



Business and economy

Table of Contents

Note to the Reader

ii

1 MONTHLY CHANGE OF THE CPI	1
1.1 CPI AND INFLATION	1
1.2 CHANGES IN SECTOR	1
1.3 CHANGES IN CATEGORIES AND SUBCATEGORIES	1
2 END OF PERIOD CHANGE OF THE CPI	2
2.1 END OF PERIOD CHANGE CPI FOR SEPTEMBER 2010.....	2
2.2 CHANGES IN SECTOR	2
2.3 CHANGES IN CATEGORIES.....	2
2.4 END OF YEAR CHANGE CPI 2001 - 2010	2
2.5 PERIOD AVERAGE CHANGE CPI FOR SEPTEMBER 2010	2
3 DEVELOPMENT OF INDICES OF MAIN SECTORS AND UTILITIES	3
3.1 INDICES MAIN SECTORS	3
3.2 ELECTRICITY	3
3.3 WATER.....	3
3.4 CRUDE OIL, GASOLINE AND DIESEL.....	3
4 PERCENTAGE CHANGE CPI OF ARUBA’S MAJOR TRADING PARTNERS	4
4.1 COMPARISON OF THE CPI OF ARUBA AND THE USA	4
5 CORE INFLATION	5
5.1 CORE INFLATION	5
5.2 MONTHLY CHANGE OF THE CORE INFLATION.....	5
5.3 END OF YEAR CHANGE OF THE CORE INFLATION, 2005 - 2010	5
APPENDICES	
APPENDIX 1: MONTHLY AND YEARLY % CHANGES IN THE CPI FOR SEPTEMBER 2010.....	6
APPENDIX 2: EFFECT ON THE CPI PER SECTOR AND CATEGORY FOR SEPTEMBER 2010	7
APPENDIX 3: COURSE OF INDICES FOR 2005 UP TO SEPTEMBER 2010.....	8
GLOSSARY	9

Note to the Reader

The following report presents the price statistics for September 2010.

- At the end of September 2010 the Consumer Price Index (CPI) increased by 0.1% compared to the end of August 2010. The sectors which affected the CPI the most was “Housing” (0.1%) and “Communications” (0.6%), both causing an effect of 0.03 percentage points (ppts) on the Δ CPI of September (0.1%).
- Compared to September 2009 the CPI decreased by 0.4%. The largest percentage change is observed for the index of the “Clothing and footwear” sector (-6.5%). Specifically, prices of “Clothing” and “Footwear” decreased by respectively 6.8% and 3.7%. The decrease in prices of these categories caused a total effect of -0.42 ppts on the end of period inflation of September (-0.4%).
- The period average inflation for the period September 2009 - September 2010 is 2.6%, which is 4.1 ppts higher compared to the period average inflation for the period September 2008 - September 2009 (-1.5%).
- Utilities (Water and Electricity) did not register price changes in September 2010. The price of gasoline decreased by 0.9% causing an effect of -0.05 ppts on the Δ CPI of September. The price of diesel registered an insignificant increase of 1.4%.

This report is divided in 5 sections. An overview of the monthly percentage changes in the CPI and index per sector is presented in section 1. Section 2 provides the yearly percentage changes in the CPI and index per sector. The development of indices of main sectors and utilities is outlined in section 3. Section 4 presents the percentage change in the CPI of Aruba’s major trading partners and compares the CPI of Aruba and the USA. Section 5 presents an overview of the monthly and yearly percentage changes of the core inflation, and is followed by the appendices.

For other specific information contact us at CBS or visit www.cbs.aw.

Contact information:

Central Bureau of Statistics
L.G. Smith Boulevard 160
Oranjestad - Aruba
Phone: 583-7433 ext 296
Fax: 583-8057
E-mail: Ldsilva@cbs.aw

1 Monthly change of the CPI

1.1 CPI and Inflation

The CPI of the total population of Aruba for the month of September 2010 is 114.5; an increase of 0.1% compared to the CPI of August 2010 (114.4). An overview of the percentage change in the CPI (Δ CPI) for different periods during 2009 and 2010 is shown in Table 1. The terms percentage change in the CPI and “inflation” (deflation) are considered similar and are used interchangeably. The deflation over the last 12 months (end of period inflation) is 0.4%, while the inflation over a period of 24 months (period average inflation) is 2.6%.

Table 1: Overview of Δ CPI

Period		2010	2009
Monthly	Aug - Sep	0.1	0.4
Year-to-date	Dec - Sep	-0.6	6.6
Last 12 months ¹	Sep - Sep	-0.4	-3.7
Last 24 months ²	Sep - Sep	2.6	-1.5

Source: Central Bureau of Statistics Aruba

¹ End of period inflation

² Period average inflation

Figure 1 depicts the monthly Δ CPI over a period of one year starting from September 2009, whereas the Δ CPI for the month September for the years 2001 to 2010 is illustrated in Figure 2.

1.2 Changes in sector

Figure 3 provides an overview of the percentage changes for the indices per sector for September 2010. The percentage change in index is further denoted as ΔI . The largest ΔI is observed for the sector “Communications” (0.6%).

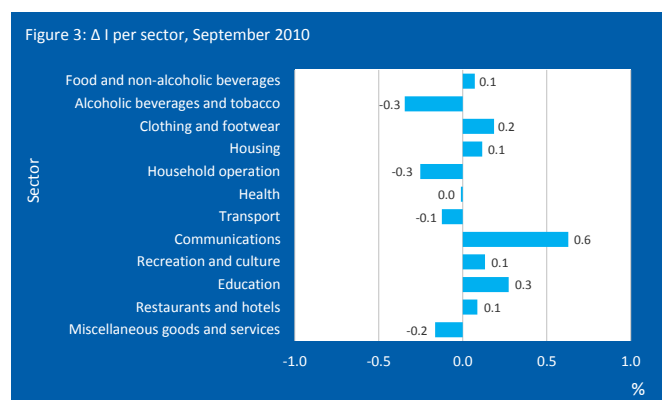
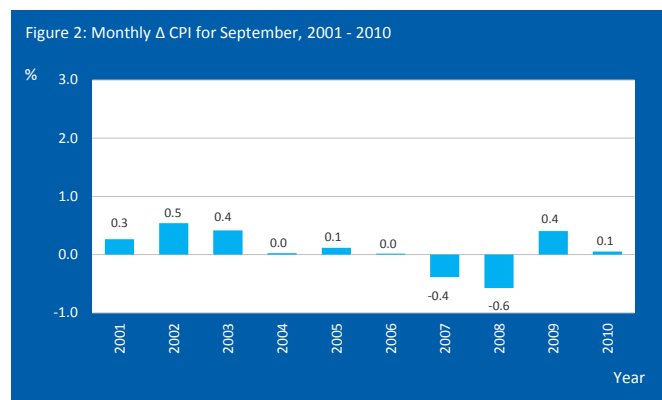
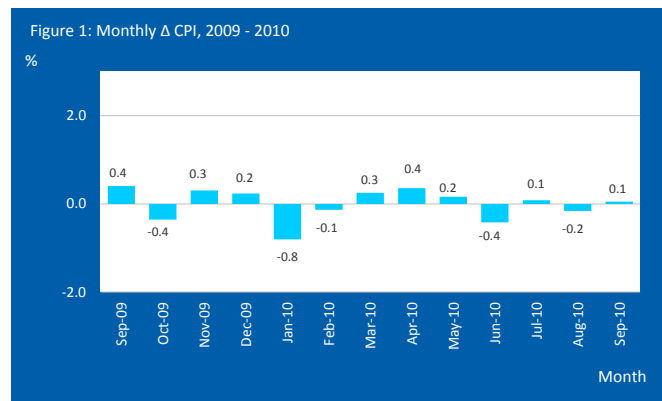
1.3 Changes in categories and subcategories

The largest positive and negative ΔI is seen in the categories “Holidays” (7.8%) and “Audio-visual, photographic and information processing equipment” (-2.1%), respectively. The major ΔI in the “Food and non-alcoholic beverages” sector is observed for the category “Non-alcoholic beverages” which increased by 0.8%. The major ΔI in the “Transport” sector is observed for the category “Transport services” (2.1%), which is mainly the result of an increase in “Plane tickets” of 2.0%.

The categories which influenced the CPI calculation the most are “Operation of personal transport equipment”, “Actual rentals for housing” and “Holidays”, which had an effect of respectively, -0.05, 0.04 and 0.04 ppts on the Δ CPI. Reference is made to tables 11 and 12 in Appendices 1 and 2. Table 11 provides an overview of the indices for the months September 2009, December 2009, August 2010 and September 2010 together with corresponding weights per sector and the monthly, year-to-date (ytd), end of period and period average percentage changes for September 2010.

¹ The focus is on the four major sectors which are: Housing, Transport, Food and non-alcoholic beverages and Recreation and culture. Together these sectors form 64% of the total weight of the basket of goods and services.

In table 12 an overview of the effect on the monthly, ytd, end of period and period average CPI per sector and category for September 2010 is presented. The course of indices for 2005 to 2010 is illustrated in Appendix 3.



2 End of period change of the CPI

2.1 End of period change CPI for September 2010

The CPI decreased from 115.0 in September 2009 to 114.5 in September 2010, a decrease of 0.4%. This Δ CPI is the second lowest registered over a period of 5 years for the month September, and is 3.3 ppts higher than the Δ CPI registered in 2009 (-3.7%) (see table 2).

Table 2: Overview of End of period Δ CPI for September, 2005 - 2010

Period	Δ CPI
2005-2006	4.1
2006-2007	5.1
2007-2008	12.4
2008-2009	-3.7
2009-2010	-0.4

Source: Central Bureau of Statistics Aruba

2.2 Changes in sector

An overview of the percentage change per sector over the period September 2009 - September 2010 is presented in table 3. The largest Δ I is observed for the sector "Clothing and footwear" with a decrease of 6.5%. This decrease is mainly caused by a decrease in the category "Clothing" of 6.8%. The second largest Δ I during this period is observed for the sector "Housing" with an increase of 4.1%. Furthermore, decreases of 2.7%, 2.4% and 2.4% are observed for the sectors "Household operation", "Recreation and culture" and "Transport", respectively. A comparison of the Δ I's for the years 2009 and 2010 is provided in figure 4.

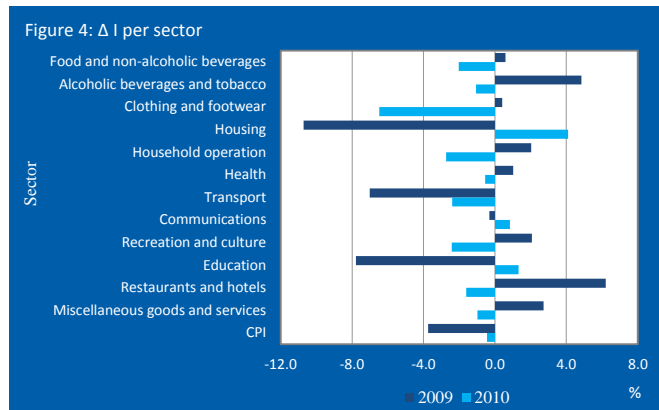
Table 3: Percentage change for September, 2009 - 2010

Period	% Change
Food and non-alcoholic beverages	-2.0
Alcoholic beverages and tobacco	-1.1
Clothing and footwear	-6.5
Housing	4.1
Household operation	-2.7
Health	-0.5
Transport	-2.4
Communications	0.8
Recreation and culture	-2.4
Education	1.3
Restaurants and hotels	-1.6
Miscellaneous goods and services	-1.0
CPI	-0.4

Source: Central Bureau of Statistics Aruba

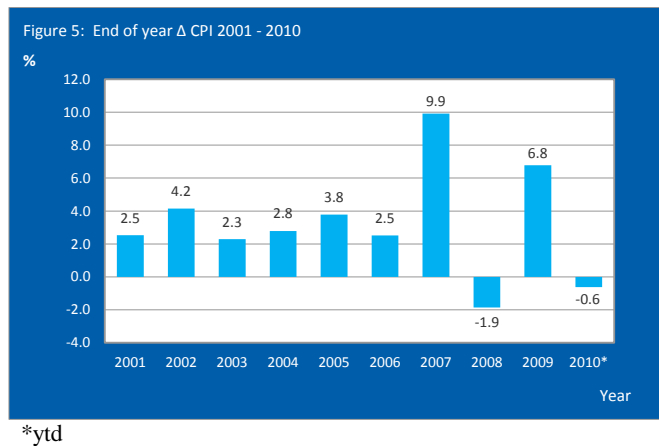
2.3 Changes in categories

The largest positive and negative Δ I in categories observed over a period of one year are respectively, "Social protection" (12.7%) and "Accommodation services" (-20.6%). For an overview of the end of period percentage changes per category refer to table 11 in Appendix 1.



2.4 End of year change CPI 2001 - 2010

The end of year Δ CPI for the period 2001 - 2010 is shown in figure 5. The Δ CPI for 2010 is calculated by comparing the CPI of September 2010 with the CPI of December 2009. At the end of each year, the end of year percentage change equals the ytd Δ CPI. The ytd Δ CPI for September 2010 is -0.6%.



*ytd

2.5 Period average change CPI for September 2010

The period average change CPI (Δ ACPI) for September 2010 is 2.6%. Table 4 provides an overview of the Δ ACPI for the month September for the years 2004 to 2010. The Δ ACPI for 2010 increased by 4.1 ppts compared to 2009.

Table 4: Overview of Δ ACPI for September, 2004 - 2010

Period	Δ ACPI
2003-2004	2.3
2004-2005	3.2
2005-2006	4.1
2006-2007	3.8
2007-2008	10.0
2008-2009	-1.5
2009-2010	2.6

Source: Central Bureau of Statistics Aruba

3 Development of indices of main sectors and utilities

3.1 Indices main sectors

The four major sectors, "Housing", "Transport", "Food and non-alcoholic beverages" and "Recreation and culture", constitute 64% of the total weight of the basket of goods and services, which are observed on a monthly basis. An overview of the course of indices for 2005 - 2010 per sector and for the CPI is provided in figures 9-1 to 9-12 in Appendix 3.

Changes in the indices of the sectors "Housing" and "Transport" are mainly the result of changes in the international oil prices and prices of utilities during the respective months. The development of crude oil, fuel surcharge, electricity, water, gasoline and diesel prices is provided in table 5 and in the adjoining figures 6-1 to 6-3.

Table 5: Prices of crude oil, utilities, gasoline and diesel, 2009 - 2010

Month	Crude oil per barrel ¹	Fuel surcharge ²	Electricity ³	Water ⁴	Gasoline ⁵	Diesel ⁵
Sep-09	67.87	25.56	299.51	156.40	193.80	157.30
Oct-09	71.16	25.56	299.51	156.40	183.30	150.10
Nov-09	76.19	25.56	299.51	156.40	191.30	160.00
Dec-09	73.11	25.56	299.51	156.40	193.20	161.80
Jan-10	76.01	25.56	299.51	156.40	186.00	156.60
Feb-10	73.04	25.56	299.51	156.40	191.80	160.30
Mar-10	77.56	28.20	318.66	162.26	189.70	158.00
Apr-10	82.00	28.20	318.66	162.26	199.10	164.10
May-10	74.34	28.20	318.66	162.26	203.60	170.20
Jun-10	72.65	28.20	318.66	162.26	193.50	162.20
Jul-10	73.45	28.20	318.66	162.26	192.50	160.40
Aug-10	75.26	28.20	318.66	162.26	192.30	159.20
Sep-10	74.78	28.20	318.66	162.26	190.60	161.50

Source: Central Bureau of Statistics Aruba

¹ Avg. world crude oil price in US\$. (Source: U.S. Energy Information Administration)

² Fuel surcharge in Afl. cents per kWh

³ Electricity price in Afl.

⁴ Water price in Afl.

⁵ Gasoline and diesel prices in Afl. cents per liter

3.2 Electricity

The price of electricity is determined in Afl. for an average usage by households. The average usage is 725.5 kWh per month. The electricity price for an average consumption of 725.5 kWh did not change in September 2010, it remained at Afl. 318.66. Figure 6-1 provides an overview of the course of changes in the electricity price for the period 2007 to 2010.

The component in the electricity tariff which is sensitive to price changes is the fuel surcharge (brandstofclausule). Figure 6-1 shows this component of the electricity tariff in Afl. per kWh per month. The fuel surcharge component of the electricity tariff did not change in September 2010, it stayed at 28.20 cents per kWh.

3.3 Water

The price of water is determined in Afl. for an average usage (water consumption) by households. Figure 6-2 provides an overview of the course of changes in the water price for the period 2007 to 2010. The water price for an average usage by households did not change in September 2010, it remained at Afl. 162.26.

3.4 Crude oil, Gasoline and Diesel

In September 2010 the average price of crude oil decreased by US\$ 0.48 per barrel compared to August. The retail price of gasoline decreased by 0.9% from 192.3 cents per liter in August 2010 to 190.6 cents per liter in September 2010. In September 2010, the retail price of diesel increased by 1.4% from 159.2 cents per liter in August 2010 to 161.5 cents per liter.

Figure 6-1 Electricity price and Fuel surcharge in Afl., 2007 - 2010

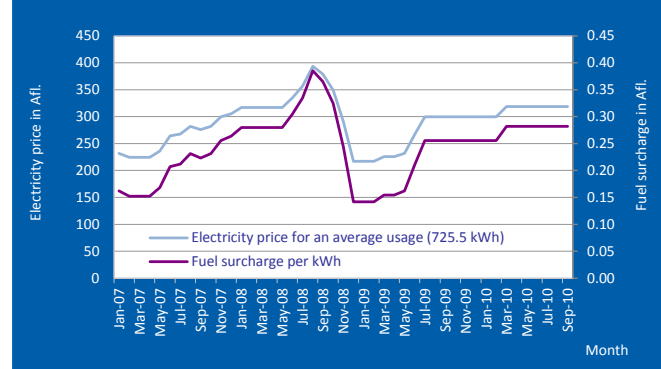


Figure 6-2 Water price in Afl., 2007 - 2010

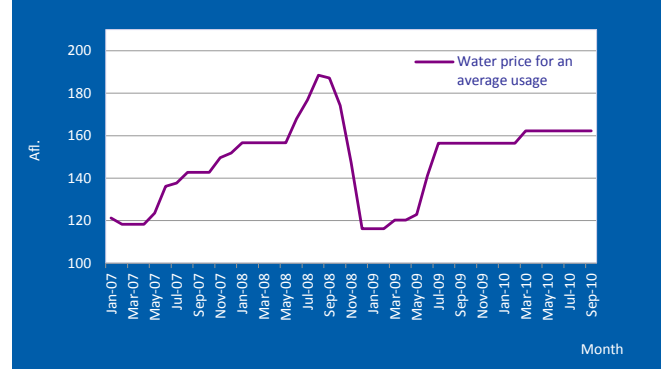
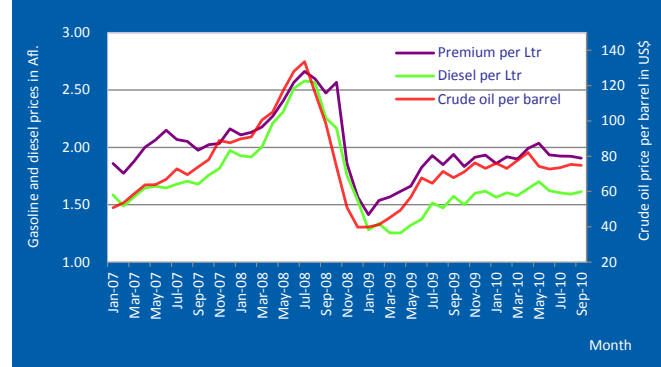


Figure 6-3 Gasoline, diesel and crude oil prices, 2007 - 2010



4 Percentage change CPI of Aruba's major trading partners

4.1 Comparison of the CPI of Aruba and the USA

Table 6 provides an overview of the Δ CPI of Aruba's major trading partners starting from September 2009. In September 2010 the Δ CPI of the USA and the Netherlands were respectively 0.1% and 0.6%. The Δ CPI of Curaçao for September 2010 is not yet available.

Table 6: Monthly Δ CPI 2009 - 2010 per Country

Period	Aruba	USA	Curaçao	Netherlands
Sep-09	0.4	0.1	1.3	0.5
Oct-09	-0.4	0.1	0.0	0.1
Nov-09	0.3	0.1	0.2	-0.1
Dec-09	0.2	-0.2	0.2	-0.6
Jan-10	-0.8	0.3	0.3	0.0
Feb-10	-0.1	0.0	0.0	0.7
Mar-10	0.3	0.4	0.0	1.2
Apr-10	0.4	0.2	0.4	0.3
May-10	0.2	0.1	0.4	0.0
Jun-10	-0.4	-0.1	0.1	-0.5
Jul-10	0.1	0.0	0.3	-0.3
Aug-10	-0.2	0.1	0.1	0.2
Sep-10	0.1	0.1	n.a.	0.6

Source: CBS Aruba, Bureau of Labor Statistics (USA), CBS Netherlands Antilles and CBS Netherlands

The USA is considered Aruba's largest trading partner². Table 7 provides an overview of the Δ CPI for Aruba and the USA for 2010. The monthly Δ CPI for September 2010 for both Aruba and the USA was 0.1%.

Table 7: Overview of Δ CPI, 2010

Period	Aruba	USA	
Monthly	Aug - Sep	0.1	0.1
Year-to-date	Dec - Sep	-0.6	1.2
Last 12 months ¹	Sep - Sep	-0.4	1.1
Last 24 months ²	Sep - Sep	2.6	1.7

Source: Central Bureau of Statistics Aruba

¹ End of period inflation

² Period average inflation

The Δ CPI of Aruba over the last 12 months is 1.5 ppts lower compared to the USA's 12-month Δ CPI. The Δ CPI over the last 24 months for Aruba is 0.9 ppts higher than the Δ CPI of the USA. The monthly inflation for both Aruba and the USA is depicted in figure 7 over a period of one year. Furthermore, an overview of the end of year Δ CPI over the period 2000 - 2010 for Aruba and the USA is provided in table 8 and figure 8.

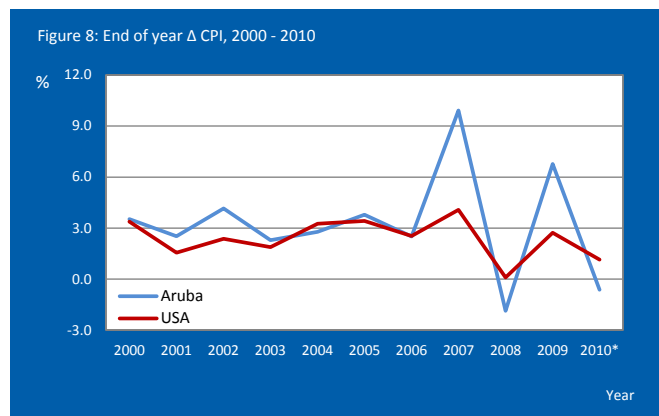
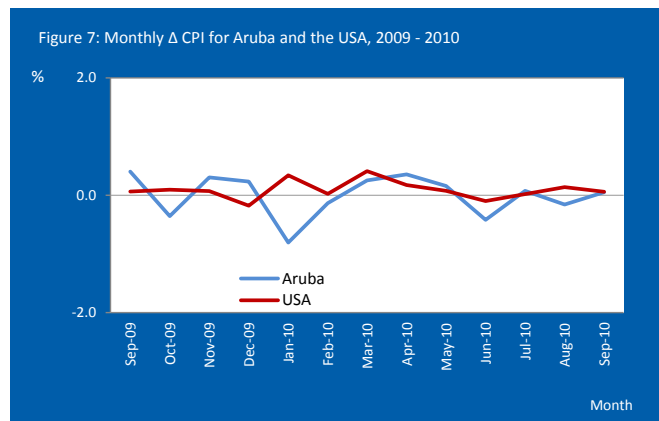
² "58% of Aruba's import by sea and air originates from the USA" (Source: Foreign Trade Statistics Report, 1st Quarter 2010).

Table 8: End of year Δ CPI, 2000 - 2010

Period	Aruba	USA
2000	3.5	3.4
2001	2.5	1.6
2002	4.2	2.4
2003	2.3	1.9
2004	2.8	3.3
2005	3.8	3.4
2006	2.5	2.5
2007	9.9	4.1
2008	-1.9	0.1
2009	6.8	2.7
2010*	-0.6	1.2

Source: Central Bureau of Statistics Aruba

* ytd



*ytd

5 Core inflation

5.1 Core inflation

Core inflation is a measure of inflation which excludes certain items that face volatile price movements e.g. food products and energy. By calculating the core inflation these more volatile components are eliminated from the inflation. Core inflation indices serve to assess the mid- and long-term trend of the overall price level. For the purpose of adjusting monetary policy, many economists focus more intently on the core rate of inflation, as this allows for an in-depth assessment of inflationary processes ongoing in the economy.

5.2 Monthly change of the core inflation

In September 2010 the core inflation (measured over the period September 2009 - 2010) was 0.5%, a decline of 2.9 ppts compared to September 2009. In September 2010 the food index shows a decrease of 2.9%, while the energy index had an increase of 14.6%. Over the past year the food index declined by 11.5 ppts and the energy index increased by 35.3 ppts. Table 9 provides an overview of the monthly inflation and core inflation starting from September 2009.

Table 9: Monthly inflation¹ and core inflation, 2009 - 2010

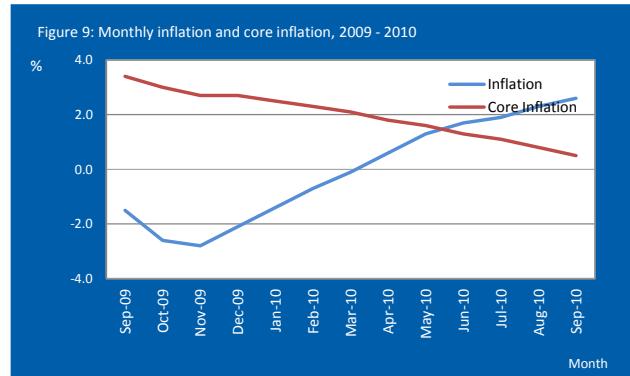
Period	Inflation	Food	Energy ²	Core Inflation
Sep-09	-1.5	8.6	-20.7	3.4
Oct-09	-2.6	7.4	-23.8	3.0
Nov-09	-2.8	5.9	-23.4	2.7
Dec-09	-2.1	4.6	-19.9	2.7
Jan-10	-1.4	3.3	-15.9	2.5
Feb-10	-0.7	2.0	-11.9	2.3
Mar-10	-0.1	0.9	-7.6	2.1
Apr-10	0.6	-0.2	-3.1	1.8
May-10	1.3	-1.1	1.5	1.6
Jun-10	1.7	-1.8	5.1	1.3
Jul-10	1.9	-2.5	7.7	1.1
Aug-10	2.3	-2.7	11.5	0.8
Sep-10	2.6	-2.9	14.6	0.5

Source: Central Bureau of Statistics Aruba

¹ Period average inflation

² Energy : Electricity, water, gasoline and diesel

The monthly inflation and core inflation for Aruba is shown in figure 9 over a period of one year starting from September 2009.



5.3 End of year change of the core inflation, 2005 - 2010

The end of year core inflation of the total population of Aruba for the year 2010 (up to September) is 0.5%, 2.2 ppts lower compared to the core inflation of 2009. Table 10 provides an overview of the end of year inflation and core inflation over the period 2005 - 2010.

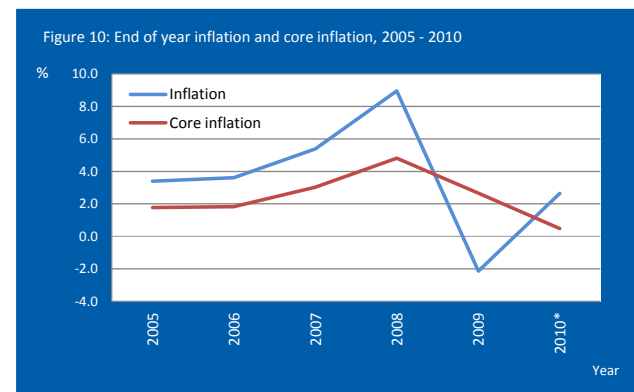
Table 10: End of year core inflation, 2005 - 2010

Period	2005	2006	2007	2008	2009	2010*
Inflation	3.4	3.6	5.4	9.0	-2.1	2.6
Food	4.0	5.3	12.9	12.2	4.6	-2.9
Electricity	14.7	15.7	1.9	25.3	-18.5	18.7
Water	14.2	15.5	4.2	25.2	-18.8	15.4
Gasoline and diesel	9.9	5.3	13.6	14.5	-22.6	8.4
Core inflation	1.8	1.8	3.0	4.8	2.7	0.5

Source: Central Bureau of Statistics Aruba

*current month

The end of year inflation and core inflation is presented in figure 10 over the period 2005 - 2010.



*current month

Table 11: Monthly & Yearly Changes (%) in the Consumer Price Index for September 2010, Total Population (Dec 2006 = 100)

DESCRIPTION	WEIGHT coefficient	2009	2009	2010	2010	Monthly Aug - Sep	Ytd Dec - Sep	End of period Sep 09 - Sep 10	Period average Sep 09 - Sep 10
		Sep	Dec	Aug	Sep				
Food and non-alcoholic beverages	1,125.3	134.6	133.5	131.8	131.9	0.1	-1.2	-2.0	-2.4
Food	961.4	136.9	135.7	133.7	133.7	0.0	-1.5	-2.4	-2.9
Non-alcoholic beverages	163.9	120.8	120.4	120.3	121.3	0.8	0.7	0.4	1.1
Alcoholic beverages and tobacco	81.9	113.8	112.6	113.0	112.6	-0.3	0.1	-1.1	0.1
Alcoholic beverages for consumption at home	59.3	110.4	108.7	108.6	108.4	-0.2	-0.3	-1.8	-0.5
Tobacco	22.6	123.0	122.6	124.6	123.8	-0.6	1.0	0.7	1.6
Clothing and footwear	625.9	119.1	119.6	111.2	111.4	0.2	-6.9	-6.5	-3.1
Clothing	550.4	121.7	122.1	113.1	113.4	0.3	-7.1	-6.8	-3.3
Footwear	75.5	100.6	101.8	97.3	96.9	-0.4	-4.8	-3.7	-1.5
Housing	2,553.3	126.8	127.4	131.8	132.0	0.1	3.6	4.1	10.0
Actual rentals for housing	854.2	123.7	125.3	129.9	130.5	0.5	4.1	5.6	5.5
Maintenance and repair of the dwelling	444.6	108.8	109.1	106.7	106.4	-0.2	-2.4	-2.1	0.5
Water supply and miscellaneous services relating to the dwelling	505.7	134.3	134.3	138.9	138.9	0.0	3.4	3.4	13.5
Electricity, gas and other fuels	748.8	136.0	136.0	144.2	144.2	0.0	6.0	6.0	17.9
Household operation	741.3	108.3	108.1	105.6	105.4	-0.3	-2.5	-2.7	-0.1
Furniture, furnishings, carpets and other floor coverings	142.1	90.1	88.8	86.8	86.6	-0.3	-2.5	-3.9	-1.6
Household textiles	69.5	150.9	152.4	152.4	150.6	-1.2	-1.1	-0.2	1.4
Household appliances	111.3	85.3	85.7	79.3	78.2	-1.4	-8.8	-8.3	-1.3
Glassware, tableware and household utensils	31.8	110.4	107.5	104.7	104.6	-0.1	-2.7	-5.3	-3.6
Tools and equipment for house and garden	40.0	102.5	100.8	93.6	93.7	0.1	-7.1	-8.6	-5.4
Goods and services for routine household maintenance and cleaning	346.6	115.1	115.2	113.9	114.1	0.2	-0.9	-0.9	1.2
Health	235.8	93.1	92.9	92.6	92.6	0.0	-0.3	-0.5	-0.4
Medical products, appliances and equipment	140.3	97.0	96.7	96.4	96.4	0.0	-0.4	-0.6	-0.6
Out-patient services	57.2	83.6	83.6	83.6	83.6	0.0	0.0	0.0	0.6
Hospital services	3.0	93.2	92.7	92.3	92.3	-0.1	-0.5	-1.0	-1.0
Other treatments	20.6	93.2	92.7	92.3	92.3	-0.1	-0.5	-1.0	-1.0
Health products and services n.e.c.	0.5	93.2	92.7	92.3	92.3	-0.1	-0.5	-1.0	-1.0
Other health related incurred costs	14.1	93.2	92.7	92.3	92.3	-0.1	-0.5	-1.0	-1.0
Transport	1,815.4	109.4	109.6	106.9	106.8	-0.1	-2.5	-2.4	1.9
Purchase of vehicles	811.4	104.2	103.9	100.5	100.5	0.0	-3.2	-3.5	-2.0
Operation of personal transport equipment	840.1	119.3	119.4	118.4	117.8	-0.5	-1.3	-1.2	5.6
Transport services	163.8	84.9	87.0	79.8	81.5	2.1	-6.4	-4.1	-0.3
Communications	706.3	83.2	83.4	83.4	83.9	0.6	0.6	0.8	0.5
Postal services	6.1	105.2	105.2	105.2	105.2	0.0	0.0	0.0	0.5
Telephone and telefax equipment	29.6	46.6	44.6	39.3	39.3	0.0	-12.0	-15.8	-21.9
Telephone and telefax services	670.6	84.6	84.9	85.1	85.7	0.6	0.9	1.2	1.2
Recreation and culture	891.2	113.5	114.4	110.6	110.8	0.1	-3.2	-2.4	0.8
Audio-visual, photographic and information processing equipment	123.8	112.1	105.8	106.4	104.2	-2.1	-1.5	-7.0	-2.8
Other major durables for recreation and culture	19.2	90.4	92.9	91.9	91.9	0.0	-1.1	1.7	2.6
Other recreational items and equipment; gardens and pets	260.1	134.8	134.1	133.6	133.2	-0.2	-0.6	-1.2	2.6
Recreational and cultural services	335.0	102.1	101.9	100.8	100.8	0.0	-1.0	-1.2	0.6
Newspapers, books and stationery	82.1	111.3	111.6	108.3	108.3	0.0	-3.0	-2.7	-0.5
Holidays	71.0	100.9	125.8	88.1	95.0	7.8	-24.5	-5.9	1.4
Education	83.0	109.3	109.5	110.4	110.7	0.3	1.1	1.3	-0.2
Pre primary and primary education	30.4	109.1	109.1	109.1	109.1	0.0	0.0	0.0	-1.0
Secondary education	25.2	109.5	110.1	111.6	111.6	0.0	1.4	2.0	0.6
Post-secondary non-tertiary education	4.6	109.4	109.8	111.1	112.6	1.3	2.5	2.9	0.3
Tertiary education	10.4	109.1	109.1	110.0	111.0	0.9	1.8	1.8	-0.7
Education not definable by level	12.4	109.4	109.8	111.2	111.8	0.6	1.8	2.3	0.2
Restaurants and hotels	373.7	117.7	119.1	115.7	115.8	0.1	-2.7	-1.6	1.5
Catering services	367.5	118.1	119.4	116.4	116.5	0.1	-2.4	-1.4	1.8
Accommodation services	6.2	91.3	96.8	73.6	72.4	-1.6	-25.2	-20.6	-19.3
Miscellaneous goods and services	767.0	100.1	100.3	99.3	99.1	-0.2	-1.2	-1.0	0.2
Personal care	262.0	111.0	112.3	109.1	108.8	-0.2	-3.1	-2.0	0.6
Personal effects n.e.c.	67.3	113.6	112.0	111.5	111.8	0.3	-0.2	-1.6	-1.6
Social protection	28.7	124.2	128.1	141.6	140.0	-1.1	9.3	12.7	13.4
Insurance	289.1	85.1	85.1	85.1	85.1	0.0	0.0	0.0	0.0
Financial services n.e.c.	26.9	98.9	97.4	95.0	94.7	-0.3	-2.8	-4.3	-3.2
Other services n.e.c.	93.0	98.9	97.4	95.0	94.7	-0.3	-2.8	-4.3	-3.2
CPI	10,000	115.0	115.2	114.4	114.5	0.1	-0.6	-0.4	2.6

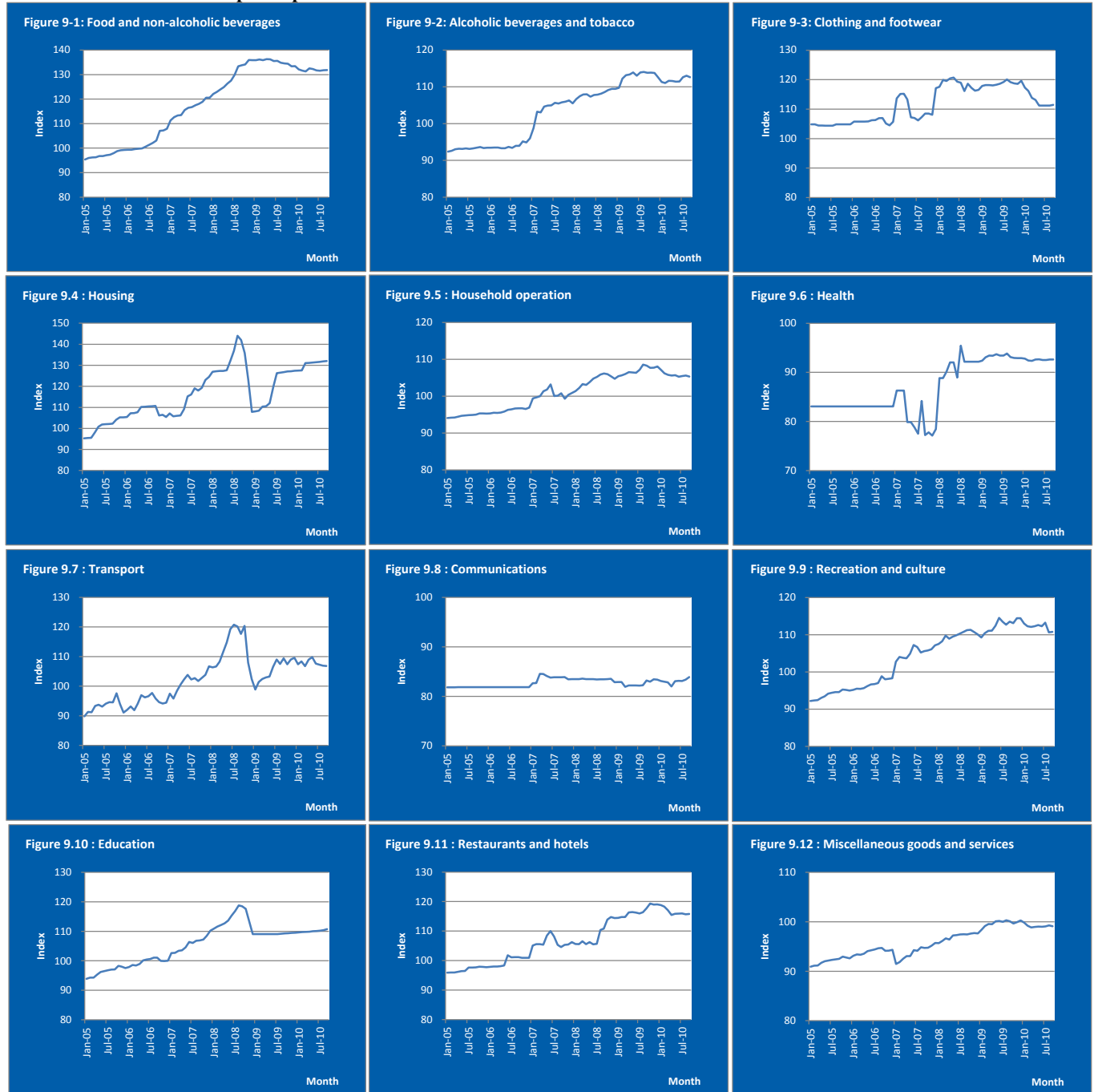
Source: Central Bureau of Statistics Aruba

Table 12: Effect on the Consumer Price Index per sector and category for September 2010 (Dec 2006 = 100)

DESCRIPTION	WEIGHT coefficient	Monthly Aug - Sep	Ytd Dec - Sep	End of period Sep 09 - Sep 10	Period average Sep 09 - Sep 10
Food and non-alcoholic beverages	1,125.3	0.01	-0.16	-0.27	-0.33
Food	961.4	0.00	-0.17	-0.27	-0.35
Non-alcoholic beverages	163.9	0.01	0.01	0.01	0.02
Alcoholic beverages and tobacco	81.9	0.00	0.00	-0.01	0.00
Alcoholic beverages for consumption at home	59.3	0.00	0.00	-0.01	0.00
Tobacco	22.6	0.00	0.00	0.00	0.00
Clothing and footwear	625.9	0.01	-0.45	-0.42	-0.21
Clothing	550.4	0.01	-0.41	-0.40	-0.20
Footwear	75.5	0.00	-0.03	-0.02	-0.01
Housing	2,553.3	0.03	1.02	1.16	2.70
Actual rentals for housing	854.2	0.04	0.39	0.51	0.51
Maintenance and repair of the dwelling	444.6	-0.01	-0.10	-0.09	0.02
Water supply and miscellaneous services relating to the dwelling	505.7	0.00	0.20	0.20	0.74
Electricity, gas and other fuels	748.8	0.00	0.53	0.53	1.44
Household operation	741.3	-0.02	-0.17	-0.19	-0.01
Furniture, furnishings, carpets and other floor coverings	142.1	0.00	-0.03	-0.04	-0.02
Household textiles	69.5	-0.01	-0.01	0.00	0.01
Household appliances	111.3	-0.01	-0.07	-0.07	-0.01
Glassware, tableware and household utensils	31.8	0.00	-0.01	-0.02	-0.01
Tools and equipment for house and garden	40.0	0.00	-0.02	-0.03	-0.02
Goods and services for routine household maintenance and cleaning	346.6	0.01	-0.03	-0.03	0.04
Health	235.8	0.00	-0.01	-0.01	-0.01
Medical products, appliances and equipment	140.3	0.00	0.00	-0.01	-0.01
Out-patient services	57.2	0.00	0.00	0.00	0.00
Hospital services	3.0	0.00	0.00	0.00	0.00
Other treatments	20.6	0.00	0.00	0.00	0.00
Health products and services n.e.c.	0.5	0.00	0.00	0.00	0.00
Other health related incurred costs	14.1	0.00	0.00	0.00	0.00
Transport	1,815.4	-0.02	-0.43	-0.41	0.32
Purchase of vehicles	811.4	0.00	-0.24	-0.26	-0.15
Operation of personal transport equipment	840.1	-0.05	-0.12	-0.11	0.48
Transport services	163.8	0.02	-0.08	-0.05	0.00
Communications	706.3	0.03	0.03	0.04	0.03
Postal services	6.1	0.00	0.00	0.00	0.00
Telephone and telefax equipment	29.6	0.00	-0.01	-0.02	-0.03
Telephone and telefax services	670.6	0.03	0.04	0.06	0.06
Recreation and culture	891.2	0.01	-0.28	-0.21	0.07
Audio-visual, photographic and information processing equipment	123.8	-0.02	-0.02	-0.08	-0.03
Other major durables for recreation and culture	19.2	0.00	0.00	0.00	0.00
Other recreational items and equipment; gardens and pets	260.1	-0.01	-0.02	-0.04	0.08
Recreational and cultural services	335.0	0.00	-0.03	-0.04	0.02
Newspapers, books and stationery	82.1	0.00	-0.02	-0.02	0.00
Holidays	71.0	0.04	-0.19	-0.04	0.01
Education	83.0	0.00	0.01	0.01	0.00
Pre primary and primary education	30.4	0.00	0.00	0.00	0.00
Secondary education	25.2	0.00	0.00	0.00	0.00
Post-secondary non-tertiary education	4.6	0.00	0.00	0.00	0.00
Tertiary education	10.4	0.00	0.00	0.00	0.00
Education not definable by level	12.4	0.00	0.00	0.00	0.00
Restaurants and hotels	373.7	0.00	-0.11	-0.06	0.06
Catering services	367.5	0.00	-0.09	-0.05	0.07
Accommodation services	6.2	0.00	-0.01	-0.01	-0.01
Miscellaneous goods and services	767.0	-0.01	-0.08	-0.07	0.01
Personal care	262.0	-0.01	-0.08	-0.05	0.02
Personal effects n.e.c.	67.3	0.00	0.00	-0.01	-0.01
Social protection	28.7	0.00	0.03	0.04	0.04
Insurance	289.1	0.00	0.00	0.00	0.00
Financial services n.e.c.	26.9	0.00	-0.01	-0.01	-0.01
Other services n.e.c.	93.0	0.00	-0.02	-0.03	-0.03
CPI	10,000	0.05	-0.63	-0.44	2.65

Source: Central Bureau of Statistics Aruba

Course of Indices for 2005 up to September 2010



Glossary

The Consumer Price Index and Inflation

The Consumer Price Index (CPI) measures changes in prices of consumer goods and services by households. Consumer price indices can be intended to measure either the rate of price inflation or deflation as perceived by households or changes in their cost of living. In case of inflation, the percentage change is positive and it indicates a decrease in the purchasing power of the consumers.

Monthly percentage change

Percentage change in price indices of any aggregates of the CPI in relation to the respective price indices of the previous month.

Year-to-date (ytd)

Percentage change in price indices of any aggregates of the CPI in relation to the respective price indices of December prior to the year under review.

End of period inflation (last 12 months)

Percentage change in price indices of any aggregates of the CPI in relation to the respective price indices of the same month of the previous year.

Period average inflation (last 24 months)

The end of period inflation percentage change in CPI (period average inflation) is calculated by comparing the annual average CPI of the concerning period with the annual average CPI of the concerning period of the previous year.

Effect

Contribution of all percentage changes (of all respective aggregates) to the CPI.

Core inflation

Core inflation is a measure of inflation that excludes certain items which face volatile price movements. Core inflation eliminates the inflation of certain products that can have temporary price shocks because these shocks can diverge from the overall trend of inflation and give a false measure of inflation. The core rate of inflation is calculated by: total inflation excluding food and energy prices. In part, that is because the core is less volatile and reflects better the relationship of supply and demand in domestic product markets. The core usually is a better measure of the basic rate of inflation that will tend to emerge in the absence of supply shocks.