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Note to the Reader

The following report presents the price statistics for May 2009.

- At the end of May 2009 the Consumer Price Index (CPI) increased by 0.5% compared to the end of April 2009. The largest percentage change is observed for the “Housing” sector index (1.3%), which led to an effect of 0.33 in the Δ CPI of May (0.5%).
- Compared to May 2008 the CPI decreased by 3.6%. The largest percentage change is observed for the index of the “Housing” sector (-12.3%). Specifically, prices of “Electricity, gas and other fuels” and “Water supply and miscellaneous services relating to the dwelling” decreased by respectively 26.2% and 23.4%. The decrease in prices of these categories caused a total effect of -3.94 on the end of period inflation of May (-3.6%).
- The period average inflation for the period May 2008 - May 2009 is 3.5%, which is 4.4 percentage points lower compared to the period average inflation for the period May 2007 – May 2008 (7.9%).
- Utilities (water and electricity), gasoline and diesel registered price increases in May 2009. The prices of electricity, water, gasoline and diesel increased by respectively 2.6%, 2.2%, 2.8% and 5.5% and caused a total effect of 0.42 on the Δ CPI of May (0.5%).

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.

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1 Monthly change of the CPI

1.1 CPI and Inflation

The CPI of the total population of Aruba for the month of May 2009 is 109.9; an increase of 0.5% compared to the CPI of April 2009 (109.3). An overview of the percentage change in the CPI (Δ CPI) for different periods during 2008 and 2009 is shown in Table 1. The terms percentage change in CPI and “inflation” (deflation) are considered similar and are used interchangeably. The deflation over the last 12 months (end of period inflation) is 3.6%, while the inflation over a period of 24 months (period average inflation) is 3.5%.

Table 1: Overview of Δ CPI

Period		2009	2008 ³
Current month	Apr-May	0.5	0.9
Year-to-date	Dec-May	1.8	3.7
Last 12 months ¹	May-May	-3.6	9.8
Last 24 months ²	May-May	3.5	7.9

Source: Central Bureau of Statistics Aruba

¹ End of period inflation

² Period average inflation

³ Revised figures

Figure 1 depicts the monthly Δ CPI over a period of one year starting from May 2008, whereas the Δ CPI for the month May for the years 2000 to 2009 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 May 2009. The percentage change in index is further denoted as ΔI . The largest ΔI^1 is observed for the sector “Housing” (1.3%).

1.3 Changes in categories and subcategories

The largest positive and negative ΔI is seen in the categories “Holidays” (7.7%) and “Purchase of vehicles” (-1.7%), respectively. The major ΔI in the “Transport” sector is observed for the category “Transport services” which increased by 2.0%. This increase is mainly due to an increase in “Plane tickets” of 4.2%. The major ΔI 's in the “Recreation and culture” sector are observed for the categories “Holidays”, which increased by 7.7% and “Other recreational items and equipment; gardens and pets” which increased by 1.4%. Aforementioned increases are mainly the result of respectively an increase of 14.2% in “All inclusive holidays or tours” and an increase of 3.4% in “Animal foods”.

The categories which influenced the CPI calculation the most are “Electricity, gas and other fuels”, “Operation of personal transport equipment” and “Purchase of vehicles”, which had an effect of respectively, 0.18, 0.15 and -0.13 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 May 2008, December 2008,

April 2009 and May 2009 together with corresponding weights per sector and the monthly, yearly, year-to-date (ytd) and average percentage changes for May 2009. In table 12 an overview of the effect on the CPI per sector and category for May 2009 is presented. The course of indices for 2007 to 2009 is illustrated in Appendix 3.

Figure 1: Monthly Δ CPI, 2008-2009

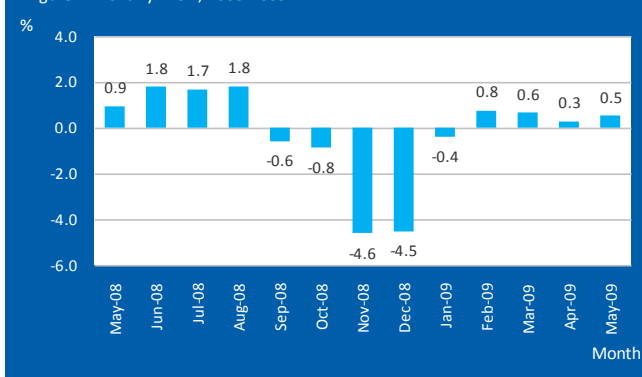


Figure 2: Monthly Δ CPI for May, 2000-2009

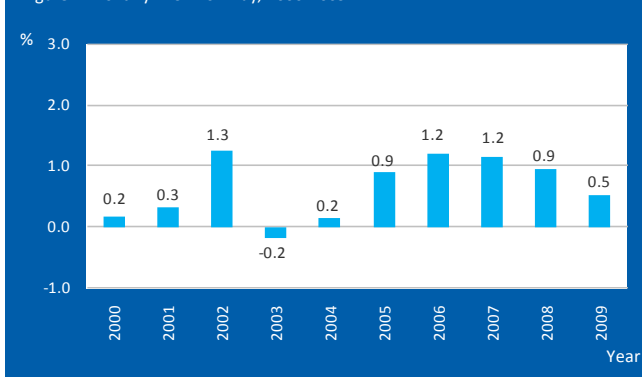
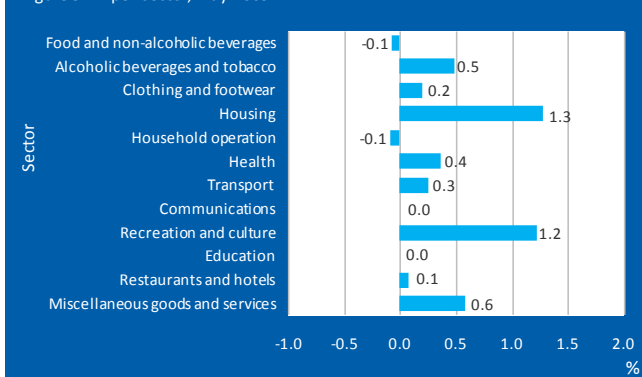


Figure 3: ΔI per sector, May 2009



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.

2 Yearly change of the CPI

2.1 End of period change CPI for May 2009

The CPI decreased from 114.0 in May 2008 to 109.9 in May 2009, a decrease of 3.6%. This Δ CPI is the lowest registered over a period of 5 years for the month May, and is 13.4 percentage points lower than the Δ CPI registered in 2008 (9.8%) (see table 2).

Table 2: Five year period, Yearly Δ CPI

Period	Δ CPI
	May-May
2004-2005	3.9
2005-2006	4.0
2006-2007	3.7
2007-2008	9.8
2008-2009	-3.6

Source: Central Bureau of Statistics Aruba

2.2 Changes in sector

An overview of the percentage change per sector over the period May 2008 – May 2009 is presented in table 3. The largest Δ I is observed for the sector “Housing” with a decrease of -12.3%. This decrease is mainly caused by decreases in the categories “Electricity, gas and other fuels” (-26.2%) and “Water supply and miscellaneous services relating to the dwelling” (-23.4%). The second largest Δ I during this period is observed for the sector “Transport” with a decrease of 10.1%, which is mainly the result of a decrease in the category “Operation of personal transport equipment” of 21.5%. Furthermore, increases of 9.6% and 7.8% are observed for the sectors “Restaurants and hotels” and “Food and non-alcoholic beverages” respectively. A comparison of the Δ I for the years 2008 and 2009 is provided in figure 4.

Table 3: Percentage Change for May, 2008-2009

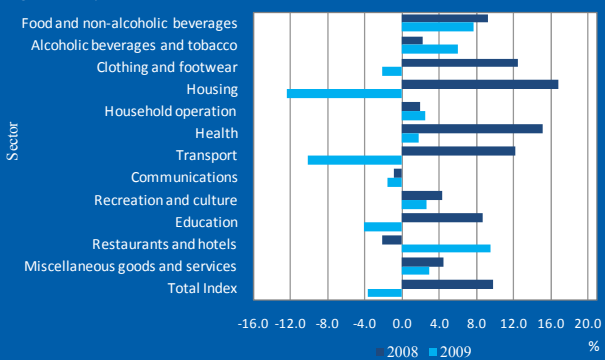
Period	% Change
Food and non-alcoholic beverages	7.8
Alcoholic beverages and tobacco	6.1
Clothing and footwear	-2.0
Housing	-12.3
Household operation	2.5
Health	1.8
Transport	-10.1
Communications	-1.5
Recreation and culture	2.7
Education	-4.0
Restaurants and hotels	9.6
Miscellaneous goods and services	2.9
Total Index	-3.6

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, “Catering services” (10.0%) and “Electricity, gas and other fuels” (-26.2%). For an overview of the yearly percentage changes per category refer to table 11 in Appendix 1.

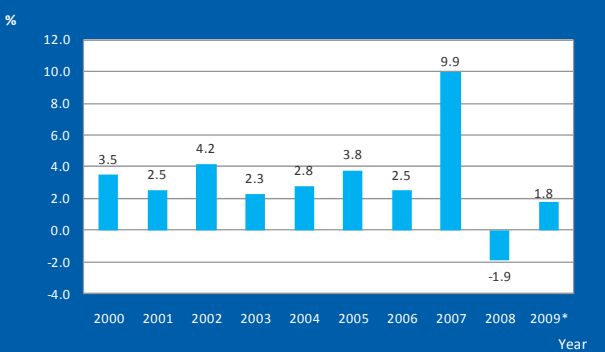
Figure 4: Δ I per sector



2.4 End of year change CPI 2000-2009

The end of year Δ CPI for the period 2000-2009 is shown in figure 5. The Δ CPI for 2009 is calculated by comparing the CPI of May 2009 with the CPI of December 2008. At the end of each year, the end of year percentage change equals the ytd Δ CPI. The ytd Δ CPI for May 2009 is 1.8%.

Figure 5: Yearly Δ CPI 2000 - 2009



*year-to-date

2.5 Period average change CPI for May 2009

The period average change CPI (Δ ACPI) for May 2009 is 3.5%. Table 4 provides an overview of the Δ ACPI for the month May for the years 2003 to 2009. The Δ ACPI of 2009 decreased by 4.4 percentage points compared to 2008.

Table 4: Overview in Δ ACPI for May, 2003-2009

Period	Δ ACPI
2003	4.3
2004	2.4
2005	3.0
2006	4.0
2007	3.4
2008	7.9
2009	3.5

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 2007-2009 per sector and for the CPI is provided in respectively 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, 2008-2009

Month	Crude oil per barrel ¹	Fuel surcharge ²	Electricity ³	Water ⁴	Gasoline ⁵	Diesel
May-08	117.13	28.00	317.21	156.66	240.4	231.0
Jun-08	128.06	30.43	334.84	167.98	256.7	251.3
Jul-08	133.52	33.48	356.97	176.85	266.2	257.9
Aug-08	115.86	38.55	393.75	188.52	259.7	256.5
Sep-08	98.52	36.52	379.02	187.21	247.3	225.7
Oct-08	73.95	32.46	349.57	174.22	256.6	216.7
Nov-08	50.90	24.35	290.73	147.38	185.8	175.3
Dec-08	39.71	14.20	217.09	116.13	156.8	153.8
Jan-09	39.93	14.20	217.09	116.13	141.4	128.1
Feb-09	41.23	14.20	217.09	116.13	153.8	133.7
Mar-09	45.19	15.42	225.94	120.24	156.8	125.6
Apr-09	49.36	15.42	225.94	120.24	161.7	125.4
May-09	54.91	16.23	231.82	122.86	166.3	132.3

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. (Revised figures)

⁴ Water price in Afl. (Revised figures)

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 increased by 2.6% in May 2009, from Afl. 225.94 to Afl. 231.82. Figure 6-1 provides an overview of the course of changes in the electricity price for the period 2007 to 2009.

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 increased in May 2009 by 5.3%, from 15.42 cents per kWh in April 2009 to 16.23 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 2009. The water price for an average usage by households increased by 2.2% in May 2009, from Afl. 120.24 in April 2009 to Afl. 122.86.

3.4 Crude oil, Gasoline and Diesel

In May 2009 the average price of crude oil increased by US\$ 5.55 per barrel compared to April. The retail price of gasoline increased by 2.8% from 161.7 cents per liter in April 2009 to 166.3 cents per liter in May 2009. In May 2009, the retail price of diesel increased by 5.5% from 125.4 cents per liter in April 2009 to 132.3 cents per liter.

Figure 6-1 Electricity price and Fuel surcharge in Afl., 2007-2009

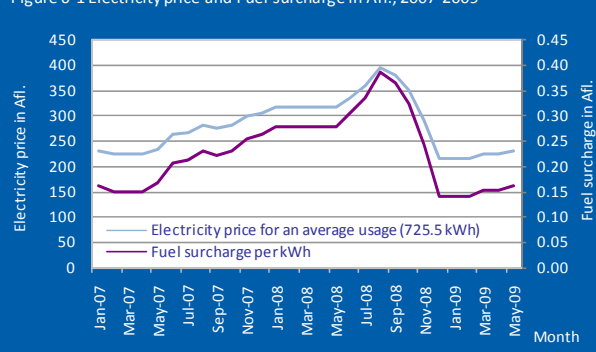


Figure 6-2 Water price in Afl., 2007-2009

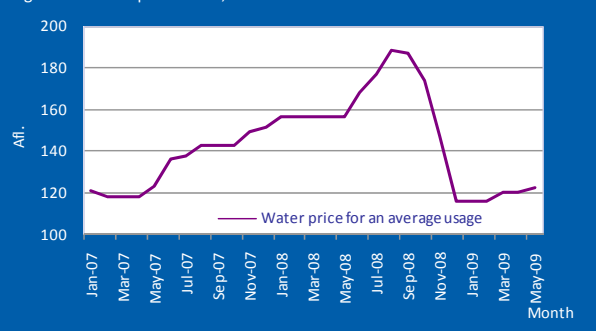
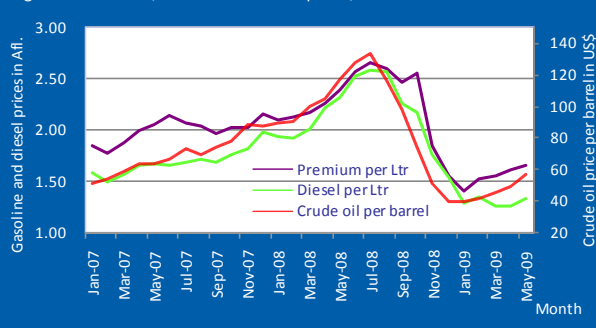


Figure 6-3 Gasoline, diesel and crude oil prices, 2007-2009



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 May 2008. In May 2009 the Δ CPI of the USA, Curaçao and the Netherlands were respectively 0.3%, 0.2% and 0.1%.

Table 6: Monthly Δ CPI 2008-2009 per Country

Period	Aruba	USA	Curaçao	Netherlands
May-08	0.9	0.8	0.8	0.4
Jun-08	1.8	1.0	1.9	-0.2
Jul-08	1.7	0.5	0.7	0.2
Aug-08	1.8	-0.4	0.5	0.2
Sep-08	-0.6	-0.1	0.5	0.4
Oct-08	-0.8	-1.0	0.4	-0.2
Nov-08	-4.6	-1.9	0.4	-0.4
Dec-08	-4.5	-1.0	0.1	-0.7
Jan-09	-0.4	0.4	-1.8	0.3
Feb-09	0.7	0.5	-0.9	0.7
Mar-09	0.6	0.2	0.0	1.0
Apr-09	0.3	0.2	0.2	0.2
May-09	0.5	0.3	0.2	0.1

Source: CBS Aruba, Bureau of Labor Statistics, 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. Aruba's monthly Δ CPI for May 2009 is 0.2 percentage points higher than the Δ CPI of the USA.

Table 7: Overview of Δ CPI

Period	Aruba	USA	
Current month	Apr-May	0.5	0.3
Year-to-date	Dec-May	1.8	1.7
Last 12 months ¹	May-May	-3.6	-1.3
Last 24 months ²	May-May	3.5	1.9

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 2.3 percentage points lower compared with the USA's 12-month Δ CPI. The Δ CPI over the last 24 months for Aruba is 2.4 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 1999-2009 for Aruba and the USA is provided in table 8 and figure 8.

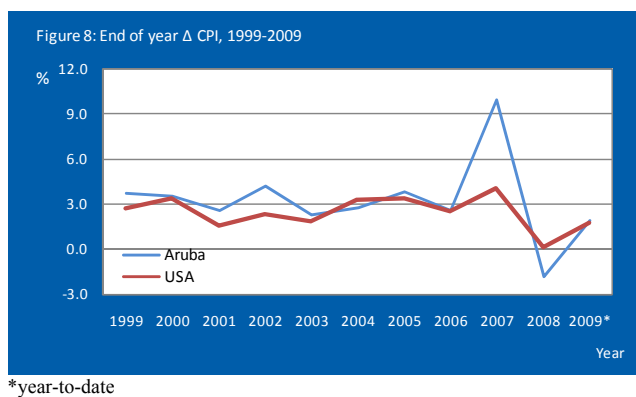
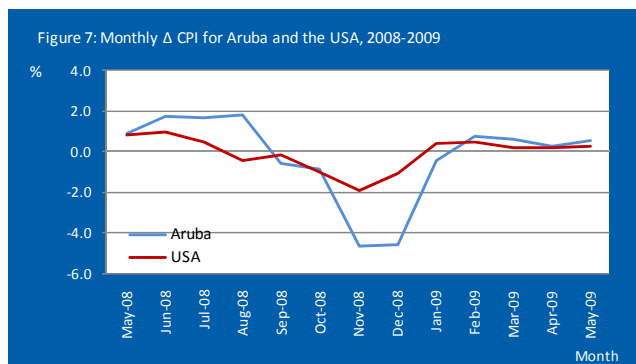
² "58% of Aruba's import by sea and air originates from the USA (Source: Foreign Trade Statistics Report, 1st Quarter 2009).

Table 8: End of year Δ CPI, 1999-2009

Period	Aruba	USA
1999	3.7	2.7
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*	1.8	1.7

Source: Central Bureau of Statistics Aruba

* year-to-date



*year-to-date

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 May 2009 the core inflation (measured over the period May 2007-2009) was 2.93%. Food and energy had an effect on the core inflation of respectively 1.32 and -0.79. The difference between inflation and the core inflation in May 2009 is 0.53 percentage points, 4.37 percentage points lower compared to May 2008 (4.90 percentage points). Table 9 provides an overview of the monthly inflation and core inflation starting from May 2008.

Table 9: Monthly inflation¹ and core inflation, 2008-2009²

Period	Inflation	Effect		Core Inflation
		Food	Energy ³	
May-08	7.93	1.16	3.74	3.03
Jun-08	8.23	1.14	4.08	3.01
Jul-08	8.79	1.14	4.55	3.10
Aug-08	9.39	1.17	5.05	3.17
Sep-08	10.00	1.20	5.54	3.26
Oct-08	10.33	1.25	5.71	3.37
Nov-08	9.98	1.28	5.26	3.44
Dec-08	8.96	1.31	4.31	3.34
Jan-09	7.88	1.33	3.25	3.30
Feb-09	6.78	1.35	2.18	3.25
Mar-09	5.71	1.35	1.17	3.19
Apr-09	4.59	1.34	0.16	3.09
May-09	3.46	1.32	-0.79	2.93

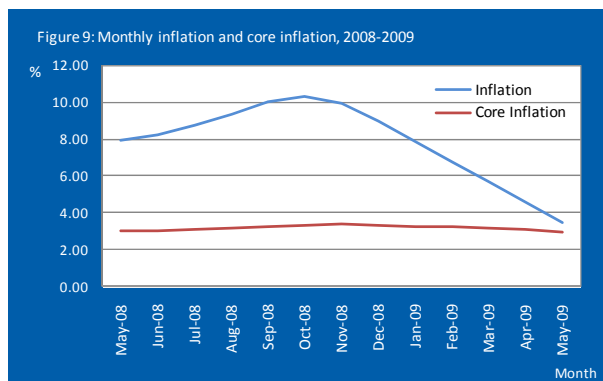
Source: Central Bureau of Statistics Aruba

¹ Period average inflation

² Revised figures as per January 2009

³ Energy : Electricity, water supply, gasoline and diesel

The monthly inflation and core inflation for Aruba is shown in figure 9 over a period of one year starting from May 2008.



5.3 End of year change of the core inflation, 2004-2009

The annual core inflation of the total population of Aruba for the year 2009 (up to May) is 2.93%, and is 0.41 percentage points lower compared to the core inflation of 2008. Table 10 provides an overview of the yearly inflation and core inflation over the period 2004-2009.

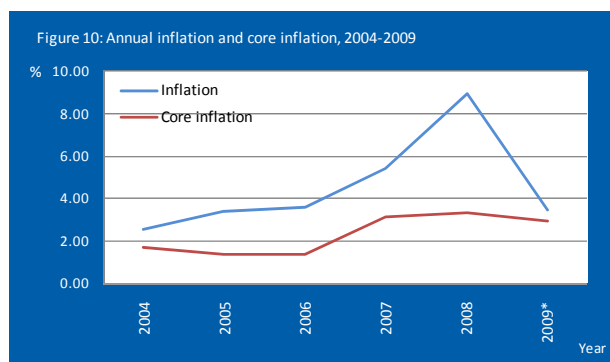
Table 10: Annual core inflation, 2004-2009

Period	2004	2005	2006	2007	2008	2009*
Inflation	2.53	3.40	3.61	5.39	8.96	3.46
Electricity	0.03	0.72	0.85	0.13	2.07	-0.31
Food	0.38	0.42	0.56	1.24	1.31	1.32
Gasoline and diesel	0.37	0.42	0.24	0.68	0.97	-0.36
Water supply	0.03	0.48	0.58	0.19	1.27	-0.12
Core inflation	1.72	1.36	1.38	3.15	3.34	2.93

Source: Central Bureau of Statistics Aruba

* up to May 2009

The annual inflation and core inflation is presented in figure 10 over the period 2004-2009.



*up to May 2009

Table 11: Monthly & Yearly Changes (%) in the Consumer Price Index for May 2009, Total Population (Dec 2006 = 100)

DESCRIPTION	WEIGHT coefficient	2008 May	2008 Dec	2009 Apr	2009 May	Monthly Apr-May	Ytd Dec-May	Yearly May-May	Average May 08-09
Food and non-alcoholic beverages	1,125.3	126.4	135.9	136.3	136.2	-0.1	0.3	7.8	11.2
Food	961.4	128.5	139.1	139.1	138.9	-0.1	-0.1	8.1	12.3
Non-alcoholic beverages	163.9	113.8	116.8	120.2	120.4	0.2	3.1	5.8	4.3
Alcoholic beverages and tobacco	81.9	107.3	109.4	113.4	113.9	0.5	4.1	6.1	3.6
Alcoholic beverages for consumption at home	59.3	104.2	107.2	110.0	110.5	0.4	3.0	6.1	3.4
Tobacco	22.6	115.6	115.3	122.2	122.9	0.6	6.7	6.3	3.9
Clothing and footwear	625.9	120.7	116.5	118.0	118.3	0.2	1.5	-2.0	3.9
Clothing	550.4	123.3	118.8	120.4	120.6	0.2	1.5	-2.2	4.4
Footwear	75.5	101.9	99.8	100.7	101.3	0.6	1.5	-0.6	-0.1
Housing	2,553.3	127.7	107.8	110.6	112.0	1.3	3.8	-12.3	0.0
Actual rentals for housing	854.2	116.4	118.7	120.9	121.4	0.5	2.3	4.4	3.7
Maintenance and repair of the dwelling	444.6	106.1	105.7	107.0	107.4	0.4	1.6	1.2	1.7
Water supply and miscellaneous services relating to the dwelling	505.7	141.9	103.4	106.6	108.6	1.9	5.0	-23.4	-1.6
Electricity, gas and other fuels	748.8	143.7	99.7	103.6	106.1	2.5	6.5	-26.2	-3.3
Household operation	741.3	103.9	104.7	106.6	106.5	-0.1	1.6	2.5	4.1
Furniture, furnishings, carpets and other floor coverings	142.1	85.7	86.8	90.3	89.4	-0.9	3.0	4.3	-0.2
Household textiles	69.5	143.3	146.3	150.4	150.8	0.2	3.0	5.2	10.7
Household appliances	111.3	81.2	81.7	83.5	83.5	-0.1	2.1	2.8	1.5
Glassware, tableware and household utensils	31.8	105.8	104.8	109.9	108.5	-1.3	3.5	2.5	2.0
Tools and equipment for house and garden	40.0	100.5	102.9	104.0	104.1	0.1	1.2	3.6	0.6
Goods and services for routine household maintenance and cleaning	346.6	110.8	111.4	111.8	112.0	0.2	0.6	1.1	5.1
Health	235.8	92.0	92.2	93.4	93.7	0.4	1.7	1.8	10.8
Medical products, appliances and equipment	140.3	95.7	95.9	97.4	97.9	0.5	2.1	2.3	15.1
Out-patient services	57.2	83.0	83.0	83.0	83.0	0.0	0.0	0.0	0.0
Hospital services	3.0	92.0	92.2	94.0	94.3	0.3	2.3	2.5	11.0
Other treatments	20.6	92.0	92.2	94.0	94.3	0.3	2.3	2.5	11.0
Health products and services n.e.c.	0.5	92.0	92.2	94.0	94.3	0.3	2.3	2.5	11.0
Other health related incurred costs	14.1	92.0	92.2	94.0	94.3	0.3	2.3	2.5	11.0
Transport	1,815.4	114.8	102.4	103.0	103.2	0.3	0.8	-10.1	3.6
Purchase of vehicles	811.4	97.5	104.0	104.7	103.0	-1.7	-1.0	5.6	15.3
Operation of personal transport equipment	840.1	136.7	103.7	105.4	107.4	1.8	3.5	-21.5	-3.7
Transport services	163.8	88.0	87.4	81.7	83.4	2.0	-4.6	-5.3	-1.7
Communications	706.3	83.5	82.9	82.2	82.2	0.0	-0.8	-1.5	-0.8
Postal services	6.1	105.3	103.6	105.2	105.2	0.0	1.6	0.0	-0.5
Telephone and telefax equipment	29.6	61.2	62.3	45.8	45.8	0.0	-26.6	-25.3	-12.0
Telephone and telefax services	670.6	84.3	83.6	83.6	83.6	0.0	0.0	-0.8	-0.4
Recreation and culture	891.2	109.5	110.1	111.1	112.4	1.2	2.1	2.7	3.2
Audio-visual, photographic and information processing equipment	123.8	102.7	108.2	110.8	111.4	0.5	3.0	8.5	7.9
Other major durables for recreation and culture	19.2	89.2	89.9	89.9	89.9	0.0	0.1	0.7	11.9
Other recreational items and equipment; gardens and pets	260.1	126.6	127.7	129.3	131.1	1.4	2.6	3.5	3.8
Recreational and cultural services	335.0	99.5	99.1	101.7	102.0	0.3	3.0	2.6	1.5
Newspapers, books and stationery	82.1	107.8	107.8	110.5	111.1	0.5	3.1	3.0	2.4
Holidays	71.0	113.6	109.1	95.3	102.7	7.7	-5.9	-9.7	-1.0
Education	83.0	113.6	109.1	109.1	109.1	0.0	0.0	-4.0	3.2
Pre primary and primary education	30.4	113.6	109.1	109.1	109.1	0.0	0.0	-4.0	3.2
Secondary education	25.2	113.6	109.1	109.1	109.1	0.0	0.0	-4.0	3.2
Post-secondary non-tertiary education	4.6	113.6	109.1	109.1	109.1	0.0	0.0	-4.0	3.2
Tertiary education	10.4	113.6	109.1	109.1	109.1	0.0	0.0	-4.0	3.2
Education not definable by level	12.4	113.6	109.1	109.1	109.1	0.0	0.0	-4.0	3.2
Restaurants and hotels	373.7	106.2	114.4	116.3	116.4	0.1	1.8	9.6	6.1
Catering services	367.5	106.1	114.5	116.7	116.8	0.1	2.0	10.0	6.1
Accommodation services	6.2	113.0	109.5	94.6	95.9	1.4	-12.4	-15.2	2.3
Miscellaneous goods and services	767.0	97.2	97.7	99.5	100.1	0.6	2.5	2.9	2.9
Personal care	262.0	105.2	107.1	109.9	111.1	1.1	3.7	5.6	5.4
Personal effects n.e.c.	67.3	111.4	109.9	113.7	113.8	0.0	3.5	2.1	2.6
Social protection	28.7	113.6	109.1	117.5	118.6	0.9	8.8	4.4	6.0
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	97.2	97.7	99.3	100.0	0.8	2.4	2.9	2.8
Other services n.e.c.	93.0	97.2	97.7	99.3	100.0	0.8	2.4	2.9	2.8
TOTAL INDEX	10,000	114.0	107.9	109.3	109.9	0.5	1.8	-3.6	3.5

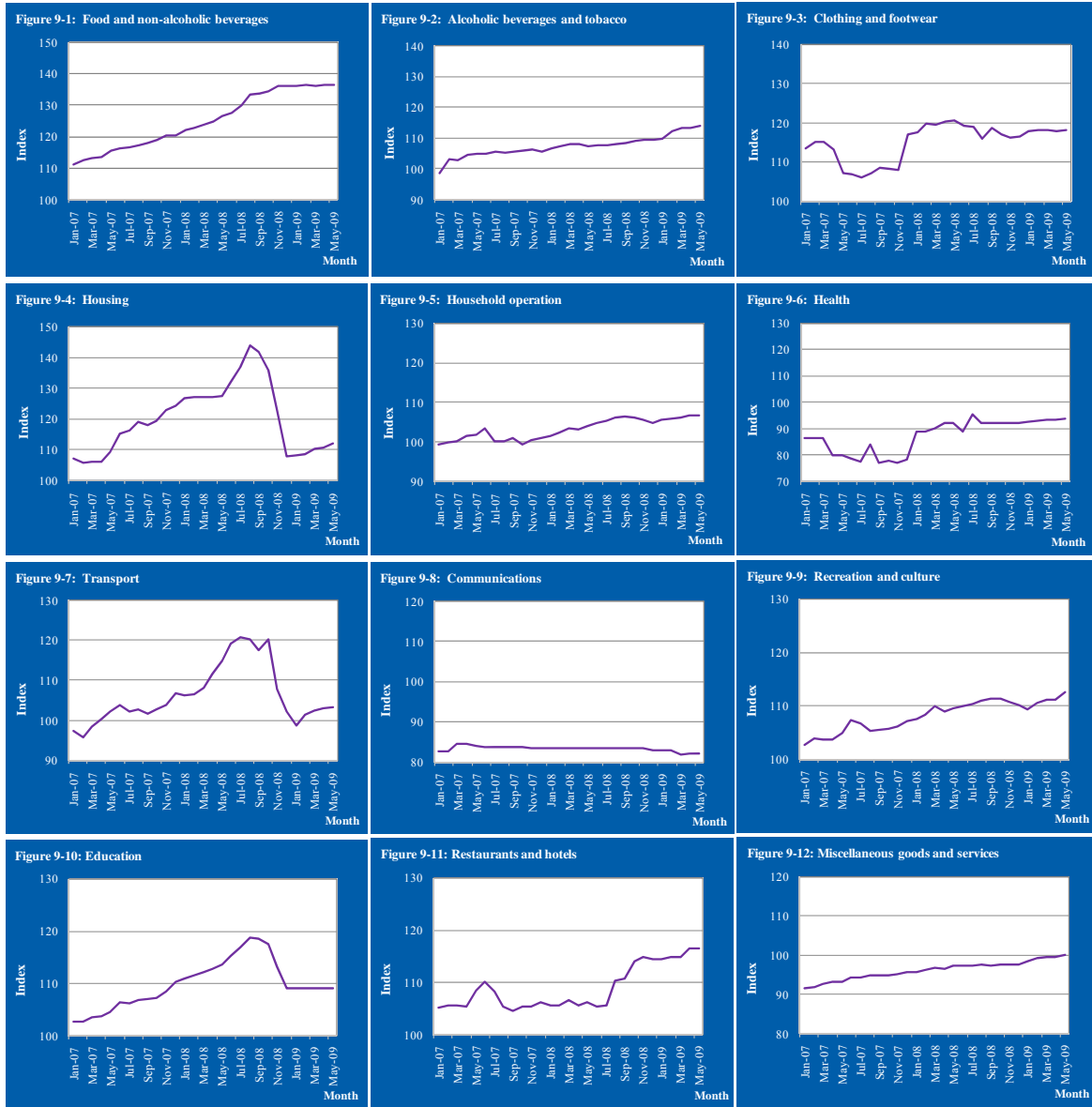
Source: Central Bureau of Statistics Aruba

Table 12: Effect on the Consumer Price Index per sector and category for May 2009 (Dec 2006 = 100)

DESCRIPTION	WEIGHT coefficient	Effect Apr-May	Effect Dec-May	Effect May-May	Effect May 08-09
Food and non-alcoholic beverages	1,125.3	-0.01	0.04	0.97	1.39
Food	961.4	-0.01	-0.02	0.88	1.32
Non-alcoholic beverages	163.9	0.00	0.05	0.09	0.07
Alcoholic beverages and tobacco	81.9	0.00	0.03	0.05	0.03
Alcoholic beverages for consumption at home	59.3	0.00	0.02	0.03	0.02
Tobacco	22.6	0.00	0.02	0.01	0.01
Clothing and footwear	625.9	0.01	0.10	-0.13	0.25
Clothing	550.4	0.01	0.09	-0.13	0.25
Footwear	75.5	0.00	0.01	0.00	0.00
Housing	2,553.3	0.33	0.98	-3.51	0.00
Actual rentals for housing	854.2	0.04	0.21	0.38	0.34
Maintenance and repair of the dwelling	444.6	0.02	0.07	0.05	0.07
Water supply and miscellaneous services relating to the dwelling	505.7	0.09	0.24	-1.47	-0.10
Electricity, gas and other fuels	748.8	0.18	0.45	-2.47	-0.31
Household operation	741.3	-0.01	0.12	0.17	0.28
Furniture, furnishings, carpets and other floor coverings	142.1	-0.01	0.03	0.05	0.00
Household textiles	69.5	0.00	0.03	0.05	0.09
Household appliances	111.3	0.00	0.02	0.02	0.01
Glassware, tableware and household utensils	31.8	0.00	0.01	0.01	0.01
Tools and equipment for house and garden	40.0	0.00	0.00	0.01	0.00
Goods and services for routine household maintenance and cleaning	346.6	0.01	0.02	0.04	0.17
Health	235.8	0.01	0.03	0.03	0.19
Medical products, appliances and equipment	140.3	0.01	0.03	0.03	0.16
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	0.02
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	0.01
Transport	1,815.4	0.04	0.15	-1.84	0.64
Purchase of vehicles	811.4	-0.13	-0.08	0.39	1.01
Operation of personal transport equipment	840.1	0.15	0.28	-2.16	-0.35
Transport services	163.8	0.02	-0.06	-0.07	-0.02
Communications	706.3	0.00	-0.04	-0.08	-0.04
Postal services	6.1	0.00	0.00	0.00	0.00
Telephone and telefax equipment	29.6	0.00	-0.05	-0.04	-0.02
Telephone and telefax services	670.6	0.00	0.00	-0.04	-0.02
Recreation and culture	891.2	0.11	0.19	0.23	0.28
Audio-visual, photographic and information processing equipment	123.8	0.01	0.04	0.09	0.09
Other major durables for recreation and culture	19.2	0.00	0.00	0.00	0.02
Other recreational items and equipment; gardens and pets	260.1	0.04	0.08	0.10	0.11
Recreational and cultural services	335.0	0.01	0.09	0.08	0.05
Newspapers, books and stationery	82.1	0.00	0.03	0.02	0.02
Holidays	71.0	0.05	-0.04	-0.07	-0.01
Education	83.0	0.00	0.00	-0.03	0.03
Pre primary and primary education	30.4	0.00	0.00	-0.01	0.01
Secondary education	25.2	0.00	0.00	-0.01	0.01
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	0.07	0.33	0.22
Catering services	367.5	0.00	0.08	0.34	0.22
Accommodation services	6.2	0.00	-0.01	-0.01	0.00
Miscellaneous goods and services	767.0	0.04	0.17	0.19	0.20
Personal care	262.0	0.03	0.10	0.14	0.13
Personal effects n.e.c.	67.3	0.00	0.02	0.01	0.02
Social protection	28.7	0.00	0.03	0.01	0.02
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	0.01	0.02	0.02	0.02
TOTAL INDEX	10,000	0.54	1.84	-3.62	3.46

Source: Central Bureau of Statistics Aruba

Course of Indices for 2007 up to May 2009



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.

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.