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## **I. DEVELOPMENTS IN THE THIRD QUARTER OF 2002**

### **1.1 Introduction**

Available data for the period under review indicate a continuing decline in general business activities. Productive and infrastructural investment remained low. The Partial Economic Activity Index fell by 4.3 percent compared to the corresponding quarter a year earlier. While the cruise sector expanded further, stay-over tourism, the mainstay of our economy, contracted for the fifth consecutive quarter, i.e., by some 6 percent, putting additional pressure on the hotel occupancy rates and on foreign exchange earnings. As the U.S. market is at last showing some signs of recovery, the developments in the Venezuelan market have now become the major cause of concern, due to the political and economic turbulence in that country.

In contrast, consumptive spending by residents was again buoyant, fueled by a notable credit expansion to both enterprises and individuals. Consequently, money supply growth accelerated from 4 percent in the third quarter of 2001 to 8 percent. In combination with the effects of higher energy prices and the raising of certain excise taxes, the monetary growth pushed up the quarterly inflation rate by 1.1 percentage points to 3.7 percent. The price differential with the United States widened, implying a weakening in Aruba's international competitive position.

The public sector hardly contributed to the increase in money supply, despite higher wage-related spending, because the ensuing financial deficit on a cash basis was fully covered by domestic and foreign borrowings. Consequently, the government debt surged. On the other hand, due to these external borrowings, the significant weakening of the balance of payments could be partly compensated. Thus, at the end of September 2002, net foreign assets of the monetary system were 11 percent bigger than a year earlier. Also due to a decline in merchandise imports, the coverage ratio reached 7.5 months, well above the upper bound of the 5 to 6 months target range.

### **1.2 The real sector**

#### *Partial Economic Activity Index*

The Partial Economic Activity Index (PEAI), an indicator of the volume of the turnover in seven sectors accounting for 71 percent of the total value added in Aruba, as calculated by the Central Bureau of Statistics, has decreased for the seventh consecutive quarter, i.e., by 4.3 percent compared to the corresponding quarter a year earlier (see table A). Major declines were recorded for the sectors "construction", "trade", and "hotels & restaurants" of 27 percent, 8 percent and 6 percent, respectively. In contrast, the turnover in the sectors "utilities", "housing", "transport, storage & communication", and "government" increased, the former two by 3 percent and the latter two by 1 percent, respectively.

#### *Tourism*

In the third quarter of 2002, the number of stay-over visitors and their nights spent in Aruba decreased by 6 percent and 7 percent, respectively. In the corresponding period of 2001, these indicators declined by 10 percent and 4 percent, respectively. As a result, the average hotel occupancy rate fell by 1.7 percentage points to 72.8 percent.

**Table A: Partial Economic Activity Index**  
(Percentage change)

	<i>Share in GDP (in percent)</i>	2000	2001	2001		2002	
				II	III	II	III
				<i>(Period average)</i>			
Total Index	71.3	3.3	-3.0	-2.1	-4.2	-0.9	-4.3
a. Utilities	4.1	4.6	5.0	3.6	5.1	-2.1	3.0
b. Construction	8.6	7.5	-9.8	-20.5	-11.4	0.8	-26.6
c. Trade	14.2	-2.5	-13.7	-13.4	-15.5	-4.8	-8.2
d. Hotels & restaurants	10.5	3.0	-1.2	4.0	-3.1	-2.1	-5.9
e. Transport, storage & communication	8.2	9.7	-4.3	4.1	-8.5	-4.4	0.6
f. Housing	12.6	3.3	3.4	3.3	3.4	2.8	2.7
g. Public adm. & education	13.1	3.9	1.4	2.0	2.0	1.5	0.5

Source: CBS Aruba.

In contrast, the numbers of cruise passenger arrivals and ship calls surged by 67 percent to 67,625 and by 17 to 42, respectively.

Preliminary survey data from the Central Bureau of Statistics indicate that the average daily rate of the hotels rose by 1 percent, but revenue per available room fell by 2 percent. Room tax receipts dropped by 11 percent to AFL 5 million. Gross tourism receipts, as recorded in the balance of payments, shrank for the second consecutive quarter, i.e., by 4 percent; even so, their share in the total current account receipts (excluding the oil and free-zone sectors) remained unchanged at 76 percent. Tourism expenditure, as calculated by the Central Bureau of Statistics via a special survey, contracted by 11 percent (see table B).

Stay-over arrivals from the United States increased by 2 percent, while their number of nights spent shrank accordingly. Its market share rose by 4.7 percentage points to 61.9 percent, partly because of a plunge in the number of Venezuelan visitors and their nights spent of, respectively, 23 percent and 14 percent, due to the increased political and economic turbulence there. That country's market share declined by 4.2 percentage points to 19.9 percent. The number of visitors from the Netherlands shrank by 7 percent, but its market share remained virtually unchanged at around 4 percent. Their total nights spent fell by 9 percent.

### *Construction*

Activities in the construction sector remained weak, despite a 59 percent increase in total imported cement (see statistical annex table 1.5). The number of electrical installations approved by the Department of Technical Inspection declined for the third consecutive quarter, i.e., by 8 percent. Construction permits granted by the Department of Public Works, which reflect intended construction works, fell by 3 percent, following a 28 percent decline in the third quarter of 2001. Their total value also dropped for the second consecutive quarter, i.e., by a marked 39 percent to AFL 46 million, mainly due to the categories "stores and shopping malls" and "others".

**Table B: Indicators of tourism activity**

	2000	2001	2001		2002	
			II	III	II	III
1. a. Tourism receipts (x AFL million) 1)	1,538.3	1,605.1	412.0	371.8	392.6	357.1
b. Tourism expenditure (x AFL million) 2)	1,319.3	1,327.3	329.2	306.6	280.1	272.6
2. Stay-over visitors (x 1,000)	721.2	691.4	179.6	176.3	153.6	165.7
3. Market shares (in percentage)						
a. United States	63.5	64.9	70.4	57.2	71.6	61.9
b. Venezuela	15.5	15.8	12.9	24.1	9.3	19.9
c. The Netherlands	4.2	4.1	3.6	3.9	4.4	3.8
d. Colombia	4.3	3.5	3.3	3.6	3.7	3.8
e. Other countries	12.5	11.7	9.8	11.2	11.0	10.6
4. Visitor nights (x 1,000)	5,247.8	5,144.6	1,269.2	1,343.2	1,092.1	1,252.4
5. Average nights spent	7.3	7.4	7.1	7.6	7.1	7.6
6. a. Receipts per visitor night (AFL)	293	312	325	277	359	285
b. Average daily expenditure (AFL) 3)	204	211	212	203	210	194
7. Average hotel occupancy rate	75.9	75.6	74.9	74.5	69.8	72.8
8. Average daily rate hotels (AFL) 4)	233	243	217	197	215	199
9. Revenue per available room (AFL) 4)	129	135	123	111	113	109
10. Room tax receipts (x AFL million) 5)	22.5	25.8	6.2	5.7	5.2	5.1
11. Cruise visitors (x 1,000)	490.0	487.3	92.5	40.4	125.9	67.6
12. Number of cruise ship calls	331	298	50	25	64	42
13. Contribution to current account 6)	74	76	77	76	80	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.

However, in the category “apartments”, there was a notable AFL 12 million increase, which was largely related to the planned construction of new housing units by the Aruban Community Housing Foundation (FCCA).

### *Utilities*

Water consumption rose by 4 percent, compared to a 7 percent increase in the corresponding period a year earlier (see statistical annex table 1.6). Growth in electricity consumption decelerated by 2 percentage points to 2 percent, while the increase in gas consumption remained at 2 percent. Consequently, the weighted utilities consumption index rose by 2.5 percent to 134.4.

### *Merchandise trade*

Trade figures on a transaction basis, as compiled by the Central Bureau of Statistics, indicate that merchandise imports (excluding mineral fuels and free-zone goods) increased by 2 percent, following a 5 percent rise in the corresponding quarter of 2001. All major product categories contributed to this development, with the exception of “live animals and other animal products” and “machinery and electrotechnical equipment”. After a 14 percent increase, exports surged by 30 percent to AFL 21 million. This amount is, however, equivalent to only 6 percent of the value of imports. The increase resulted mainly from re-exports of machinery and electrotechnical equipment, predominantly associated with the termination of reconstruction works at the oil refinery. Consequently, the trade deficit narrowed by 4.2 percentage points to AFL 331 million (see statistical annex tables 1.7 and 1.8).

### *Oil sector*

The refinery’s throughput fell for the sixth consecutive quarter, i.e., by 32 percent (see statistical annex table 1.9). Both export receipts from refined oil products and crude oil import payments contracted, i.e., by 35 percent to AFL 421 million and by 10 percent to AFL 397 million, respectively. At the end of September 2002, the refinery employed 638 persons, i.e., 74 more than a year earlier. This increase is due to the reconstruction works following a fire in April 2001.

### *Price developments*

Inflation, measured as a quarterly average of the consumer price index, accelerated notably, i.e., by 1.1 percentage points to 3.7 percent (see table C). This acceleration was mainly associated with higher prices in the housing component. Also, prices of beverage and tobacco, and transportation and recreation went up, partly reflecting the increase in excise taxes. Even so, on a twelve-month basis, the increase of the consumer price inflation abated by 0.2 percentage point to 2.9 percent. Adjusted for the energy-related components (i.e., water, electricity, and gasoline), the consumer price index rose by 0.1 percentage point to 3.0 percent.

The price differential with Aruba’s main trading partner, the United States, widened by 1.5 percentage points to 1.4 percentage points. The real exchange rate index of the Aruban florin vis-à-vis the U.S. dollar rose by 1 percent to 103.3. Also, Aruba’s inflation rate differential with Curaçao increased significantly, i.e., from 0.6 percentage point in the third quarter of 2001 to 2.7 percentage points. However, the inflation rate in Aruba was 0.8 percentage point lower than that of the Netherlands, down from 1.1 percentage points in the corresponding period of 2001.

**Table C: Consumer price index**  
(Percentage change)

	2000	2001	2001		2002	
			II	III	II	III
	<i>(Period average)</i>					
Total index	4.0	2.9	3.0	2.6	3.1	3.7
a. Food	1.8	3.3	3.1	3.2	3.8	3.1
b. Beverage & tobacco	1.5	-0.3	-0.3	-0.3	1.1	1.8
c. Clothing & footwear	5.6	8.8	8.3	8.6	7.4	7.0
d. Housing	8.1	0.8	2.5	-4.4	3.2	5.4
e. Housekeeping & furnishing	3.5	4.2	3.3	4.7	4.6	3.5
f. Health	0.4	0.1	0.1	0.0	0.0	0.0
g. Transport & communication	3.0	0.4	1.4	-0.3	0.0	1.4
h. Recreation & education	3.9	2.0	1.9	1.7	2.7	2.8
i. Other	3.0	2.9	3.0	2.5	2.4	2.7
	<i>(Twelve-month average)</i>					
Aruba	4.0	2.9	3.6	3.1	2.6	2.9
United States	3.4	2.8	3.4	3.2	1.8	1.5
Curaçao	5.8	1.8	3.8	2.5	0.4	0.2
The Netherlands	2.5	4.5	3.7	4.2	4.1	3.7
Real exchange rate index (1995=100) 1)	102.0	102.0	101.9	101.9	102.8	103.3

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 third quarter of 2002, money supply increased by AFL 30 million or 2 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 a mere AFL 4 million (0.5 percent), due to higher demand deposits denominated in Aruban florin, while those held in foreign currency decreased somewhat. Quasi-money—comprising time and savings deposits and treasury bills held by the public—also went up, i.e., by AFL 26 million (2 percent), reflecting mainly a rise in time deposits and to a lesser extent in savings deposits. Measured on a twelve-month basis, growth in money supply accelerated from 4 percent a year earlier to 8 percent.

The monetary expansion in the quarter under review resulted from an AFL 32 million domestic money creation, while there was an AFL 2 million net outflow of funds to abroad. An AFL 31 million (5 percent) drop in the Bank's foreign exchange reserves was almost completely compensated for by an AFL 29 million (22 percent) increase in the net foreign assets of the commercial banks. On balance, net foreign assets of the monetary sector (excluding revaluation differences of gold and official foreign exchange holdings) decreased merely by 0.3 percent to AFL 710 million at the end of September 2002, i.e., AFL 50 million or 8 percent bigger than a year earlier. The ratio of these assets to money supply remained unchanged at 36 percent.

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

	2000	2001	2001		2002	
			II	III	II	III
1. Net domestic money creation	86.0	-32.5	14.9	-25.9	44.2	32.2
a. Net domestic credit	117.6	33.1	39.8	-17.8	29.3	42.3
- Public sector	-13.4	-24.7	22.5	-23.7	-7.3	-0.7
- Private sector	131.0	57.9	17.3	5.9	36.5	43.0
b. Other domestic factors	-31.6	-65.7	-24.9	-8.1	14.9	-10.1
2. Inflow of foreign funds 1)	-46.8	135.0	-31.6	70.9	-33.6	-2.2
a. Current account transactions	527.9	729.3	643.0	-731.3	-139.2	-20.1
b. Net foreign capital 2)	-574.7	-594.3	-674.6	802.2	105.6	17.9
3. Broad money creation	39.2	102.5	-16.7	45.0	10.6	30.0
a. Money	5.8	104.8	-14.0	37.0	30.6	3.7
b. Quasi-money	33.3	-2.3	-2.7	8.0	-20.0	26.3
<i>(12-month percentage change)</i>	<i>(2.3)</i>	<i>(5.9)</i>	<i>(1.0)</i>	<i>(3.5)</i>	<i>(8.7)</i>	<i>(7.6)</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 mainly brought about by an AFL 43 million rise in claims on the private sector, reflecting increases in all major credit components. Loans to enterprises went up by AFL 21 million (3 percent), following an AFL 10 million (1 percent) decline in the corresponding quarter a year earlier. This rise was mainly associated with higher current account lending and long-term loans. Housing mortgages and consumer credit both recorded increases of AFL 11 million (3 percent). On the other hand, non-credit related balance sheet items led to an AFL 10 million decline to the monetary expansion. The financial transactions of the government contributed with a mere AFL 1 million negatively to the monetary growth.

In the first nine months of 2002, growth in money supply accelerated to 8 percent, compared to 6 percent in the corresponding period of 2001. The monetary expansion resulted from an AFL 95 million domestic money creation and an AFL 44 million net inflow of foreign funds. Loans to enterprises, housing mortgages and consumer credit grew by AFL 37 million (5 percent), AFL 26 million (6 percent), and AFL 18 million (5 percent), respectively. In addition, the financial transactions of the government with the banking sector contributed with AFL 24 million to the increase in money supply.

#### *Interest rates*

The commercial banks' interest rate spread, measured as the difference between the weighted average lending and deposit rates, widened by 1.7 percentage points to 9.0 percentage points, compared to the end of the preceding quarter (see statistical annex table 6.1). The deposit rate fell by 1.5 percentage points to 4.3 percent, reflecting mainly a decline in the remuneration of time deposits, while the interest rate on savings deposits fluctuated around 4 percent. The lending rate remained around 13 percent.

The Bank's deposit rates, which are linked to the corresponding rates of the Federal Reserve Bank of New York, continued to fluctuate around relatively low levels (see statistical annex table 6.3). The three-month treasury bills issued in October and November 2002 yielded 1.08 percent and 1.05 percent respectively per annum, while the seven-year Aruban florin government bond and the ten-year U.S. dollar government bond, issued in September 2002, yielded 6.250 percent and 7.375 percent, respectively.

## 1.4 Nonmonetary financial institutions

### *The balance sheet*

Compared to the preceding quarter, the aggregated assets of the nonmonetary financial institutions decreased slightly by AFL 3 million to AFL 1.4 billion at the end of September 2002 (see table E and statistical annex table 5.1). This was mainly due to an AFL 7 million (2 percent) decline in the net foreign assets, which was partly offset by an AFL 4 million (0.3 percent) rise in the domestic claims. Still, these assets were twice the net foreign assets of the commercial banks. On the liability side, miscellaneous items contracted by AFL 7 million, while both the pension fund provisions and the insurance reserve fund rose by about AFL 2 million.

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

	2001				2002		
	I	II	III	IV	I	II	III
1. Net foreign assets	415.9	414.2	343.8	349.8	339.4	331.2	324.2
2. Domestic assets	1,030.2	1,058.1	1,073.9	1,093.6	1,109.7	1,120.2	1,123.8
a. Government	436.8	458.1	467.3	480.4	490.4	495.0	493.8
b. Private sector	593.4	599.9	606.6	613.2	619.3	625.2	629.9
3. Total assets=total liabilities	1,446.1	1,472.2	1,417.6	1,443.1	1,449.1	1,451.4	1,448.0
4. Borrowings and deposits	62.8	63.4	54.3	54.6	55.1	55.8	55.8
a. Government	36.6	36.6	36.6	36.6	36.6	36.6	36.6
b. Other residents	26.1	26.8	17.7	18.0	18.5	19.2	19.2
5. Pension fund provisions	1,083.0	1,099.8	1,096.4	1,136.3	1,130.2	1,147.4	1,149.8
6. Insurance reserve fund	241.7	247.8	252.7	257.3	262.2	255.9	257.4
7. Other items, net	58.7	61.2	14.2	-4.7	1.6	-7.7	-15.0

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

### *The mortgage market*

Housing mortgages granted by the nonmonetary financial institutions went up slightly compared to the preceding quarter, i.e., by AFL 2 million or 0.5 percent to AFL 451 million (see table F). In contrast, the commercial banks' mortgage lending expanded by AFL 11 million or 3 percent to AFL 464 million. The portfolio of the mortgage banks increased by AFL 2 million (1 percent), while that of the pension funds, life

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

	2001				2002		
	I	II	III	IV	I	II	III
1. Total	834.2	852.7	865.4	888.7	899.4	907.6	921.3
2. Commercial banks	401.6	414.2	425.6	438.3	445.3	452.6	464.0
3. Mortgage banks	284.5	289.2	291.4	295.9	297.0	296.6	298.9
4. Pension funds	65.1	66.3	66.7	73.8	77.1	79.9	80.7
5. Life insurance companies	74.6	74.4	73.1	72.0	71.2	70.0	69.2
6. Other	8.4	8.6	8.7	8.7	8.7	8.5	8.5

Source: CBA.

insurance companies and other institutions remained virtually unchanged. As a result, the share of the nonmonetary financial institutions in the total housing mortgages market declined by 0.5 percentage point to 49 percent.

## 1.5 Government finance

### *Financial operations*

In the quarter under review, government revenue decreased by AFL 11 million or 7 percent to AFL 162 million, compared to the third quarter of 2001. This was mainly due to an AFL 17 million or 11 percent decline in tax receipts (see statistical annex table 7.1). Lower receipts from income and profit tax, as well as from foreign exchange tax, contributed to this decrease. The latter was related to the judgement of the Common Court of Justice of the Netherlands Antilles and Aruba of July 2002 that no foreign exchange commission should be levied on payments to abroad settled via foreign currency accounts. Both taxes on commodities and property grew by AFL 2 million. The former partly reflected the increase in some excise taxes as of September 1, 2002. Taxes on services decreased by AFL 1 million, due mainly to lower hotel room tax receipts (see statistical annex table 7.2). Nontax revenue rose by AFL 6 million to AFL 20 million, while for the ninth consecutive quarter no foreign grants were received.

Provisional estimates of the Bank indicate that expenditure increased by AFL 16 million or 9 percent to AFL 191 million, mainly because of higher wage-related expenses, which rose by AFL 20 million or 23 percent to AFL 107 million, i.e., 56 percent of total expenditure. This increase was primarily the result of higher premium payments to the General Pension Fund (APFA) and the General Health Insurance (AZV). Interest paid remained virtually unchanged at AFL 11 million. Investment outlays were again notably small, i.e., AFL 5 million, while expenditure on goods and services contracted by AFL 4 million to AFL 23 million.

Net lending to government-related institutions amounted to AFL 23 million in the quarter under review, reflecting mainly cash advances to the AZV to finance its deficits, and the transfer of students' loans.

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

	2000	2001	2001		2002	
			II	III	II	III
1. Revenue and grants	742.2	731.8	150.1	173.1	169.4	161.8
a. Tax revenue	624.5	606.3	131.9	159.3	137.0	141.9
b. Nontax revenue	100.8	125.5	18.2	13.8	32.3	19.9
c. Grants	16.9	0.0	0.0	0.0	0.0	0.0
2. Expenditure	719.9	717.0	159.6	174.9	202.9	191.1
3. Lending minus repayments 2)	16.2	32.0	1.0	8.0	-41.3	23.3
4. Financial deficit (-)	6.1	-17.3	-10.5	-9.8	7.8	-52.6
5. Net foreign capital	24.1	27.9	-0.6	35.4	-0.5	46.5
6. Net domestic capital 3)	-16.8	14.2	-11.4	-1.9	0.0	6.8
7. Net recourse to the monetary system (-)	13.4	24.7	-22.5	23.7	7.3	0.7
8. Memorandum item						
a. Unmet financing requirements 4)	96.1	197.9	173.2	216.9	221.7	198.1
b. Financial deficit (-) 5)	-31.3	-119.1	-60.3	-53.5	-5.2	-29.0

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.

5) Including the change in unmet financing requirements.

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

On balance, the financial deficit on a cash basis widened from AFL 10 million in the third quarter of 2001 to AFL 53 million in the period under review. However, registered unmet financing requirements, as estimated by the Department of Finance, decreased by AFL 24 million compared to the second quarter of 2002, reflecting partly a lowering of payment arrears to suppliers of goods and services and the AZV (see table G). When taking this decline into account, an AFL 29 million financial deficit is obtained. For the first three quarters of 2002 as a whole, it amounted to AFL 77 million.

To cover the financial deficit on a cash basis and to repay maturing bonds amounting to AFL 27 million, the Government acquired a US\$ 30 million bridge loan. Half of it was taken up from a local commercial bank and the remainder from abroad. This loan was replaced in the same quarter by a bond issue, of which US\$ 26 million was sold to nonresidents, while US\$ 4 million was sold locally. In addition, AFL 30 million bonds were issued on the domestic capital market to repay maturing two-month treasury bills

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

	2001				2002		
	I	II	III	IV	I	II	III
1. Total debt 1)	1,032.8	1,089.4	1,156.5	1,151.6	1,162.0	1,197.9	1,222.6
2. Domestic debt	662.1	726.6	748.7	758.5	768.6	780.7	764.3
a. Negotiable	167.7	152.0	160.0	179.2	179.2	179.2	189.1
- Treasury bills	32.0	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	8.0
- Government bonds	127.7	112.0	112.0	131.2	131.2	131.2	141.1
b. Nonnegotiable	494.4	574.6	588.7	579.4	589.4	601.5	575.3
- Short-term 2)	126.9	207.1	220.4	200.7	211.5	224.5	200.9
- Long-term	367.5	367.5	368.3	378.7	377.9	377.0	374.3
3. Foreign debt 3)	370.6	362.8	407.8	393.1	393.4	417.3	458.3

1) Preliminary revised figures and estimates. Excluding guarantees, amounting to about AFL 297 million (excluding interest) at the end of September 2002.

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

3) At end-of-period exchange rates.

Source: Department of Finance.

issued in July. Gross liabilities to the monetary system rose by AFL 5 million to AFL 83 million at the end of September 2002, and deposits with the banking system by AFL 6 million to AFL 85 million, of which AFL 36 million was earmarked to meet possible future claims and AFL 28 million to finance development projects (see statistical annex table 7.3).

### *Outstanding debt*

At the end of September 2002, outstanding public debt (excluding guarantees) amounted to AFL 1,223 million, i.e., AFL 66 million (6 percent) higher than a year earlier (see table H). The main factor behind this increase was an AFL 51 million (12 percent) rise in foreign debt ensuing from the bond issue mentioned earlier. Domestic debt rose by AFL 16 million or 2 percent to AFL 764 million, as an AFL 29 million increase in negotiable debt was partly offset by an AFL 13 million decrease in nonnegotiable debt. The latter reflected mainly the decline in payment arrears to suppliers of goods and services and government-related institutions.

## **1.6 Balance of payments**

### *Overall outcome*

The balance of payments weakened considerably during the reporting period: an AFL 71 million overall surplus in the third quarter of 2001 turned around in an AFL 2 million deficit (see table I and statistical annex table 8.1). This deterioration resulted mainly from a notable increase in the current account deficit of the rest of the economy (i.e., excluding the oil and free-zone sectors). Even so, the net foreign assets of the monetary sector (including revaluation differences of gold and official foreign exchange holdings) rose to AFL 765 million at the end of September 2002, or with

**Table I: Balance of payments**  
(in AFL million)

	2000	2001	2001		2002	
			II	III	II	III
1. Current account (net)	527.9	729.3	643.0	-731.3	-139.2	-20.1
a. Oil sector	456.3	620.1	607.7	-704.1	-129.9	70.3
b. Free zone	-3.6	-11.5	-6.3	-10.6	-4.6	3.7
c. Rest of economy	75.2	120.7	41.6	-16.6	-4.7	-94.1
- Private sector	102.8	148.3	52.2	-19.5	3.1	-78.7
- Public sector	-27.6	-27.6	-10.6	2.9	-7.8	-15.4
2. Capital and financial account (net)	-561.2	-578.9	-672.7	813.8	112.1	12.9
a. Oil sector	-417.2	-576.8	-611.0	734.0	140.6	-45.9
b. Free zone	0.0	0.0	0.0	0.0	0.0	0.0
c. Rest of economy	-144.0	-2.1	-61.7	79.8	-28.5	58.8
- Private sector	-185.0	-30.0	-61.1	44.4	-28.0	12.3
- Public sector	41.0	27.9	-0.6	35.4	-0.5	46.5
3. Items not yet classified 1)	-13.5	-15.4	-1.9	-11.6	-6.5	5.0
4. Overall balance (1+2+3)	-46.8	135.0	-31.6	70.9	-33.6	-2.2
5. Banking transactions 2)	19.9	13.2	73.9	-31.7	23.3	-29.1
6. Increase (-) in official reserves 3)	26.9	-148.2	-42.3	-39.2	10.3	31.3
Memorandum items:						
7. a. Official reserves (including gold)	419.8	578.2	495.3	536.7	623.8	601.0
b. In months of merchandise imports 4)						
- End-of-period	3.9	5.5	4.8	5.5	6.3	6.4
- Twelve-month average	4.2	4.9	4.3	4.6	5.7	6.0
8. a. Total reserves of the monetary sector	558.9	704.0	614.2	687.2	758.3	764.6
b. In months of merchandise imports 4)						
- End-of-period	5.2	6.7	6.0	7.1	7.6	8.2
- Twelve-month average	5.7	6.5	5.8	6.2	7.2	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.

11 percent compared to a year earlier. The end-of-period non-oil merchandise import coverage ratio surged to 8.2 months; its twelve-month moving average reached 7.5 months, well above the upper bound of the 5 to 6 months target range.

### *Oil sector*

The current account of the oil sector on a cash basis registered an AFL 70 million surplus, following an AFL 704 million deficit in the corresponding period a year earlier. Export receipts from refined oil products shrank by 11 percent, and payments for crude oil and other goods by 61 percent. Consequently, the AFL 734 million surplus on the capital and financial account turned into an AFL 46 million deficit, which was reflected in a decline in intercompany liabilities. On balance, the oil sector sold AFL 24 million in foreign exchange to the local commercial banks.

*Free-zone sector*

Export receipts of free-zone companies contracted by 37 percent, and import payments (f.o.b.) by 45 percent. As a result, the current account turned around from an AFL 11 million deficit to an AFL 4 million surplus. On balance, this sector sold an equivalent amount in foreign exchange to the local commercial banks.

*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 17 million to AFL 94 million. All components contributed to this adverse development. Tourism receipts were lower and payments to abroad, in particular for promotion, were higher. The deficits on the income, the current transfers, and the merchandise accounts increased, mainly as a result of higher dividend payments, government-related transactions, and lower export receipts, respectively.

The surplus on the capital and financial account narrowed by AFL 21 million to AFL 59 million, despite the AFL 47 million sale of government bonds to nonresidents, which was reflected in the widening of the surplus on portfolio investments. This decline was caused mainly by a fall in the surplus on other investments, i.e., from AFL 63 million to AFL 5 million, because of higher repayments on foreign loans, while less new credits were received. Net direct investment inflow also declined, i.e., by AFL 8 million.

On balance, the external transactions of the rest of the economy caused an AFL 30 million outflow of funds to abroad, compared to an AFL 52 million inflow in the third quarter of 2001. It should be noted that the government borrowing referred to above to a large extent covered up the remarkable weakening in almost all components of the balance of payments. On the other hand, these borrowings resulted in a further increase in the external commercial debt, which should be considered a cause for concern, the more so because the proceeds were merely used to finance current spending.

## **II. Notices**



## 2.1 THE BUSINESS PERCEPTION SURVEY IN ARUBA

### 1. Introduction

The Business Perception Survey is conducted on a quarterly basis by the Centrale Bank van Aruba. Via a short questionnaire, relevant information on some major economic developments, as well as on the short-term outlook, is collected at a number of leading businesses. The outcome of this survey is based on the experiences, judgements and opinions of the respondents. Information on the method of calculating the index is provided in the Bank's bulletin for the second quarter of 2002.

### 2. Preliminary results

Table 1 indicates that, again, responses of more than two-third of the surveyed businesses were received, which is considered to be acceptable. For the period under review, the index on current economic conditions increased by 3 percent, i.e., from 93 in the second quarter of 2002 to 96. Moreover, the index on the short-term economic outlook shows a slight improvement in sentiment. The overall Business Perception Index rose from 96 to 98. The sentiment is neutral if the index has a value of 100.

<b>Table 1: Response rate and indices</b>	<b>2002</b>	
	<b>II</b>	<b>III</b>
1. Response and non-response rates (in percentages)		
a. Average response rate	74	70
b. Average non-response rate	26	30
2. Indices		
a. Index current economic condition	93	96
b. Index short-term future economic condition	100	101
c. Business Perception Index	96	98

Only with respect to the financial intermediation sector current economic conditions were considered to be satisfactory, while in the other sectors, particularly "manufacturing" and "health, other community and personal service activities", these conditions were labeled as below normal. With regard to the short-term outlook, entrepreneurs in the sectors "electricity, gas and water supply", "financial intermediation", and "real estate and other business activities" were fairly optimistic, while those in "manufacturing" and "health, other community and personal service activities" were again the most pessimistic.

	<u>Improving</u>	<u>No change</u>	<u>Worsening</u>	<u>Total</u>
A. Current economic condition 1]	19	38	42	100
1. The economic conditions in Aruba	17	19	64	100
2. The activities of your business	25	36	39	100
3. The investments of your business	19	58	22	100
4. The number of employees at your company	17	39	44	100
B. Expected short-term economic conditions 2]	24	56	19	100
1. The economic conditions in Aruba	28	50	22	100
2. The activities of your business	36	50	14	100
3. The investments of your business	22	61	17	100
4. The number of employees at your company	11	64	25	100

1] Compared to the corresponding quarter of 2001.

2] During the next 6 months.

Table 2 and annex 1 show that 64 percent of all the respondents believed that general economic conditions were still worsening (second quarter: 83 percent). In addition, 39 percent had a similar sentiment for their own business (second quarter: 66 percent), while 58 percent (second quarter: 61 percent) reported no change in their company's investment activity. Some 44 percent indicated that the employment conditions in their company worsened, compared to 49 percent in the preceding quarter.

According to table 3 and annex 2, some 33 percent of the respondents, mainly in the sectors "wholesale and retail trade, repair of motor vehicles" and "real estate and other business activities", indicated no change in employment in their company (second quarter: 49 percent). However, 50 percent, mainly in the sector "wholesale and retail trade, repair of motor vehicles", experienced a decline in employment, against 33 percent in the previous quarter. Of this amount, 33 percent reported that the decline was less than 5 percent.

About one third of the respondents, particularly in the sector "wholesale and retail trade, repair of motor vehicles", indicated that their profits dropped (second quarter: 49 percent). On the other hand, 25 percent of the respondents, mainly in the financial intermediation sector, experienced an increase in profitability, up from 12 percent.

**Table 3: Perceived developments of employment, profitability, sales, and average wage costs 1]**

	<u>Employment</u>	<u>Operational results</u>		<u>Sales</u>	<u>Wage costs</u>
		<u>Profits</u>	<u>Losses</u>		
1. no change	33	14	6	14	9
2. increase of less than 5%	14	8	6	25	51
3. increase between 5 and 10%	3	14	0	11	11
4. increase of more than 10%	0	3	6	3	3
5. decrease of less than 5%	33	17	3	25	14
6. decrease between 5 and 10%	11	8	0	11	11
7. decrease of more than 10%	6	8	8	11	0
Total	100	72	28	100	100

1] In percentages of all respondents. Compared to the corresponding quarter of 2001.

About 47 percent (second quarter: 71 percent), mainly in the sector “wholesale and retail trade, repair of motor vehicles”, reported a drop in sales, while 39 percent, particularly in the financial intermediation sector indicated an increase (second quarter: 14 percent). An ample 65 percent of the respondents, mainly in the construction sector, reported a rise in wage costs, against 58 percent in the preceding quarter. In 51 percent of these cases the increase was less than 5 percent (second quarter: 38 percent).

With regard to the outlook for the next six months (see table 2 part B), half of the respondents expected that the economic conditions in Aruba will remain unchanged, while 28 percent thought that these will improve. Also, half of the respondents indicated that the economic activities of their businesses will experience no change, while 36 percent thought that they may improve. More than 60 percent do not anticipate any change in investment activity, nor in the employment situation.

### **3. Conclusion**

According to the Business Perception Survey, the Aruban economy showed some signs of recovery during the third quarter of 2002, but levels of sales, profitability, and employment opportunities are still below normal. A growing number of businesses is less pessimistic about the present economic conditions, and expects that the recovery will continue during the next 6 months. These findings are roughly in line with information obtained from other sources.

<b>Annex 1: Survey questionnaire responses</b> <i>(as a percentage of the total)</i>						
	<b>Improvement</b>		<b>No change</b>		<b>Worsening</b>	
	<b>2002</b>		<b>2002</b>		<b>2002</b>	
	<b>III</b>	<b>II</b>	<b>III</b>	<b>II</b>	<b>III</b>	<b>II</b>
	A. Current economic condition	19	9	38	36	42
1. The economic conditions in Aruba	17	2	19	14	64	83
2. The activities of your business	25	5	36	30	39	66
3. The investments of your business	19	15	58	61	22	24
4. The number of employees at your company	17	12	39	39	44	49
B. Expected short-term economic conditions 1]	24	26	56	48	19	26
1. The economic conditions in Aruba	28	31	50	38	22	31
2. The activities of your business	36	37	50	42	14	22
3. The investments of your business	22	23	61	55	17	23
4. The number of employees at your company	11	15	64	59	25	27

1] During the next 6 months.

<b>Annex 2: Perceived developments of employment, profitability, sales, and average wage costs 1]</b>										
	<b>Employment</b>		<b>Operational results</b>				<b>Sales</b>		<b>Wage costs</b>	
			<b>Profits</b>		<b>Losses</b>					
	<b>2002</b>		<b>2002</b>		<b>2002</b>		<b>2002</b>		<b>2002</b>	
	<b>III</b>	<b>II</b>	<b>III</b>	<b>II</b>	<b>III</b>	<b>II</b>	<b>III</b>	<b>II</b>	<b>III</b>	<b>II</b>
1. no change	33	49	14	12	6	5	14	15	9	25
2. increase of less than 5%	14	7	8	5	6	0	25	10	51	38
3. increase between 5 and 10%	3	10	14	5	0	0	11	2	11	15
4. increase of more than 10%	0	0	3	2	6	10	3	2	3	5
5. decrease of less than 5%	33	29	17	20	3	5	25	20	14	5
6. decrease between 5 and 10%	11	2	8	2	0	2	11	22	11	8
7. decrease of more than 10%	6	2	8	27	8	5	11	29	0	5
Total	100	100	71	73	28	27	100	100	100	100

1] In percentages of all respondents. Compared to the corresponding quarter of 2001.

Source: Centrale Bank van Aruba.

## 2.2 IMF ARTICLE IV CONSULTATION MISSION

*Preliminary conclusions, December 10, 2002.*

1. Since it received autonomous status within the Kingdom of the Netherlands in 1986, Aruba has achieved remarkable economic success through the development of a strong tourism industry supported by macroeconomic stability and sound institutions. The island now enjoys an income per-capita comparable to the most advanced countries and relatively low income inequality. Rapid growth in the late 1980s and early 1990s gave way to more moderate economic expansion in the second part of the decade as the tourist sector reached maturity.
2. Beginning in 2001, this structural slowdown was compounded by adverse external shocks, resulting in the first economic contraction in over a decade. After a long expansion, the U.S. economy went into a recession in early 2001, and tourist arrivals in Aruba decelerated. Later on, the terrorist attacks of September 11 disrupted air travel, further damaging tourism in the region. The sector has been slow to recover in 2002, as the upturn in the U.S. proved insufficient to rekindle tourism and weak economic conditions in Latin America depressed tourist arrivals from that region.
3. Looking forward to 2003, although household consumption in the U.S. is expected to weaken and economic activity in Latin America to remain depressed, tourist bookings in Aruba for early 2003 appear on the increase. In addition, a number of large investment projects to expand tourism capacity and improve the public infrastructure should stimulate economic activity. On this basis, and barring new adverse international shocks, we expect a return to positive growth in 2003. The strength of the recovery, however, will depend crucially on what fraction of planned investments will be carried out during the year.
4. In recent months, renewed growth of monetary aggregates made possible by the suspension of credit controls is supporting economic recovery. This expansion, however, is accompanied by accelerating consumer price inflation. At almost 2 percent, the current inflation differential with the U.S. is large by historical standards and risks undermining Aruba's competitiveness. If price growth does not subside in the next few months, the central bank should tighten monetary policy. Continuing wage moderation should also contribute to contain inflationary pressures.
5. Additional challenges for the authorities lie in the realm of fiscal policy, where the economic slowdown and the introduction of universal health insurance in 2001 compounded the fiscal difficulties already in evidence in the years of favorable growth. The fiscal deficit (including the health care fund) was 3.9 percent of GDP in 2001, and is likely to reach over 5 percent of GDP this year. Moreover, large fiscal liabilities (around 6 percent of GDP) related to past guarantees to foreign investors have emerged, and additional pending court cases could increase these losses further. The public debt is expected to grow to 37.7 percent in 2002, reflecting mainly larger external borrowing. These imbalances – if unchecked – risk creating short-term financing problems and jeopardize long-

run fiscal sustainability. Reliance on external financing, in particular, while it is still limited and helps the balance of payments in the short run, could threaten the exchange rate regime down the road, when financing flows need to be reversed.

6. We broadly agree with the government's objective to reach budgetary balance by 2007. To achieve this target, substantial adjustment needs to be undertaken in the 2003 budget, which has not been presented to Parliament yet. Most of the necessary measures are well-known, as they have been the object of numerous studies and reports (including by the IMF) in the past. We hope that the gravity of the current budgetary situation will be a catalyst for action, and urge the government – in consultation with the social partners – to take the necessary decisions.
7. On the revenue side, policies should aim at stopping the incipient decline of the revenue-to-GDP ratio but avoid raising the tax burden on labor, which is already high. The plan to increase indirect taxation through the introduction of a new tax on imports and services (the ABB) should lead to a more balanced and buoyant tax system. The authorities should decide quickly on the details of this measure and prepare its implementation. Since a new indirect tax will likely have a short-term effect on inflation, we recommend that the timing of its introduction be set in consultation with the central bank. We also welcome plans to reorganize the tax legislation in a single general ordinance, and speed up automation and improve the organization of the tax administration. A far-reaching reform of the income tax, including its simplification and a reduction in the high marginal rates, should be considered once the public accounts have improved.
8. Closing the deficit through revenue measures alone would impose an excessive burden on the private sector. Therefore, efforts to reduce public spending are necessary. In particular, in the area of health care defining a more affordable basic benefit package could help controlling costs without undermining the basic goal of universal insurance. Economies in the areas of prescription drugs also seem possible, especially if the use of generic drugs is promoted. The introduction of co-payments and deductibles, preferably differentiated based on income, would discourage waste.
9. Reducing public expenditure is hardly possible without controlling labor costs, which represent over 50 percent of the total. The long-delayed reform of the public pension system must be enacted swiftly. The system is overly generous (with replacement rates that can reach over 100 percent), and contributions represent almost 30 percent of the base wage. In addition, the expansion of public employment (16 percent since 1996) also needs to be reversed, a process that should be facilitated by the forthcoming “core business analysis” of public sector activities. The government's decision to suspend inflation indexation of public sector wages for the next three years will help contain costs in the short run, but will be just a temporary measure if wages are allowed to fully catch up at the end of the suspension period.

10. Contingent pension liabilities in the universal, pay-as-you-go system pose an additional threat to long-term fiscal sustainability. With an abrupt decline in fertility, longer life expectancy, and likely smaller immigration flows in the future, the Aruban population will age fast. The ratio of pensioners to working population is set to grow from 21.9 percent now to 63.4 percent in 2030, and the financial position of the pension fund will deteriorate quickly, especially if benefit indexation resumes as mandated by law. A reform of the system, including increasing the retirement age from 60 to 65 years and individualizing the pension, is necessary. The further development of private pensions would also be instrumental to address population aging.
11. In 2001 the deficit was financed mainly through the accumulation of arrears to suppliers and the public employee pension fund, and the stock of unmet financial liabilities reached the extraordinary level of 5.9 percent of GDP. We commend the efforts of the present government to curb the growth in arrears and encourage it to establish a timetable for eliminating the stock altogether, as the confidence of the citizens in their government suffers when the state does not fulfill its financial obligations in a timely manner.
12. Strengthening transparency and accountability in the process of budget formation, approval, and execution would also boost confidence in the government and thus facilitate fiscal consolidation. Improving the timeliness and quality of the fiscal data, particularly on expenditure and arrears, is essential in this regard. In addition, the authorities should consider strengthening parliamentary control on budget execution, restrict off-budget spending, and limit the scope for budget revisions during the year.
13. The financial sector appears to be weathering the economic downturn well so far. Bank profitability, capitalization, and liquidity remained at comfortable levels in 2001 and credit expanded at a fair pace in 2002. The authorities, though, should remain vigilant, as there are signs of deteriorating asset quality, while falling real estate prices are reducing collateral values. At a more structural level, the sector continues to be characterized by lack of competition, high interest rates, and high spreads. While the small size of the market is one of the causes, reliance on credit ceilings for the conduct of monetary policy also stifles the development of an efficient credit market. Plans to foster competition should include switching to indirect instruments of monetary policy, although at a gradual pace to avoid losing monetary control.
14. The supervision and regulation of financial institutions and the non-financial offshore sector is improving at an impressive pace, and Aruba is a leader in the region in these areas. The implementation of the supervision law for insurance companies in 2002 is a major achievement, and so are recent initiatives to supervise money transfer companies and strengthen credit risk analysis. Concerning the non-financial offshore sector, we urge the authorities to approve quickly the new law to supervise and regulate Company Service Providers, and we welcome the decision to assign the supervisory function to the central bank,

an institution with the necessary expertise and independence. These measures should strengthen the ability of Aruba to fight money laundering.

15. The planned new corporate tax regime (NFR), which would replace the existing fiscal regime for offshore companies and the tax holiday program for on-shore companies, would usefully unify the corporate profit tax rate and introduce a dividend tax withholding, in line with previous IMF recommendations. However, the use of imputation credits to reduce the tax burden on companies with certain characteristics (yet to be defined) appears complex, and a comprehensive evaluation of its possible effects both on tax revenues and foreign investment is not available. We urge the authorities to provide such an evaluation and consult with all interested parties on the basis of this study before adopting the new law. It is also essential to ensure that the new regime fulfills Aruba's commitments under the OECD harmful tax practices framework.
16. We commend the authorities' intention to turn major public enterprises, including the telecommunication company SETAR, into private law companies with greater operational autonomy. We encourage them to consider this as a first step towards opening up the capital of these companies to private investors, and, eventually, full privatization.
17. The compilation of national accounts data from 1995 to 2000 according to the SNA93 system greatly improves existing information about the Aruban economy and will provide valuable help to surveillance and policy analysis. We commend the authorities for this important achievement, and encourage them to continue their efforts by developing national account data in constant prices, expand the information on general government finances, and improve the provision of labor market statistics.
18. Finally, while the Aruban economy is heavily dependent on tourism and, like all small countries, is strongly affected by external developments, the experience of the last two years indicates that it can withstand large adverse sectoral shocks without major upheaval. Hence, while opportunities for economic diversification ought to be pursued, the authorities should continue to trust the present model of development, which they have implemented so successfully thus far.
19. We wish to thank the authorities for their excellent hospitality and cooperation.

### **III. Statistical annex**

**Statistical annex  
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**TABLE 1.1: 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)	
1998	4,889,718	647,437	401,547	377,108	162,308	99,128	49,042	30,959	34,540	7.6	77.6	257,755	255	
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	
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
	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
	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
	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
	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
	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
	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
	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
	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

Source: Aruba Tourism Authority, Central Bureau of Statistics, Aruba Hotel and Tourism Association, Cruise Tourism Authority.

**TABLE 1.2: 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
<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

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

**TABLE 1.3: CONSUMER PRICE INDICES**

(August 1994 = 100)

(September 2000 = 100)

	Total index	Food	Beverage & tobacco	Clothing & footwear	Housing	House- keeping & furnishing	Health	Transport & communi- & educa- tion	Recreation & educa- tion	Other
<b>Weights (September 1994)</b>	<b>10,000</b>	<b>1,625</b>	<b>254</b>	<b>1,134</b>	<b>1,786</b>	<b>1,039</b>	<b>307</b>	<b>2,072</b>	<b>808</b>	<b>975</b>
<b>Weights (September 2000)</b>	<b>10,000</b>	<b>1,469</b>	<b>219</b>	<b>1,086</b>	<b>2,296</b>	<b>1,002</b>	<b>88</b>	<b>1,967</b>	<b>799</b>	<b>1,074</b>
End of period	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1998	111.7	114.2	108.5	129.6	109.0	113.1	112.7	103.3	112.6	107.3
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
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

Source: Central Bureau of Statistics.

**TABLE 1.4: 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 month over previous 12 months
1998	111.7	0.1	0.5	1.5	1.9
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
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

**TABLE 1.5: CONSTRUCTION ACTIVITIES**

	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
1. Number of construction permits granted	1,544	1,693	1,371	1,243	292	341	458	280	265	327	328	323	286	291	317
a. Houses 1)	1,099	1,182	871	749	209	198	311	153	146	178	208	217	179	166	201
b. Apartments	39	24	35	22	8	8	12	7	9	5	4	4	10	12	14
c. Office buildings	8	16	16	12	1	7	3	5	3	3	5	1	3	1	3
d. Stores and shopping malls 2)	17	15	18	24	0	3	8	7	5	5	11	3	7	5	6
e. Others	381	456	431	435	74	125	124	108	102	135	100	98	87	107	93
2. Total value of construction permits (x AFL million)	177.8	168.4	184.8	198.2	37.3	40.0	63.1	44.4	30.5	42.6	75.9	49.2	113.4	31.3	46.1
a. Houses 1)	112.2	104.5	91.6	78.6	19.7	21.3	34.5	16.0	17.2	17.0	23.6	20.8	18.8	14.4	21.0
b. Apartments	11.0	13.8	16.1	4.5	6.0	4.2	3.7	2.2	1.9	0.8	0.6	1.2	1.5	2.3	12.9
c. Office buildings	3.3	9.6	7.3	11.6	0.4	3.6	1.0	2.4	0.9	9.4	1.3	0.1	5.9	1.4	1.6
d. Stores and shopping malls 2)	12.2	9.0	26.6	33.7	0.0	2.5	12.6	11.4	2.7	2.4	12.7	15.9	3.4	6.4	2.1
e. Others	39.2	31.5	43.3	69.7	11.2	8.3	11.4	12.4	7.9	12.9	37.8	11.2	83.8	6.9	8.7
3. Total cement imported (x 1,000 Kg)	42,259	55,626	41,879	35,277	11,823	12,031	8,391	9,635	4,937	9,009	11,082	10,249	8,592	9,057	17,663
4. Number of electrical installations approved	2,989	2,483	3,034	2,873	486	708	916	924	501	674	756	942	427	631	692
a. Houses 1)	886	825	970	722	111	243	287	329	99	138	191	294	59	167	176
b. Apartments	220	132	189	197	14	31	66	78	20	33	58	86	12	72	45
b. Enterprises	151	135	112	175	9	37	31	35	33	32	60	50	15	32	38
c. Others	1,732	1,391	1,763	1,779	352	397	532	482	349	471	447	512	341	360	433

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 1.6: UTILITIES**

	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
1. a. Water (x1,000 m3) 1)	10,280	10,406	10,929	11,353	2,604	2,938	2,700	2,687	2,831	2,923	2,880	2,718	2,776	2,875	2,999
b. Connected premises	28,283	29,211	30,225	31,218	29,386	29,682	29,951	30,225	30,409	30,657	30,958	31,218	31,412	31,527	31,800
2. a. Electricity (x 1,000 KWH)	600,767	614,931	644,348	673,611	144,507	158,585	172,196	169,060	151,513	166,433	178,640	177,026	160,454	173,183	181,324
b. Connections	34,416	35,496	36,448	37,404	35,668	35,775	36,016	36,448	36,575	36,749	37,058	37,404	37,435	37,541	37,720
c. Number of users	29,861	30,971	32,062	33,147	31,199	31,346	31,700	32,062	32,281	32,457	32,763	33,147	33,202	33,340	33,597
3. a. Gas (x 1,000 pounds)	15,633	16,345	17,162	17,629	4,135	4,150	4,228	4,649	4,270	4,374	4,314	4,671	4,128	4,368	4,380
b. Household	6,958	7,215	7,354	7,206	1,673	1,797	1,760	2,124	1,644	1,764	1,699	2,099	1,603	1,787	1,779
c. Commercial	8,675	9,130	9,808	10,422	2,462	2,353	2,468	2,525	2,626	2,610	2,614	2,572	2,525	2,581	2,601
4. Utilities index 2)	112.9	115.2	121.0	125.9	111.5	123.2	125.4	124.5	118.5	126.5	131.1	128.5	121.1	128.7	134.4

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 1.7: MERCHANDISE FOREIGN TRADE BY COUNTRY**

	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
1. Export of goods (f.o.b.)	51.5	52.3	48.3	51.7	11.5	15.4	14.0	7.4	7.9	12.5	15.9	15.4	13.8	15.0	20.6
a. United States	17.8	24.0	14.5	13.4	4.6	4.3	4.1	1.5	2.3	3.3	4.0	3.8	4.6	4.3	9.8
b. Colombia	11.3	10.6	12.5	7.0	4.4	4.7	1.9	1.5	1.4	1.7	1.5	2.5	1.8	1.6	1.0
c. The Netherlands	6.7	6.3	6.1	7.5	0.4	2.0	3.2	0.5	0.9	2.0	3.8	0.9	0.5	1.8	2.9
d. Netherlands Antilles	5.6	4.4	5.2	10.2	0.9	1.1	1.8	1.4	1.4	3.2	2.5	3.1	1.9	2.4	2.8
e. Venezuela	5.1	3.8	6.2	11.0	0.7	1.5	1.9	2.0	1.5	1.4	3.5	4.6	3.6	4.1	3.2
f. Other countries	5.0	3.2	3.9	2.6	0.4	1.7	1.1	0.6	0.4	0.9	0.7	0.5	1.5	0.8	0.9
2. Import of goods (c.i.f.)	1,219.4	1,400.8	1,292.2	1,317.3	312.1	304.5	328.5	347.0	290.8	294.0	345.5	387.1	306.8	308.1	352.0
a. United States	808.6	926.2	783.3	814.7	200.9	187.5	187.7	207.1	182.5	180.3	216.0	236.0	185.5	186.2	219.4
b. The Netherlands	128.9	155.6	161.4	153.1	32.8	34.7	50.8	43.1	37.7	33.8	40.0	41.6	39.3	38.2	50.0
c. Netherlands Antilles	36.6	39.8	51.0	48.2	10.3	12.5	13.2	14.9	11.5	11.3	11.3	14.1	9.6	11.3	11.8
d. Venezuela	41.7	42.0	47.3	40.8	10.2	11.7	13.0	12.4	9.2	10.0	10.8	10.8	8.5	10.3	12.5
e. Japan	27.1	35.9	40.1	28.5	10.6	10.0	10.0	9.5	6.3	7.4	3.7	11.1	7.4	7.5	8.8
f. Other countries	176.5	201.4	209.1	231.9	47.2	48.1	53.8	60.0	43.5	51.2	63.7	73.5	56.6	54.6	49.6
3. Trade balance	-1,167.9	-1,348.5	-1,243.8	-1,265.5	-300.6	-289.1	-314.5	-339.7	-282.9	-281.5	-329.5	-371.7	-292.9	-293.1	-331.4

Source: CBS

**TABLE 1.8: MERCHANDISE FOREIGN TRADE BY PRODUCT CATEGORY**

	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
1. Export of goods (f.o.b.)	51.5	52.3	48.3	51.7	11.5	15.4	14.0	7.4	7.9	12.5	15.9	15.4	13.8	15.0	20.6
a. Live animals and other animal products	16.1	13.9	18.5	17.8	4.8	6.5	3.9	3.2	2.7	3.0	5.5	6.6	5.3	6.4	4.0
b. Transport equipment	3.4	4.0	2.2	3.0	0.4	0.7	0.7	0.4	0.4	1.0	1.1	0.5	0.6	0.9	0.8
c. Art objects and collectors' items	9.9	7.1	8.2	9.5	1.2	2.2	3.7	1.1	1.6	2.6	4.0	1.3	0.9	2.9	3.8
d. Machinery and electrotechnical equipment	6.5	5.4	4.0	4.0	0.9	1.3	1.1	0.7	0.6	0.2	0.7	2.5	1.5	0.9	7.3
e. Other goods	15.5	21.9	15.5	17.4	4.2	4.7	4.4	2.1	2.6	5.6	4.7	4.5	5.5	3.9	4.7
2. Import of goods (c.i.f.)	1,219.4	1,400.8	1,292.2	1,317.3	312.1	304.5	328.5	347.0	290.8	294.0	345.5	387.1	306.8	308.1	352.0
a. Live animals and other animal products	97.6	90.7	99.9	100.7	24.3	25.6	25.6	24.4	22.1	24.6	29.5	24.5	25.8	20.6	22.2
b. Food products	137.3	137.7	141.7	145.1	33.2	34.9	35.4	38.2	34.7	35.5	33.9	41.0	34.1	36.1	38.1
c. Chemical products	129.2	137.9	162.0	158.3	43.6	38.2	41.8	38.4	35.3	35.9	40.5	46.6	40.2	44.0	40.7
d. Base metals and derivated works	114.6	154.4	90.7	106.1	23.8	20.1	24.6	22.2	18.3	24.5	31.9	31.4	15.8	21.5	39.1
e. Machinery and electrotechnical equipment	195.2	287.0	189.2	232.9	47.6	45.4	51.7	44.4	42.0	40.0	75.9	75.0	50.8	48.6	69.8
f. Transport equipment	95.5	109.2	117.5	102.9	27.9	27.4	31.3	30.8	22.8	24.2	24.8	31.2	26.5	27.2	28.8
g. Other goods	450.0	483.9	491.2	471.3	111.6	112.8	118.1	148.6	115.6	109.2	109.1	137.3	113.5	110.1	113.4
3. Trade balance	-1,167.9	-1,348.5	-1,243.8	-1,265.5	-300.6	-289.1	-314.5	-339.7	-282.9	-281.5	-329.5	-371.7	-292.9	-293.1	-331.4

Source: CBS

**TABLE 1.9: OIL REFINING**

	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
1. Export of oil (x AFL million)	1,290	2,192	2,331	2,980	445	546	557	783	962	975	644	398	581	443	421
2. Import of crude (x AFL million)	704	2,092	1,922	2,030	277	550	534	561	812	401	442	374	675	206	397
3. Quantity of oil refined (x 1,000 barrels)	58,388	73,713	83,553	64,327	16,808	21,569	21,876	23,300	22,242	12,933	15,630	13,522	19,178	11,163	10,662
4. Number of employees (at end of period 1)	541	520	564	597	568	577	571	564	564	564	564	597	574	621	638

1) Excluding persons employed with contractors.

Source: Coastal Aruba Refining Co. N.V.

**TABLE 2.1: MONETARY SURVEY**

End of period	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
<b>I. Net domestic assets</b>	<b>980.9</b>	<b>1,121.9</b>	<b>1,207.9</b>	<b>1,175.3</b>	<b>1,162.6</b>	<b>1,185.9</b>	<b>1,217.9</b>	<b>1,207.9</b>	<b>1,190.5</b>	<b>1,205.5</b>	<b>1,179.6</b>	<b>1,175.3</b>	<b>1,194.0</b>	<b>1,238.2</b>	<b>1,270.4</b>
A) Domestic credit	1,244.1	1,394.6	1,512.1	1,545.2	1,460.2	1,494.8	1,519.4	1,512.1	1,523.2	1,563.0	1,545.3	1,545.2	1,579.8	1,609.1	1,651.4
1) Net claims on public sector	-8.9	12.4	-1.1	-25.8	14.1	2.3	3.5	-1.1	0.8	23.3	-0.4	-25.8	5.9	-1.3	-2.0
a) Gross claims	67.9	75.9	65.8	77.6	75.9	85.2	68.5	65.8	68.5	94.9	72.4	77.6	77.7	77.7	82.8
b) Government's deposits	-67.0	-54.2	-44.3	-72.1	-52.4	-53.6	-42.6	-44.3	-38.9	-40.5	-41.6	-72.1	-46.1	-50.3	-56.4
c) Development funds	-9.8	-9.4	-22.6	-31.3	-9.4	-29.3	-22.4	-22.6	-28.8	-31.1	-31.2	-31.3	-25.6	-28.7	-28.3
2) Claims on private sector	1,253.0	1,382.2	1,513.2	1,571.1	1,446.1	1,492.5	1,515.9	1,513.2	1,522.4	1,539.7	1,545.6	1,571.1	1,573.9	1,610.4	1,653.4
a) Enterprises	636.3	670.0	730.0	741.2	719.3	735.4	741.0	730.0	736.6	737.6	728.2	741.2	732.0	757.7	778.6
b) Individuals	588.7	686.1	757.8	811.5	700.8	731.0	749.6	757.8	763.7	779.4	797.8	811.5	823.7	833.2	855.2
1) Consumer credit	287.9	335.6	357.3	366.7	340.3	351.6	354.7	357.3	355.9	358.8	365.7	366.7	371.9	374.4	384.9
2) Housing mortgages	300.8	350.4	400.5	444.8	360.5	379.4	394.9	400.5	407.9	420.5	432.1	444.8	451.8	458.9	470.3
c) Other	28.0	26.1	25.4	18.4	26.0	26.1	25.2	25.4	22.1	22.7	19.6	18.4	18.2	19.5	19.6
B) Other items, net	-263.2	-272.7	-304.3	-369.9	-297.6	-308.9	-301.5	-304.3	-332.7	-357.6	-365.7	-369.9	-385.8	-370.9	-381.0
<b>II. Net foreign assets</b>	<b>557.9</b>	<b>577.2</b>	<b>530.4</b>	<b>665.4</b>	<b>605.4</b>	<b>591.0</b>	<b>558.9</b>	<b>530.4</b>	<b>620.8</b>	<b>589.1</b>	<b>660.0</b>	<b>665.4</b>	<b>745.6</b>	<b>712.0</b>	<b>709.8</b>
A) Centrale Bank van Aruba	413.0	418.2	391.4	539.5	412.0	425.8	418.8	391.4	428.1	470.3	509.5	539.5	587.8	577.5	546.2
B) Commercial banks	144.9	158.9	139.0	125.8	193.4	165.2	140.2	139.0	192.7	118.9	150.5	125.8	157.8	134.5	163.6
<b>III. Broad money</b>	<b>1,538.8</b>	<b>1,699.1</b>	<b>1,738.3</b>	<b>1,840.7</b>	<b>1,768.0</b>	<b>1,776.9</b>	<b>1,776.9</b>	<b>1,738.3</b>	<b>1,811.3</b>	<b>1,794.6</b>	<b>1,839.6</b>	<b>1,840.7</b>	<b>1,939.6</b>	<b>1,950.2</b>	<b>1,980.3</b>
A) Money	547.0	590.4	596.3	701.1	591.1	629.7	606.8	596.3	626.2	612.2	649.2	701.1	740.2	770.8	774.6
B) Quasi-money	991.8	1,108.7	1,142.0	1,139.7	1,176.9	1,147.2	1,170.1	1,142.0	1,185.1	1,182.4	1,190.4	1,139.7	1,199.4	1,179.4	1,205.7

**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)			
1998	133.3	28.4	104.9	378.2	63.9	442.1	547.0	382.5	609.3	0.0	991.8	1,538.8
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	30.6	126.0	481.1	94.0	575.1	701.1	410.7	728.5	0.5	1,139.7	1,840.7
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	30.6	126.0	481.1	94.0	575.1	701.1	410.7	728.5	0.5	1,139.7	1,840.7
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

**TABLE 2.3: CAUSES OF CHANGES IN BROAD MONEY**

During period	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
<b>I. Net domestic money creation</b>	<b>17.4</b>	<b>141.0</b>	<b>86.0</b>	<b>-32.5</b>	<b>40.7</b>	<b>23.3</b>	<b>32.0</b>	<b>-10.0</b>	<b>-17.3</b>	<b>14.9</b>	<b>-25.9</b>	<b>-4.2</b>	<b>18.7</b>	<b>44.2</b>	<b>32.2</b>
A) Domestic credit	68.2	150.5	117.6	33.1	65.6	34.6	24.6	-7.3	11.1	39.8	-17.8	0.0	34.6	29.3	42.3
1) Net claims on public sector	0.8	21.3	-13.4	-24.7	1.7	-11.7	1.2	-4.6	1.9	22.5	-23.7	-25.5	31.7	-7.3	-0.7
a) Recourse to monetary system	-6.6	8.0	-10.1	11.8	0.0	9.2	-16.7	-2.7	2.7	26.4	-22.5	5.2	0.1	0.0	5.1
b) Drawing down of bank balances	7.3	13.3	-3.3	-36.5	1.7	-21.0	17.9	-1.9	-0.8	-3.9	-1.2	-30.6	31.6	-7.3	-5.7
1) Government's deposits	7.4	12.8	9.9	-27.8	1.8	-1.1	10.9	-1.7	5.4	-1.6	-1.1	-30.5	26.0	-4.2	-6.1
2) Development funds	-0.1	0.5	-13.2	-8.7	-0.1	-19.9	6.9	-0.2	-6.3	-2.2	-0.1	-0.1	5.7	-3.1	0.4
2) Claims on private sector	67.4	129.2	131.0	57.9	63.9	46.4	23.4	-2.7	9.2	17.3	5.9	25.4	2.8	36.5	43.0
a) Enterprises	0.4	33.8	60.0	11.2	49.3	16.1	5.6	-11.1	6.6	1.1	-9.5	13.0	-9.2	25.7	20.9
b) Individuals	56.3	97.4	71.8	53.7	14.7	30.2	18.6	8.2	5.9	15.6	18.5	13.7	12.2	9.5	22.0
1) Consumer credit	18.7	47.7	21.7	9.4	4.6	11.4	3.1	2.6	-1.4	3.0	6.9	1.0	5.2	2.4	10.5
2) Housing mortgages	37.6	49.7	50.1	44.3	10.1	18.9	15.6	5.6	7.3	12.7	11.5	12.7	7.0	7.1	11.4
c) Other	10.7	-1.9	-0.7	-7.0	-0.1	0.1	-0.8	0.2	-3.3	0.6	-3.1	-1.3	-0.2	1.3	0.1
B) Other domestic factors	-50.8	-9.5	-31.6	-65.7	-24.9	-11.3	7.4	-2.7	-28.4	-24.9	-8.1	-4.2	-15.9	14.9	-10.1
<b>II. Inflow of foreign funds</b>	<b>160.6</b>	<b>19.2</b>	<b>-46.8</b>	<b>135.0</b>	<b>28.2</b>	<b>-14.4</b>	<b>-32.0</b>	<b>-28.6</b>	<b>90.4</b>	<b>-31.6</b>	<b>70.9</b>	<b>5.4</b>	<b>80.2</b>	<b>-33.6</b>	<b>-2.2</b>
<b>III. Broad money</b>	<b>178.0</b>	<b>160.3</b>	<b>39.2</b>	<b>102.5</b>	<b>68.9</b>	<b>9.0</b>	<b>-0.1</b>	<b>-38.6</b>	<b>73.0</b>	<b>-16.7</b>	<b>45.0</b>	<b>1.1</b>	<b>98.9</b>	<b>10.6</b>	<b>30.0</b>
1) Money	73.9	43.4	5.8	104.8	0.7	38.7	-23.0	-10.5	30.0	-14.0	37.0	51.8	39.2	30.6	3.7
2) Quasi-money	104.2	116.9	33.3	-2.3	68.2	-29.7	22.9	-28.1	43.1	-2.7	8.0	-50.7	59.8	-20.0	26.3

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)
1998	41.0	402.5	1.7	441.8	486.4	341.5	144.9	586.7	28.8	557.9	1,538.8	1,521.0	36.3	38.6
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	531.5	405.7	125.8	704.0	38.7	665.4	1,840.7	1,220.9	36.1	57.7
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	531.5	405.7	125.8	704.0	38.7	665.4	1,840.7	1,220.9	36.1	57.7
2002 I	60.0	571.3	1.3	630.1	486.6	328.8	157.8	787.9	42.2	745.6	1,939.6	1,216.8	38.4	64.7
II	63.4	560.5	0.1	623.8	472.6	338.1	134.5	758.3	46.3	712.0	1,950.2	1,206.6	36.5	62.8
III	64.4	542.9	6.3	601.0	511.2	347.6	163.6	764.6	54.8	709.8	1,980.3	1,195.4	35.8	64.0

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

End of period	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
<b>ASSETS</b>															
1. Claims on money-creating institutions	265.9	298.2	241.9	332.9	271.5	267.6	285.2	241.9	258.6	289.2	330.1	332.9	442.5	432.5	420.7
a) Monetary authorities	241.6	261.9	213.2	293.4	244.8	238.7	258.0	213.2	239.8	274.6	318.5	293.4	393.5	392.1	379.6
b) Commercial banks	24.3	36.3	28.8	39.5	26.7	28.9	27.1	28.8	18.8	14.6	11.6	39.5	48.9	40.4	41.1
2. Claims on the public sector	67.9	75.9	65.8	77.6	75.9	85.2	68.5	65.8	68.5	94.9	72.4	77.6	77.7	77.7	82.8
a) Short-term	45.1	65.2	56.1	64.1	66.3	74.3	58.2	56.1	58.8	85.2	63.7	64.1	64.2	64.2	66.6
b) Long-term	22.8	10.7	9.7	13.4	9.6	10.9	10.3	9.7	9.7	9.7	8.7	13.4	13.4	13.4	16.1
3. Claims on the private sector	1,253.0	1,382.2	1,513.2	1,571.1	1,446.1	1,492.5	1,515.9	1,513.2	1,522.4	1,539.7	1,545.6	1,571.1	1,573.9	1,610.4	1,653.4
a) Enterprises	636.3	670.0	730.0	741.2	719.3	735.4	741.0	730.0	736.6	737.6	728.2	741.2	732.0	757.7	778.6
b) Individuals	588.7	686.1	757.8	811.5	700.8	731.0	749.6	757.8	763.7	779.4	797.8	811.5	823.7	833.2	855.2
1) Consumer credit	287.9	335.6	357.3	366.7	340.3	351.6	354.7	357.3	355.9	358.8	365.7	366.7	371.9	374.4	384.9
2) Housing mortgages	300.8	350.4	400.5	444.8	360.5	379.4	394.9	400.5	407.9	420.5	432.1	444.8	451.8	458.9	470.3
c) Capital market investments	14.2	11.8	11.9	6.1	11.7	11.9	11.8	11.9	9.2	9.1	6.0	6.1	6.1	6.0	6.1
d) Other	13.8	14.3	13.5	12.3	14.3	14.2	13.4	13.5	13.0	13.7	13.6	12.3	12.1	13.5	13.5
4. Foreign assets	929.9	941.4	953.0	1,112.3	979.0	967.7	961.5	953.0	1,014.0	1,020.8	1,052.8	1,112.3	1,117.9	1,096.5	1,118.5
a) Gold	41.0	41.0	41.0	55.0	41.0	41.0	41.0	41.0	41.0	41.0	41.0	55.0	60.0	63.4	64.4
b) Short-term	383.4	398.0	414.2	474.4	420.3	402.7	401.3	414.2	470.2	433.2	429.0	474.4	497.8	438.7	436.1
c) Long-term	505.6	502.5	497.8	582.8	517.7	524.0	519.3	497.8	502.8	546.6	582.8	582.8	560.1	594.4	617.9
5. Other domestic assets	-26.0	-60.4	-44.0	-71.0	-50.6	-54.1	-25.0	-44.0	-40.2	-57.1	-67.1	-71.0	-68.7	-70.9	-70.4
<b>6. Total assets</b>	<b>2,490.7</b>	<b>2,637.3</b>	<b>2,729.8</b>	<b>3,022.9</b>	<b>2,722.0</b>	<b>2,758.9</b>	<b>2,806.2</b>	<b>2,729.8</b>	<b>2,823.3</b>	<b>2,887.5</b>	<b>2,933.8</b>	<b>3,022.9</b>	<b>3,143.3</b>	<b>3,146.3</b>	<b>3,205.0</b>

**TABLE 3.1: CONSOLIDATED BALANCE SHEET OF THE MONEY-CREATING INSTITUTIONS**  
(continued)

End of period	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
<b>LIABILITIES</b>															
7. Broad money	1,538.8	1,699.1	1,738.3	1,840.7	1,768.0	1,776.9	1,776.9	1,738.3	1,811.3	1,794.6	1,839.6	1,840.7	1,939.6	1,950.2	1,980.3
a) Money	547.0	590.4	596.3	701.1	591.1	629.7	606.8	596.3	626.2	612.2	649.2	701.1	740.2	770.8	774.6
b) Quasi-money	991.8	1,108.7	1,142.0	1,139.7	1,176.9	1,147.2	1,170.1	1,142.0	1,185.1	1,182.4	1,190.4	1,139.7	1,199.4	1,179.4	1,205.7
8. Money-creating institutions	266.0	271.6	229.8	303.7	262.8	253.4	275.2	229.8	263.3	290.4	331.4	303.7	413.8	393.1	390.0
a) Monetary authorities	236.7	245.6	202.7	295.5	236.0	224.6	253.0	202.7	239.3	267.0	323.5	295.5	400.3	375.6	375.8
b) Commercial banks	29.3	26.0	27.1	8.2	26.8	28.8	22.2	27.1	24.0	23.3	7.8	8.2	13.5	17.6	14.3
9. Public sector deposits	76.8	63.6	66.9	103.4	61.9	82.8	65.0	66.9	67.7	71.6	72.8	103.4	71.7	79.0	84.7
a) Government	67.0	54.2	44.3	72.1	52.4	53.6	42.6	44.3	38.9	40.5	41.6	72.1	46.1	50.3	56.4
b) Development funds	9.8	9.4	22.6	31.3	9.4	29.3	22.4	22.6	28.8	31.1	31.2	31.3	25.6	28.7	28.3
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
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
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
11. Subordinated debt	11.3	11.3	13.8	14.1	11.3	11.3	13.8	13.8	13.8	13.8	14.1	14.1	14.1	9.1	9.1
12. Capital and reserves	140.4	125.9	141.7	196.3	142.0	146.4	145.6	141.7	155.0	157.7	155.4	196.3	205.1	206.7	206.7
13. Foreign liabilities	343.2	342.3	394.1	408.2	350.8	353.0	379.3	394.1	364.4	406.6	365.6	408.2	330.0	338.2	353.9
b) Short-term	307.8	310.5	367.8	359.0	317.5	325.5	351.5	367.8	328.6	374.4	324.7	359.0	270.2	263.2	279.5
c) Long-term	35.4	31.8	26.2	49.3	33.2	27.5	27.8	26.2	35.9	32.2	40.9	49.3	59.8	75.0	74.4
14. Revaluation differences	28.8	22.0	28.5	38.7	22.8	23.7	23.3	28.5	28.8	25.0	27.1	38.7	42.2	46.3	54.8
15. Other domestic liabilities	85.3	101.5	116.9	117.8	102.4	111.3	127.0	116.9	118.9	127.7	127.7	117.8	126.6	123.5	125.4
<b>16. Total liabilities</b>	<b>2,490.7</b>	<b>2,637.3</b>	<b>2,729.8</b>	<b>3,022.9</b>	<b>2,722.0</b>	<b>2,758.9</b>	<b>2,806.2</b>	<b>2,729.8</b>	<b>2,823.3</b>	<b>2,887.5</b>	<b>2,933.8</b>	<b>3,022.9</b>	<b>3,143.3</b>	<b>3,146.3</b>	<b>3,205.0</b>

**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	(8)	(9)
1998	0.0	13.1	13.1	41.0	35.3	0.0	367.2	443.5	456.5
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
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

**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 deposit		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)
1998	42.9	121.3	55.7	9.8	2.5	43.5	132.8	0.0	6.0	11.5	426.1	1.7	28.8	456.5
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
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

**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)	
1998	256	468	360	165	899	16	2,165
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
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

End of period	Denominations: value (AFL million)						Total value of notes issued
	5	10	25	50	100	500	
	(1)	(2)	(3)	(4)	(5)	(6)	
1998	1.3	4.7	9.0	8.3	89.9	8.2	121.3
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
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

**TABLE 3.4: COINS ISSUED**

End of period	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		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1998	8,693	8,821	6,074	3,254	4,382	67	576	10	12
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
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

**TABLE 4.1: COMMERCIAL BANKS: SUMMARY ACCOUNT**

	Assets				Total assets	Liabilities			
	Cash and claims on banks	Investments	Loan	Other		Deposits	Capital and reserves	Othe	
End of period	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1998	536.7	91.5	1,343.2	123.2	2,094.5	1,775.1	117.2	202.3	
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	608.7	74.9	1,690.5	147.4	2,521.5	2,102.7	149.1	269.7	
2000	I	582.9	92.2	1,555.8	121.0	2,351.8	1,987.3	117.8	246.8
	II	553.0	89.7	1,623.3	115.0	2,381.0	2,001.5	122.1	257.4
	III	557.9	96.9	1,635.7	114.8	2,405.2	2,038.0	123.9	243.3
	IV	523.7	88.4	1,644.2	116.7	2,373.0	2,002.0	111.8	259.2
2001	I	561.8	91.7	1,653.6	119.8	2,426.9	2,048.8	125.1	253.0
	II	567.3	80.1	1,697.5	115.2	2,460.1	2,058.7	124.3	277.1
	III	580.2	94.6	1,673.3	115.6	2,463.7	2,068.6	120.4	274.7
	IV	608.7	74.9	1,690.5	147.4	2,521.5	2,102.7	149.1	269.7
2002	I	698.7	85.8	1,664.2	141.8	2,590.5	2,151.1	158.0	281.4
	II	672.1	80.2	1,704.1	149.7	2,606.1	2,153.5	159.6	293.0
	III	679.9	99.3	1,745.2	156.8	2,681.2	2,221.5	159.6	300.1

**TABLE: 4.2: COMMERCIAL BANKS: PRUDENTIAL RATIO**

	Liquidit	Loan/ deposi	Capital/ risk value of assets	
	(1)	(2)	(3)	
End of period	(1)	(2)	(3)	
1998	29.3	69.8	10.6	
1999	29.3	70.5	8.8	
2000	26.2	75.6	9.4	
2001	28.5	72.8	10.6	
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	72.8	10.6
2002	I	31.9	69.8	12.2
	II	30.5	71.2	11.4
	III	30.6	70.7	10.2

**TABLE 4.3: COMMERCIAL BANKS: DETAILED BALANCE SHEET**

Domestic assets										
End of period	Notes and coins	Central Bank		Investment		Loans and advances				
		Current accounts	Time deposits	Government securities	Non government securities	Enterprise	Mortgages	Individuals	Government	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1998		28.4	58.1	123.0	54.8	14.2	498.0	434.3	287.9	1.1
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		30.6	60.4	154.8	62.1	6.1	549.5	629.9	366.7	0.3
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	30.6	60.4	154.8	62.1	6.1	549.5	629.9	366.7	0.3
2002	I	24.6	47.1	274.2	62.3	6.1	542.9	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

**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)
1998	54.7	13.8	15.4	-5.0	1,578.8	11.0	291.8	22.5	121.9	39.4	486.4	2,065.2
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	39.6	16.2	3.8	1,979.5	12.2	338.7	6.8	141.7	32.2	531.5	2,511.0
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	39.6	16.2	3.8	1,979.5	12.2	338.7	6.8	141.7	32.2	531.5	2,511.0
2002 I	58.6	39.4	18.2	8.2	2,088.0	14.7	316.5	17.4	112.4	25.6	486.6	2,574.6
II	60.2	40.3	19.3	-4.0	2,113.3	11.6	294.6	19.9	116.7	29.8	472.6	2,586.0
III	59.5	40.0	20.2	0.4	2,153.0	13.8	319.8	27.6	112.8	37.2	511.2	2,664.2

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

Domestic liabilities										
End of period	Demand deposits				Time deposits				Savings deposits	Other liabilities
	Individuals	Companies	Other fin.inst.	Government	Individuals	Companies	Other fin.inst.	Development funds		
	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)		
1998	84.4	297.4	52.0	11.3	196.7	184.3	228.0	0.0	382.5	178.2
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	6.4	235.5	229.8	263.0	0.0	410.7	260.4
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	6.4	235.5	229.8	263.0	0.0	410.7	260.4
2002 I	113.0	426.6	77.6	3.6	237.6	273.3	265.9	0.0	422.1	271.3
II	118.8	434.8	84.8	5.9	258.8	252.7	259.6	0.0	399.8	281.1
III	113.8	453.4	80.5	16.8	262.0	261.9	271.8	17.0	409.7	278.2

**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)
1998	97.5	11.3	1,723.7	35.3	54.1	53.5	130.7	35.4	8.4	24.1	341.5	2,065.2
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	132.0	14.1	2,105.3	23.2	67.2	61.4	201.8	42.0	3.0	7.0	405.7	2,510.9
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	132.0	14.1	2,105.3	23.2	67.2	61.4	201.8	42.0	3.0	7.0	405.7	2,510.9
2002 I	140.8	14.1	2,245.8	26.0	57.4	10.8	182.1	41.7	3.0	7.7	328.8	2,574.6
II	142.4	9.1	2,247.9	10.8	65.0	7.3	196.8	40.9	8.0	9.4	338.1	2,586.0
III	142.4	9.1	2,316.6	8.0	61.3	7.3	201.5	42.4	8.0	19.2	347.6	2,664.2

**TABLE 4.4: COMMERCIAL BANKS' LOANS TO DOMESTIC SECTORS BY KIND OF ECONOMIC ACTIVITY AS OF END SEPTEMBER 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	5.1	0.4	5.6	1.6	90.9	7.5	0.3
Mining and manufacturing	10.2	5.6	7.2	23.0	44.2	24.3	31.5	1.4
Electricity, gas and water supply	3.7	28.4	1.0	33.1	11.2	85.8	3.0	2.0
Construction	15.8	2.8	3.1	21.7	72.9	13.0	14.1	1.3
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	190.3	114.4	64.5	369.3	51.5	31.0	17.5	22.3
Hotels and restaurants	37.2	17.7	14.8	69.7	53.4	25.4	21.3	4.2
Transport, storage and communications	11.4	12.1	6.0	29.5	38.6	41.0	20.4	1.8
Financial intermediation	3.1	8.8	19.3	31.2	9.8	28.3	61.9	1.9
Real estate, renting and business activities	25.7	49.6	46.2	121.5	21.2	40.8	38.0	7.3
Other enterprises	14.9	34.1	25.1	74.1	20.1	46.0	33.9	4.5
<b>Total loans to enterprises</b>	<b>312.3</b>	<b>278.6</b>	<b>187.7</b>	<b>778.6</b>	<b>40.1</b>	<b>35.8</b>	<b>24.1</b>	<b>47.1</b>
Government	0.2	1.9	0.0	2.1	11.1	88.9	0.0	0.1
Individuals	60.8	348.8	464.0	873.6	7.0	39.9	53.1	52.8
<b>Total loans</b>	<b>373.4</b>	<b>629.3</b>	<b>651.7</b>	<b>1,654.3</b>	<b>22.6</b>	<b>38.0</b>	<b>39.4</b>	<b>100.0</b>

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

End of period	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
Agriculture, hunting, forestry and fishing	4.9	5.7	5.8	5.9	5.7	6.2	5.1	5.8	5.7	6.3	6.4	5.9	5.8	5.8	5.6
Mining and manufacturing	20.3	22.0	17.6	18.6	26.0	25.6	22.8	17.6	21.3	21.9	20.2	18.6	20.1	19.3	23.0
Electricity, gas and water supply	21.6	28.6	36.3	29.0	29.1	31.7	34.9	36.3	30.4	29.9	29.0	29.0	27.9	31.3	33.1
Construction	22.4	24.5	20.6	19.3	25.2	26.0	22.9	20.6	21.2	20.4	20.9	19.3	21.2	21.8	21.7
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	219.3	242.7	287.5	324.7	267.4	273.1	281.1	289.3	300.8	303.7	212.3	328.7	325.4	349.0	369.3
Hotels and restaurants	87.5	84.1	74.7	66.0	82.0	67.2	73.4	74.7	67.1	65.0	66.7	66.0	67.7	64.0	69.7
Transport, storage and communications	25.3	52.2	45.5	32.9	59.1	57.3	56.6	45.5	44.5	48.2	143.0	32.9	29.8	31.4	29.5
Financial intermediation	51.0	44.8	63.1	37.3	66.2	65.8	66.0	63.1	59.5	55.5	41.2	37.3	34.4	37.1	31.2
Real estate, renting and business activities	95.4	101.0	113.5	129.5	100.5	117.7	119.9	113.5	128.4	127.4	123.9	129.5	129.1	123.8	121.5
Other enterprises	88.6	64.3	63.6	74.2	58.2	64.9	58.4	63.6	57.7	59.2	64.6	74.2	70.6	74.3	74.1
<b>Total loans to enterprises</b>	<b>636.3</b>	<b>670.0</b>	<b>728.2</b>	<b>737.3</b>	<b>719.3</b>	<b>735.4</b>	<b>741.0</b>	<b>730.0</b>	<b>736.6</b>	<b>737.6</b>	<b>728.2</b>	<b>741.2</b>	<b>732.0</b>	<b>757.7</b>	<b>778.6</b>
Government	1.1	0.7	0.3	0.3	0.4	15.4	0.4	0.3	0.4	30.9	0.3	0.3	0.3	0.2	2.1
Individuals	604.9	705.2	776.2	829.9	720.1	750.8	769.3	776.2	782.1	798.3	816.3	829.9	841.7	851.7	873.6
<b>Total loans</b>	<b>1,242.2</b>	<b>1,375.9</b>	<b>1,504.7</b>	<b>1,567.4</b>	<b>1,439.8</b>	<b>1,501.6</b>	<b>1,510.7</b>	<b>1,506.5</b>	<b>1,519.0</b>	<b>1,566.8</b>	<b>1,544.8</b>	<b>1,571.4</b>	<b>1,574.0</b>	<b>1,609.6</b>	<b>1,654.3</b>

**TABLE 5.1: FINANCIAL SURVEY**

End of September 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	607.3	511.2	1,118.5	480.4	1,599.0
2. Domestic claims	69.3	1,641.9	1,711.2	1,123.8	2,835.0
a) Government	63.0	19.8	82.8	493.8	576.6
b) Non-financial public enterprises	0.0	36.8	36.8	25.7	62.5
c) Enterprises	0.0	736.5	736.5	82.9	819.4
d) Individuals	6.3	848.9	855.2	521.3	1,376.5
1) Consumer credit	0.0	384.9	384.9	70.3	455.2
2) Housing mortgages	6.3	464.0	470.3	451.0	921.3
3. Other domestic claims	21.7	525.3	547.0	870.8	1,417.8
<b>4. TOTAL ASSETS=TOTAL LIABILITIE</b>	<b>698.3</b>	<b>2,678.5</b>	<b>3,376.8</b>	<b>2,475.0</b>	<b>5,851.7</b>
5. Foreign liabilities	61.1	347.6	408.7	156.2	564.9
6. Deposits and borrowings	60.7	1886.9	1947.6	55.8	2003.4
a) Government	51.0	33.8	84.7	36.6	121.4
b) Other residents	9.8	1,853.1	1,862.9	19.2	1,882.0
7. Pension fund provisions	0.0	0.0	0.0	1,149.8	1,149.8
8. Insurance reserve fund	0.0	0.0	0.0	257.4	257.4
9. Other domestic liabilities	576.5	444.0	1,020.5	855.7	1,876.2

**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)	
1998 3)	5.8	7.8	3.8	6.2	17.1	11.1	10.5	11.4	13.1	6.9
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
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

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

2) Including current account overdraft facilities.

3) Based on September - December figures.

**TABLE 6.2: CENTRAL BANK LENDING RATES**

In % per annum As from	Redis- count (1)	Advance count (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)**

Period averages in % per annum	7-day (1)	30-day (2)	90-day (3)
1998	2.8	3.4	3.4
1999	2.6	3.0	3.1
2000	3.4	3.5	3.5
2001	2.2	2.2	2.3
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

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

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

Period averages in % per annum	7-day (1)	30-day (2)	90-day (3)
1998	5.5	5.6	5.6
1999	5.2	5.3	5.4
2000	6.4	6.4	6.5
2001	4.0	3.9	3.8
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

Source: International Financial Statistics.

**TABLE 6.5: GOVERNMENT SECURITY MARKETS**

3-month treasury bills					6-month cash loan certificates				
End of period	Date of issue	Amount (AFL million)	Average price per AFL 100	Yield per annum (%)	End of period	Date of issue	Amount (AFL million)	Average price per	Yield per annum (%)
	(1)	(2)	(3)	(4)		(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					
2000	January	17.0	98.35	6.57					
	February	15.0	98.41	6.34					
	April	17.0	98.36	6.13					
	May	15.0	98.48	6.12					
	July	17.0	98.35	6.20					
	August	15.0	98.45	6.21					
	October	17.0	98.34	6.10					
	November	12.4	98.28	6.91					
2001	January	17.0	98.28	6.93					
	February	15.0	98.29	6.77					
	April	17.0	98.39	6.54					
	May	15.0	98.38	6.56					
	July	17.0	98.46	6.13					
	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					

  

Government bonds				
End of period	Date of issue	Maturity in years	Amount (AFL million)	Yield per annum (%)
	(1)	(2)	(3)	(4)
1996	June	5	5.4	7.625
	June	7	24.6	8.000
	September	6	27.3	7.875
	September	8	14.7	8.000
1997	June	4	10.4	7.625
	June	9	15.4	8.125
2000	April	5	30.0	8.250
2001	December	7	24.9	7.125
2002	September	7	30.0	6.250
	September	10	53.7	7.375

\* 2-month treasury bills

TABLE 7.1: GOVERNMENT FINANCIAL OPERATIONS 1)

	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
<b>1. Revenue and grants</b>	<b>646.4</b>	<b>701.5</b>	<b>742.2</b>	<b>731.8</b>	<b>155.0</b>	<b>181.9</b>	<b>162.2</b>	<b>243.1</b>	<b>161.9</b>	<b>150.1</b>	<b>173.1</b>	<b>246.6</b>	<b>177.3</b>	<b>169.4</b>	<b>161.8</b>
<b>A. Tax revenue</b>	<b>535.4</b>	<b>608.6</b>	<b>624.5</b>	<b>606.3</b>	<b>144.0</b>	<b>136.1</b>	<b>140.5</b>	<b>203.9</b>	<b>141.7</b>	<b>131.9</b>	<b>159.3</b>	<b>173.3</b>	<b>152.0</b>	<b>137.0</b>	<b>141.9</b>
1. Taxes on income and profit	251.6	309.0	309.6	302.8	63.5	61.0	71.7	113.4	64.1	59.3	91.9	87.5	71.2	65.3	74.7
2. Taxes on commodities	187.7	198.0	212.6	202.6	47.9	51.1	52.7	60.8	45.5	47.9	48.8	60.4	44.8	50.1	50.5
3. Taxes on property	32.3	35.2	34.3	27.8	14.3	4.1	5.1	10.8	12.1	4.3	4.9	6.5	16.3	3.8	7.1
4. Taxes on services	43.7	44.8	44.4	48.3	12.8	11.0	9.2	11.4	15.0	12.9	11.0	9.4	14.4	11.6	9.7
5. Foreign exchange tax	20.2	21.6	23.6	24.8	5.6	8.8	1.7	7.5	5.1	7.5	2.8	9.4	5.2	6.2	0.0
<b>B. Nontax revenue</b>	<b>95.3</b>	<b>91.5</b>	<b>100.8</b>	<b>125.5</b>	<b>11.0</b>	<b>28.9</b>	<b>21.7</b>	<b>39.2</b>	<b>20.2</b>	<b>18.2</b>	<b>13.8</b>	<b>73.3</b>	<b>25.4</b>	<b>32.3</b>	<b>19.9</b>
<b>C. Grants</b>	<b>15.7</b>	<b>1.4</b>	<b>16.9</b>	<b>0.0</b>	<b>0.0</b>	<b>16.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>2. Expenditure</b>	<b>632.3</b>	<b>688.1</b>	<b>719.9</b>	<b>717.0</b>	<b>152.6</b>	<b>173.8</b>	<b>170.5</b>	<b>223.0</b>	<b>162.4</b>	<b>159.6</b>	<b>174.9</b>	<b>220.1</b>	<b>200.9</b>	<b>202.9</b>	<b>191.1</b>
1. Wages	213.1	222.3	246.3	255.2	53.9	69.4	58.8	64.2	57.8	72.0	59.0	66.4	56.7	71.9	64.7
2. Employer's contribution	29.0	29.0	38.9	24.2	11.8	8.6	8.5	10.1	4.5	4.2	5.5	10.1	7.9	16.8	17.6
3. Wage subsidies	76.8	85.6	89.7	91.5	19.8	24.8	21.4	23.8	22.4	27.0	22.8	19.4	24.6	29.7	24.8
4. Goods and services	177.1	197.4	192.7	135.9	46.1	39.2	42.6	64.7	31.7	23.2	27.1	54.0	51.6	36.0	23.1
5. Interest	29.0	33.4	30.2	35.7	3.5	7.6	8.9	10.2	6.6	9.7	10.6	8.8	7.8	8.0	11.2
6. Development fund spending	16.1	6.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3
7. Investment	31.8	24.8	28.3	18.4	5.0	3.3	3.9	16.1	4.9	1.8	5.1	6.6	4.7	1.5	4.3
8. Items n.i.e. 2)	59.4	89.0	93.9	156.0	12.5	21.0	26.4	34.0	34.5	21.8	44.8	54.9	47.7	38.9	45.1
<b>3. Lending minus repayments</b>	<b>31.9</b>	<b>37.4</b>	<b>16.2</b>	<b>32.0</b>	<b>3.0</b>	<b>1.6</b>	<b>7.3</b>	<b>4.3</b>	<b>5.7</b>	<b>1.0</b>	<b>8.0</b>	<b>17.4</b>	<b>8.1</b>	<b>-41.3</b>	<b>23.3</b>
1. Lending	32.9	40.8	19.9	36.1	3.8	2.5	8.3	5.3	6.8	1.9	9.0	18.4	8.1	3.7	23.3
2. Repayments 3)	-1.0	-3.4	-3.7	-4.1	-0.8	-0.9	-0.9	-1.0	-1.1	-1.0	-1.0	-1.0	0.0	-45.0	0.0
<b>4. Financial deficit (-)</b>	<b>-17.8</b>	<b>-24.1</b>	<b>6.1</b>	<b>-17.3</b>	<b>-0.6</b>	<b>6.5</b>	<b>-15.6</b>	<b>15.8</b>	<b>-6.1</b>	<b>-10.5</b>	<b>-9.8</b>	<b>9.1</b>	<b>-31.7</b>	<b>7.8</b>	<b>-52.6</b>
<b>5. Net foreign capital</b>	<b>39.7</b>	<b>13.3</b>	<b>24.1</b>	<b>27.9</b>	<b>-0.2</b>	<b>-0.6</b>	<b>35.7</b>	<b>-10.8</b>	<b>4.2</b>	<b>-0.6</b>	<b>35.4</b>	<b>-11.1</b>	<b>0.0</b>	<b>-0.5</b>	<b>46.5</b>
A. Loans received 4)	55.6	26.7	73.4	49.3	0.0	0.0	35.8	37.6	6.0	0.0	37.6	5.7	0.0	0.0	73.3
B. Repayments on loans	-15.9	-13.4	-49.3	-21.4	-0.2	-0.6	-0.1	-48.4	-1.8	-0.6	-2.2	-16.8	0.0	-0.5	-26.8
<b>6. Net domestic capital 5)</b>	<b>-22.7</b>	<b>-10.5</b>	<b>-16.8</b>	<b>14.2</b>	<b>-0.9</b>	<b>5.8</b>	<b>-21.3</b>	<b>-0.4</b>	<b>0.0</b>	<b>-11.4</b>	<b>-1.9</b>	<b>27.5</b>	<b>0.0</b>	<b>0.0</b>	<b>6.8</b>
A. Loans received	19.9	0.0	33.5	29.4	0.0	30.0	3.5	0.0	0.0	0.0	0.0	29.4	0.0	0.0	34.1
B. Repayments on loans	-42.6	-10.5	-50.3	-15.2	-0.9	-24.2	-24.8	-0.4	0.0	-11.4	-1.9	-1.9	0.0	0.0	-27.3
<b>7. Net recourse to the monetary system (-)</b>	<b>-0.8</b>	<b>-21.3</b>	<b>13.4</b>	<b>24.7</b>	<b>-1.7</b>	<b>11.7</b>	<b>-1.2</b>	<b>4.6</b>	<b>-1.9</b>	<b>-22.5</b>	<b>23.7</b>	<b>25.5</b>	<b>-31.7</b>	<b>7.3</b>	<b>0.7</b>
A. Loans received	7.6	1.0	8.4	-0.3	0.2	-9.1	16.7	0.6	0.0	-26.1	30.6	-4.8	0.0	0.0	-5.0
B. Drawings on deposits	-7.4	-13.2	3.3	36.6	-1.7	20.9	-17.8	1.9	0.8	4.0	1.2	30.6	-31.7	7.3	5.7
-Earmarked	10.2	-6.8	-8.4	4.4	-1.1	-6.8	-1.2	0.7	-0.5	-0.3	0.0	5.2	1.0	-5.2	0.0
-Free	-17.5	-6.6	11.7	32.1	-0.5	27.7	-16.7	1.3	1.2	4.3	1.2	25.4	-32.7	12.5	5.7
C. Other	-1.0	-9.0	1.7	-11.5	-0.2	-0.1	-0.2	2.2	-2.7	-0.3	-8.1	-0.4	-0.1	0.0	0.0
<b>8. Memorandum items</b>															
A. Unmet financing requirements	76.6	58.7	96.1	197.9	86.1	98.6	121.7	96.1	123.4	173.2	216.9	197.9	208.6	221.7	198.1
B. Financial deficit (-)	11.0	-6.1	-31.3	-119.1	-28.1	-6.0	-38.7	41.4	-33.4	-60.3	-53.5	28.1	-42.4	-5.2	-29.0

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**

	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
<b>TOTAL REVENUE AND GRANTS</b>	<b>646.4</b>	<b>701.5</b>	<b>742.2</b>	<b>731.8</b>	<b>155.0</b>	<b>181.9</b>	<b>162.2</b>	<b>243.1</b>	<b>161.9</b>	<b>150.1</b>	<b>173.1</b>	<b>246.6</b>	<b>177.3</b>	<b>169.4</b>	<b>161.8</b>
<b>TAX REVENUE</b>	<b>535.4</b>	<b>608.6</b>	<b>624.5</b>	<b>606.3</b>	<b>144.0</b>	<b>136.1</b>	<b>140.5</b>	<b>203.9</b>	<b>141.7</b>	<b>131.9</b>	<b>159.3</b>	<b>173.3</b>	<b>152.0</b>	<b>137.0</b>	<b>141.9</b>
<b>Taxes on income and profit</b>	<b>251.6</b>	<b>309.0</b>	<b>309.6</b>	<b>302.8</b>	<b>63.5</b>	<b>61.0</b>	<b>71.7</b>	<b>113.4</b>	<b>64.1</b>	<b>59.3</b>	<b>91.9</b>	<b>87.5</b>	<b>71.2</b>	<b>65.3</b>	<b>74.7</b>
Of which:															
-Wage tax	176.2	200.6	202.3	209.7	53.0	50.0	48.4	50.9	53.6	50.1	52.5	53.4	62.2	52.1	47.7
-Income tax	13.1	28.1	25.8	3.1	2.3	4.3	1.1	18.1	1.2	1.3	0.7	-0.1	1.7	1.2	-0.9
-Profit tax	62.0	80.1	81.4	90.0	8.2	6.7	22.2	44.3	9.3	7.8	38.7	34.2	7.3	12.1	27.9
-Solidarity tax	0.3	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
<b>Taxes on commodities</b>	<b>187.7</b>	<b>198.0</b>	<b>212.6</b>	<b>202.6</b>	<b>47.9</b>	<b>51.1</b>	<b>52.7</b>	<b>60.8</b>	<b>45.5</b>	<b>47.9</b>	<b>48.8</b>	<b>60.4</b>	<b>44.8</b>	<b>50.1</b>	<b>50.5</b>
Of which:															
-Excises on gasoline	58.4	59.9	62.6	62.2	15.1	16.0	16.1	15.5	14.7	15.2	16.2	16.2	15.5	15.8	15.1
-Excises on tobacco	9.9	10.4	11.4	9.8	2.1	3.3	2.4	3.6	2.4	2.5	2.1	2.9	2.1	1.3	3.1
-Excises on beer	20.1	19.3	20.3	19.4	4.3	4.1	5.4	6.5	4.3	4.6	5.1	5.4	4.3	4.4	5.1
-Excises on liquor	10.5	11.0	12.2	13.2	2.3	2.3	3.5	4.1	3.0	2.8	2.7	4.7	2.8	3.7	3.4
-Import duties	88.8	97.4	106.1	98.0	24.2	25.3	25.4	31.2	21.2	22.9	22.7	31.3	20.2	24.8	23.8
<b>Taxes on property</b>	<b>32.3</b>	<b>35.2</b>	<b>34.3</b>	<b>27.8</b>	<b>14.3</b>	<b>4.1</b>	<b>5.1</b>	<b>10.8</b>	<b>12.1</b>	<b>4.3</b>	<b>4.9</b>	<b>6.5</b>	<b>16.3</b>	<b>3.8</b>	<b>7.1</b>
Of which:															
-Motor vehicle fees	13.2	11.8	12.8	13.3	7.0	1.4	1.8	2.6	6.9	1.5	1.7	3.1	7.4	1.3	2.5
-Succession tax	1.7	1.6	0.9	0.6	0.1	-0.1	0.0	0.8	0.3	0.1	0.2	0.1	0.0	0.1	0.1
-Land tax	12.1	14.7	11.6	9.7	2.8	1.4	0.8	6.6	3.4	1.9	1.5	2.9	6.0	2.2	2.6
-Transfer tax	5.3	7.2	9.0	4.2	4.5	1.3	2.4	0.9	1.5	0.9	1.5	0.4	2.9	0.3	1.8
<b>Taxes on services</b>	<b>43.7</b>	<b>44.8</b>	<b>44.4</b>	<b>48.3</b>	<b>12.8</b>	<b>11.0</b>	<b>9.2</b>	<b>11.4</b>	<b>15.0</b>	<b>12.9</b>	<b>11.0</b>	<b>9.4</b>	<b>14.4</b>	<b>11.6</b>	<b>9.7</b>
Of which:															
-Gambling licenses	15.2	17.5	15.2	16.1	5.3	3.4	3.2	3.4	4.6	4.2	2.4	4.9	5.5	4.1	3.3
-Hotel room tax	18.8	19.3	21.9	26.6	5.8	6.0	4.6	5.6	8.8	7.4	6.9	3.4	7.5	6.5	5.1
-Stamp duties	2.7	2.8	3.0	1.9	0.6	0.5	0.7	1.2	0.5	0.3	0.6	0.5	0.8	0.4	0.5
-Other	7.0	5.2	4.4	3.7	1.1	1.2	0.9	1.2	1.1	1.1	0.9	0.6	0.6	0.6	0.8
<b>Foreign exchange tax</b>	<b>20.2</b>	<b>21.6</b>	<b>23.6</b>	<b>24.8</b>	<b>5.6</b>	<b>8.8</b>	<b>1.7</b>	<b>7.5</b>	<b>5.1</b>	<b>7.5</b>	<b>2.8</b>	<b>9.4</b>	<b>5.2</b>	<b>6.2</b>	<b>0.0</b>
<b>NONTAX REVENUE</b>	<b>95.3</b>	<b>91.5</b>	<b>100.8</b>	<b>125.5</b>	<b>11.0</b>	<b>28.9</b>	<b>21.7</b>	<b>39.2</b>	<b>20.2</b>	<b>18.2</b>	<b>13.8</b>	<b>73.3</b>	<b>25.4</b>	<b>32.3</b>	<b>19.9</b>
<b>GRANTS</b>	<b>15.7</b>	<b>1.4</b>	<b>16.9</b>	<b>0.0</b>	<b>0.0</b>	<b>16.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: Tax Collector's Office, CBA.

**TABLE 7.3: GOVERNMENT'S POSITION WITH THE MONETARY SYSTEM**

End of period	Domestic deposits						Gross liquidity position	Liabilities to			Net liability to the monetary system	Change in net liability during period
	Central Bank				Commercial banks			Monetary authorities	Commercial banks	Total		
	Free	Earmarked	Development funds	Total	Demand	Development funds						
	(1)	(2)	(3)	(4= 1+2+3)	(5)	(6)						
1998	5.3	50.5	9.8	65.6	11.3	0.0	76.8	44.0	23.9	67.9	-8.9	0.8
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	6.4	0.0	103.4	62.8	14.8	77.6	-25.8	-24.7
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	6.4	0.0	103.4	62.8	14.8	77.6	-25.8	-25.5
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

**TABLE 7.4 OUTSTANDING GOVERNMENT DEBT**

	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
<b>1. Total Debt</b>	<b>910.8</b>	<b>929.3</b>	<b>1,007.9</b>	<b>1,151.6</b>	<b>958.2</b>	<b>991.6</b>	<b>1,019.8</b>	<b>1,007.9</b>	<b>1,032.8</b>	<b>1,089.4</b>	<b>1,156.5</b>	<b>1,151.6</b>	<b>1,162.0</b>	<b>1,197.9</b>	<b>1,222.6</b>
<b>2. Domestic Debt</b>	<b>520.2</b>	<b>562.0</b>	<b>632.2</b>	<b>758.5</b>	<b>601.8</b>	<b>636.0</b>	<b>644.6</b>	<b>632.2</b>	<b>662.1</b>	<b>726.6</b>	<b>748.7</b>	<b>758.5</b>	<b>768.6</b>	<b>780.7</b>	<b>764.3</b>
<b>A. Negotiable</b>	<b>186.8</b>	<b>189.2</b>	<b>165.1</b>	<b>179.2</b>	<b>189.2</b>	<b>189.2</b>	<b>167.7</b>	<b>165.1</b>	<b>167.7</b>	<b>152.0</b>	<b>160.0</b>	<b>179.2</b>	<b>179.2</b>	<b>179.2</b>	<b>189.1</b>
1. Treasury bills	32.0	32.0	29.4	40.0	32.0	32.0	32.0	29.4	32.0	32.0	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
3. Government bonds	154.8	149.2	127.7	131.2	149.2	149.2	127.7	127.7	127.7	112.0	112.0	131.2	131.2	131.2	141.1
<b>B. Non-negotiable</b>	<b>333.5</b>	<b>372.8</b>	<b>467.1</b>	<b>579.4</b>	<b>412.5</b>	<b>446.8</b>	<b>476.9</b>	<b>467.1</b>	<b>494.4</b>	<b>574.6</b>	<b>588.7</b>	<b>579.4</b>	<b>589.4</b>	<b>601.5</b>	<b>575.3</b>
1. Short-term	76.6	58.8	99.6	200.7	86.1	108.6	126.2	99.6	126.9	207.1	220.4	200.7	211.5	224.5	200.9
a. APFA	31.2	40.1	54.8	108.0	43.8	47.5	51.1	54.8	68.4	82.7	97.9	108.0	116.0	126.9	134.3
b. Suppliers' credit	32.0	14.0	38.1	74.8	30.0	35.0	50.7	38.1	45.6	61.7	90.2	74.8	72.8	67.6	45.5
c. Other	13.4	4.7	6.7	17.9	12.3	26.1	24.4	6.7	12.9	62.7	32.3	17.9	22.7	30.0	21.1
2. Long-term	256.8	314.0	367.5	378.7	326.4	338.2	350.7	367.5	367.5	367.5	368.3	378.7	377.9	377.0	374.3
a. APFA	119.7	168.5	195.6	192.6	175.2	182.0	188.8	195.6	195.6	195.6	195.6	192.6	191.8	191.0	190.1
b. SVB	66.8	72.2	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
c. Private loans	62.0	62.0	60.8	57.7	62.0	62.0	62.0	60.8	60.8	60.8	58.9	57.7	57.7	57.7	55.8
d. Other	8.3	11.3	16.2	33.5	11.3	10.6	10.6	16.2	16.2	16.2	18.9	33.5	33.5	33.5	33.5
<b>3. Foreign debt</b>	<b>390.5</b>	<b>367.3</b>	<b>375.7</b>	<b>393.1</b>	<b>356.4</b>	<b>355.6</b>	<b>375.2</b>	<b>375.7</b>	<b>370.6</b>	<b>362.8</b>	<b>407.8</b>	<b>393.1</b>	<b>393.4</b>	<b>417.3</b>	<b>458.3</b>
<b>A. The Netherlands</b>	<b>278.2</b>	<b>231.0</b>	<b>204.4</b>	<b>181.5</b>	<b>221.0</b>	<b>220.5</b>	<b>205.5</b>	<b>204.4</b>	<b>195.8</b>	<b>188.6</b>	<b>201.0</b>	<b>181.5</b>	<b>181.9</b>	<b>204.0</b>	<b>198.7</b>
1. Development cooperation	273.7	227.6	201.0	177.8	217.8	217.9	202.2	201.0	192.5	186.0	198.1	177.8	178.8	200.4	195.2
2. Commercial loans	4.6	3.4	3.4	3.7	3.2	2.6	3.3	3.4	3.3	2.7	2.9	3.7	3.2	3.6	3.5
<b>B. EIB</b>	<b>19.5</b>	<b>16.5</b>	<b>14.4</b>	<b>13.0</b>	<b>15.7</b>	<b>15.4</b>	<b>14.0</b>	<b>14.4</b>	<b>13.8</b>	<b>13.1</b>	<b>14.1</b>	<b>13.0</b>	<b>12.9</b>	<b>14.7</b>	<b>14.2</b>
<b>C. USA</b>	<b>45.1</b>	<b>72.1</b>	<b>144.0</b>	<b>181.8</b>	<b>72.0</b>	<b>72.0</b>	<b>108.0</b>	<b>144.0</b>	<b>150.1</b>	<b>150.1</b>	<b>181.8</b>	<b>181.8</b>	<b>181.8</b>	<b>181.8</b>	<b>181.8</b>
<b>D. Other</b>	<b>47.7</b>	<b>47.7</b>	<b>12.8</b>	<b>16.8</b>	<b>47.7</b>	<b>47.7</b>	<b>47.7</b>	<b>12.8</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>16.8</b>	<b>16.8</b>	<b>16.8</b>	<b>63.6</b>

Source: Department of Finance, APFA, CBA.

**TABLE 8.1: BALANCE OF PAYMENTS 1)**

During period	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
<b>1. Current account (net)</b>	<b>-25.6</b>	<b>-622.8</b>	<b>527.9</b>	<b>729.3</b>	<b>507.8</b>	<b>-234.5</b>	<b>115.6</b>	<b>139.0</b>	<b>568.1</b>	<b>643.0</b>	<b>-731.3</b>	<b>249.5</b>	<b>22.2</b>	<b>-139.2</b>	<b>-20.1</b>
A. Goods and services	-24.8	-551.4	628.0	879.3	522.0	-196.4	144.7	157.7	608.9	673.3	-673.1	270.2	58.3	-88.6	56.2
1. Goods	-632.5	-1063.5	-62.7	138.8	258.5	-373.8	11.0	41.6	322.9	474.8	-744.7	85.8	-207.8	-257.6	-93.6
2. Services	607.7	512.1	690.7	740.5	263.5	177.4	133.7	116.1	286.0	198.5	71.6	184.4	266.1	169.0	149.8
B. Income	8.7	-52.0	-10.3	-68.4	2.3	-6.2	-0.5	-5.9	-25.5	-1.6	-39.1	-2.2	-6.6	-19.0	-46.1
C. Current transfers	-9.5	-19.4	-89.8	-81.6	-16.5	-31.9	-28.6	-12.8	-15.3	-28.7	-19.1	-18.5	-29.5	-31.6	-30.2
<b>2. Capital and financial account (net)</b>	<b>184.0</b>	<b>658.9</b>	<b>-561.2</b>	<b>-578.9</b>	<b>-473.9</b>	<b>226.6</b>	<b>-147.5</b>	<b>-166.4</b>	<b>-481.3</b>	<b>-672.7</b>	<b>813.8</b>	<b>-238.7</b>	<b>50.8</b>	<b>112.1</b>	<b>12.9</b>
A. Capital account	9.3	0.0	17.8	-1.5	0.6	16.7	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-2.4	2.6
1. Capital transfers	9.3	0.0	17.8	-1.5	0.6	16.7	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-0.1	2.6
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	0.0	-2.3	0.0
B. Financial account	174.7	658.9	-579.0	-577.4	-474.5	209.9	-148.1	-166.3	-480.8	-672.8	814.8	-238.6	51.0	114.5	10.3
1. Direct investment	147.1	715.8	-278.6	-593.1	-413.0	451.7	-149.1	-168.2	-488.4	-643.4	754.2	-215.5	82.6	118.6	-25.9
2. Portfolio investment	-85.1	-86.0	-72.3	35.6	-11.7	-22.2	-44.0	5.6	20.2	0.0	8.6	6.8	-9.4	7.9	50.3
3. Other investment	112.7	29.1	-228.1	-19.9	-49.8	-219.6	45.0	-3.7	-12.6	-29.4	52.0	-29.9	-22.2	-12.0	-14.1
<b>3. Items not yet classified 2)</b>	<b>2.2</b>	<b>-16.9</b>	<b>-13.5</b>	<b>-15.4</b>	<b>-5.7</b>	<b>-6.5</b>	<b>-0.1</b>	<b>-1.2</b>	<b>3.6</b>	<b>-1.9</b>	<b>-11.6</b>	<b>-5.4</b>	<b>7.2</b>	<b>-6.5</b>	<b>5.0</b>
<b>4. Overall balance (1+2+3)</b>	<b>160.6</b>	<b>19.2</b>	<b>-46.8</b>	<b>135.0</b>	<b>28.2</b>	<b>-14.4</b>	<b>-32.0</b>	<b>-28.6</b>	<b>90.4</b>	<b>-31.6</b>	<b>70.9</b>	<b>5.4</b>	<b>80.2</b>	<b>-33.6</b>	<b>-2.2</b>
<b>5. Banking transactions 3)</b>	<b>-67.7</b>	<b>-14.0</b>	<b>19.9</b>	<b>13.2</b>	<b>-34.4</b>	<b>28.1</b>	<b>25.1</b>	<b>1.1</b>	<b>-53.7</b>	<b>73.9</b>	<b>-31.7</b>	<b>24.7</b>	<b>-32.0</b>	<b>23.3</b>	<b>-29.1</b>
<b>6. Increase (-) in official reserves 4)</b>	<b>-92.9</b>	<b>-5.2</b>	<b>26.9</b>	<b>-148.2</b>	<b>6.2</b>	<b>-13.7</b>	<b>6.9</b>	<b>27.5</b>	<b>-36.7</b>	<b>-42.3</b>	<b>-39.2</b>	<b>-30.1</b>	<b>-48.2</b>	<b>10.3</b>	<b>31.3</b>
A. Monetary gold	9.1	0.0	0.0	-14.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-14.0	-5.0	-3.4	-1.0
B. Foreign exchange holdings	-102.0	-5.2	26.9	-134.3	6.2	-13.7	6.9	27.5	-36.7	-42.3	-39.2	-16.1	-43.2	13.7	32.3

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	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
<b>1. Goods and services</b>	<b>-24.8</b>	<b>-551.4</b>	<b>628.0</b>	<b>879.3</b>	<b>522.0</b>	<b>-196.4</b>	<b>144.7</b>	<b>157.7</b>	<b>608.9</b>	<b>673.3</b>	<b>-673.1</b>	<b>270.2</b>	<b>58.3</b>	<b>-88.6</b>	<b>56.2</b>
A. Goods	-632.5	-1,063.5	-62.7	138.8	258.5	-373.8	11.0	41.6	322.9	474.8	-744.7	85.8	-207.8	-257.6	-93.6
1. Exports f.o.b.	2,085.0	2,533.6	4,618.2	4,369.2	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
2. Imports f.o.b.	2,717.5	3,597.1	4,680.9	4,230.4	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
B. Services	<b>607.7</b>	<b>512.1</b>	<b>690.7</b>	<b>740.5</b>	<b>263.5</b>	<b>177.4</b>	<b>133.7</b>	<b>116.1</b>	<b>286.0</b>	<b>198.5</b>	<b>71.6</b>	<b>184.4</b>	<b>266.1</b>	<b>169.0</b>	<b>149.8</b>
1. Receipts	<b>1,596.8</b>	<b>1,784.8</b>	<b>1,881.2</b>	<b>1,895.6</b>	<b>541.2</b>	<b>466.8</b>	<b>436.5</b>	<b>436.7</b>	<b>536.9</b>	<b>489.3</b>	<b>441.5</b>	<b>427.9</b>	<b>534.4</b>	<b>459.8</b>	<b>434.7</b>
1.1 Transportation	117.3	146.0	133.5	<b>74.9</b>	38.5	43.1	33.8	18.1	20.8	20.0	18.2	15.9	14.3	17.7	15.2
1.1.1 Passenger	81.3	96.6	62.8	1.8	19.0	23.7	19.0	1.1	0.0	0.3	1.2	0.3	2.2	0.4	0.0
1.1.2 Freight	1.8	3.4	1.2	0.9	0.4	0.1	0.1	0.6	0.3	0.0	0.6	0.0	0.2	0.0	0.3
1.1.3 Other	34.2	46.0	69.5	72.2	19.1	19.3	14.7	16.4	20.5	19.7	16.4	15.6	11.9	17.3	14.9
1.2 Travel	1,322.0	1,424.9	1,548.4	1,614.8	457.1	374.7	356.3	360.3	469.9	415.4	374.3	355.2	472.6	396.1	361.5
1.2.1 Tourism	1,306.5	1,411.6	1,538.3	1,605.1	454.7	372.4	353.0	358.2	468.3	412.0	371.8	353.0	469.6	392.6	357.1
1.2.2 Other	15.5	13.3	10.1	9.7	2.4	2.3	3.3	2.1	1.6	3.4	2.5	2.2	3.0	3.5	4.4
1.3 Government services, n.i.e.	26.7	31.7	30.3	24.2	5.8	11.0	5.7	7.8	7.2	5.7	6.9	4.4	1.4	5.3	9.0
1.4 Other services	130.8	182.2	169.0	181.7	39.8	38.0	40.7	50.5	39.0	48.2	42.1	52.4	46.1	40.7	49.0
1.4.1 Construction services	15.0	18.5	2.2	7.6	0.2	0.0	0.3	1.7	1.9	2.5	2.6	0.6	2.2	0.2	0.4
1.4.2 Other business services	69.3	79.5	112.1	130.6	28.9	24.6	23.7	34.9	29.1	29.4	29.3	42.8	27.7	29.6	37.2
1.4.3 Other services, n.i.e.	46.5	84.2	54.7	43.5	10.7	13.4	16.7	13.9	8.0	16.3	10.2	9.0	16.2	10.9	11.4
2. Payments	<b>989.1</b>	<b>1,272.7</b>	<b>1,190.5</b>	<b>1,155.1</b>	<b>277.7</b>	<b>289.4</b>	<b>302.8</b>	<b>320.6</b>	<b>250.9</b>	<b>290.8</b>	<b>369.9</b>	<b>243.5</b>	<b>268.3</b>	<b>290.8</b>	<b>284.9</b>
2.1 Transportation	294.2	375.8	484.9	466.5	79.5	130.7	127.7	147.0	98.5	125.3	160.2	82.5	97.8	103.0	82.9
2.1.1 Passenger	9.4	14.3	16.2	20.8	2.9	2.4	6.8	4.1	3.9	4.9	8.1	3.9	3.4	3.6	8.9
2.1.2 Freight	273.3	349.1	455.7	429.4	73.1	124.2	118.0	140.4	91.3	116.3	147.2	74.6	93.1	97.1	73.0
2.1.3 Other	11.5	12.4	13.0	16.3	3.5	4.1	2.9	2.5	3.3	4.1	4.9	4.0	1.3	2.3	1.0
2.2 Travel	241.2	265.1	281.3	285.0	65.2	66.2	75.2	74.7	61.9	69.3	91.4	62.4	66.7	83.1	90.2
2.2.1 Tourism	198.1	217.8	238.2	239.8	56.1	57.4	62.1	62.6	52.5	58.6	79.4	49.3	54.2	71.6	75.0
2.2.2 Other	43.1	47.3	43.1	45.2	9.1	8.8	13.1	12.1	9.4	10.7	12.0	13.1	12.5	11.5	15.2
2.3 Government services, n.i.e.	44.7	50.3	42.0	42.9	11.6	10.2	12.1	8.1	8.4	9.4	7.6	17.5	16.9	10.6	17.8
2.4 Other services	409.0	581.5	382.3	360.7	121.4	82.3	87.8	90.8	82.1	86.8	110.7	81.1	86.9	94.1	94.0
2.4.1 Construction services	80.7	196.6	35.7	16.7	17.3	8.2	5.9	4.3	2.5	6.2	4.3	3.7	5.2	2.7	13.7
2.4.2 Other business services	151.7	188.7	201.3	213.9	57.4	49.5	50.1	44.3	42.8	45.3	77.8	48.0	49.1	62.0	53.6
2.4.3 Other services, n.i.e.	176.6	196.2	145.3	130.1	46.7	24.6	31.8	42.2	36.8	35.3	28.6	29.4	32.6	29.4	26.7
<b>2. Income</b>	<b>8.7</b>	<b>-52.0</b>	<b>-10.3</b>	<b>-68.4</b>	<b>2.3</b>	<b>-6.2</b>	<b>-0.5</b>	<b>-5.9</b>	<b>-25.5</b>	<b>-1.6</b>	<b>-39.1</b>	<b>-2.2</b>	<b>-6.6</b>	<b>-19.0</b>	<b>-46.1</b>
1. Receipts	80.5	72.9	93.1	89.7	19.0	23.4	26.3	24.4	19.1	21.8	15.6	33.2	14.3	14.3	15.7
1.1 Compensation of employees	0.7	1.3	0.2	1.0	0.1	0.0	0.1	0.0	0.0	0.0	0.4	0.6	0.3	0.1	0.2
1.2 Investment income	79.8	71.6	92.9	88.7	18.9	23.4	26.2	24.4	19.1	21.8	15.2	32.6	14.0	14.2	15.5
2. Payments	71.8	124.9	103.4	158.1	16.7	29.6	26.8	30.3	44.6	23.4	54.7	35.4	20.9	33.3	61.8
2.1 Compensation of employees	0.6	1.1	0.6	0.5	0.1	0.1	0.2	0.2	0.1	0.1	0.2	0.1	0.2	0.2	0.2
2.2 Investment income	71.2	123.8	102.8	157.6	16.6	29.5	26.6	30.1	44.5	23.3	54.5	35.3	20.7	33.1	61.6
<b>3. Current transfers</b>	<b>-9.5</b>	<b>-19.4</b>	<b>-89.8</b>	<b>-81.6</b>	<b>-16.5</b>	<b>-31.9</b>	<b>-28.6</b>	<b>-12.8</b>	<b>-15.3</b>	<b>-28.7</b>	<b>-19.1</b>	<b>-18.5</b>	<b>-29.5</b>	<b>-31.6</b>	<b>-30.2</b>
1. Receipts	52.4	63.7	55.0	67.6	10.8	12.8	15.2	16.2	10.8	10.8	23.7	22.3	13.6	13.2	14.0
1.1 General government	22.1	26.5	25.5	32.6	5.4	6.0	6.2	7.9	3.8	3.2	12.7	12.9	5.9	4.3	1.4
1.2 Other sectors	30.3	37.2	29.5	35.0	5.4	6.8	9.0	8.3	7.0	7.6	11.0	9.4	7.7	8.9	12.6
1.2.1 Workers' remittances	2.2	6.7	2.3	2.2	0.6	0.8	0.4	0.5	0.7	0.3	0.3	0.9	0.7	0.5	1.7
1.2.2 Other transfers	28.1	30.5	27.2	32.8	4.8	6.0	8.6	7.8	6.3	7.3	10.7	8.5	7.0	8.4	10.9
2. Payments	61.9	83.1	144.8	149.2	27.3	44.7	43.8	29.0	26.1	39.5	42.8	40.8	43.1	44.8	44.2
2.1 General government	21.9	28.0	25.1	22.5	7.2	2.9	6.5	8.5	5.0	5.9	3.5	8.1	5.6	5.4	6.5
2.2 Other sectors	40.0	55.1	119.7	126.7	20.1	41.8	37.3	20.5	21.1	33.6	39.3	32.7	37.5	39.4	37.7
2.2.1 Workers' remittances	20.2	33.9	55.8	54.4	13.6	14.9	15.7	11.6	14.2	12.1	13.4	14.7	14.9	16.2	19.6
2.2.2 Other transfers	19.8	21.2	63.9	72.3	6.5	26.9	21.6	8.9	6.9	21.5	25.9	18.0	22.6	23.2	18.1
<b>4. Current account balance (1+2+3)</b>	<b>-25.6</b>	<b>-622.8</b>	<b>527.9</b>	<b>729.3</b>	<b>507.8</b>	<b>-234.5</b>	<b>115.6</b>	<b>139.0</b>	<b>568.1</b>	<b>643.0</b>	<b>-731.3</b>	<b>249.5</b>	<b>22.2</b>	<b>-139.2</b>	<b>-20.1</b>

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

During period	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
<b>1. Nonbanks</b>	<b>184.0</b>	<b>658.9</b>	<b>-561.2</b>	<b>-578.9</b>	<b>-473.9</b>	<b>226.6</b>	<b>-147.5</b>	<b>-166.4</b>	<b>-481.3</b>	<b>-672.7</b>	<b>813.8</b>	<b>-238.7</b>	<b>50.8</b>	<b>112.1</b>	<b>12.9</b>
A. Capital account	9.3	0.0	17.8	-1.5	0.6	16.7	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-2.4	2.6
1. Capital transfers	9.3	0.0	17.8	-1.5	0.6	16.7	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-0.1	2.6
1.1 General government	15.7	1.4	16.9	0.0	0.0	16.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1.2 Other sectors	-6.4	-1.4	0.9	-1.5	0.6	-0.2	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-0.1	2.6
1.2.1 Migrants' transfers	-6.4	-1.4	0.9	-1.5	0.6	-0.2	0.6	-0.1	-0.5	0.1	-1.0	-0.1	-0.2	-0.1	2.6
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
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	0.0	-2.3	0.0
B. Financial account	174.7	658.9	-579.0	-577.4	-474.5	209.9	-148.1	-166.3	-480.8	-672.8	814.8	-238.6	51.0	114.5	10.3
1. Direct investment	147.1	715.8	-278.6	-593.1	-413.0	451.7	-149.1	-168.2	-488.4	-643.4	754.2	-215.5	82.6	118.6	-25.9
1.1 Investment abroad	-2.5	15.0	-21.6	-22.8	-1.6	-4.8	-5.4	-9.8	0.6	-1.3	-23.5	1.4	-5.4	-10.0	-1.0
1.2 Investment in Aruba	149.6	700.8	-257.0	-570.3	-411.4	456.5	-143.7	-158.4	-489.0	-642.1	777.7	-216.9	88.0	128.6	-24.9
2. Portfolio investment	-85.1	-86.0	-72.3	35.6	-11.7	-22.2	-44.0	5.6	20.2	0.0	8.6	6.8	-9.4	7.9	50.3
2.1 Domestic securities	-6.1	31.2	4.8	-5.5	-0.1	0.1	4.7	0.1	-0.4	-0.2	-6.5	1.6	-7.7	0.0	46.4
2.2 Foreign securities	-79.0	-117.2	-77.1	41.1	-11.6	-22.3	-48.7	5.5	20.6	0.2	15.1	5.2	-1.7	7.9	3.9
3. Other investment	112.7	29.1	-228.1	-19.9	-49.8	-219.6	45.0	-3.7	-12.6	-29.4	52.0	-29.9	-22.2	-12.0	-14.1
3.1. Loans	38.3	52.2	-139.5	-23.6	-17.5	-145.1	18.0	5.1	-18.4	-21.3	32.5	-16.4	-4.1	14.6	2.7
3.1.1 General government	39.7	13.4	60.8	22.2	-0.2	-0.6	35.7	25.9	-1.8	-0.6	37.4	-12.8	0.0	-0.5	0.0
3.1.2 Other sectors	-1.4	38.8	-200.3	-45.8	-17.3	-144.5	-17.7	-20.8	-16.6	-20.7	-4.9	-3.6	-4.1	15.1	2.7
3.2. Other financial transactions	74.4	-23.1	-88.6	3.7	-32.3	-74.5	27.0	-8.8	5.8	-8.1	19.5	-13.5	-18.1	-26.6	-16.8
<b>2. Banking transactions 2)</b>	<b>-67.7</b>	<b>-14.0</b>	<b>19.9</b>	<b>13.2</b>	<b>-34.4</b>	<b>28.1</b>	<b>25.1</b>	<b>1.1</b>	<b>-53.7</b>	<b>73.9</b>	<b>-31.7</b>	<b>24.7</b>	<b>-32.0</b>	<b>23.3</b>	<b>-29.1</b>
A. Assets	-20.5	-14.7	-29.7	-0.7	-41.9	24.9	1.8	-14.5	-25.4	37.9	12.9	-26.1	44.9	14.0	-38.6
1. Investments	-2.2	-8.9	-1.9	26.5	-0.2	0.2	-2.0	0.1	-0.1	0.1	2.3	24.2	-10.6	-2.5	-7.7
2. Loans	-1.7	-12.5	-26.0	18.6	-4.8	-6.2	-3.2	-11.8	3.0	3.4	2.6	9.6	29.3	-4.3	3.9
3. Other assets	-16.6	6.7	-1.8	-45.8	-36.9	30.9	7.0	-2.8	-28.3	34.4	8.0	-59.9	26.2	20.8	-34.8
B. Liabilities	-47.2	0.7	49.6	13.9	7.5	3.2	23.3	15.6	-28.3	36.0	-44.6	50.8	-76.9	9.3	9.5
1. Subordinated debts	0.0	0.0	0.0	-5.4	0.0	0.0	0.0	0.0	0.0	-3.6	-1.8	0.0	0.0	5.0	0.0
2. Other liabilities	-47.2	0.7	49.6	19.3	7.5	3.2	23.3	15.6	-28.3	39.6	-42.8	50.8	-76.9	4.3	9.5
<b>3. Total banks and nonbanks, net (1+2)</b>	<b>116.3</b>	<b>644.9</b>	<b>-541.3</b>	<b>-565.7</b>	<b>-508.3</b>	<b>254.7</b>	<b>-122.4</b>	<b>-165.3</b>	<b>-535.0</b>	<b>-598.8</b>	<b>782.1</b>	<b>-214.0</b>	<b>18.8</b>	<b>135.4</b>	<b>-16.2</b>

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-III				2001-III				2002-III			
	Oil sector	Free-zone	Rest of economy	Total	Oil sector	Free-zone	Rest of economy	Total	Oil sector	Free-zone	Rest of economy	Total
<b>1. Current account (net)</b>	<b>155.7</b>	<b>-7.1</b>	<b>-33.0</b>	<b>115.6</b>	<b>-704.1</b>	<b>-10.6</b>	<b>-16.6</b>	<b>-731.3</b>	<b>70.3</b>	<b>3.7</b>	<b>-94.1</b>	<b>-20.1</b>
A. Goods and services	167.3	-6.7	-15.9	144.7	-690.8	5.3	12.4	-673.1	75.4	5.7	-24.9	56.2
1. Goods	263.2	-3.4	-248.8	11.0	-530.6	8.1	-222.2	-744.7	129.3	7.3	-230.2	-93.6
1.1 Exports f.o.b.	1139.6	29.6	10.9	1180.1	668.1	36.1	10.8	715.0	597.5	22.7	4.6	624.8
1.2 Imports f.o.b.	876.4	33.0	259.7	1169.1	1198.7	28.0	233.0	1459.7	468.2	15.4	234.8	718.4
2. Services	-95.9	-3.3	232.9	133.7	-160.2	-2.8	234.6	71.6	-53.9	-1.6	205.3	149.8
2.1 Receipts	0.0	0.0	436.5	436.5	0.0	0.0	441.5	441.5	0.0	0.0	434.7	434.7
2.2 Payments	95.9	3.3	203.6	302.8	160.2	2.8	206.9	369.9	53.9	1.6	229.4	284.9
B. Income	0.0	0.0	-0.5	-0.5	0.0	-15.6	-23.5	-39.1	0.0	-1.8	-44.3	-46.1
1. Receipts	0.0	0.0	26.3	26.3	0.0	0.0	15.6	15.6	0.0	0.0	15.7	15.7
2. Payments	0.0	0.0	26.8	26.8	0.0	15.6	39.1	54.7	0.0	1.8	60.0	61.8
C. Current transfers	-11.6	-0.4	-16.6	-28.6	-13.3	-0.3	-5.5	-19.1	-5.1	-0.2	-24.9	-30.2
1. Receipts	0.0	0.0	15.2	15.2	0.0	0.0	23.7	23.7	0.0	0.0	14.0	14.0
2. Payments	11.6	0.4	31.8	43.8	13.3	0.3	29.2	42.8	5.1	0.2	38.9	44.2
<b>2. Capital and financial account (net)</b>	<b>-147.0</b>	<b>0.0</b>	<b>-0.5</b>	<b>-147.5</b>	<b>734.0</b>	<b>0.0</b>	<b>79.8</b>	<b>813.8</b>	<b>-45.9</b>	<b>0.0</b>	<b>58.8</b>	<b>12.9</b>
A. Capital account	0.0	0.0	0.6	0.6	0.0	0.0	-1.0	-1.0	0.0	0.0	2.6	2.6
1. Capital transfers	0.0	0.0	0.6	0.6	0.0	0.0	-1.0	-1.0	0.0	0.0	2.6	2.6
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	-147.0	0.0	-1.1	-148.1	734.0	0.0	80.8	814.8	-45.9	0.0	56.2	10.3
1. Direct investment	-159.6	0.0	10.5	-149.1	744.9	0.0	9.3	754.2	-26.8	0.0	0.9	-25.9
2. Portfolio investment	-0.2	0.0	-43.8	-44.0	0.0	0.0	8.6	8.6	0.0	0.0	50.3	50.3
3. Other investment	12.8	0.0	32.2	45.0	-10.9	0.0	62.9	52.0	-19.1	0.0	5.0	-14.1
<b>3. Items not yet classified 2)</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>-0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>-11.6</b>	<b>-11.6</b>	<b>0.0</b>	<b>0.0</b>	<b>5.0</b>	<b>5.0</b>
<b>4. Overall balance (1+2+3)</b>	<b>8.7</b>	<b>-7.1</b>	<b>-33.6</b>	<b>-32.0</b>	<b>29.9</b>	<b>-10.6</b>	<b>51.6</b>	<b>70.9</b>	<b>24.4</b>	<b>3.7</b>	<b>-30.3</b>	<b>-2.2</b>
<b>5. Banking transactions 3)</b>	<b>-8.7</b>	<b>7.1</b>	<b>26.7</b>	<b>25.1</b>	<b>-29.9</b>	<b>10.6</b>	<b>-12.3</b>	<b>-31.6</b>	<b>-24.4</b>	<b>-3.7</b>	<b>-1.0</b>	<b>-29.1</b>
<b>6. Increase (-) in official reserves 4)</b>	<b>0.0</b>	<b>0.0</b>	<b>6.9</b>	<b>6.9</b>	<b>0.0</b>	<b>0.0</b>	<b>-39.3</b>	<b>-39.3</b>	<b>0.0</b>	<b>0.0</b>	<b>31.3</b>	<b>31.3</b>
A. Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.0	-1.0
B. Foreign exchange holdings	0.0	0.0	6.9	6.9	0.0	0.0	-39.3	-39.3	0.0	0.0	32.3	32.3

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	1998	1999	2000	2001	2000				2001				2002		
					I	II	III	IV	I	II	III	IV	I	II	III
<b>1. Exports f.o.b.</b>	<b>2,085.0</b>	<b>2,533.6</b>	<b>4,618.2</b>	<b>4,369.2</b>	<b>1,041.4</b>	<b>937.9</b>	<b>1,180.1</b>	<b>1,458.8</b>	<b>1,216.9</b>	<b>1,617.3</b>	<b>715.0</b>	<b>820.0</b>	<b>721.1</b>	<b>716.7</b>	<b>624.8</b>
A. General merchandise	1,954.2	2,361.6	4,350.3	4,210.6	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
1. Oil sector	1,407.6	2,018.2	4,177.7	4,024.8	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
2. Free-zone	516.4	303.8	139.4	150.3	50.6	24.6	29.6	34.6	45.6	27.3	36.1	41.3	29.6	30.6	22.7
3. Other sectors	30.2	39.6	33.2	35.5	10.2	6.0	8.5	8.5	7.9	8.2	8.8	10.6	7.4	4.7	2.8
B. Goods procured in ports by carriers	130.2	171.7	267.0	158.6	61.3	60.3	88.7	56.7	39.8	47.5	35.8	35.5	33.0	54.2	132.4
C. Repairs on goods	0.6	0.3	0.9	0.0	0.0	0.0	0.0	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>2. Imports f.o.b.</b>	<b>2,717.5</b>	<b>3,597.1</b>	<b>4,680.9</b>	<b>4,230.4</b>	<b>782.9</b>	<b>1,311.7</b>	<b>1,169.1</b>	<b>1,417.2</b>	<b>894.0</b>	<b>1,142.5</b>	<b>1,459.7</b>	<b>734.2</b>	<b>928.9</b>	<b>974.3</b>	<b>718.4</b>
A. General merchandise	1,711.5	1,533.0	1,404.2	1,591.1	378.0	341.0	360.3	324.9	310.2	312.2	578.6	390.1	424.3	458.1	303.1
1. Oil sector	349.6	327.0	270.2	500.8	82.1	76.5	76.7	34.9	34.9	37.5	318.2	110.2	152.8	191.8	52.9
2. Free-zone	473.7	253.9	128.9	125.7	35.8	24.1	33.0	36.0	32.8	30.3	28.0	34.6	31.2	22.7	15.4
3. Other sectors	888.2	952.1	1,005.1	964.6	260.1	240.4	250.6	254.0	242.5	244.4	232.4	245.3	240.3	243.6	234.8
B. Goods for processing	974.8	2,035.3	3,251.0	2,638.6	397.8	961.2	799.7	1,092.3	583.8	830.2	880.5	344.1	504.6	516.2	415.3
C. Goods procured in ports by carriers	18.9	19.2	19.8	0.1	5.9	6.6	7.3	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0
D. Repairs on goods	12.3	9.6	5.9	0.6	1.2	2.9	1.8	0.0	0.0	0.1	0.5	0.0	0.0	0.0	0.0
<b>3. Merchandise trade (1-2)</b>	<b>-632.5</b>	<b>-1,063.5</b>	<b>-62.7</b>	<b>138.8</b>	<b>258.5</b>	<b>-373.8</b>	<b>11.0</b>	<b>41.6</b>	<b>322.9</b>	<b>474.8</b>	<b>-744.7</b>	<b>85.8</b>	<b>-207.8</b>	<b>-257.6</b>	<b>-93.6</b>

**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)
1998	1.217	2.996	90.858	124.206	30.766	102.369	1.063	137.891	201.533
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
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	1.151	2.784		120.494				150.555	176.467

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 <sup>1)</sup> (x 100)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1998	1.165	2.990	95.170	130.300	32.190	107.180	1.110	157.660	210.560
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
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	1.100	2.720		119.680				145.420	174.020

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 state. 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 1.3 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 1.6 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 1.7 and Table 1.8 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. Since end-1989, gold and claims in gold are valued once every three years at standards set by the Bank's Board of Supervisory Directors. As a result, the value of gold increased by AFL 37.4 million on that date and decreased by AFL 1.5 million at end-1992. By end-1995, the value of gold increased again by AFL 1.2 million. By end-1996, the amount of gold holdings of the Bank increased by AFL 3.0 million to AFL 50.1 million due to an adjustment in the net claim on the Gold Fund of the Netherlands Antilles and Aruba. By end-1998, these Bank's holdings of gold deposits were revalued and, consequently, decreased by AFL 9.1 million to AFL 41 million.

*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