



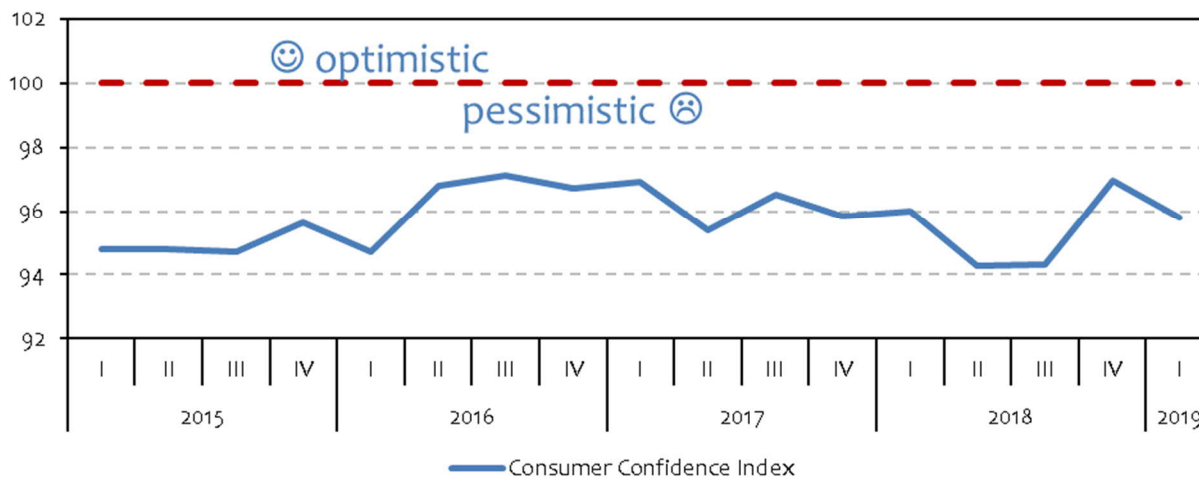
Consumer confidence deteriorates

Press Release

May 13, 2019

In the first quarter of 2019, consumer sentiment deteriorated according to the latest results of the Consumer Confidence Survey (CCS) of the Centrale Bank van Aruba (CBA). The Consumer Confidence Index stood at 95.8, against 97.0 in the preceding quarter, indicative of relatively pessimistic sentiments (Chart 1).

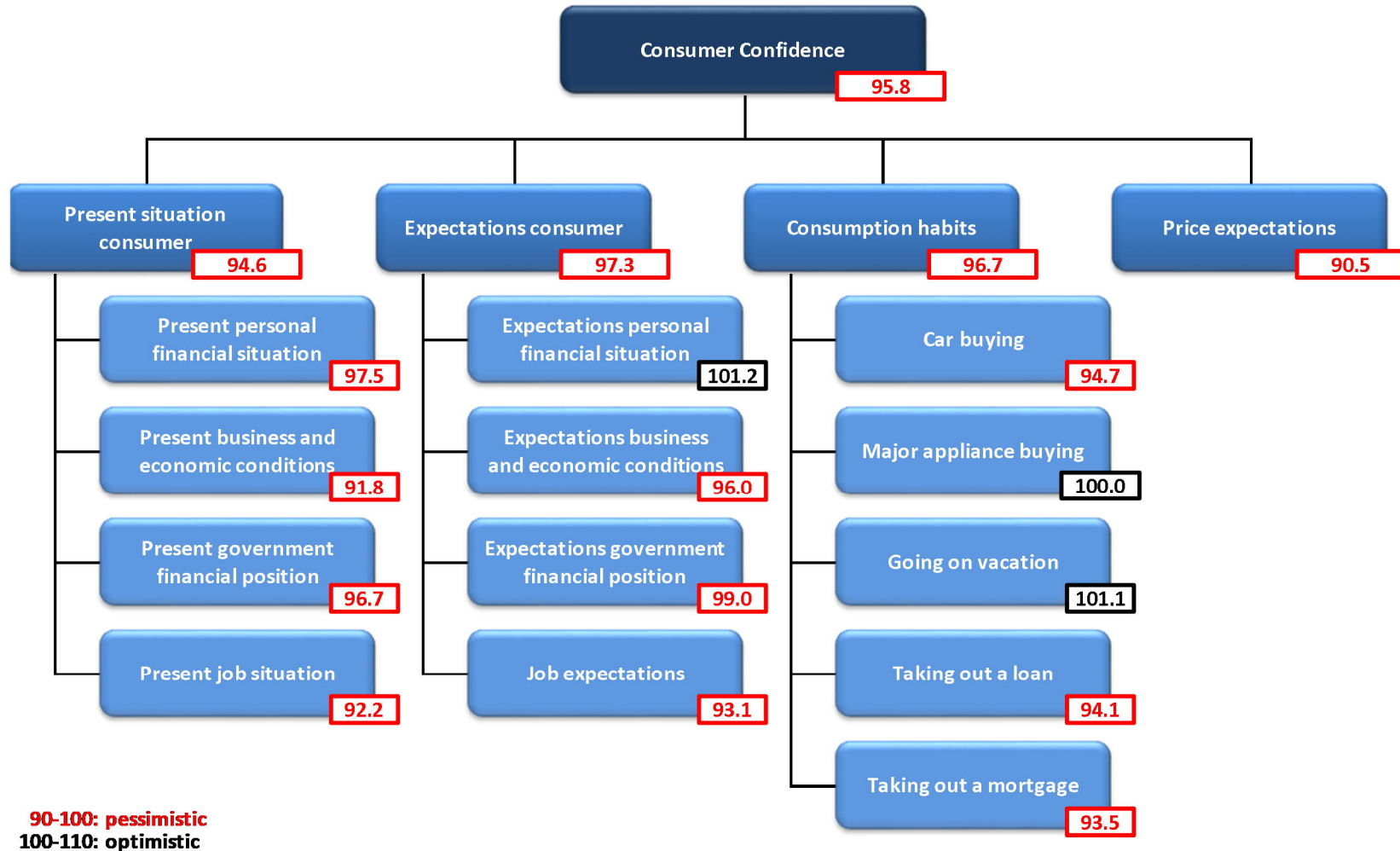
Chart 1: Consumer Confidence Index



The Present Situation Index worsened during the first quarter of 2019, down by 1.4 index point to 94.6. The index for present personal financial situation turned pessimistic in the period under review, i.e., from 102.5 to 97.5 (Chart 2). All other components

of the Present Situation Index became more negative, except for the present government position which increased by 3.3 index points to 96.7 (Chart 2).

Chart 2: Components of the Consumer Confidence Index



The Expectations Index deteriorated during the quarter under review, down by 0.5 index point to 97.3. Consumers had less positive expectations on their personal financial situation, as this index decreased, i.e., from 104.4 to 101.2 (31.3% of respondents indicated that their personal financial situation will be better in the coming 6 months). Respondents remained pessimistic about the other components of the Expectations Index (Chart 2).

The Consumption Habits Index declined the most during the first quarter of 2019, down by 1.8 index points to 96.7. All components of the Consumption Habits Index decreased. However, consumers were neutral on buying major appliances and positive about going on vacation. The vast majority of respondents (86.7%) expects that prices will increase in the coming six months, leading to a Price Expectations Index of 90.5.

In summary, the worsening in consumer confidence is attributed to decreases in virtually all components (Table 1).

Table 1: Main results

	2015				2016				2017				2018				2019
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I
Consumer confidence	94.8	94.8	94.7	95.6	94.7	96.8	97.1	96.7	96.9	95.4	96.5	95.8	96.0	94.3	94.3	97.0	95.8
Present situation consumer	93.9	93.4	93.3	94.9	93.4	95.3	95.5	97.4	95.3	96.3	95.3	95.1	94.3	95.0	92.6	95.9	94.6
Expectations consumer	95.4	95.0	96.8	98.5	95.4	100.2	101.8	100.9	99.2	96.5	99.1	98.6	97.5	94.0	94.4	97.8	97.3
Consumption habits	95.9	96.6	95.1	95.0	96.0	96.4	95.9	94.1	97.4	94.8	96.4	95.2	97.3	94.8	96.3	98.5	96.7
Price expectations	90.2	90.7	90.3	90.6	91.0	91.0	91.0	90.3	91.5	90.4	91.0	90.9	90.4	90.1	90.4	90.4	90.5