



Investment Trends:

Have we walked this way before?

Consumer Trends:

Are consumers gaining confidence?

Economic Trends:

Slowdown in economic activities continued

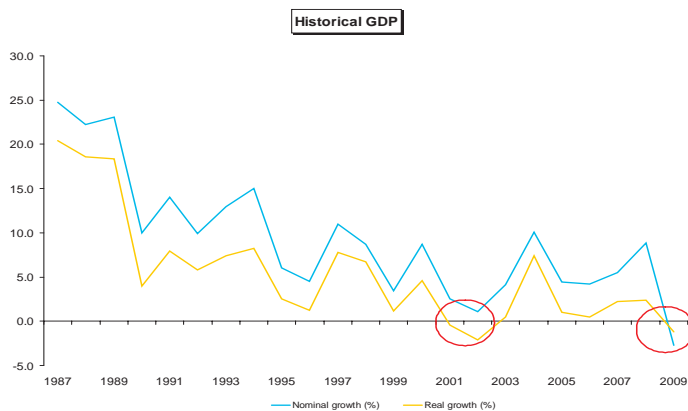
HAVE WE WALKED THIS ROAD BEFORE

Lessons learned from the recession and prospects of recovery.

This article is based on a presentation held late last year by AIB BANK N.V. at a seminar of a financial institution.

Prior to 1986, the economy of Aruba was primarily centered around the operations of the oil refinery, then owned by Exxon. When that refinery closed in 1985, the economy of Aruba experienced its first recession since the Status Aparte. Based on this event the economy was readjusted towards other products and services, principally tourism. Currently, despite the reopening of the refinery by Coastal in 1991, the substantial majority of our GDP is provided by service activities. Subsequently, the economy of Aruba was impacted due to 9/11 terrorism attacks in the United States which affected the travel industry greatly. Currently, the credit crisis which became eminent in 2008 has its toll on the Aruban Economy as well.

Chart 1: Historic nominal and real GDP Aruba



Comparison of recent two recessions

The economy, following two successive years of recession in 2001 and 2002 due to 9/11 incidence contracted an aggregated 2.5% over these 2 years, rebounded rapidly in 2003, recording a nominal growth rate of 4.1% and a real growth rate of 0.5%, driven mainly by a significant increase in gross investments (public and private) as a number of new projects commenced.

The nominal GDP kept increasing in the subsequent years. In 2008, the estimated nominal GDP grew with 8.8%, registering a real growth of 2.2%, despite the credit crisis which became eminent in 2008 probably due to the lagging effect of the Aruban economy on external shocks. However, it became clear that we were dealing with a crisis of another scale when IMF started to significantly adjust its GDP estimates. In October 2008, the IMF estimated a growth in GDP of 0.1% and 0.2% for respectively the US and the Euro Zone while in April the IMF adjusted this to a decline of respectively 2.8% and 4.2% for the US and the Euro Zone as depicted in table 1.

Table 1: GDP estimates for 2009

	USA	EU
Oct 08	0.1%	0.2%
Apr 09	-2.8%	-4.2%

Source: IMF World Economic Outlook

The estimate of the Aruban economic development for 2009 became

less positive, the economy was expected to decline in nominal terms with 2.7% and in real terms with 1.2%. Noteworthy to mention is that these estimates for 2009 excluded the effects of the closing of the refinery, which alone contributes to an estimated 13% of the GDP, which makes the duration and extent of the impact even more unpredictable. New estimates of the Central Bank and DEACI revised the expected results of 2009, where even though there is still no consensus, the economy of 2009 is expected to have fared far worse when analyzing available economic indicators, including namely investments.

The question is now: how do we respond?

Can we diversify the economy or do we continue to develop the tourism sector?

The past 20 years have proven that even though economic diversification was pursued, we were not successful in attaining it. Again and again we keep appealing to tourism as the one pillar of the economy. Various official reports confirm the importance of the pursuit of economic diversification, as can be seen in the snapshot below, taken from the annual report of the year 1990 of the Central Bank of Aruba.

Centrale Bank van Aruba

1.2.1. Government policy

Economic diversification remained an objective of Government policy, but its priority was scaled down, as diversification is increasingly constrained by lack of human resources. Still, the Government's



How resilient is our economy at the moment?

What often seems to be forgotten are foreign exchange reserves.

What are these reserves and what do they mean to me?

The foreign exchange reserves are not Government's money. The foreign exchange reserves are Aruba's collective reserve made out of gold and foreign exchange held by the Central Bank of Aruba and the local commercial banks. In other words,

the foreign exchange reserves are the nation's money.

What depletes foreign exchange reserves?

Virtually all (intermediary) goods we buy in Aruba are imported and paid for out of the foreign exchange reserves, which depletes the foreign exchange reserve.

Even by buying a bottle of wine, we deplete our collective foreign exchange reserve.



What adds to our reserves?

By far the main contributor of foreign exchange reserves to the island is tourism and the money they bring, which we consider as export.

Why is the foreign exchange reserve so important?

To the extent that the Government, households and private sector spend more than we earn collectively in foreign exchange, we could reach a certain point where this reserve may not be available anymore to everyone.....



The foreign exchange reserve is the **ultimate measure** of the resilience of the economy.

What does this mean to me?

It may well be that you have a big wallet. However, if the foreign exchange reserve is depleted.....that bottle of wine can be pursued but not obtained.

Key question: is the level of reserve adequate?

In principle, yes!

Never before have we experienced such a high level of foreign exchange reserves.

Table 2: Foreign Exchange Reserves in mln of Afl.

2005	598
2006	654
2007	717
2008	1,269
2009(Sep)	1,419

Source: Central Bank of Aruba

Does this mean that we are out of the woods?

No, we have enough foreign exchange buffer to allow us some room to maneuver, but without adequate planning, this buffer can be depleted quickly.

What do we have to watch for?

Basically, that we don't spend more than we earn, which applies to the Government: deficits (not financed from abroad) translate into a reduction of these reserves as well as households: increased spending unmatched by (tourism) income. The foreign exchange reserve is high due to the relatively stable tourism industry in Aruba which is the main contributor of foreign exchange reserves. Additionally, the Central Bank of Aruba strives to maintain a comfortable level of foreign exchange reserves to support confidence in the currency peg through its monetary policy instruments. Noteworthy to mention is however that the foreign exchange reserves increased notably in 2008 due to an incidental receipt of funds from the Dutch government related to the settlement of the Plant Hotel N.V..

Conclusion

We have walked the road to seeking economic diversification before and up to now to no avail, therefore large scale diversification does not seem to be a feasible option. The economic recovery should be sought in tourism. Fortunately, we have an adequate size of foreign exchange reserves at the moment, but we have to handle wisely with this buffer so that it lasts us for the remainder of this recession.

CONSUMER SHOPPING BEHAVIOR

Introduction

Consumer confidence is an indicator designed to measure the degree of optimism on the current state of the economy expressed by the consumer. The Economic & Financial Services department of the AIB Bank conducts a research, periodically, amongst consumers to determine certain trends and behavior. Ever since the first months of 2009, the research has been focused on the consumer confidence based on the reigning economic situation. The survey is conducted amongst one hundred respondents, who are randomly selected with the telephone used as survey instrument. The responding group differs in each period and therefore results are merely an indication of a possible trend for the general population.

In this current edition, the year 2009 is highlighted based on the Consumer Trend Survey conducted each quarter. In the last quarterly survey of 2009, additional questions were asked to the participants. The questions were related to their shopping behavior during the holidays in 2009 compared to the previous year in 2008 and their perception on the effects of the news of the elimination of the BBO on their shopping. The Consumer Confidence of the U.S. is also highlighted in view of the fact that it is the main market for Aruba's tourism industry and consequently also a great contributor to the island's economy.

Profile of survey participants

Respondents' regional distribution

According to the latest Census, Aruba has a total of 36,000 households of which 100 were surveyed over 6 regions. Oranjestad was the area with most respondents in the last quarter of 2009 with 30%, followed by Noord with 20%, 15% were from Santa Cruz, 12% from Paradera and 12% from Savaneta. The regional distribution of respondents results very similar to the distribution of the population based on the latest census. Therefore, the survey can be considered representative based on regional distribution of the population.

Age of Respondents

The groups of respondents were similarly structured based on age with '55 or older' being the largest group; 63% of the respondents of the last quarter survey were 55 years or older and 36% of the respondents were between 35 and 54 and merely 1% were younger than 35. This latter might be a short-coming of the survey, as the younger generations are difficult to reach by phone during regular business hours.

Household Income Distribution

The respondents were categorized based on total household income; 21% of respondents of the last quarter survey have a gross income of less than Afl. 1,500, 29% between Afl. 1,500 and Afl. 3,000,

18% have an income between Afl. 3,000 and Afl. 4,500, 12% have an income between Afl. 4,500 and Afl. 6,000, 7% have an income between Afl. 6,000 and Afl. 7,500 and 12% have income above Afl. 7,500 and only 1% of the respondents preferred not to answer this question. The income bracket between Afl. 1,500 and Afl. 3,000 remained the most prevailing during all four surveys conducted during the year.

Table 1: Total gross monthly income per household in Afl.

	Q409	Q309	Q209	Q109
< 1,500	21%	15%	15%	19%
1,500 - 3,000	29%	28%	33%	36%
3,000 - 4,500	18%	19%	16%	20%
4,500 - 6,000	12%	14%	14%	12%
6,000 - 7,500	7%	7%	5%	5%
> 7,500	12%	14%	9%	7%
n/a	1%	3%	8%	1%
Total	100%	100%	100%	100%

Survey analysis: Consumer Behavior

Changing direction in shopping pattern

In the last quarter survey of 2009, a change is clearly indicated in the buying behavior. The shopping behavior seemed to remain almost the same for the second and third quarter of 2009. However, according to the last survey conducted for the year 2009, 37% indicated no change in their shopping behavior, while this was 18% in the first quarter, 32% in the second quarter and in the third quarter this was 34%. Even so, the change could have been for better or it could have been for worse in terms of consumer spending. The number of respondents that indicated an increase of shopping increased from 1% in the third quarter to 6% in the last quarter of 2009. The number of respondents who indicated an increase in shopping for the last quarter of 2009 compared to the same period in 2008 increased also with 5 percentage points, from 1% in the last quarter of 2008 to 6% in the same period of 2009. This indicates a more promising holiday

season shopping environment in 2009 than the previous year. However, in the last quarter the percentage buying less than the previous quarter, which was 56%, decreased compared to the third quarter with 9 percentage points. It does indicate that there is a slight improving move toward more people buying a bit more than before, but the largest chunk of respondents is still buying less than before.

Table 2: Did your shopping behaviour change compared to previous quarter?

	Q409	Q309	Q209	Q109
Change because buying less as before	56%	65%	68%	79%
Change because buying more as before	6%	1%	0%	3%
Not change	37%	34%	32%	18%
No answer	1%	n.a.	n.a.	n.a.
Total	100%	100%	100%	100%

Ability to cover fixed expenses

The respondents were asked to indicate the ability of their income to cover their monthly fixed expenses. The ability to cover these according to the surveys conducted indicated hardly any change from quarter to quarter. For the last quarter of 2009, 46% indicated their ability to be equal compared to the previous quarter, 43% indicated their ability to be less but covering their fixed expenses and 7% indicated less but not covering their monthly fixed expenses, the remaining 4% indicated their ability to be better and covers their fixed expenses. From the first quarter to the third quarter, the largest group was the one that indicated their ability to be less every time, though covering their monthly fixed expenses. In the last quarter, the largest group indicated their ability to be equal covering their fixed expenses.

Cost of living

According to the perception of the majority of respondents, the cost of living has been increasing. As a result households are less willing to inject their spending in the economy. According to the surveys conducted in 2009, the average grocery bills have been increasing from quarter to quarter. The utility bills have also been increasing with the exception of the last quarter, where a decline has been reported, which is contrary to the actual figures for electricity and water as provided by CBS, which remained unchanged in the 4th quarter as compared to the 3rd quarter. Important to mention is that a great majority of the respondents remarked that the utilities expenses are causing major distress on their budget, considering that

the bills are not always stable and fluctuate immensely from time to time. As a result it becomes difficult to manage a household budget, since they are depending on their forthcoming utility bills.

Table 3: Average bill receipts in Afl.	Q4 2009	Q3 2009	Q2 2009	Q1 2009
Groceries	904	889	830	789
Utilities	550	695	436	447
Non-essential	148	261	118	167

Table 4: Prices of Utilities in Afl.	Q4 2009	Q3 2009	Q2 2009	Q1 2009
Electricity ¹	299.5	299.5	241.6	220.0
Water ²	156.4	156.4	128.1	117.5

¹ Based on average household usage of 725.5 kWh

² Based on average household usage of 120.24 m³

The average grocery bills increased gradually in 2009 to an average bill of Afl. 904 in the last quarter of 2009 according to the results of the surveys conducted, while the Consumer Price Index for the food category (year- to-date) according to CBS reported a decline during 2009.

Consumer spending during the holiday high season

The respondents were asked to compare their holiday spending (in terms of volume) with the previous year 2008. The results were as follows; 43% are of the opinion that their spending during the high season in the month of December remained the same, 39% indicated a decrease, and 16% indicated an increase and 2% provided no answer. The decrease in holiday shopping in 2009 compared to the holiday shopping in 2008 indicates that the gloomy times are still not over. What this will look like for the holidays in 2010 is still uncertain.

Headline news; 1.5% elimination of the BBO - the effects of the news on consumer spending

The respondents were asked to indicate whether the news of the partial elimination of the 'BBO' caused a positive effect in terms of

increased consumer spending based on their own consumption pattern. The results were as follows; 70% indicated the news to have no (positive or negative) effects, 29% indicated the news to have a positive effect and 1% provided no answer. Those indicating the news to have no positive effect are not necessarily of opinion that it had a negative effect, but rather no effect at all. However, there are respondents indicating that the news of the upcoming partial elimination prior to the end of the year caused an increase of grocery prices before year-end, which would cause the effect of the elimination to be zero at the beginning of the year. Important is to mention that they were asked based on their spending prior to the actual elimination based on their perception on the news. The actual result of the elimination of the BBO still needs to be measured and are hence indefinite.

"If money is your hope for independence you will never have it. The only real security that a man will have in this world is a reserve of knowledge, experience, and ability," by Henry Ford.

Consumer Confidence Aruba

Consumer Confidence Aruba

In 2009, the consumer confidence index increased above the 100 for the first time since inception of the series. This can be mainly attributed to the fact that consumers were becoming more aware and were adapting already to the situation, while in 2008 the economic crisis had just started. Based on the surveys it can be clearly concluded that the consumer confidence was negative for the whole year 2008 and started to regain strength in 2009. The Consumer Confidence Index for the last quarter of 2009 was 190.7, which is very positive if we compare this with the Consumer Confidence in other countries. This immense increase in confidence is mainly attributed to the expectation index especially on long term (upcoming 1 to 3 years conditions). Important is to mention that such drastic

change in figures is due to a comparison based on a base period, which is the first quarter of 2008 and not based on comparison from quarter to quarter between the years.

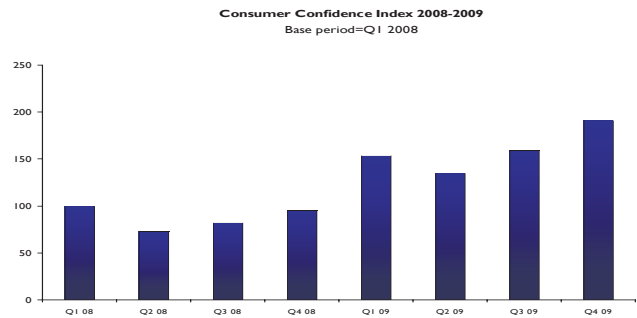


Table 5: Consumer Confidence Index

Base period Q1 2008	Q4 2009	Q3 2009	Q2 2009	Q1 2009
CCI	190.7	159.1	134.6	153.7
Present situation	140.4	85.9	71.2	152.8
Expectation	224.2	207.9	131.9	154.3

Even though The Consumer Confidence overall seems to have improved this is still greatly driven by the expectation index rather than the present conditions. The present conditions remain a critical part of the near future spending. In the last quarter 57% indicated a bad time to buy major household items, while this was 47% in the third quarter. According to 50% of the respondents the financial situation in the upcoming 6 months are expected to remain the same, while 42% expect the situation to be worse and 8% expect the situation to be better.

Conclusion - Putting the brakes on the economic downturn, when?

The Consumer Confidence Index (CCI) in the USA shows almost the same trend as the CCI in Aruba as measured based on the 100 surveys conducted quarterly in Aruba by the Economic and Financial Services department of AIB BANK. Both indicate improvement on the CCI, yet the present conditions are still rather pessimistic, but surely with an increase of confidence for future expectations. The different changes and effects in policies and tax reforms to stimulate the consumer spending that are taking place on the island are yet not quantifiable. However, the action to stimulate the economy might be a reason to support the increase of confidence in future long-term expectations, while the present conditions are still in tumultuous water.

Consumer Confidence United States

According to the Global Consumer Confidence first half report of 2009 of Nielsen, there is no further significant decline of the Consumer Confidence in the U.S. According to The Conference Board, the more optimistic outlook for business and labor market was the driving force behind the increase in the Expectation Index. However, the consumers remain pessimistic about the short-term prospects and this will likely continue to play a key role in spending decisions in early 2010 as expressed by The Conference Board. The Aruba situation results closely reflect the US finding at this point.

TOURISM PERFORMING RELATIVELY WELL

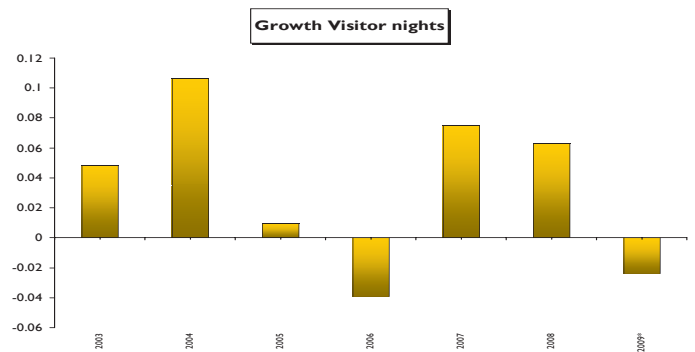
Stay-over tourism, according to data from the Aruba Tourism Authority (ATA), the first 3 months of 2009 continued with the declining trend experienced at the latter part of 2008. Declines were also reported in the months May and August of respectively 3.4% and 1.8%. Noteworthy to mention however is that the declines reported in 2009 are compared to heightened levels of tourism in 2008, while the levels of 2009 are higher than the levels reported in 2007. Since September tourism in Aruba is increasing again as compared to the same months of the previous year reporting an increase of respectively 0.3%, 7.3% and 2.6% for the months September, October and November while December reported a decline of 3.8% resulting in a year-to-date decrease of 1.7% (14,054 tourists) as compared to the same period of the previous year. The year-to-date decrease is mainly caused by the decline in Aruba's largest market (65.0%) namely the US by 7,808 tourists, followed by a decline in Curacao, Venezuela and Germany of respectively 7,461, 6,461 and 1,738 tourists which was mainly counterbalanced by increases in the UK and the Italian Market, which increased respectively by 2,604 and 2,507 tourists.



*Up to December 2009

Visitor nights according to ATA decreased up to July 2009 by 3.7%. Data for the following months are not available, however it is estimated based on the room nights sold and an average occupancy of 3.0 persons per room night, resulting in 6,100,847 visitor nights up to December 2009, which decreased with an estimated 2.4% as compared to the same period in 2008. The estimated average length of stay up to December is 7.6 nights, which is slightly lower than the same period of previous year. The total average occupancy rate in 2009 decreased with 1.7 percentage points to 74.8%. The total

Average Daily Rate (ADR) up to December 2009 is USD 175.00 which decreased from USD 185.37 reported in the same period of the previous year.



*Up to December 2009, from August through December 2009 is based on estimation by AIB

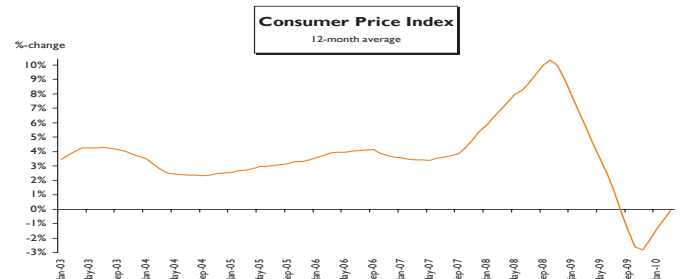
In most of the Caribbean destinations significant decreases were reported in stay-over tourism up to the third quarter of 2009 as compared to the same period of the previous year, while only a few destinations reported an increase in stay-over tourism (Cuba, Jamaica, Dominican Republic and Curacao). Aruba is performing relatively well with its decrease of 1.7% up to December 2009 compared to 2008.

Cruise tourism, after significant double digit increases were reported in August, September, October and November in 2009 of respectively 36.4%, 40.7%, 43.3% and 29.3% a decrease was reported in December of 6.0% as compared to the same month of the previous year, resulting in an overall increase of 9.1% for 2009 as compared to 2008. Cruise ship calls, increased with an estimated 8.0% in 2009 as compared to the corresponding period of the previous year.

Tourism receipts, according to the Central Bank of Aruba, decreased up to the third quarter of 2009 in nominal terms with 8.7% to Afl. 1,734.8 million from a high level, which was registered in the same period of the previous year of Afl. 1,901.0 million. Noteworthy to mention is that tourism receipts registered up to the third quarter of 2009 are higher than the level measured in 2007 for the same period.

CONSUMER PRICE DROPPED

The end of period **inflation** was 6.8% in December 2009 as compared to the same month of the previous year, while the 12-month average inflation up to December resulted in an actual deflation of 2.1% as compared to the corresponding period of the previous year. The 12-month average decline is mainly influenced by the decrease in the category Housing, Water & Electricity of which the water and electricity component decreased with respectively 17.3% and 18%. In March, the inflation rate reported an increase of 5.0% when compared to the same month of the previous year. A year-over-year increase was also reported for the months January and February of respectively 6.4% and 5.4%. The 12-month average inflation rate up to March 2010 decreased with 0.1% as compared to the corresponding period of the previous year which continues to be influenced by the category Housing, Water & Electricity and Transport.



*Up to March 2010

TRADE DECREASING

Merchandise import in value decreased for the fifth consecutive quarter on a year-over-year basis, while the fourth quarter of 2009 decreased by 12.7% as compared to the same quarter of the previous year, which is a decrease nominally of Afl. 65.4 million. Up to the fourth quarter merchandise import value decreased in nominal terms by Afl. 106.6 million, which is a decrease of 5.6% as compared to the corresponding period of the year before. The decrease in value was influenced mostly by the construction materials like Base Metals, Works of Stone and Wood, which declined up to the fourth quarter with respectively Afl. 31.5, Afl. 11.3 and Afl. 11.2 million as compared to the corresponding period of the year before, indicating a slowdown in the construction sector. Noteworthy to mention is,

however, that from the construction materials the works of stone did not decrease in volume. Despite the overall decrease in value the imported volume of goods increased with 12.1% up to the fourth quarter of 2009 as compared to the same period of the previous year, indicating a change in imported items to lower value high volume items in certain categories.

Import duties in 2009 declined with 15.9% in nominal terms, which is a decline of Afl. 26.0 million as compared to the previous year. The latest double digit decline prior to 2009 had been reported in 2001, where import duties decreased with 10.2%, which is equivalent to a decrease of Afl. 11.1 million in that year.

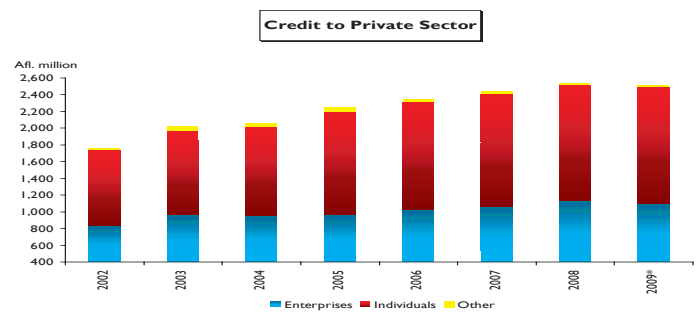
DECLINING TAXES

Government **tax** revenue (in nominal terms) decreased with 5.8% up to December 2009, as compared to the corresponding period of the previous year, which represents a decline of Afl. 56.5* million in related period. The decrease is mainly attributed to a decline in import duties and wage tax revenues, which decreased respectively by Afl. 26.0 (15.9%) and Afl. 17.5 million (7.1%) up to December 2009 as compared to the same period a year ago. Additionally, the foreign exchange taxes and the hotel room taxes decreased with respectively Afl. 9.7 (-19.2%) and 3.3 million (-8.9%). The Turnover Tax (BBO) decreased up to December 2009 as compared to the same period of the year before with Afl. 12.0 million or 7.1% after adjustment for an incidental payment by Valero to the Government of Afl. 15 million. Tax revenues which increased in the period up to December 2009 include Land Property taxes, Profit tax and Property Transfer taxes which increased with respectively Afl. 7.1, Afl. 5.3 and Afl. 4.5 million as compared to the corresponding period of the previous year.

* After adjustment for an incidental payment of Valero of Afl. 15 million

PRIVATE SECTOR CREDIT DECLINED

Credit to the private sector declined up to December 2009 with 0.7% as compared to end of period 2008, which translates in an aggregated decrease of Afl. 17.7 million to Afl. 2,524.2. Credit to enterprises decreased with Afl. 30.4 million or 2.7% while individual credit increased with Afl. 14.4 million or 1.0%, mainly due to an increase of Afl. 21.8 million (or 2.7%) in mortgages, offset with a decrease in consumer credit of Afl. 7.4 million or 1.3%.

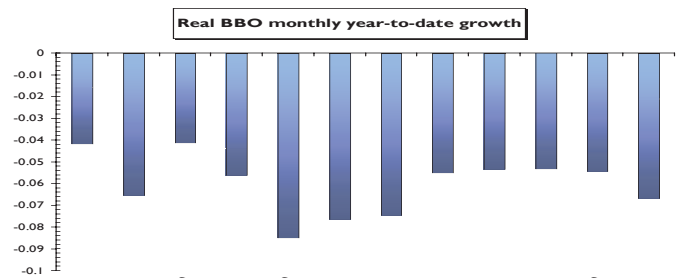


ECONOMIC PERFORMANCE

The real turnover tax (BBO), adjusted for inflation (January 2007=100), declined with 17.3% in December 2009 as compared to the same month of the previous year. Up to December the decline in the real turnover tax is 6.7% as compared to the corresponding period of the previous year, which indicate that a slowdown in the economic activities remained up to that period.

According to preliminary estimates by the Central Bank of Aruba (CBA), the nominal growth in the Gross Domestic Product (GDP) for 2009 is -6.0%, which would result in a nominal GDP of Afl. 4,583 million and a real decline of 7.6%. This decline is particularly due to an estimated decline in private investment, while public investment is estimated to have increased in 2009. Additionally, the consumption as well as the import and export components of the GDP are estimated to have declined in 2009. The estimated decline in GDP for 2009 is far below previous estimates and would make 2009 the worst performing year since the status aparte. Preliminary forecasts

made by the CBA for 2010 show a recuperation in economic performance where the nominal growth is forecasted to be flat, while the real growth in GDP is still expected to decline with 2.5%. It is noteworthy to mention though that there still is no consensus amongst the experts regarding the actual contraction in 2009.



"Everything we earn we need as a reserve," by Ingvar Kamrad.



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Eco Corner:

Lindt Cocoa Bean Shells Help Produce Sweet, Renewable Energy.

Lindt USA, the world's leading producer of premium chocolate, and Public Service of New Hampshire (PSNH), New Hampshire's largest electric utility, have announced a partnership helping to produce renewable power in New Hampshire. The chocolate company will provide PSNH with cocoa bean shells which will be burned to produce electricity.

"This is one of many steps we've taken to continuously improve our environmental programs," said Bill Smagula, PSNH Director - Generation. "It will allow us, with the help of Lindt, to replace a portion of coal with a portion of biomass, and that's another step in the right direction." According to Smagula, every ton of cocoa bean shells used to generate electricity for PSNH customers will displace the need to burn one half-ton of coal.

Something to consider to built up your reserves?.....

According to About.com following are 5 ways to make savings and investing easier:

1. Keep Perspective: Your investments and savings are ultimately a means to an end. The value of your portfolio rests in the enjoyment and security it provides. This is often the reason normally rational individuals behave irrationally when it comes to their stock holdings; they secret

ly view each up and down tick as feast or famine. **2. Get off the Consumption Treadmill:** You will never experience financial freedom until you have stepped off the consumption treadmill. Once you slip into the habit of borrowing tomorrow's income to pay for today's expenditures, you will begin to loathe money and possibly even your job or occupation. Instead of viewing it as an outlet for your talents, gifts and ambitions, it becomes a series of endless tasks you must complete if you hope to break even at the end of each month. **3. Setup Auto-Withdrawals from Your Checking or Savings Account:** Many financial institutions allow you to set up regular deposits by electronically transferring money from your checking or savings account each week, month or quarter. This is a very effective way to begin saving because you don't actually see or miss the cash. On the same note, if your employer offers an automatic withdrawal option for your retirement account, you may want to consider joining. **4. Educate Your Mind:** There are hundreds of excellent finance, investing, economics, accounting, business and management books in the world. A few hours of well-directed reading each week can have a fattening effect on your wallet as well as give you something to talk about at your next cocktail party. **5. Reward Yourself:** Set financial goals and reward yourself when you reach those goals. Positive economic incentives can do marvels for productivity, and you may not find it nearly as difficult forgoing current consumption if you know a new pair of Gucci is in your future. Besides, when you associate a luxury good with an accomplishment, it has much more meaning and value.

Summary Economic Indicators

As of and for the year ended December 31,

2003 2004 2005 2006 2007 2008 2009
(in millions of Afl. except percentages and where otherwise noted)

DOMESTIC SECTOR

Population	96,207	99,109	102,178	103,488	104,523	106,050	106,698
Nominal GDP**	3,618	3,983	4,159	4,334	4,588	4,876	4,583
Nominal GDP per Capita** (in Afl. per person)	37,606	40,188	40,703	41,879	43,895	45,978	42,957
Percentage Change in Real GDP**	0.5	7.4	1.0	0.5	2.2	2.4	-7.6
Inflation (percentage change in Consumer Price Index) ⁽³⁾	3.7	2.5	3.4	3.6	5.4	9.0	-2.1
Unemployment Rate ⁽¹⁾ (percentage)	7.8	7.3	6.9	n.a.	5.7***	n.a.	10.3

TOURISM

Tourism receipts ⁽²⁾	1,520.5	1,882.9	1,952.8	1,924.3	2,242.0	2,523.5	1,734.8
Total Visitor Arrivals (in thousands) ⁽⁹⁾	1,184.2	1,304.5	1,285.3	1,285.8	1,253.8	1,381.2	1,419.4
Stay-over Visitors (in thousands) ⁽¹⁰⁾	641.9	728.2	732.5	694.4	772.1	825.1	812.6
Visitor nights (in thousands) ⁽¹⁰⁾	5,097.6	5,639.9	5,692.7	5,470.5	5,879.9	6,249.5	6,100.8
Cruise Visitors (in thousands) ⁽¹¹⁾	542.3	576.3	552.8	591.5	481.8	556.1	606.8

EXTERNAL SECTOR

Total exports (F.O.B.) (excluding oil sector exports) ^{(4) (13)}	146.96	142.25	182.20	195.05	175.23	178.77	246.46
Total imports (C.I.F.) (excluding oil sector imports) ^{(5) (13)}	1,515.18	1,563.59	1,840.88	1,863.99	1,993.84	2,030.66	1,957.40

PUBLIC FINANCE

Total Revenue ⁽¹⁴⁾	988.6	836.1	909.1	985.2	1,034.0	1,365.1	1,102.6
Total Expenditure ⁽¹³⁾	919.3	1,180.4	1,034.0	1,097.6	1,084.2	1,290.5	887.1
Overall Surplus/(Deficit) ^{(6) (13)}	172.6	-237.4	-174.7	-43.3	-111.7	182.3	97.5
Overall Surplus/(Deficit) as a Percentage of GDP ⁽⁷⁾	4.8%	-6.0%	-4.2%	-1.0%	-2.4%	3.7%	-2.1%

PUBLIC DEBT AND INTERNATIONAL RESERVE

Total Public Sector Debt ^{(8) (13)}	1,494.6	1,717.1	1,904.9	2,012.2	2,136.3	2,047.2	2,135.1
Total Public sector Debt ^{(8) (13)} as a Percentage of GDP	41.1%	43.1%	45.8%	46.4%	46.6%	42.0%	46.4%
Net International Reserves in months of imports (12m avg.) ⁽¹⁵⁾	6.6	6.2	5.5	5.2	5.9	7.2	10.5

PARTIAL ECONOMIC ACTIVITY INDEX (PEAI) ⁽¹²⁾

Utilities	108.1	108.9	113.1	113.1	116.0	111.6	-0.9
Construction	106.3	99.2	145.2	141.2	127.1	107.3	-20.8
Trade	81.2	84.2	80.4	77.4	84.4	74.8	-20.5
Hotels & Restaurants	97.1	106.8	108.5	105.8	111.7	115.1	-5.6
Transport	92.4	101.0	98.4	97.8	97.2	102.2	1.8
Housing	109.0	111.8	115.5	119.3	122.5	125.8	2.7
Public administration & Education	99.3	101.2	104.6	101.6	89.8	80.1	6.8

Source: Central Bureau of Statistics Aruba, Central Bank of Aruba, Aruba Tourism Authority, Cruise Tourism Authority.

** GDP figures for 2009 are preliminary estimates from CBA

(1) Includes all persons without jobs, whether actively seeking employment or not. For 2009 preliminary estimate by CBA.

(2) Gross receipts from stay-over and cruise tourism as well as other tourism-related income as recorded on a cash basis in the balance of payments up to the third quarter of 2009.

(3) Up to December 2009 12 month average inflation.

(4) Recorded on a "Free on Board", or "F.O.B.", basis as sold at the time the exported goods are shipped. Up to December 2009.

(5) Recorded on a "Cost, Insurance and Freight", or "C.I.F.", basis. Up to December 2009.

(6) including the change in unmet financing requirements.

(7) Measured against nominal GDP preliminary estimates of 2009.

(8) Debt totals are maintained by the Ministry of Finance and Economic Affairs and the information on outstanding debt is provided to the Central Bank. The Central Bank, in certain circumstances, analyzes and reports data differently than the Ministry of Finance and Economic Affairs, resulting in certain immaterial differences in debt totals and/or categorizations.

(9) Results of the sum of cruise tourism and stay-over tourism up to December 2009.

(10) Up to December 2009, August through December 2009 are estimate by AIB EFS.

(11) Up to December 2009.

(12) Percentage change of the second quarter of 2009 as compared to the same period of the previous year.

(13) Up to third quarter 2009.

(14) Up to December 2009.

(15) Third quarter 2009.