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Note to the Reader

The following report presents the price statistics for April 2008.

- At the end of April 2008 the Consumer Price Index (CPI) increased by 0.5% compared to the end of March 2008. The largest percentage change is for the “Transport and communication” sector index [+1.9%]. Specifically, diesel prices increased by 10.3%.
- Compared to April 2007 the CPI increased by 8.8%. The largest percentage change is observed for the index of the “Housing” sector [+17.7%].
- The period average change CPI for the period April 2007- April 2008 is 7.3% which is 3.5 percentage points higher compared to the period average change over the period April 2006 – April 2007.
- Utilities, which are “water” and “electricity” did not change for April 2008.
- The “Transport and communication” sector had an influence of 0.3% in the Δ CPI of April (0.5%).

This report is divided in 4 sections. An overview of the monthly percentage changes in CPI and index per sector is presented in section 1. Section 2 provides the yearly percentage changes in CPI and index per sector. The development of indices and utilities is outlined in section 3. The percentage changes in the CPI for the USA and Aruba are compared in section 4 followed by the appendices.

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1 Monthly change of the CPI

1.1 CPI and Inflation

The Consumer Price Index (CPI) of the total population of Aruba for the month of April 2008 is 135.7. This is 0.5% higher compared with the CPI of March 2008 [135.0]. An overview of the percentage change in CPI (Δ CPI) for different periods during 2007 and 2008 is shown in Table 1. The terms percentage change in CPI and “inflation” (deflation) are considered similar and are used interchangeably. The inflation over the last 12 months (end of period inflation) is 8.8% while the inflation over a period of 24 months (period average inflation) is 7.3%.

Table 1 Overview in Δ CPI

Period	2008	2007	
Current Month	Mar-Apr	0.5	0.2
Last 12 Months ¹	Apr-Apr	8.8	4.7
Year to date	Jan-Apr	2.3	3.6
Last 24 Months ²	Apr-Apr	7.3	3.8

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 April 2007, whereas the Δ CPI for the month April for the years 1999 through 2008 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 April 2008. The percentage change in index is further denoted as Δ I. The largest Δ I¹ is observed for the sector “Transport & communication” [+1.9%].

1.3 Changes in categories and subcategories

The largest Δ I is seen in the categories “Own transport” [+3.4%] and “Household services” [-1.8%]. The major Δ I in the “Clothing and footwear” sector is observed for the category “Footwear” which increased by 2.8%. This increase is mainly due to an increase in “Women’s footwear” [6.0%]. The main Δ I in the sector “Food” are for the categories: “Dairy products” [+2.9%] and “Meat, poultry, game, fish and shellfish” [+1.5%]. The other categories in the sector “Food” show changes between -1.5% and 0.6%.

The sector and subcategory which influenced the CPI calculation the most due to their weight in the basket of goods and services are the category “Own transport” and the subcategory “Gasoline”, which had a positive effect of respectively 0.18% and 0.16% on the Δ CPI. The categories “Water” and “Electricity” did not change compared to March 2008. Reference is made to table 8 & 9 in Appendices 1 & 2. Table 8 provides an overview of the indices for the months April 2007 up to and including April 2008 together with corresponding weight per sector and the Monthly, Yearly, Year-to-date (YTD) and

Average percentage changes for April 2008. In table 9 an overview of the effect on the CPI per sector and category for April 2008 is presented. The course of indices for 2006 to 2008 is illustrated in Appendix 3.

Figure 1: Monthly Δ CPI, 2007-2008

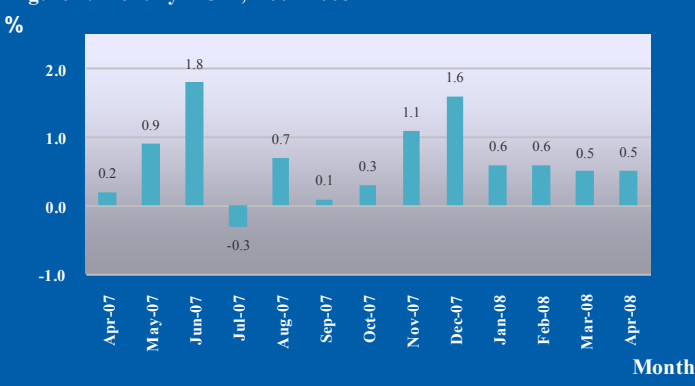


Figure 2: Monthly Δ CPI for April 1999-2008

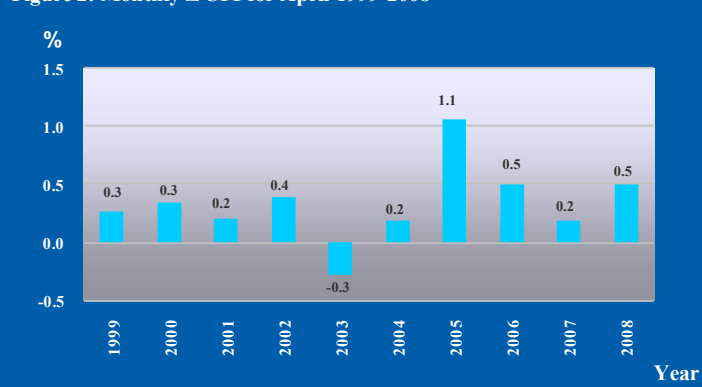
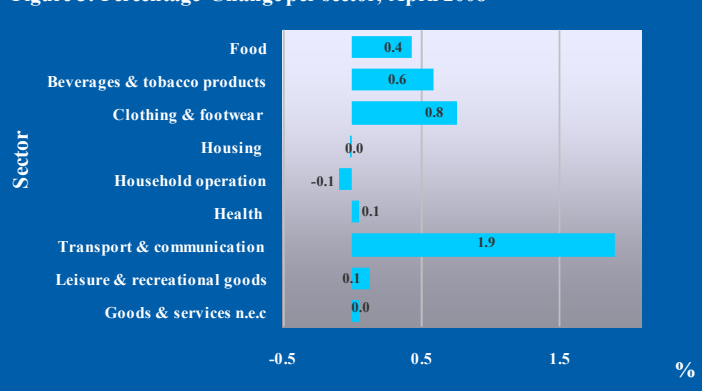


Figure 3: Percentage Change per sector, April 2008



¹ The focus is on the four major sectors which are: Housing, Transport & communication, Food and clothing & footwear. Together these sectors form 68% of the total weight of the basket of goods & services.

2 Yearly change of the CPI

2.1 End of period change CPI for April 2008

The CPI increased from 124.7 in April 2007 to 135.7 in April 2008, an increase of 8.8%. This Δ CPI is the highest registered over a period of 5 years (see table 2) for the month April.

Table 2 Five year period Yearly Δ CPI

Period	Δ CPI
April-April	
2003-2004	1.9
2004-2005	3.1
2005-2006	3.7
2006-2007	4.7
2007-2008	8.8

Source: Central Bureau of Statistics Aruba

2.2 Changes in sector

An overview of the percentage change per sector over the period April 2007 – April 2008 is presented in table 3. The largest Δ I is observed for the sector “Housing” [+17.7 %]. This increase is mainly caused by an increase of 39.8% in the categories “Water supply” and “Domestic fuel & power” [33.3%]. The second largest Δ I during this period is observed for the sector “Food” with +8.0%. This is mainly the result of an increase of 24.8% in the category “Dairy products”. An increase of 7.2% and 6.9% is observed for the sectors “Transport and communication” and “Leisure and recreational goods” respectively. A comparison of the Δ I for the years 2007 and 2008 is provided in figure 4. The only sectors that have a smaller Δ I in 2008 compared to the Δ I of 2007 are “Food”, “Beverages and tobacco products”, “Clothing and footwear”, and “Household operation”.

Table 3 Percentage Change for April 2007-2008

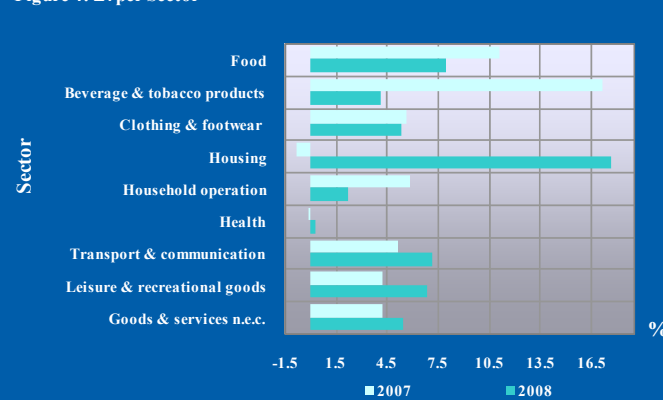
Period	% Change
Housing	17.7
Food	8.0
Transport and communication	7.2
Leisure and recreational goods	6.9
Goods and services n.e.c.	5.5
Clothing and footwear	5.4
Beverages and tobacco products	4.2
Household operation	2.2
Health	0.3

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, “Water supply” [+39.8%] and “Home appliances & tools” [-11.6%]. For an overview of the yearly percentage changes per category refer to table 8 in Appendix 1.

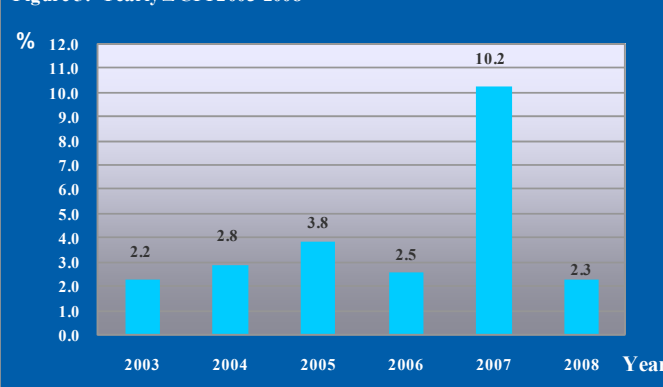
Figure 4: Δ I per Sector



2.4 End of year change CPI 2003-2008

The end of year change Δ CPI for the period 2003-2008 together with the year-to-date Δ CPI (ytd Δ CPI) for 2008 are shown in figure 5. The Δ CPI for 2007 is calculated by comparing the CPI of December 2007 with the CPI of December 2006. At the end of each year the end of year percentage change equals the ytd Δ CPI. The ytd Δ CPI for April 2008 is 2.3%.

Figure 5: Yearly Δ CPI 2003-2008



2.5 Period average change CPI for April 2008

The period average change CPI (Δ ACPI) for April 2008 is 7.3%. Table 4 provides an overview of the Δ ACPI for the month April for the years 2002 through 2008. The Δ ACPI of 2008 increased by 3.5 percentage points compared to 2007.

Table 4 Overview in Δ ACPI

Period	Δ ACPI
2002	2.6
2003	4.2
2004	2.5
2005	2.8
2006	3.9
2007	3.8
2008	7.3

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 & communication”, “Food” and “Clothing & footwear”, constitute 68% of the total weight of the basket of goods & services, which are observed on a monthly basis. An overview of the course of indices for 2006-2008 per sector and for the CPI is provided in respectively figures 9-1 through 9-9 and 10 of appendix 2.

Changes in the indices of the sectors “Housing” and “Transport & communication” are mainly the result of changes in the international oil prices and prices of utilities during the respective months. The development of electricity, water and gasoline prices is provided in the adjoining figures 6-1 through 6-3.

3.2 Electricity

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 Awg. per Kwh per month. The fuel surcharge component of the electricity tariff did not change in April of 2008.

3.3 Water

The price of water is determined in Awg. for an average usage (water consumption) of 20 m³. Figure 6-2 provides an overview of the course of changes in water tariffs for the period 2006 through 2008. The water tariff for an average consumption of 20 m³ did not change in April of 2008.

3.4 Gasoline

The price of gasoline includes BBO since January 1st 2007. For the months May 2007 up to and including April 2008 the Government of Aruba absorbed part of the increase in gasoline prices by reducing the excise tariff on gasoline by Awg 0.10. The retail price of gasoline increased with 4.3% from 217.7 cents per liter in March 2008 to 227.1 cents per liter in April 2008.

3.5 Diesel

In April 2008 the retail price of diesel increased with 10.3% from 200.3 cents per liter in March 2008 to 221.0 cents per liter. The excise tariff for diesel was reduced with Awg. 0.05.

Figure 6-1: Electricity in Awg. over 2006-2008

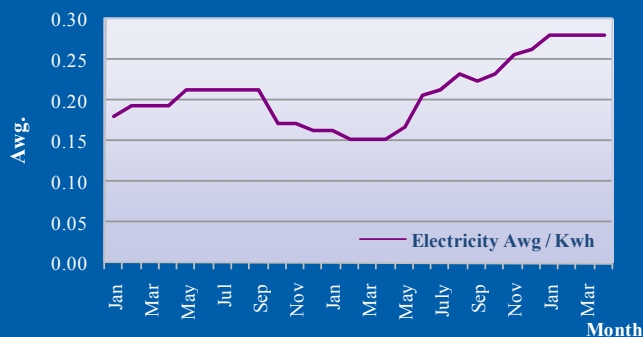


Figure 6-2 Water Price in Awg. over 2006-2008

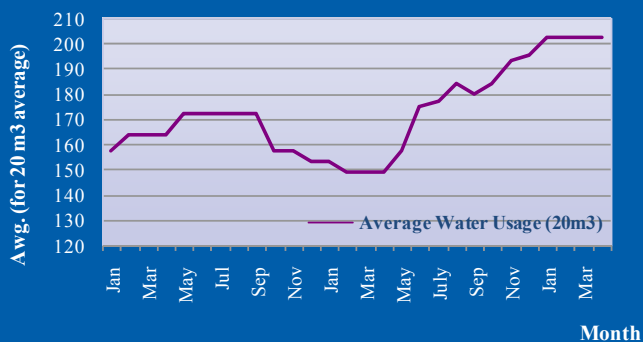
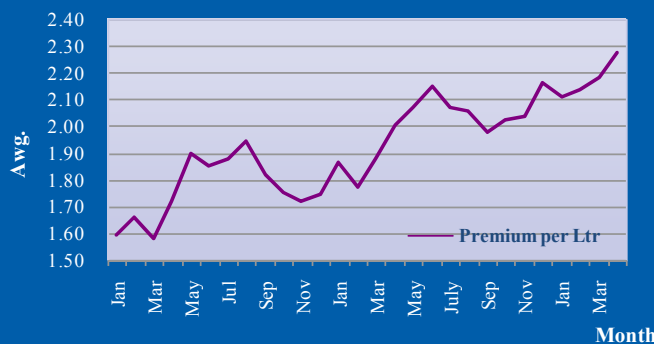


Figure 6-3 Gasoline Price in Awg. over 2006-2008



4 Percentage change CPI of our major trading partners

Table 5 provides an overview of the Δ CPI of Aruba's major trading partners starting from April 2007. In April 2008 the Δ CPI of the USA and the Netherlands were respectively 0.6% and 0.4%. The Δ CPI of Curaçao for April 2008 is not yet available.

Table 5: Monthly Δ CPI 2007-2008 per Country

Period	Aruba	USA	Curaçao	Netherlands
April	0.2	0.6	0.3	0.5
May	0.9	0.6	0.2	0.1
June	1.8	0.2	0.3	-0.4
July	-0.3	0.0	0.3	-0.5
August	0.7	-0.2	0.5	0.2
September	0.1	0.3	0.2	0.6
October	0.3	0.2	0.2	0.0
November	1.1	0.6	0.8	0.1
December	1.6	-0.1	0.3	-0.4
January	0.6	0.5	0.7	0.2
February	0.6	0.3	0.7	0.6
March	0.5	0.9	0.4	1.0
April	0.5	0.6	n.a.	0.4

Source: CBS Aruba, Bureau of Labor Statistics, CBS Netherland Antilles, CBS Netherlands

4.1 Comparison of the CPI for the USA & Aruba

The USA is considered Aruba's largest trading partner². Table 6 provides an overview of the Δ CPI for Aruba and the USA. Aruba's monthly Δ CPI for April 2008 is 0.1 percentage points lower than the Δ CPI of the USA.

Table 6 Overview in Δ of CPI

Period		Aruba	USA
Current Month	Mar-Apr	0.5	0.6
Last 12 Months ¹	Apr-Apr	8.8	3.9
Year to date	Jan-Apr	2.3	2.3
Last 24 Months ²	Apr-Apr	7.3	3.4

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 4.9 percentage points higher compared with the USA's 12-month Δ CPI. The Δ CPI over the last 24 months for Aruba is 3.9 percentage points 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 1998-2008 for Aruba and the USA is provided in table 7 and figure 8.

Table 7: End of year Δ CPI, 1998-2008

Period	Aruba	USA
1998	1.5	1.6
1999	3.7	2.7
2000	3.5	3.4
2001	2.6	1.6
2002	4.2	2.4
2003	2.2	1.9
2004	2.8	3.3
2005	3.8	3.4
2006	2.5	2.5
2007	10.2	4.1
2008*	2.3	2.3

Source: Central Bureau of Statistics Aruba

* year-to-date

Figure 7: Monthly Δ CPI for Aruba and the USA

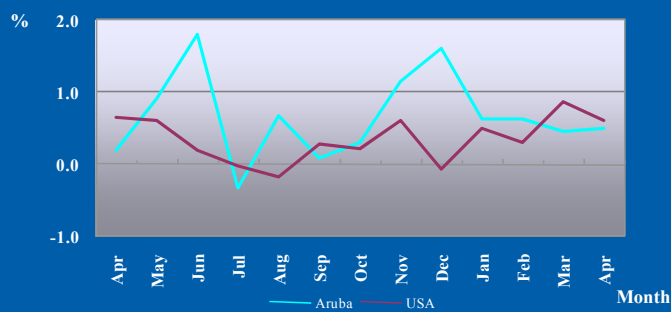
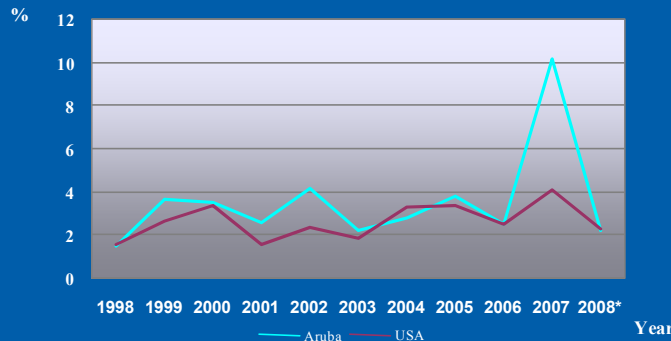


Figure 8: End of year Δ CPI, 1998-2008*



* year-to-date

² "58% of Aruba's import by sea & air originates from the USA (Source: Trade Statistics Report, 3rd Quarter 2007).

Table 8: Monthly & Yearly Changes (%) for April 2008 for the Consumer Price Index, Total Population (Sep 2000 = 100)

DESCRIPTION	WEIGHT coefficient	2007 Apr	2007 Dec	2008 Mar	2008 Apr	Monthly change Mar-Apr	Yearly change Apr-Apr	YTD change Jan-Apr	Average change CPI Apr 07-08
Food	1,469	134.0	140.9	144.1	144.7	0.4	8.0	2.7	9.8
Grain and grain products	233	122.0	125.7	127.4	127.8	0.3	4.7	1.6	8.2
Meat, poultry, game, fish and shellfish	320	131.1	136.9	141.4	143.5	1.5	9.5	4.8	9.0
Fats and oils	28	125.2	132.5	135.6	135.8	0.1	8.5	2.5	4.6
Dairy products	149	145.0	166.7	175.8	180.9	2.9	24.8	8.5	15.5
Potatoes, vegetables and fruit	176	175.5	194.6	199.1	198.6	-0.2	13.2	2.1	20.4
Sugar, sugarproducts and chocolate	30	113.9	112.6	116.8	115.1	-1.5	1.1	2.2	2.3
Ready to eat meals	29	114.3	116.7	115.5	116.3	0.6	1.7	-0.4	5.0
Take away beverages and meals	399	127.1	127.7	128.0	126.7	-1.0	-0.3	-0.7	4.0
Groceries n.e.c.	104	124.4	127.3	131.0	130.7	-0.2	5.1	2.7	9.0
Beverages and tobacco products	219	128.0	131.1	132.5	133.3	0.6	4.2	1.7	11.9
Beverages	192	127.0	130.5	131.6	132.5	0.7	4.3	1.5	12.8
Tobacco products	27	134.6	135.0	139.1	139.1	0.0	3.4	3.1	6.1
Clothing and footwear	1,086	134.0	137.5	140.1	141.2	0.8	5.4	2.7	2.4
Clothing and accessories	881	136.7	141.1	145.0	145.5	0.4	6.4	3.1	2.6
Footwear	204	122.3	122.0	119.3	122.6	2.8	0.3	0.5	1.2
Housing	2,296	129.4	148.9	152.4	152.4	0.0	17.7	2.3	10.8
Property Rent	717	134.9	138.1	139.3	139.7	0.3	3.5	1.2	3.5
Domestic Fuel and power	659	124.4	160.5	166.1	165.9	-0.1	33.3	3.3	16.0
Property maintenance goods	500	125.4	130.1	131.9	131.3	-0.4	4.7	0.9	7.7
Garden Supplies	61	172.2	182.2	186.3	187.6	0.7	9.0	3.0	14.1
Water Supply	358	126.0	169.8	176.1	176.1	0.0	39.8	3.7	18.9
Household operation	1,002	122.7	124.0	125.6	125.4	-0.1	2.2	1.1	4.6
Furniture and lighting	133	115.7	102.1	102.3	102.6	0.2	-11.4	0.4	-0.3
Floor coverings and household textiles	113	140.3	155.5	159.4	160.5	0.7	14.4	3.2	14.2
Home appliances and tools	163	110.6	96.0	96.8	97.7	0.9	-11.6	1.8	-11.1
Household equipment and utensils	75	122.2	122.1	124.6	123.8	-0.6	1.3	1.4	4.7
Household services	118	118.9	120.5	126.4	124.1	-1.8	4.4	3.0	7.2
Housekeeping charges	227	125.8	133.7	136.1	136.8	0.5	8.7	2.3	7.5
Household supplies	173	126.9	137.5	134.4	133.0	-1.0	4.8	-3.2	8.9
Health	88	99.9	99.9	100.2	100.3	0.1	0.3	0.4	-0.1
Health services	88	99.9	99.9	100.2	100.3	0.1	0.3	0.4	-0.1
Transport and communication	1,967	115.2	119.9	121.2	123.5	1.9	7.2	3.0	6.1
Own transport	544	102.4	107.7	109.9	113.6	3.4	10.9	5.5	3.5
Vehicle supplies	712	137.4	146.6	148.3	151.9	2.4	10.5	3.6	10.4
Public Transport costs	249	105.4	106.4	106.7	106.8	0.1	1.4	0.4	2.8
Communication Services	462	101.3	100.4	100.4	100.3	-0.1	-0.9	0.0	1.5
Leisure and recreational goods	799	118.6	124.7	126.6	126.7	0.1	6.9	1.7	6.2
Costs incurred for recreational purposes	465	118.0	124.9	127.2	127.0	-0.2	7.6	1.7	7.3
Admission charges to events and venues	89	124.7	132.7	135.0	135.7	0.5	8.8	2.3	7.2
Publications (no study material)	51	129.8	132.7	130.8	132.4	1.2	2.0	-0.2	6.5
Formal education fees	193	114.2	118.3	119.9	120.4	0.4	5.4	1.8	2.9
Goods and services n.e.c.	1,074	117.9	122.7	124.3	124.4	0.0	5.5	1.4	5.6
Toiletries and cosmetics	219	118.4	122.6	124.1	124.0	0.0	4.8	1.2	8.0
Insurance services	283	104.6	104.6	104.6	104.6	0.0	0.0	0.0	0.0
Other goods and services n.e.c.	438	124.2	131.3	134.0	134.0	0.0	7.9	2.0	7.1
Money Transfers	103	124.7	132.7	135.0	135.7	0.5	8.8	2.3	7.2
Unknown artic or not elsewhere classified	29	124.7	132.7	135.0	135.7	0.5	8.8	2.3	7.2
TOTAL INDEX	10,000	124.7	132.7	135.0	135.7	0.5	8.8	2.3	7.3

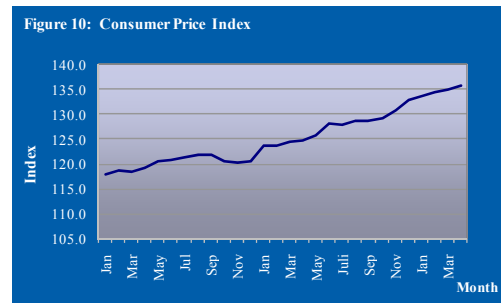
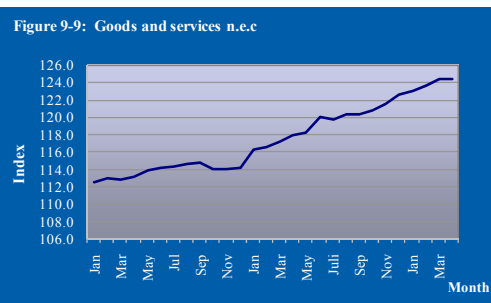
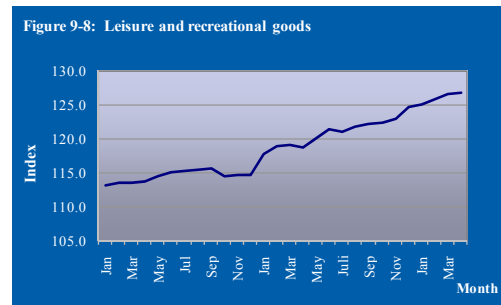
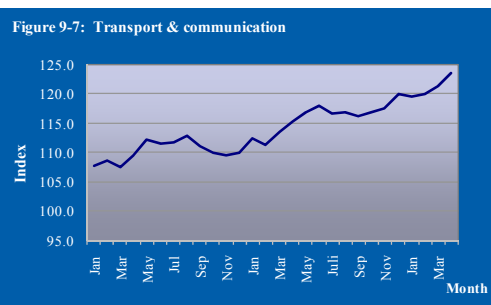
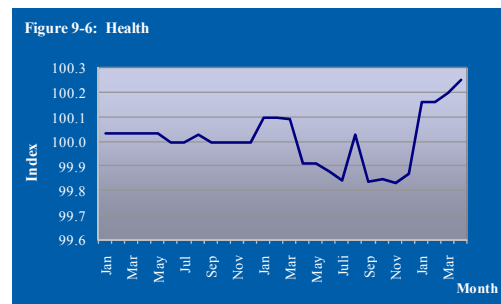
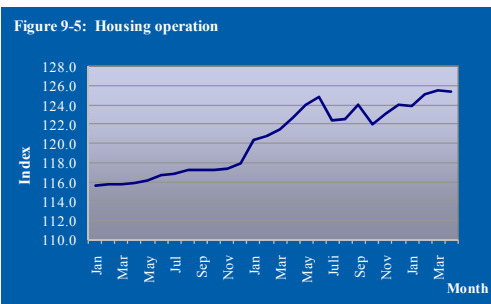
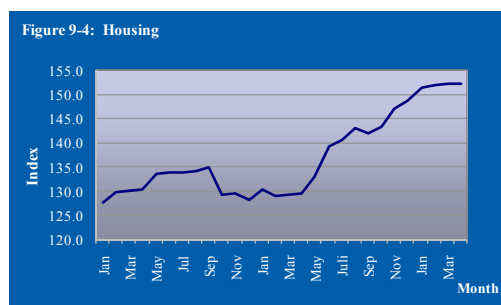
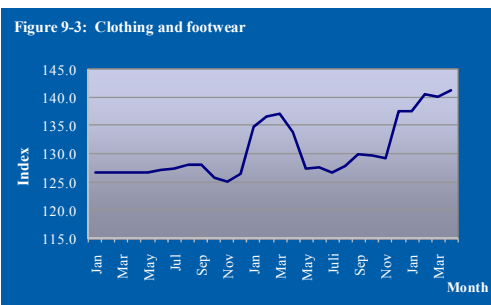
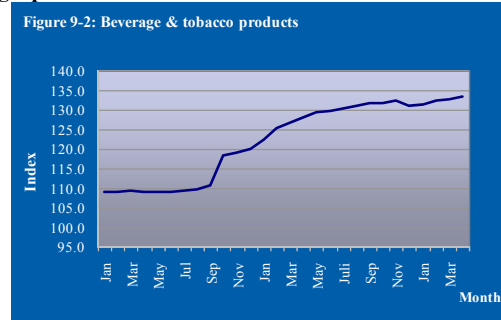
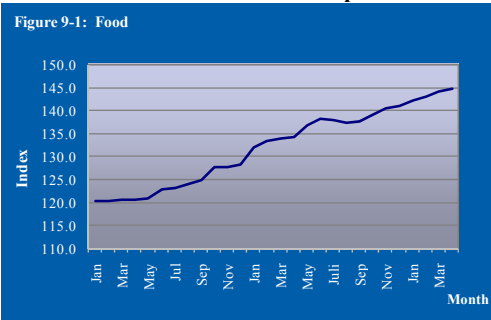
Source: Central Bureau of Statistics Aruba

Table 9: Effect on the Consumer Price Index per sector and category for April 2008 (Sep 2000= 100)

DESCRIPTION	WEIGHT coefficient	Effect	Effect	Effect	Effect
		Mar08-Apr08	Apr08-Apr07	Jan08-Apr08	Avg CPI Apr 06-08
Food	1,469	0.06	1.09	0.42	1.35
Grain and grain products	233	0.01	0.12	0.04	0.21
Meat, poultry, game, fish and shellfish	320	0.05	0.33	0.17	0.32
Fats and oils	28	0.00	0.03	0.01	0.01
Dairy products	149	0.04	0.37	0.15	0.24
Potatoes, vegetables and fruit	176	0.00	0.20	0.04	0.27
Sugar, sugarproducts and chocolate	30	-0.01	0.00	0.01	0.01
Ready to eat meals	29	0.00	0.01	0.00	0.02
Take away beverages and meals	399	-0.04	-0.01	-0.03	0.17
Groceries n.e.c.	104	0.00	0.06	0.03	0.10
Beverages and tobacco products	219	0.02	0.09	0.04	0.27
Beverages	192	0.02	0.08	0.03	0.26
Tobacco products	27	0.00	0.01	0.01	0.02
Clothing and footwear	1,086	0.10	0.53	0.29	0.26
Clothing and accessories	881	0.03	0.52	0.28	0.23
Footwear	204	0.06	0.01	0.01	0.04
Housing	2,296	-0.01	4.43	0.52	2.64
Property Rent	717	0.02	0.27	0.09	0.27
Domestic Fuel and power	659	-0.01	2.34	0.23	1.14
Property maintenance goods	500	-0.02	0.25	0.05	0.41
Garden Supplies	61	0.00	0.05	0.02	0.07
Water Supply	358	0.00	1.51	0.14	0.74
Household operation	1,002	0.00	0.11	0.11	0.42
Furniture and lighting	133	0.01	-0.17	0.01	-0.01
Floor coverings and household textiles	113	0.01	0.12	0.02	0.15
Home appliances and tools	163	0.02	-0.21	0.03	-0.21
Household equipment and utensils	75	0.00	0.01	0.01	0.04
Household services	118	-0.01	0.06	0.03	0.09
Housekeeping charges	227	0.01	0.21	0.06	0.19
Household supplies	173	-0.02	0.08	-0.06	0.17
Health	88	0.00	0.00	0.00	0.00
Health services	88	0.00	0.00	0.00	0.00
Transport and communication	1,967	0.33	1.39	0.58	1.18
Own transport	544	0.18	0.63	0.32	0.22
Vehicle supplies	712	0.15	0.77	0.26	0.80
Public Transport costs	249	0.00	0.03	0.01	0.07
Communication Services	462	-0.01	-0.04	0.00	0.08
Leisure and recreational goods	799	0.00	0.56	0.14	0.52
Costs incurred for recreational purposes	465	-0.01	0.37	0.08	0.37
Admission charges to events and venues	89	0.00	0.08	0.02	0.07
Publications (no study material)	51	0.01	0.01	0.00	0.04
Formal education fees	193	0.01	0.09	0.03	0.05
Goods and services n.e.c.	1,074	0.01	0.60	0.16	0.64
Toiletries and cosmetics	219	0.01	0.11	0.03	0.20
Insurance services	283	0.00	0.00	0.00	0.00
Other goods and services n.e.c.	438	0.00	0.36	0.09	0.34
Money Transfers	103	0.01	0.10	0.03	0.08
Unknown artic or not elsewhere classified	29	0.00	0.03	0.01	0.02
TOTAL INDEX	10,000	0.5	8.8	2.3	7.3

Source: Central Bureau of Statistics Aruba

Course of Indices for 2006 - 2008 up to and including April 2008



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

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.