



Table of Contents

Note to the Reader	ii
Improvements in the calculation of the CPI	iii

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 YEARLY CHANGE OF THE CPI	2
2.1 END OF PERIOD CHANGE CPI FOR JANUARY 2009	2
2.2 CHANGES IN SECTOR	2
2.3 CHANGES IN CATEGORIES	2
2.4 END OF YEAR CHANGE CPI 2000-2009	2
2.5 PERIOD AVERAGE CHANGE CPI FOR JANUARY 2009	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 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, 2004-2009	5

Appendices

Appendix 1: Monthly and yearly % changes in the CPI for January 2009	6
Appendix 2: Effect on the CPI per sector and category for January 2009	7
Appendix 3: Course of Indices for 2007 up to January 2009	8

Glossary	9
-----------------	----------

Note to the Reader

The following report presents the price statistics for January 2009.

- Effective January 1, 2009, the Central Bureau of Statistics made a series of improvements in the calculation of the Consumer Price Index (CPI). A new base period was introduced and subsequently, the CPI figures for 2007 and 2008 were revised. Refer to page iii for more details.
- At the end of January 2009 the CPI decreased by 0.4% compared to the end of December 2008. The largest percentage change is observed for the “Transport” sector index (-3.4%), which led to an effect of -0.6 in the Δ CPI of January (-0.4%).
- Compared to January 2008 the CPI decreased by 3.2%. The largest percentage change is observed for the index of the “Housing” sector (-14.8%). Specifically, prices of “Electricity, gas and other fuels” and “Water supply and miscellaneous services relating to the dwelling” decreased by respectively 30.7% and 26.8%. The decrease in prices of these categories caused a total effect of -4.7 on the end of period inflation Δ CPI of January (-3.2%).
- The period average change CPI for the period January 2008 - January 2009 is 7.9%, which is 2.1 percentage points higher compared to the period average change over the period January 2007 – January 2008 (5.8%).
- Utilities (Water and Electricity) did not register price changes in January 2009. Gasoline and diesel prices decreased by respectively 9.8% and 16.7% in January and caused a total effect of -0.5 on the Δ CPI of January (-0.4%).

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

Improvements in the calculation of the CPI

The Central Bureau of Statistics (CBS) has recently made a series of improvements to keep the measures on changes in consumer prices as accurate and up to date as possible. Effective January 1, 2009, the following important changes in the calculation of the CPI have been implemented. Subsequently, the CPI's for 2007 and 2008 have been revised.

Introduction of a new classification system

The classification system used by household expenditure surveys provides the necessary framework for the various stages of the CPI compilation. It provides a structure for purposes of weighting and aggregation, and also a basis for stratifying the samples of products whose prices are collected. The goods and services covered by a CPI may be classified in several ways: not simply on the basis of their physical characteristics but also by the purposes they serve and the degree of similarity of their price behavior. Product-based and purpose-based classifications differ but can usually be successfully mapped onto each other. In practice, most countries use a hybrid classification system in which the breakdown at the highest level is by purpose while the lower-level breakdowns are by product type. This is the case for the recently revised internationally agreed Classification of Individual Consumption according to Purpose (COICOP), which provides a suitable classification for CPI purposes.

For comparison reasons, CBS has decided to change from a national classification system to COICOP, which is an internationally agreed classification system for consumer expenditure and prices. The first level of classification in COICOP consists of 12 divisions covering total consumption expenditures of households. As previously noted, the breakdown into divisions is essentially by purpose. At the second level of disaggregation, the 12 divisions are divided into 47 groups of products, which are in turn divided into 114 classes of products at the third level. These 114 classes are divided in 452 elementary aggregates.

Revised weights for the elementary aggregates of the CPI

From time to time, the weights for the elementary aggregates have to be revised to ensure that they reflect current expenditure patterns and consumer behavior. Reweighting is inevitable sooner or later, as the same weights cannot continue to be used for ever.

As of January 2007, the expenditure weights will be based on the Household Expenditure Survey held by CBS during the months of April and May of 2006.

New base period

In order to calculate consistent annual rates of change with the new classification, the CPI has to be calculated retrospectively for 2 years. Therefore, December of 2006 has been chosen as the new base period for the CPI. Subsequently, the CPI figures for 2007 and 2008 have been revised accordingly.

Incorporating the geometric mean formula

The use of the geometric mean estimator at the basic level of index calculation in the CPI is expected to produce an overall index that better reflects the impact that changing prices have on the average consumer.

Based on the above mentioned and in line with improvements in the calculation of the CPI at other Statistical Offices, such as the U.S.A, CBS has decided to use, as of January 1, 2009, the geometric mean formula, instead of the formerly used arithmetic average, to calculate the basic components of the CPI.

1 Monthly change of the CPI

1.1 CPI and Inflation

The CPI of the total population of Aruba for the month of January 2009 is 107.4; a decrease of 0.4% compared to the CPI of December 2008 (107.9). 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 3.2%, while the inflation over a period of 24 months (period average inflation) is 7.9%.

Table 1 Overview of Δ CPI

Period	2009	2008	
Current month	Dec-Jan	-0.4	1.0
Year-to-date	Dec-Jan	-0.4	1.0
Last 12 months ¹	Jan-Jan	-3.2	9.1
Last 24 months ²	Jan-Jan	7.9	5.8

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 January 2008, whereas the Δ CPI for the month January for the years 2000 to 2009 is illustrated in Figure 2.

1.2 Changes in sector

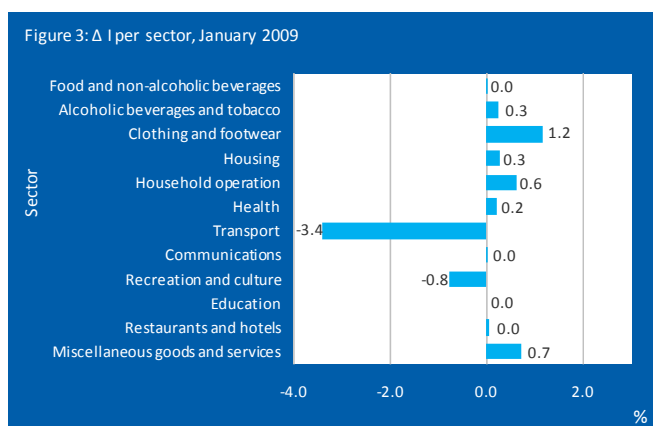
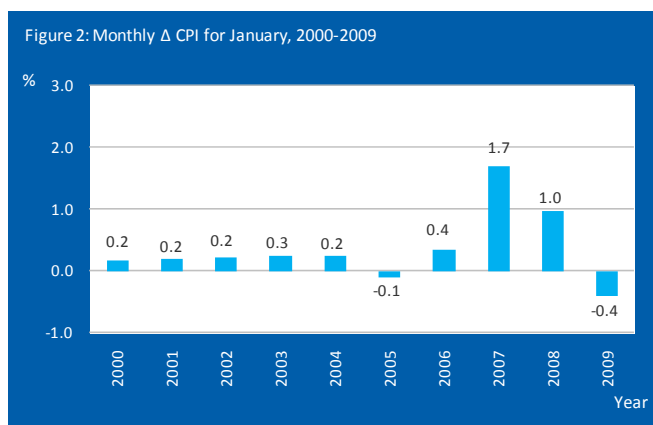
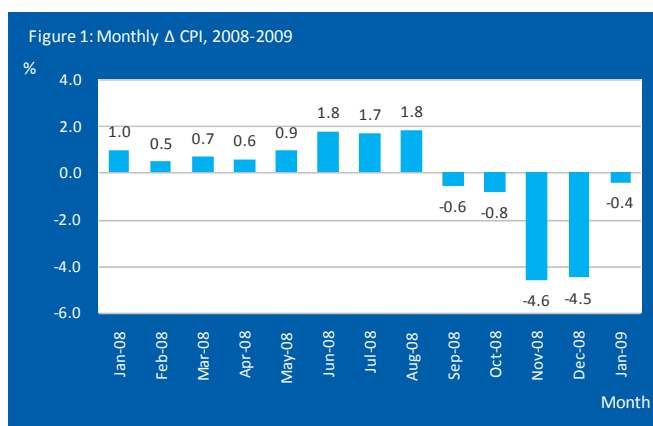
Figure 3 provides an overview of the percentage changes for the indices per sector for January 2009. The percentage change in index is further denoted as ΔI . The largest ΔI is observed for the sector “Transport” (-3.4%).

1.3 Changes in categories and subcategories

The largest positive and negative ΔI is seen in the categories “Social protection” (4.9%) and “Holidays” (-14.5%), respectively. The major ΔI in the “Transport” sector is observed for the category “Operation of personal transport equipment” which decreased by 6.5%. This decrease is mainly due to a decrease in “Gasoline” of 9.8%. In the sector “Food and non-alcoholic beverages” an increase of 0.4% is seen in the category “Non-alcoholic beverages”.

The categories which influenced the CPI calculation the most are “Operation of personal transport equipment”, “Holidays”, “Transport services” and “Clothing” which had an effect of respectively, -0.53, -0.10, -0.06 and 0.07 on the Δ CPI. Reference is made to table 10 and 11 in Appendices 1 and 2. Tables 10 provides an overview of the indices for the months January 2008, December 2008 and January 2009 together with corresponding weights per sector and the monthly, yearly and average percentage changes for January 2009. In tables 11 an overview of the effect on the CPI per sector and category for January 2009 is presented. The course of indices for 2007 to 2009 is illustrated in Appendix 3.

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 January 2009

The CPI decreased from 111.0 in January 2008 to 107.4 in January 2009, a decrease of 3.2%. This Δ CPI is the lowest registered over a period of 5 years for the month January, and is 12.3 percentage points lower than the Δ CPI registered in 2008 (9.1%) (see table 2).

Table 2 Five year period, Yearly Δ CPI

Period	Δ CPI
	Jan-Jan
2004-2005	2.4
2005-2006	4.3
2006-2007	3.9
2007-2008	9.1
2008-2009	-3.2

Source: Central Bureau of Statistics Aruba

2.2 Changes in sector

An overview of the percentage change per sector over the period January 2008 – January 2009 is presented in table 3. The largest Δ I is observed for the sector “Housing” with a decrease of 14.8%. This decrease is mainly caused by decreases in the categories “Electricity, gas and other fuels” (-30.7%) and “Water supply and miscellaneous services relating to the dwelling” (-26.8%). The second largest Δ I during this period is observed for the sector “Food and non-alcoholic beverages” with an increase of 11.3%, which is mainly the result of increases in the categories “Food” and “Non-alcoholic beverages” with respectively 12.2% and 5.2%. Furthermore, an increase of 8.4% and a decrease of 7.0% are observed for the sectors “Restaurants and hotels” and “Transport” respectively. A comparison of the Δ I for the years 2008 and 2009 is provided in figure 4.

Table 3 Percentage Change for January, 2008-2009

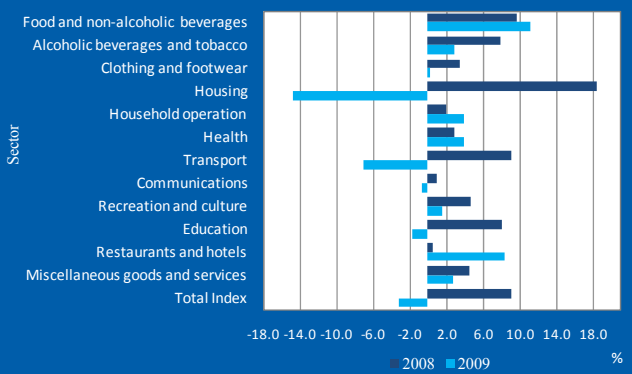
Period	% Change
Food and non-alcoholic beverages	11.3
Alcoholic beverages and tobacco	2.9
Clothing and footwear	0.3
Housing	-14.8
Household operation	4.0
Health	4.0
Transport	-7.0
Communications	-0.7
Recreation and culture	1.6
Education	-1.7
Restaurants and hotels	8.4
Miscellaneous goods and services	2.8
Total Index	-3.2

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, “Purchase of vehicles” (15.1%) and “Electricity, gas and other fuels” (-30.7%). For an overview of the yearly percentage changes per category refer to table 10 in Appendix 1.

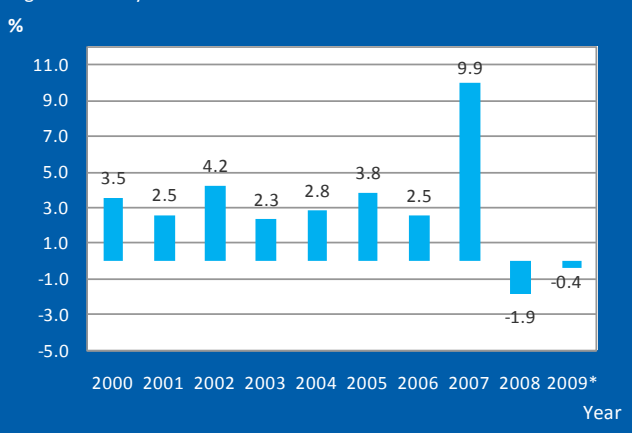
Figure 4: Δ I per sector



2.4 End of year change CPI 2000-2009

The end of year change Δ CPI for the period 2000-2009 is shown in figure 5. The Δ CPI for 2009 is calculated by comparing the CPI of January 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 change Δ CPI for January 2009 is -0.4%.

Figure 5: Yearly Δ CPI 2000 - 2009



*year-to-date

2.5 Period average change CPI for January 2009

The period average change CPI (Δ ACPI) for January 2009 is 7.9%. Table 4 provides an overview of the Δ ACPI for the month January for the years 2003 to 2009. The Δ ACPI of 2009 increased by 2.1 percentage points compared to 2008.

Table 4 Overview in Δ ACPI for January, 2003-2009

Period	Δ ACPI
2003	3.5
2004	3.5
2005	2.5
2006	3.6
2007	3.6
2008	5.8
2009	7.9

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 electricity, water, gasoline and diesel prices is provided in the adjoining figures 6-1 to 6-3.

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 January 2009, it remained at Afl. 217.09. 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 did not change in January 2009; it stayed at 14.20 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 2009. The water price for an average usage by households did not change in January 2009, it remained at Afl. 116.13.

3.4 Gasoline and Diesel

The retail price of gasoline decreased by 9.8% from 156.8 cents per liter in December 2008 to 141.4 cents per liter in January 2009. In January 2009, the retail price of diesel decreased by 16.7% from 153.8 cents per liter in December 2008 to 128.1 cents per liter.

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

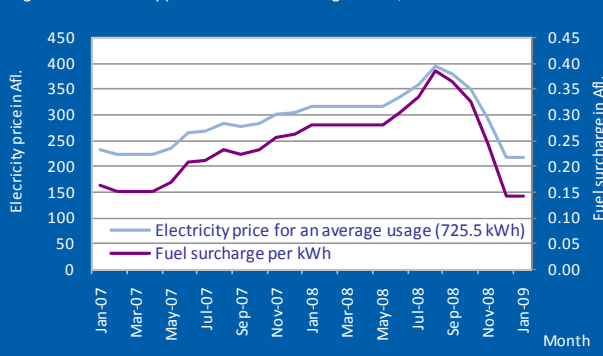


Figure 6-2 Water price in Afl., 2007-2009

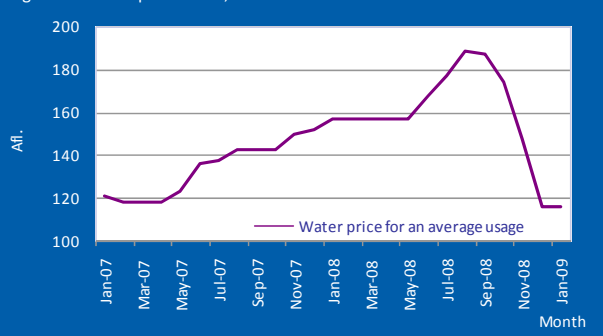
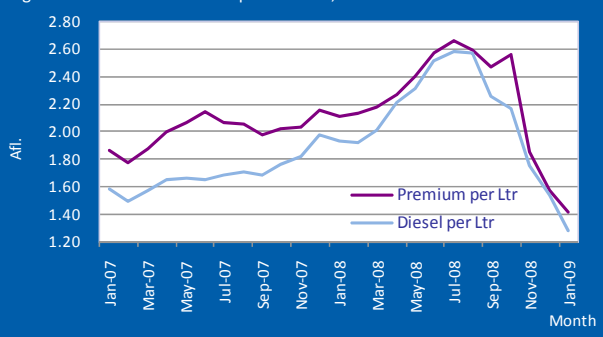


Figure 6-3 Gasoline and Diesel prices in Afl., 2007-2009



4 Percentage change CPI of Aruba's major trading partners

4.1 Comparison of the CPI of Aruba and the USA

Table 5 provides an overview of the Δ CPI of Aruba's major trading partners starting from January 2008. In January 2009 the Δ CPI of the USA, Curaçao and the Netherlands were respectively 0.4%, -1.8% and 0.3%.

Table 5: Monthly Δ CPI 2008-2009 per Country

Period	Aruba	USA	Curaçao	Netherlands
January	1.0	0.5	0.7	0.2
February	0.5	0.3	0.7	0.6
March	0.7	0.9	0.4	1.0
April	0.6	0.6	0.6	0.4
May	0.9	0.8	0.8	0.4
June	1.8	1.0	1.9	-0.2
July	1.7	0.5	0.7	0.2
August	1.8	-0.4	0.5	0.2
September	-0.6	-0.1	0.5	0.4
October	-0.8	-1.0	0.4	-0.2
November	-4.6	-1.9	0.4	-0.4
December	-4.5	-1.0	0.1	-0.7
January	-0.4	0.4	-1.8	0.3

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

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 January 2009 is 0.8 percentage points lower than the Δ CPI of the USA.

Table 6 Overview of Δ of CPI

Period		Aruba	USA
Current month	Dec-Jan	-0.4	0.4
Year-to-date	Dec-Jan	-0.4	0.4
Last 12 months ¹	Jan-Jan	-3.2	0.0
Last 24 months ²	Jan-Jan	7.9	3.5

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 3.2 percentage points lower compared with the USA's 12-month Δ CPI. The Δ CPI over the last 24 months for Aruba is 4.4 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 7 and figure 8.

² "57% of Aruba's import by sea and air originates from the USA (Source: Foreign Trade Statistics Report, 4th Quarter 2008).

Table 7: 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*	-0.4	0.4

Source: Central Bureau of Statistics Aruba

* year-to-date

Figure 7: Monthly Δ CPI for Aruba and the USA, 2008-2009

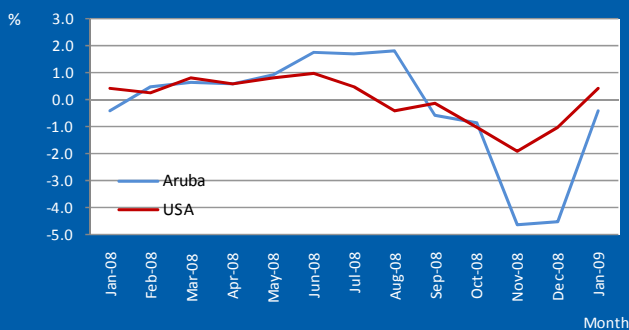
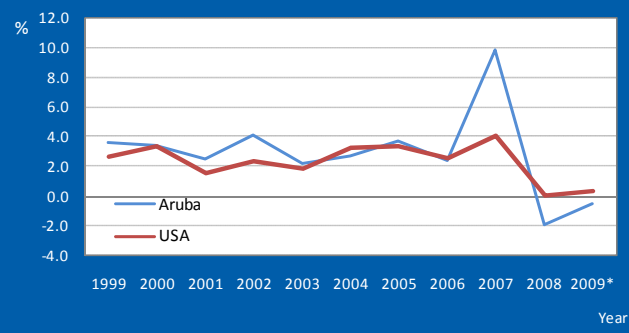


Figure 8: End of year Δ CPI, 1999-2009



*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 January 2009 the core inflation (measured over the period January 2007-2009) was 3.3%, 0.1 percentage points lower compared to December 2008. Food and energy had an effect on the core inflation of respectively 1.3 and 3.3. The difference between inflation and the core inflation in January 2009 is 4.6 percentage points, 2.0 percentage points higher compared to January 2008 (2.6 percentage points). Table 8 provides an overview of the monthly inflation and core inflation starting from January 2008.

Table 8: Monthly inflation¹ and core inflation, 2008-2009²

Period	Inflation	Effect		Core Inflation
		Food	Energy ³	
Jan-08	5.8	1.3	1.4	3.2
Feb-08	6.4	1.2	2.2	3.1
Mar-08	6.9	1.2	2.7	3.0
Apr-08	7.4	1.2	3.2	3.0
May-08	7.9	1.2	3.7	3.0
Jun-08	8.2	1.1	4.1	3.0
Jul-08	8.8	1.1	4.6	3.1
Aug-08	9.4	1.2	5.1	3.2
Sep-08	10.0	1.2	5.5	3.3
Oct-08	10.3	1.3	5.7	3.4
Nov-08	10.0	1.3	5.3	3.4
Dec-08	9.0	1.3	4.3	3.4
Jan-09	7.9	1.3	3.3	3.3

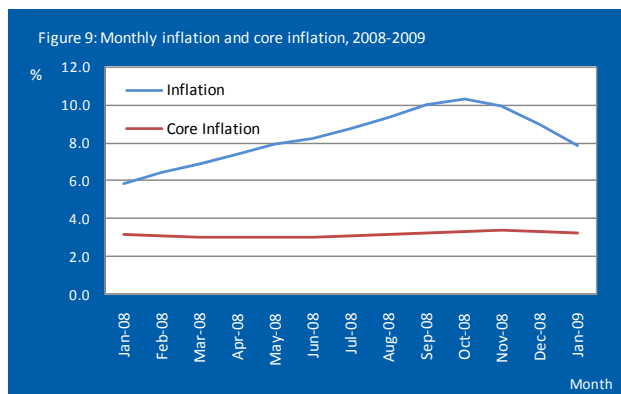
Source: Central Bureau of Statistics Aruba

¹ Period average inflation

² Revised figures as per January 2007

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 January 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 January) is 3.3%, and did not change compared to the core inflation of 2008. Table 9 provides an overview of the yearly inflation and core inflation over the period 2004-2009.

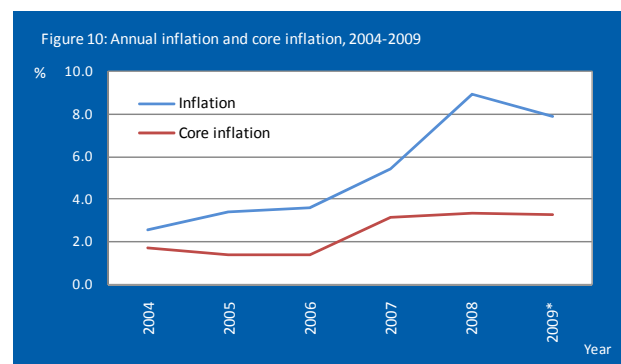
Table 9: Annual core inflation, 2004-2009

Period	2004	2005	2006	2007	2008	2009*
Inflation	2.5	3.4	3.6	5.4	9.0	7.9
Electricity	0.0	0.7	0.9	0.1	2.1	1.6
Food	0.4	0.4	0.6	1.2	1.3	1.3
Gasoline and diesel	0.4	0.4	0.2	0.7	1.0	0.7
Water supply	0.0	0.5	0.6	0.2	1.3	1.0
Core inflation	1.7	1.4	1.4	3.1	3.3	3.3

Source: Central Bureau of Statistics Aruba

* up to January 2009

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



*up to January 2009

Table 10: Monthly & Yearly Changes (%) in the Consumer Price Index for January 2009, Total Population (Dec 2006 = 100)

DESCRIPTION	WEIGHT coefficient	2008 Jan	2008 Dec	2009 Jan	Monthly Dec-Jan	Yearly Jan-Jan	Average Jan 08-09
Food and non-alcoholic beverages	1,125.3	122.1	135.9	135.9	0.0	11.3	11.3
Food	961.4	123.9	139.1	139.0	-0.1	12.2	12.4
Non-alcoholic beverages	163.9	111.5	116.8	117.3	0.4	5.2	4.3
Alcoholic beverages and tobacco	81.9	106.7	109.4	109.7	0.3	2.9	3.1
Alcoholic beverages for consumption at home	59.3	104.3	107.2	107.6	0.4	3.2	3.0
Tobacco	22.6	112.9	115.3	115.3	0.0	2.1	3.1
Clothing and footwear	625.9	117.6	116.5	117.9	1.2	0.3	6.8
Clothing	550.4	119.9	118.8	120.3	1.2	0.4	7.6
Footwear	75.5	101.0	99.8	100.4	0.7	-0.6	-0.1
Housing	2,553.3	126.9	107.8	108.1	0.3	-14.8	10.8
Actual rentals for housing	854.2	115.0	118.7	119.3	0.5	3.7	3.5
Maintenance and repair of the dwelling	444.6	104.8	105.7	106.3	0.5	1.4	2.2
Water supply and miscellaneous services relating to the dwelling	505.7	141.5	103.4	103.5	0.1	-26.8	17.7
Electricity, gas and other fuels	748.8	143.7	99.7	99.7	0.0	-30.7	18.3
Household operation	741.3	101.4	104.7	105.4	0.6	4.0	3.9
Furniture, furnishings, carpets and other floor coverings	142.1	83.5	86.8	88.2	1.6	5.6	-4.5
Household textiles	69.5	137.2	146.3	147.8	1.0	7.8	15.4
Household appliances	111.3	80.1	81.7	82.2	0.5	2.6	-3.9
Glassware, tableware and household utensils	31.8	105.3	104.8	106.5	1.6	1.1	0.4
Tools and equipment for house and garden	40.0	101.1	102.9	103.7	0.8	2.6	-2.4
Goods and services for routine household maintenance and cleaning	346.6	108.0	111.4	111.5	0.2	3.2	7.2
Health	235.8	88.8	92.2	92.4	0.2	4.0	13.2
Medical products, appliances and equipment	140.3	91.2	95.9	96.2	0.3	5.4	18.8
Out-patient services	57.2	83.0	83.0	83.0	0.0	0.0	0.0
Hospital services	3.0	88.8	92.2	92.5	0.4	4.1	13.2
Other treatments	20.6	88.8	92.2	92.5	0.4	4.1	13.2
Health products and services n.e.c.	0.5	88.8	92.2	92.5	0.4	4.1	13.2
Other health related incurred costs	14.1	88.8	92.2	92.5	0.4	4.1	13.2
Transport	1,815.4	106.4	102.4	98.9	-3.4	-7.0	9.9
Purchase of vehicles	811.4	90.3	104.0	104.0	0.0	15.1	14.8
Operation of personal transport equipment	840.1	125.4	103.7	97.0	-6.5	-22.7	7.8
Transport services	163.8	87.9	87.4	83.5	-4.5	-5.0	0.4
Communications	706.3	83.5	82.9	82.9	0.0	-0.7	-0.5
Postal services	6.1	105.3	103.6	103.6	0.0	-1.6	-0.3
Telephone and telefax equipment	29.6	61.0	62.3	62.3	0.0	2.1	-15.0
Telephone and telefax services	670.6	84.3	83.6	83.6	0.0	-0.8	0.1
Recreation and culture	891.2	107.5	110.1	109.3	-0.8	1.6	4.1
Audio-visual, photographic and information processing equipment	123.8	99.8	108.2	108.3	0.2	8.6	8.8
Other major durables for recreation and culture	19.2	88.2	89.9	89.9	0.0	1.9	15.6
Other recreational items and equipment; gardens and pets	260.1	123.4	127.7	128.0	0.2	3.7	4.6
Recreational and cultural services	335.0	98.8	99.1	99.9	0.8	1.1	1.6
Newspapers, books and stationery	82.1	106.2	107.8	107.9	0.1	1.6	2.0
Holidays	71.0	110.9	109.1	93.3	-14.5	-15.9	5.9
Education	83.0	110.9	109.1	109.1	0.0	-1.7	7.2
Pre primary and primary education	30.4	110.9	109.1	109.1	0.0	-1.7	7.2
Secondary education	25.2	110.9	109.1	109.1	0.0	-1.7	7.2
Post-secondary non-tertiary education	4.6	110.9	109.1	109.1	0.0	-1.7	7.2
Tertiary education	10.4	110.9	109.1	109.1	0.0	-1.7	7.2
Education not definable by level	12.4	110.9	109.1	109.1	0.0	-1.7	7.2
Restaurants and hotels	373.7	105.6	114.4	114.5	0.0	8.4	3.0
Catering services	367.5	105.5	114.5	114.5	0.0	8.5	2.9
Accommodation services	6.2	110.5	109.5	111.8	2.1	1.2	7.0
Miscellaneous goods and services	767.0	95.7	97.7	98.4	0.7	2.8	3.3
Personal care	262.0	102.0	107.1	107.4	0.3	5.3	5.8
Personal effects n.e.c.	67.3	110.0	109.9	113.5	3.2	3.1	3.9
Social protection	28.7	110.9	109.1	114.4	4.9	3.2	7.6
Insurance	289.1	85.1	85.1	85.1	0.0	0.0	0.0
Financial services n.e.c.	26.9	95.7	97.7	98.3	0.7	2.8	3.3
Other services n.e.c.	93.0	95.7	97.7	98.3	0.7	2.8	3.3
TOTAL INDEX	10,000	111.0	107.9	107.4	-0.4	-3.2	7.9

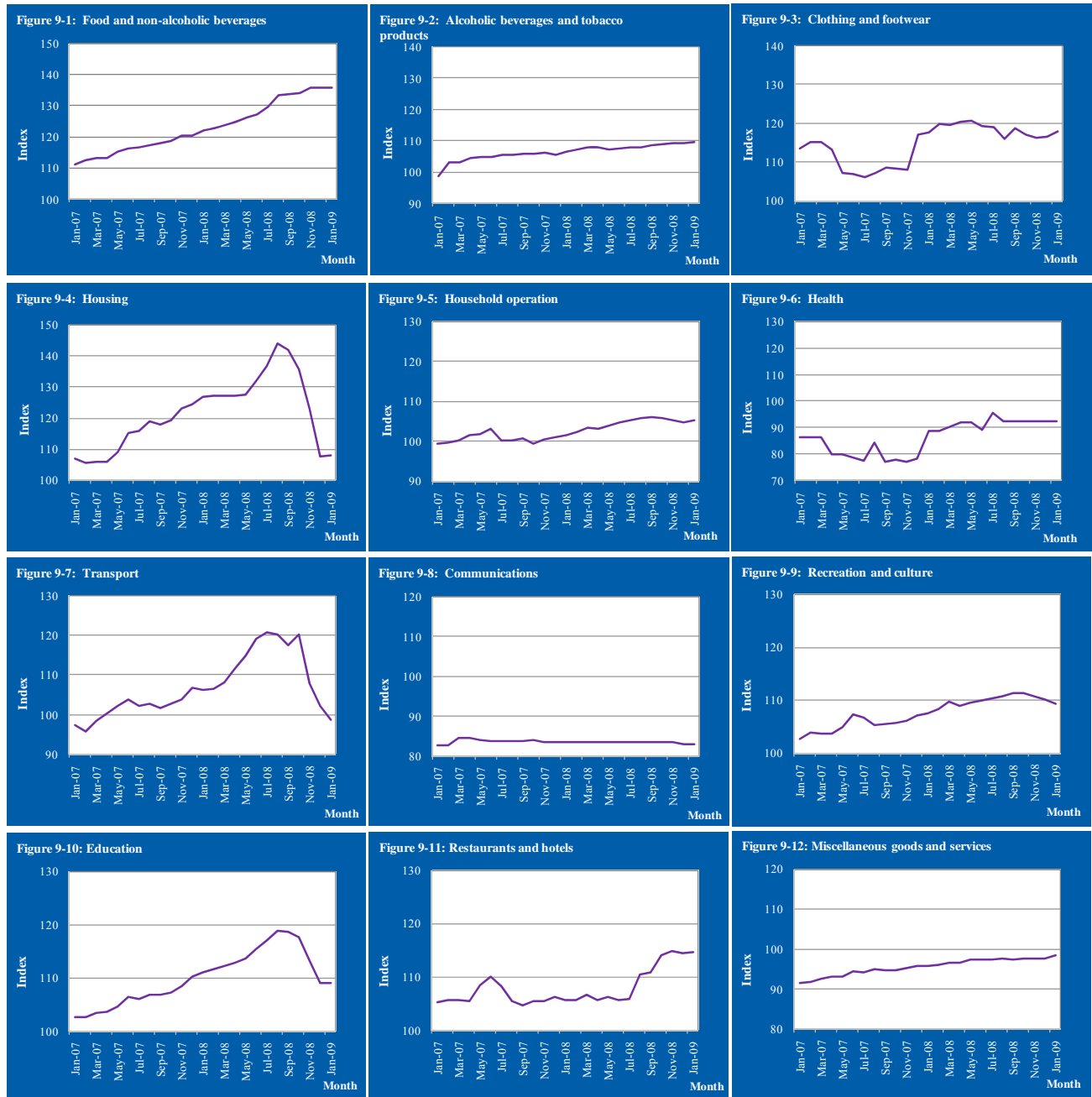
Source: Central Bureau of Statistics Aruba

Table 11: Effect on the Consumer Price Index per sector and category for January 2009 (Dec 2006 = 100)

DESCRIPTION	WEIGHT coefficient	Effect Dec-Jan	Effect Jan-Jan	Effect Jan 08-09
Food and non-alcoholic beverages	1,125.3	0.00	1.39	1.41
Food	961.4	-0.01	1.31	1.33
Non-alcoholic beverages	163.9	0.01	0.09	0.07
Alcoholic beverages and tobacco	81.9	0.00	0.02	0.02
Alcoholic beverages for consumption at home	59.3	0.00	0.02	0.02
Tobacco	22.6	0.00	0.00	0.01
Clothing and footwear	625.9	0.08	0.02	0.45
Clothing	550.4	0.07	0.02	0.45
Footwear	75.5	0.00	0.00	0.00
Housing	2,553.3	0.07	-4.32	3.02
Actual rentals for housing	854.2	0.04	0.33	0.32
Maintenance and repair of the dwelling	444.6	0.02	0.06	0.09
Water supply and miscellaneous services relating to the dwelling	505.7	0.00	-1.73	1.03
Electricity, gas and other fuels	748.8	0.00	-2.97	1.57
Household operation	741.3	0.05	0.27	0.27
Furniture, furnishings, carpets and other floor coverings	142.1	0.02	0.06	-0.05
Household textiles	69.5	0.01	0.07	0.13
Household appliances	111.3	0.00	0.02	-0.03
Glassware, tableware and household utensils	31.8	0.00	0.00	0.00
Tools and equipment for house and garden	40.0	0.00	0.01	-0.01
Goods and services for routine household maintenance and cleaning	346.6	0.01	0.11	0.25
Health	235.8	0.00	0.08	0.24
Medical products, appliances and equipment	140.3	0.00	0.06	0.20
Out-patient services	57.2	0.00	0.00	0.00
Hospital services	3.0	0.00	0.00	0.00
Other treatments	20.6	0.00	0.01	0.02
Health products and services n.e.c.	0.5	0.00	0.00	0.00
Other health related incurred costs	14.1	0.00	0.00	0.01
Transport	1,815.4	-0.59	-1.22	1.73
Purchase of vehicles	811.4	0.00	1.00	0.98
Operation of personal transport equipment	840.1	-0.53	-2.16	0.75
Transport services	163.8	-0.06	-0.06	0.01
Communications	706.3	0.00	-0.04	-0.03
Postal services	6.1	0.00	0.00	0.00
Telephone and telefax equipment	29.6	0.00	0.00	-0.03
Telephone and telefax services	670.6	0.00	-0.04	0.00
Recreation and culture	891.2	-0.07	0.14	0.37
Audio-visual, photographic and information processing equipment	123.8	0.00	0.10	0.10
Other major durables for recreation and culture	19.2	0.00	0.00	0.02
Other recreational items and equipment; gardens and pets	260.1	0.01	0.11	0.14
Recreational and cultural services	335.0	0.02	0.03	0.05
Newspapers, books and stationery	82.1	0.00	0.01	0.02
Holidays	71.0	-0.10	-0.11	0.04
Education	83.0	0.00	-0.01	0.06
Pre primary and primary education	30.4	0.00	-0.01	0.02
Secondary education	25.2	0.00	0.00	0.02
Post-secondary non-tertiary education	4.6	0.00	0.00	0.00
Tertiary education	10.4	0.00	0.00	0.01
Education not definable by level	12.4	0.00	0.00	0.01
Restaurants and hotels	373.7	0.00	0.30	0.11
Catering services	367.5	0.00	0.30	0.11
Accommodation services	6.2	0.00	0.00	0.00
Miscellaneous goods and services	767.0	0.05	0.19	0.23
Personal care	262.0	0.01	0.13	0.14
Personal effects n.e.c.	67.3	0.02	0.02	0.03
Social protection	28.7	0.01	0.01	0.02
Insurance	289.1	0.00	0.00	0.00
Financial services n.e.c.	26.9	0.00	0.01	0.01
Other services n.e.c.	93.0	0.01	0.02	0.03
TOTAL INDEX	10,000	-0.41	-3.19	7.88

Source: Central Bureau of Statistics Aruba

Course of Indices for 2007 up to January 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.