tables of the statistical annex

Table 1.1 Gross domestic product and its components

Gross Domestic Product (GDP) and its components are calculated on the basis of the United Nations publication "A System of National Accounts, 1993". The Central Bureau of Statistics has published GDP figures for 1995 up to and including 2000. Data for the subsequent years are rough estimates.

Exports and imports of goods and services exclude crude oil and refined oil products. An estimation of the net value added of the oil sector is included in the data on exports.

The real GDP is calculated using the change in the consumer price index (1995 = 100) as a proxy for the deflator.

Population data refer to the average of this variable at the beginning and at the end of each respective year.

Table 1.5 Consumer price indices

The consumer price index, produced by the Central Bureau of Statistics, is a Laspeyres type of index and is based on the results of household expenditure surveys conducted by this Bureau. The latest survey was conducted during the period October 1998 through January 1999.

The base of the index was replaced from August 1994 to September 2000.

To convert the indexes prior to September 2000 to the new base period, these indexes should be multiplied by the ratio of the new and old index. For instance, the indexes in column 1 "Total index" prior to September 2000 should be multiplied by the ratio 0.8410, i.e.,

$$\frac{\text{September 2000 (New index)}}{\text{September 2000 (Old index)}} = \frac{100.0}{118.9} = 0.8410$$

Table 1.8 Utilities

The table Utilities reflect the consumption of water, electricity and gas. The consumption of water is excluding sales to Coastal Aruba N.V. and vessels. Each category is presented on the

basis of its standard unit of measure. The utilities index is calculated as a weighted average of the indexed consumption of water, electricity and gas. The weights used here are dynamic and fluctuate according to the relative significance (during a period) of the value of each consumption category in the aggregated value. Annual data are based on the year 1996 (=100), while quarterly data are based on an average of that year, since the quarterly data reflect only the consumption during a quarter, while the annual data is cumulative.

Table 1.9 and Table 1.10 Merchandise foreign trade, respectively by country and by product category

The data for these tables (by country and by product category) are derived from the automated customs system Asycuda. In this system, about 8,000 documents related to export and import are registered on a monthly basis. The Central Bureau of Statistics processes this data using the International Special Trade System. Certain types of goods are excluded from the data, e.g., monetary gold, securities, bank notes, coins in circulation, and postal items. Furthermore, goods consigned by a government to its armed forces and diplomatic representatives abroad (including embassies, consulates, the Cabinet of the Netherlands-Antillean and Aruban Affairs (KABNA), the Cabinet of the Governor of Aruba representing the Queen of the Kingdom of the Netherlands, and the Marine Corps) are also excluded from the trade statistics. These exclusions are in accordance with the recommendations of the United Nations. Mineral fuels are also excluded.

The country from which goods are imported is the country of consignment or provenance from which goods are dispatched to Aruba without any commercial transactions in intermediate countries. The country of export is the country of destination known at the time of dispatchment as the final country to which goods are delivered.

Table 2.1 Monetary survey

The monetary survey consolidates the accounts of the Centrale Bank van Aruba (the Bank), the commercial banks, and the Government, related only to the issuance of components of money supply, i.e., coins and treasury bills. This survey

shows the financial relationship between the monetary sectors, whose liabilities include the money supply, and other sectors of the economy.

Net claims on public sector:

Gross claims

Resulting from the issuance of coins and treasury bills. Gross claims include loans granted as well as government bonds in the hands of the monetary sector.

Net foreign assets:

Centrale Bank van Aruba

Revaluation differences of gold and official foreign exchange holdings are excluded in order to calculate the net import of foreign funds by the non-monetary sectors.

Table 2.2 Components of broad money

"Money" consists of bank notes, coins and demand deposits of the private sector. It does not include government deposits, neither the deposits of the commercial banks with the Bank, nor their cash holdings. "Quasi-money" comprises time and savings deposits with the commercial banks and the Bank, as well as treasury bills held by the private sector. This table shows the total liquid claims of the domestic private sector on money-creating institutions.

Table 2.3 Causes of changes in broad money

Inflow of foreign funds

Revaluation differences of gold and official foreign exchange holdings are excluded in order to calculate the net import of foreign funds by the non-monetary sectors.

Table 2.4 Foreign assets

Aruba's net foreign assets consist mainly of convertible claims on nonresidents and gold. Aruba has no accounts with the International Monetary Fund, because it participates in this institution as part of the Kingdom of the Netherlands. In contrast to Table 2.1, net foreign assets in this table include revaluation differences of gold and official foreign exchange holdings. Until the end of 2000, the valuation of gold was determined once every three years at the lowest yearly average market price of gold, converted into florin, in the three calendar years preceding the date of valuation, less 30 percent. Since December 31, 1998, gold has been valued at AFL 368,58 (previously:

AFL 450,74) per fine troy ounce. Effective December 31, 2001, gold is valued on a quarterly basis at the prevailing market rate. Changes in the valuation of gold are included in the revaluation account.

Column:

(9) Revaluation differences

Revaluation differences of gold and official foreign exchange holdings.

Table 3.1 Consolidated balance sheet of the money-creating institutions

Money-creating institutions

These are the Bank, the Government and the commercial banks.

Claims on money-creating institutions:

Monetary authorities

These are institutions (the Bank and the Government) that create base money.

Other domestic assets

Mainly equipment and miscellaneous items.

Revaluation differences

These are revaluation differences of gold and official foreign exchange holdings. In accordance with the Central Bank Ordinance as revised in December 1989, changes in the value of gold and foreign exchange due to changes in the price of gold and exchange rates are accounted for in a revaluation reserve.

Other domestic liabilities

Money in custody, miscellaneous items and other liabilities.

Table 3.2 Detailed balance sheet of the Centrale Bank van Aruba

Columns:

(2) Other

Mainly equipment and miscellaneous items.

(5 and 6) Foreign assets:

Claims on banks

Balances with foreign central and commercial banks in convertible and other currencies.

Claims on governments

Treasury bills and other securities issued by foreign governments and international organizations in convertible and other currencies.

(10) Bank notes issued

Bank notes held by the public and commercial banks.

(13) Official entities

Includes the post office.

(16) Other financial institutions' deposits

These institutions are banklike financial institutions, such as mortgage and investment banks, licensed by the Bank to operate in the domestic market. Other nonbank financial institutions, among which are insurance companies and pension funds, are included under column (17) "private sector".

(17) Private sector

Includes business enterprises, individuals, nonbank financial institutions and foundations.

(18) Other

Money in custody, other liabilities and the Bank's current net income position.

Table 3.4 Coins issued

The Government issues coins, which are, therefore, its liability. The Bank buys the coins and resells them at face value to the commercial banks and to the public.

Table 4.1 Commercial banks: summary account

Commercial banks are financial institutions licensed to carry out banking operations with residents. These banks grant loans, and have among their liabilities deposits transferable by check or otherwise usable in making payments.

Commercial banks' transactions resulting in claims on, and liabilities to, nonresidents are included in this balance sheet only if these transactions are an integral part of their total activities. Offshore businesses sheltered in a separate accounting unit (where claims on nonresidents are kept equal to liabilities to nonresidents so that no net open position arises) are not included in this balance sheet.

Column:

(7) Capital and reserves:

Includes subordinated debt.

Table 4.2 Commercial banks: prudential ratios

The risk-weighted capital ratio is derived by dividing the banks' capital base by the total amount of the risk-weighted assets, including both on-balance and off-balance sheet activities. As of June 1989, the internationally adopted risk-weighted capital ratio was introduced.

Table 4.3 Commercial banks: detailed balance sheet

Columns:

(6 to 9) Loans and advances:

Enterprises

Commercial loans and advances to private and public enterprises and official entities. Public enterprises, among which the Telecommunications Company (SETAR), are companies producing goods and nonfinancial services, whose shares are fully or largely owned by the Government.

Mortgages

Loans and advances to enterprises and individuals secured by real estate.

Individuals

Loans and advances to individuals, excluding mortgages.

Government

Loans and advances to the Government, excluding official entities.

(10) Premises

The commercial banks' own buildings, other real estate, and equipment.

(11) Subsidiaries

Holdings of at least 10 percent of the equity capital of other companies and advances to these companies.

(12) Accounts receivable

Costs, commissions, dividends, rents, and other income earned or accrued, but not yet collected, as well as prepaid expenses not included in the banks' current profit and loss accounts.

(21) Total assets

The balance sheet total does not correspond with that of table 4.1, because in this table interbank assets and liabilities have been netted

out; the net figure is recorded in column (13) "other (net)".

(22 to 25) Demand deposits

Deposits withdrawable on demand, in the form of balances on checking and similar accounts. Also included are time deposits matured but not renewed.

(26 to 29) Time deposits

Deposits with a specific original maturity.

(30) Savings deposits

Deposits with certain withdrawal restrictions, but with no specific maturity condition.

(31) Other liabilities

Accounts payable, provision for loan losses and items not included elsewhere.

(32) Capital and reserves

Paid-up capital by residents, reserves, retained profits, and the banks' current net income position.

(33) Subordinated debt

Liabilities subordinated to claims of depositors and other creditors.

Table 4.4 and Table 4.5 Commercial banks' loans to domestic sectors by kind of economic activity

These tables provide a distribution of resident commercial loans to economic sectors according to the third revision of the International Standard Industrial Classification of all economic activities (ISIC) of 1990 of the United Nations. Table 4.4 gives an overview of the outstanding commercial loans, loans to government and to individuals of the banking sector, divided in three categories, i.e., current accounts, term loans and mortgages, and their contribution in total loans, for the period under review. Table 4.5 gives a historic overview of the outstanding loans of the banking sector provided in Table 4.4.

Table 5.1 Financial survey

The financial survey provides an overview of the activity of the financial sector as a whole. It covers financial positions and transactions of the financial sector with other domestic sectors and with the rest of the world. It comprises the accounts of the Centrale Bank van Aruba, the Treasury (the government, related only to the issuance of components of money supply, i.e.,

coins and treasury bills), the commercial banks, and the aggregated accounts of the nonmonetary financial institutions, comprising mortgage banks, pension funds, life insurance companies, finance companies, the Aruban Investment Bank and the Social Security Bank.

Table 6.1 Interest rates of commercial banks

As of September 1998, the Bank introduced a new method to report and calculate the interest rates on deposits and loans of the commercial banks. The interest rates shown represent the period weighted average rates of these banks on new loans and deposits for domestic activities. Nominal interest rates are used for the deposits. An annual percentage rate (APR) is calculated for the interest rates charged on consumer credit. A weighted average rate of interest is calculated for both deposits (i.e., time and savings) and loans (i.e., individual and commercial). Subsequently, a margin between the credit and debit rate is computed.

Table 7.1 Government financial operations

This table provides summary of the financial operations of the government on a cash basis.

The government as defined by the Bank comprises all departments, including the Department of Public Works (DOW), "Landsbedrijf Ontwikkelingsprojecten" (LOP) and the Fondo Desaroyo Aruba (FDA). Thus, excluded are the social security sector, which comprises mainly the Social Security Bank (SVB) and the General Medical Insurance (AZV).

Revenue and grants

Comprise receipts recorded by the Tax Collector's Office, the Department of Finance and the Bank. Tax and nontax revenue are classified according to the nature of the base on which the tax is levied or the kind of action which creates the obligation concerned. Grants are unrequited, nonrepayable, non-compulsary receipts from other governments or international institutions.

Expenditure

The level of expenditure is derived as a residual of total registered revenue (including grants minus net lending) and net financing. The Department of Finance provides information on the nature of the expenditure. Items n.i.e. (not included elsewhere) is a residual, and thus includes errors and

omissions. In 2000 and the fourth quarter of that year, the AFL 36.7 million debt settlement resulting from the separation of funds associated with the Status Aparte of Aruba in 1986 was reclassified from a current transfer in the “items not included elsewhere” to a repayment of debt in the item “net foreign capital”.

Lending minus repayments

This category covers government payments leading to financial claims upon others or to government equity participation in the ownership of enterprises, minus receipts reducing or extinguishing such claims or equity holdings undertaken for public policy purposes.

Net Financing

Net financing comprises net foreign capital, nonbank domestic capital, and the net recourse to the monetary system of the government.

Memorandum items

The unmet financing requirements comprise all registered payment obligations to other sectors, irrespective of the time frame in which they mature.

The financial deficit includes the change in the unmet financing requirements.

Table 7.2 Government revenue

This table provides a detailed overview of the total government revenue, subdivided into taxes, nontax revenue and grants.

Table 7.3 Government position with the monetary system

This table covers the government’s financial position with the Centrale Bank van Aruba (the Bank) and the commercial banks. It gives an overview of the government’s deposits with the Bank and the local commercial banks and its liabilities to the monetary authorities and local commercial banks.

Table 7.4 Outstanding Government debt

Table 7.4 gives a detailed overview of the outstanding government debt based on information provided by the Department of Finance, the APFA and the Centrale Bank van Aruba. The total debt, excluding the outstanding government guarantees, is divided into a domestic and a foreign debt component. The former comprises negotiable and non-negotiable debt, which is further divided into

short- and long-term. The foreign debt, valued at end-of-period exchange rates, includes the debt to the Netherlands, the European Investment Bank, the United States and a residual category, comprising among others to the Netherlands Antilles.

Table 8.1 Balance of payments

Current and non-monetary capital and financial account

The balance of payments records payments and receipts between residents and nonresidents on goods, services, income and current transfers, as well as changes in Aruba's claims on, and liabilities to, the rest of the world. The basic data to compile the balance of payments are obtained from residents, who are (with the exception of companies with a nonresident status, i.e., offshore companies) legally obliged to report to the Bank their transactions with nonresidents. In practice, licensed foreign exchange banks, operating either as intermediaries or on their own behalf, report the bulk of the transactions. Enterprises holding accounts with foreign banks or with other nonresidents are also obliged to report. Changes in the balance on these accounts are registered by the Bank either as an increase or a decrease in currency and deposits of other sectors. As from the fourth quarter of 1990, foreign transactions of the Coastal Aruba Refining Company, which are settled through a current account with the parent company abroad, are incorporated in the balance of payments. Changes in the balance on this account are registered as short-term direct investments.

Items not yet classified

Transactions of which the underlying nature is not yet known. Profits and losses on foreign exchange transactions of the Bank and the commercial banks as well as revaluation differences of foreign claims and liabilities of the commercial banks are also included.

Banking transactions

Banking transactions cover all capital transactions of authorized foreign exchange banks carried out for their own account. These transactions comprise, among other things, loans to and from foreign banks and nonbanks and their redemptions, the placement of notes with nonresidents issued for their own account and changes in their liquid claims and liabilities.

Increase (-) in official reserves

Changes in the foreign exchange holdings (excluding revaluation differences of gold and foreign exchange holdings) cover all claims on and liabilities to nonresidents of the Bank denominated in foreign currencies. Changes in Aruban florin accounts held with the Bank by nonresidents are also reflected in the foreign exchange holdings.

Table 8.2 Components of the current account

Goods

Goods comprise import and export related payments of crude oil and oil products as well as import and export related payments by free-zone enterprises and by sectors other than the oil and free-zone sectors effectuated through the banking system and notified foreign bank or current accounts. Non-oil merchandise import payments by the oil sector, goods procured in ports and repair goods are also included.

Services:

Transportation

Transportation contains, among other things, harbor dues and fees, and passenger fares. Data on transportation are based on the relevant payments. However, adjustment are made to allow for the fact that in the balance of payments goods are recorded consistently as a f.o.b basis.

Travel

Registered tourism receipts from transactions in foreign currency, traveller's checks and credit cards as recorded by the foreign exchange banks, as well as the enterprises holding accounts with foreign banks. Goods taken out of Aruba by tourists paid for in foreign currency, traveller's checks or credit cards and flows related to medical treatment and expenditures of students are also included under "travel".

Government n.i.e

Payments by the Government of the Netherlands in connection with its representative office in Aruba (including the Netherlands Royal Navy) are included as inflows, while payments by the Aruban Government related to its representative office in the Netherlands ("Aruba Huis") and its tourism offices abroad are, among others, recorded as outflows.

Other

These services mainly include management fees, transactions for industrial maintenance, contracting works, royalties, postal and telecommunication charges, insurance services, rents and leases.

Income

Income covers dividends received on equity investments and participations, as well as interest on public and private sector loans, debt securities, and foreign assets and personal earned income.

Current transfers

Private and official transfers, i.e., workers' remittances and other current transfers of individuals as well as pension and education payments and grants.

Table 8.3 Components of the capital and financial account

Capital account

Capital account consists of capital transfers and acquisition/disposal of non-produced nonfinancial assets. Capital transfers cover private transfers being migrants' transfers, and official transfers, being payments in connection with development aid (capital grants).

Financial account

Financial account covers direct investment, portfolio investment and other investment. The latter is subdivided into loans and other financial transactions.

Banking transactions

See note for Table 8.1.

Table 8.4 Balance of payments by sectors

This table summarizes the balance of payments' transactions by sectors.

Columns:

Oil sector

Transactions of Coastal Aruba Refining Company, Coastal Aruba Fuel Company, Wickland Oil Aruba N.V. (up to the third quarter of 1998) and Barlock/Texaco (the former Barlock/Shell), which are settled through the banking system as well as the accounts held with foreign banks and the parent company abroad are registered in this column.

Free-zone sector

This column covers the international transactions of the free-zone companies through the banking system and their foreign bank accounts.

Other sector

This column contains transactions of the rest of the economy, which are settled through the banking system and accounts held with foreign banks.

Table 8.5 Breakdown of merchandise trade

Exports and imports are recorded on f.o.b. basis and are divided into general merchandise, goods for processing, goods procured in ports by carriers, repairs on goods and non-monetary gold.

Table 8.6 Official foreign exchange rates (selling)

Banks' minimum selling rates for officially quoted currencies for customers. The foreign exchange banks' selling rates of the currencies shown in the table are fixed daily by the Bank on the basis of middle market rates quoted for those currencies against the U.S. dollar.

Officially quoted rates for other currencies are determined by means of a fixed percentage margin on either side of the middle rate for each currency. Offshore customers, or customers with larger amounts of foreign currency to be bought or sold, may negotiate an exchange rate to settle transactions with their banks.

Rates at which foreign exchange banks will buy and sell the U.S. dollar from and to the public:

	minimum buying rates		maximum selling rates
as from:	bank notes	cheque and cable- transfers	
Jan 1, 1986	1.77	1.79	1.81
May 18, 1987	1.77	1.78	1.80