



CENTRALE BANK VAN ARUBA

BUSINESS SENTIMENTS MORE OPTIMISTIC IN THE FOURTH QUARTER OF 2023

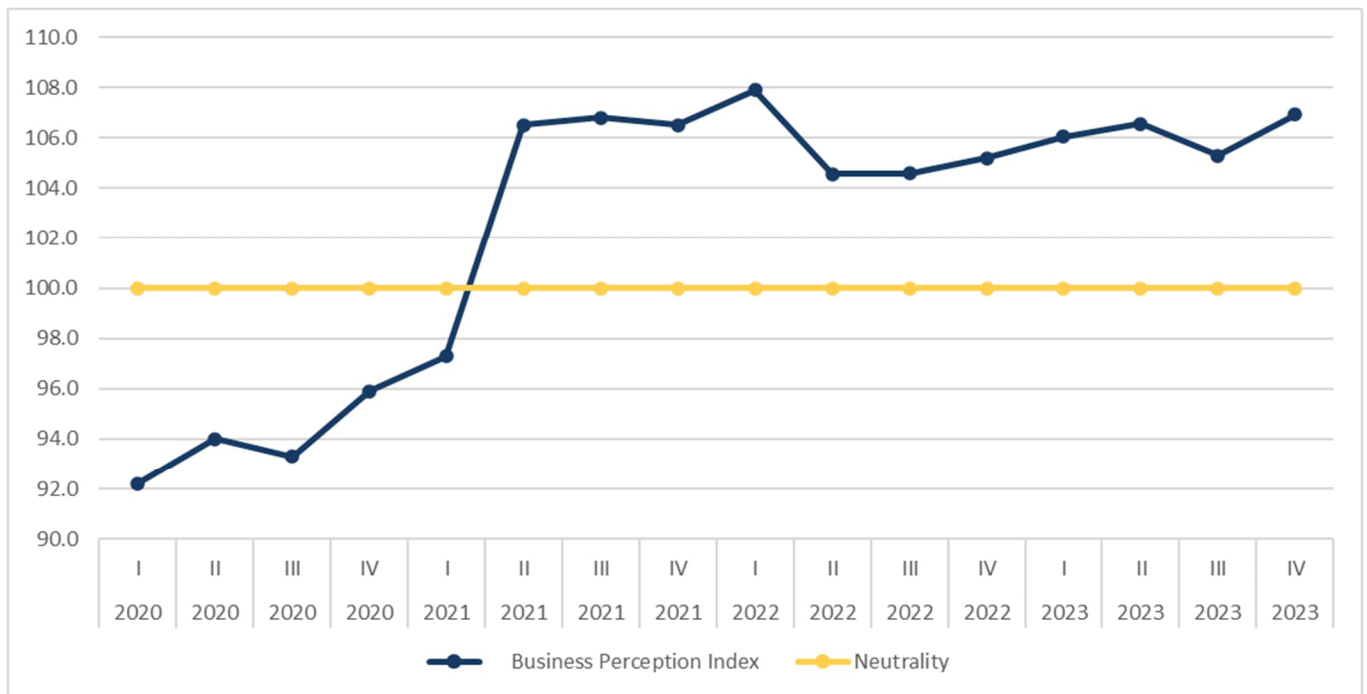
Press release

Results for the fourth quarter of 2023

The Centrale Bank van Aruba (CBA) concluded its Business Perception Survey (BPS) for the fourth quarter of 2023. The BPS assesses the economic sentiments of local businesses.

In the fourth quarter of 2023, the Business Perception Index (BPI), comprising the current and expected short-term economic conditions, rose from 105.3 in previous quarter to 106.9 (See Chart 1)¹. This outcome resulted from increases in both the expected short-term economic conditions and the current economic conditions indices.

Chart 1: Business Perception Index

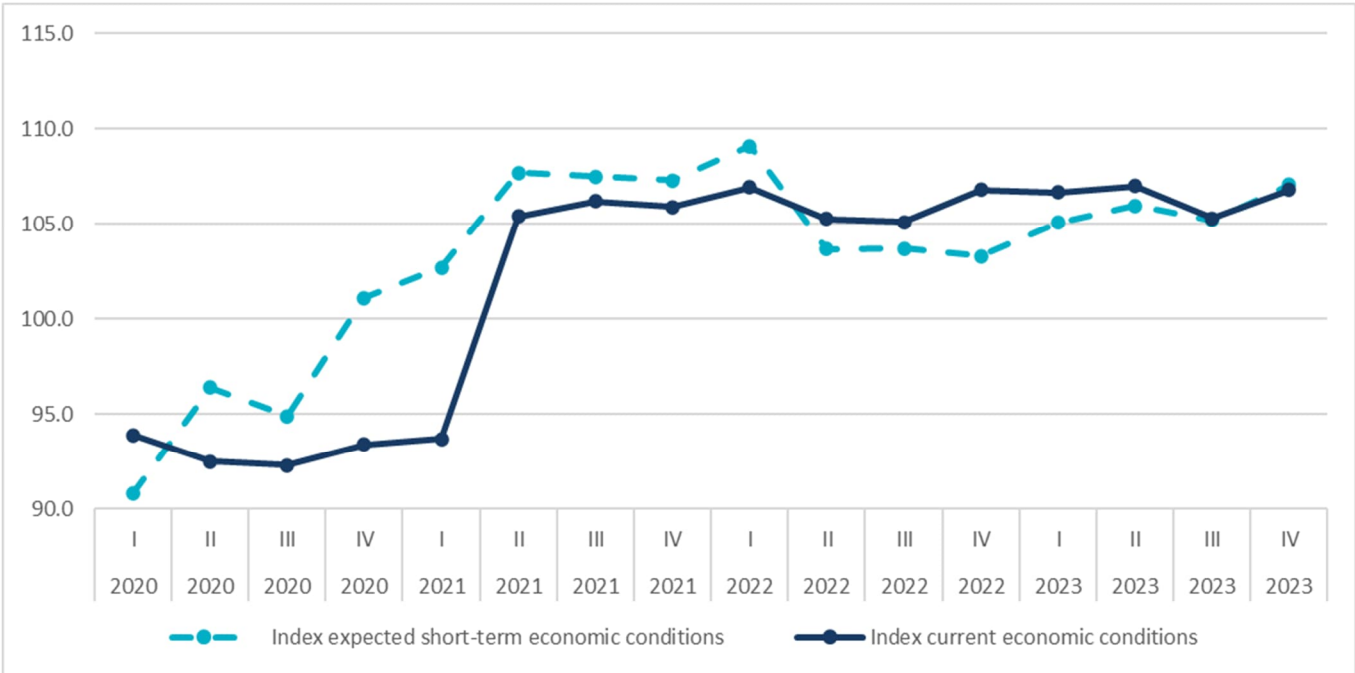


Source: Centrale Bank van Aruba

¹ The index can vary between 90 and 110. Between 90 and 100 indicates a situation of pessimism. An index of exactly 100 indicates that businesses are neither pessimistic nor optimistic but are neutral with regard to their thoughts about economic developments in Aruba. Between 100 and 110 indicates a situation of optimism in business sentiments.

The *expected short-term economic conditions* index augmented by 1.9 index points to 107.1, up from 105.2 in the third quarter of 2023. The *current economic conditions* index increased to 106.8 in the fourth quarter of 2023 (See Chart 2).

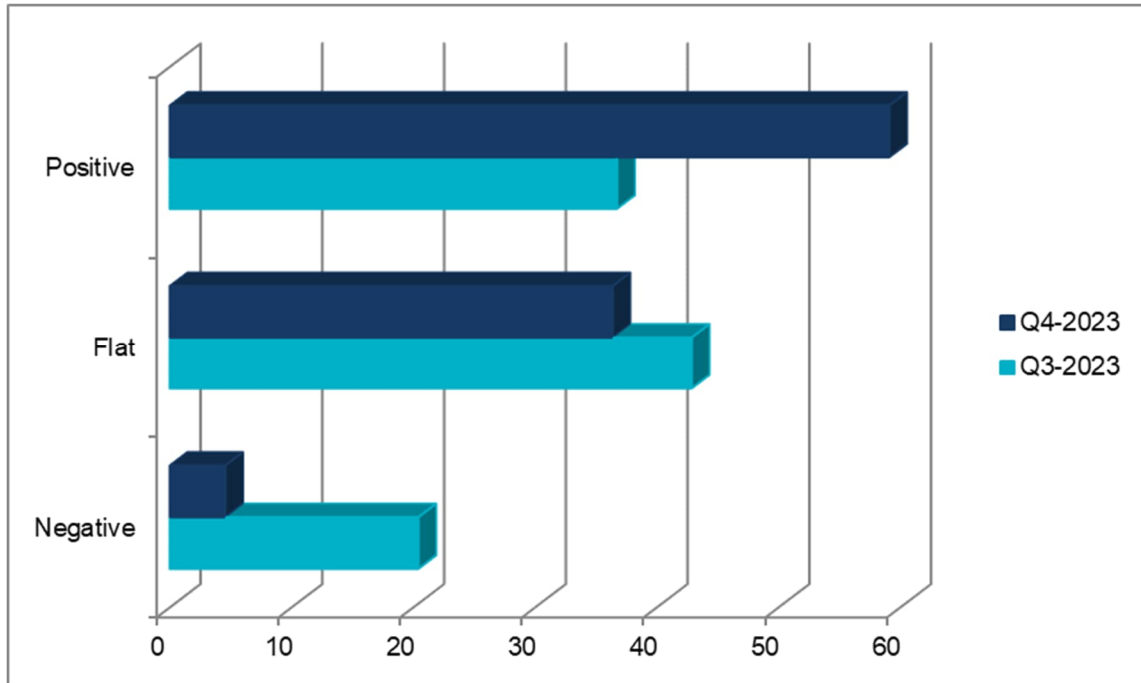
Chart 2: Current economic and expected short-term economic conditions Index



Source: Centrale Bank van Aruba

In terms of economic growth expectations, about 59.1 percent of business respondents expected a positive economic growth in the next 12 months. This is an increase of 22.4 percentage points compared to the previous quarter. The percentage of business respondents anticipating negative economic growth in the next 12 months decreased by 15.9 percentage points to 4.6 percent, while the percentage of business respondents anticipating a flat economic growth declined by 6.5 percentage points (See Chart 3).

Chart 3: Economic growth expectations over the next 12 months



Source: Centrale Bank van Aruba

The complete report of the Business Perception Survey is available on the website of the CBA www.cbaruba.org

Centrale Bank van Aruba

March 15, 2024

About the Centrale Bank van Aruba

The main purpose of the Centrale Bank van Aruba (CBA) is to contribute to the financial stability and economic well-being of the Aruban community. The CBA accomplishes this mission by implementing an effective monetary policy aimed towards maintaining the value of the florin, by promoting the soundness and integrity of the financial system, and by enhancing an efficient and reliable payments system.

Besides these core tasks, the CBA is also the sole issuer of florin banknotes and florin coins, and acts as banker to the Government of Aruba. In addition, it regulates the flow of international payments, manages the available foreign exchange reserves of Aruba, and supervises the spending thereof.

For more information on the Centrale Bank van Aruba, please visit the website www.cbaruba.org
