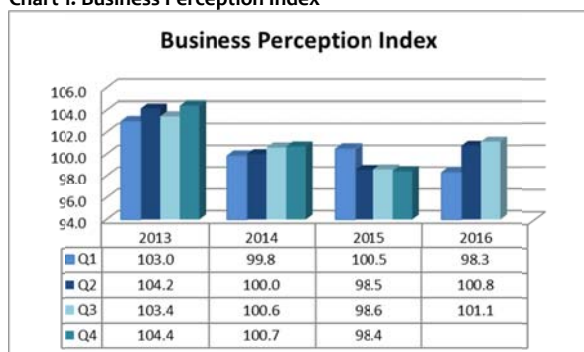




Business Perception Survey

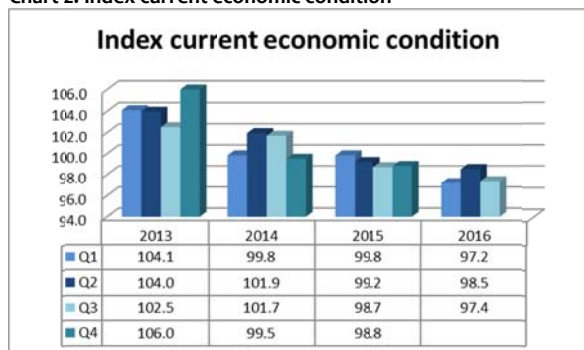
Results for the first three Quarters of 2016 | February 23, 2017.

Chart 1: Business Perception Index



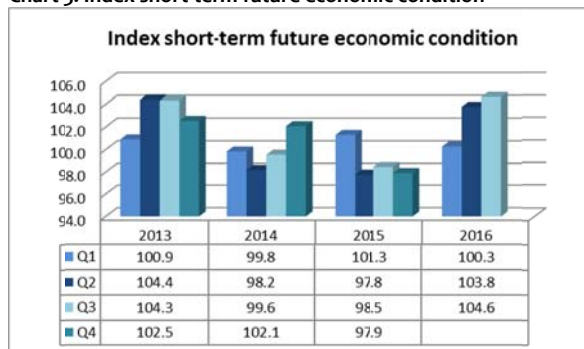
Source: Centrale Bank van Aruba

Chart 2: Index current economic condition



Source: Centrale Bank van Aruba

Chart 3: Index short-term future economic condition



Source: Centrale Bank van Aruba

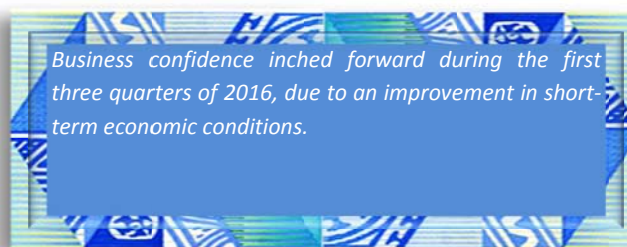
Business Activity

During the first three quarters of 2016, the overall Business Perception Index (BPI), comprising the current and short-term economic conditions increased by 2.8 percentage points, from a pessimistic 98.3 percent in the first quarter of 2016 to a relatively optimistic 101.1 percent in the third quarter of 2016 (Chart 1 & Annex 1).

The current economic condition index edged up by 0.2 percentage point from 97.2 percent in the first quarter of the year under review, to 97.4 percent in the third quarter (Chart 2 & Annex 1).

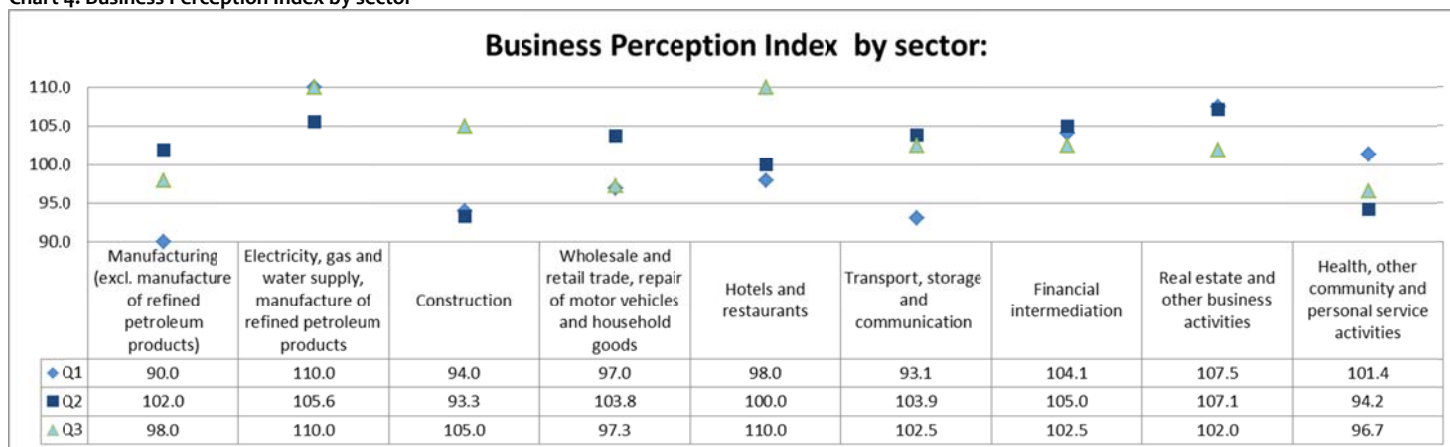
The short-term future economic condition index rose by 4.3 percentage points, from 100.3 percent in the first quarter of 2016 to 104.6 percent in the third quarter of the same year (Chart 3 & Annex 1).

The contribution¹ of the different sectors to the indices in each quarter, can be observed in Charts 4, 5, and 6 (Annex 2).



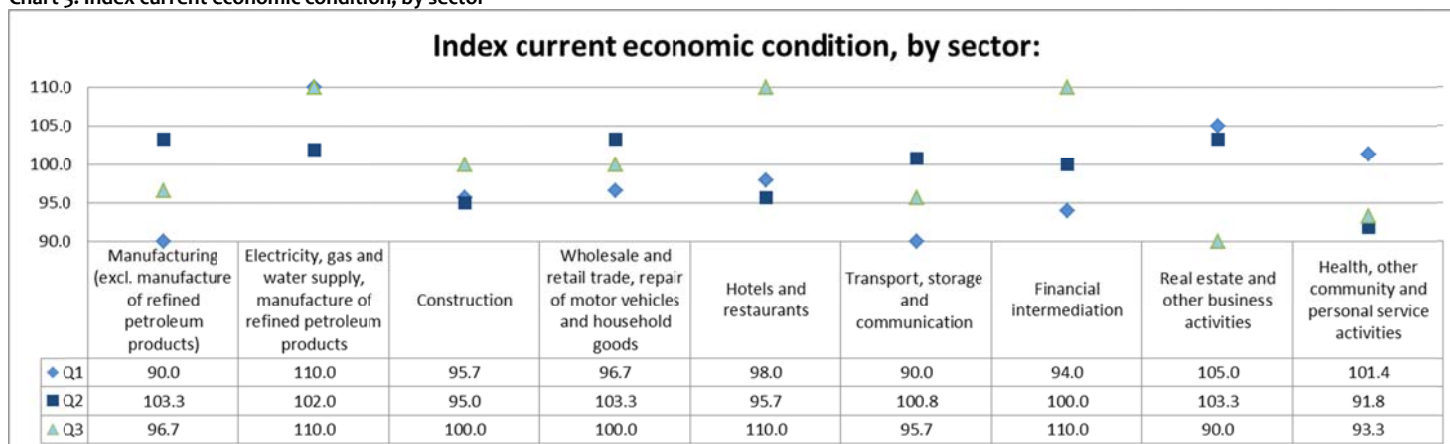
¹ Index value = between 100 and 110: Optimistic perception
Index value = 100: Neutral
Index value = between 90 and 100: Pessimistic perception

Chart 4: Business Perception Index by sector



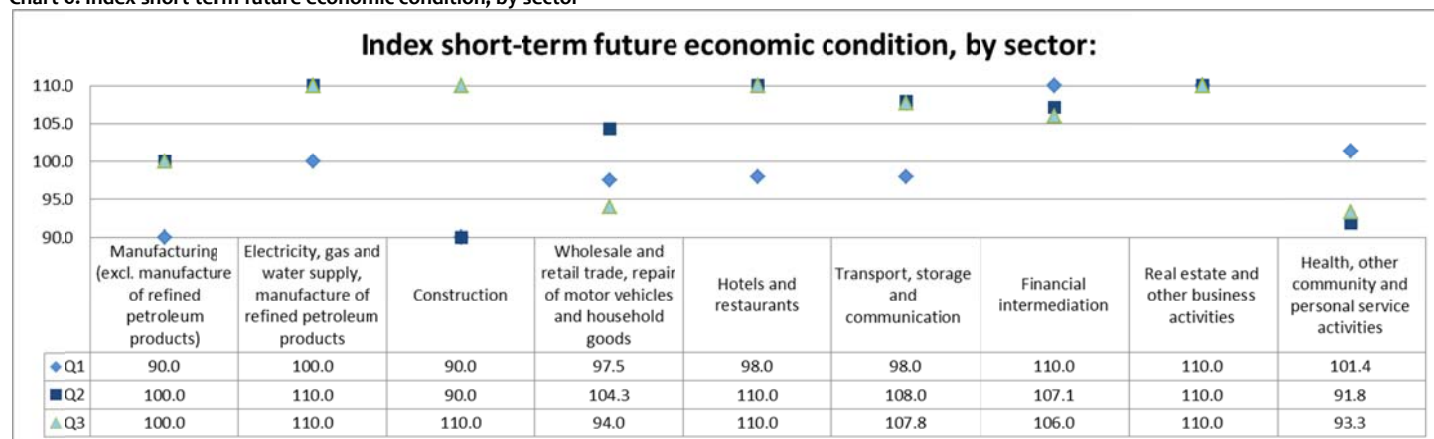
Source: Centrale Bank van Aruba

Chart 5: Index current economic condition, by sector



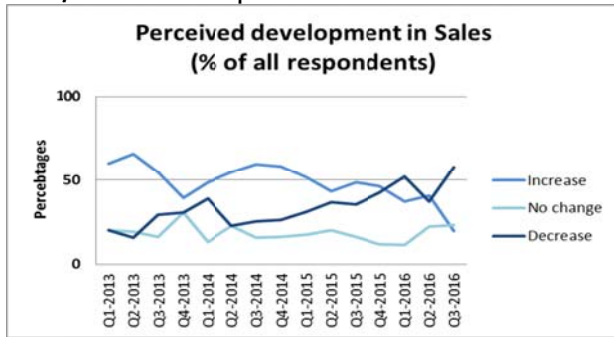
Source: Centrale Bank van Aruba

Chart 6: Index short-term future economic condition, by sector



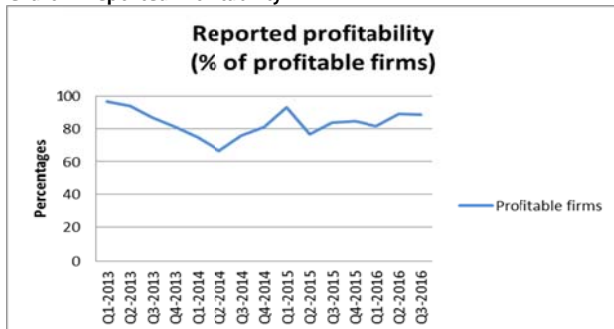
Source: Centrale Bank van Aruba

Chart 7: Perceived development in Sales



Source: Centrale Bank van Aruba

Chart 8: Reported Profitability



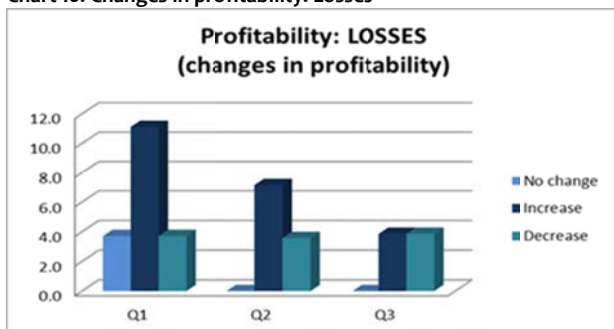
Source: Centrale Bank van Aruba

Chart 9: Changes in profitability: Profits



Source: Centrale Bank van Aruba

Chart 10: Changes in profitability: Losses



Source: Centrale Bank van Aruba

Sales and Profitability

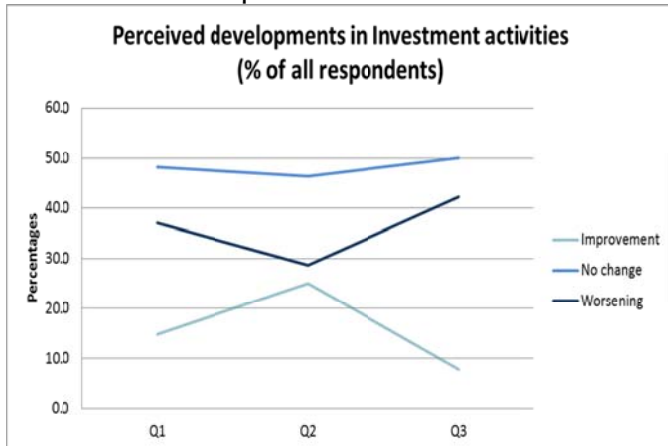
During the first three quarters of 2016, there was a rise in the number of firms reporting 'no change' and 'increase' in sales, while the percentage of surveyed businesses reporting a 'decrease' declined. The percentage of surveyed firms indicating an 'increase' in sales grew by 5.9 percentage points, from 51.8 percent in the first quarter to 57.7 percent in the third quarter. The number of businesses reporting 'no change' in sales rose by 12.0 percentage points, from 11.1 percent in the first quarter to 23.1 percent in the third quarter. The amount of reporters indicating a 'decrease' in sales declined by 17.8 percentage points, from 37.0 percent in the first quarter of 2016, to 19.2 percent in the third quarter (Chart 7 & Annex 6).

Profitability expanded during the first three quarters of the year 2016, as the percentage of surveyed firms reporting to be profitable, grew by 7.0 percentage points, from 81.4 percent in the first quarter, to 88.4 percent in the third quarter (Chart 8 & Annex 6).

The number of profitable firms noting unchanged or increasing profits decelerated in the first three quarters of 2016, while the percentage registering a reduction in profits grew. The category 'increased' contracted by 6.1 percentage points, from 40.7 percent in the first quarter to 34.6 percent in the third quarter. The profitable businesses registering 'no change' in profits declined by 3.0 percentage points, from 22.2 percent in the first quarter to 19.2 percent in the third quarter. Profitable respondents indicating a 'decrease' in profits rose by 16.1 percentage points, from 18.5 percent in the first quarter to 34.6 percent in the third quarter of 2016 (Chart 9 & Annex 6).

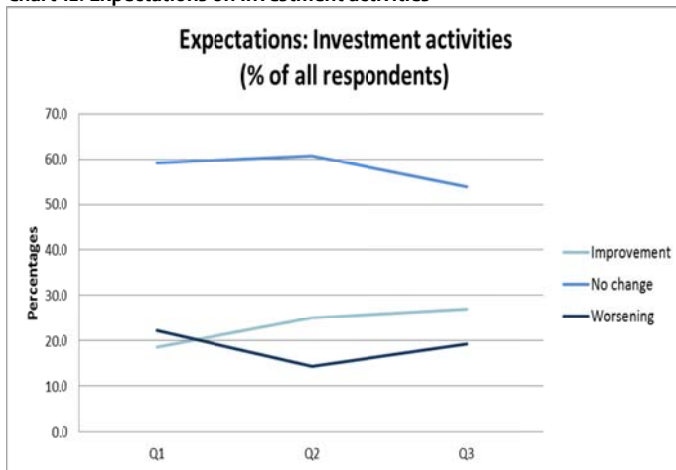
Of the surveyed firms indicating not to be profitable, 11.1 percent registered an 'increase' in losses in the first quarter. This percentage dropped by 7.3 percentage points to 3.8 percent in the third quarter of 2016. In the first quarter of 2016, 3.7 percent of the unprofitable group noted 'no change' in losses. No respondent from this group indicated this answer for the third quarter of the year. The percentage of unprofitable businesses reporting a 'decrease' in losses remained fairly stable throughout the three quarters, at around 4 percent (Chart 10 & Annex 6).

Chart 11: Perceived developments in Investment activities



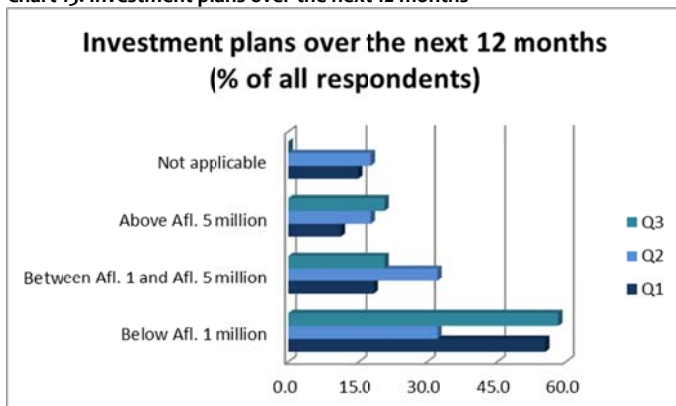
Source: Centrale Bank van Aruba

Chart 12: Expectations on Investment activities



Source: Centrale Bank van Aruba

Chart 13: Investment plans over the next 12 months



Source: Centrale Bank van Aruba

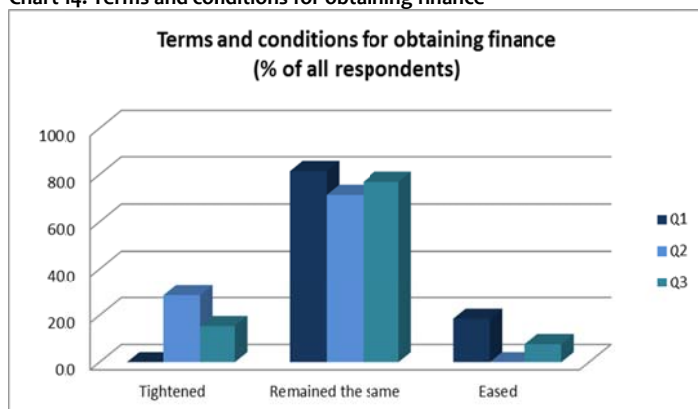
Investment and Financing Activity

In the first three quarters of 2016, there was a downturn of 7.1 percentage points in respondents reporting 'improvement' in current investment conditions, from 14.8 percent in the first quarter to 7.7 percent in the third quarter. The percentage of businesses indicating 'no change' in current investments grew by 1.9 percentage points, from 48.1 percent in the first quarter of the year to 50.0 percent in the third quarter. The number of respondents revealing 'worsening' current investment conditions noted an upturn of 5.3 percentage points, from 37.0 percent in the first quarter of 2016 to 42.3 percent in the third quarter (Chart 11 & Annex 6).

The number of firms expecting improved investment activities in the short term, expanded by 8.4 percentage points, from 18.5 percent in the first quarter to 26.9 percent in the third quarter. The number of surveyed businesses expecting investment conditions to remain unchanged contracted by 5.5 percentage points, from 59.3 percent in the first quarter to 53.8 percent in the third quarter. In the first quarter of 2016, 22.2 percent of respondents expected a 'worsening' in investment conditions. This percentage declined by 3.0 percentage points to 19.2 percent in the third quarter of 2016 (Chart 12 & Annex 6).

The percentage of respondents with investment plans over the next 12 months, increased by 14.8 percentage points, from 85.2 percent in the first quarter of 2016, to 100.0 percent in the third quarter, as all respondents indicated to have investment plans over the next 12 months. The number of surveyed firms indicating investment intentions of below Afl. 1 million moved by 2.7 percentage points, from 55.6 percent to 58.3 percent between the first and the third quarter of 2016. In the first quarter of 2016, 18.5 percent of businesses revealed investment plans between Afl. 1 and Afl. 5 million. This percentage rose by 2.3 percentage points to 20.8 percent in the third quarter. The percentage of respondents reporting investment intentions of above Afl. 5 million, expanded by 9.7 percentage points, from 11.1 percent in the first quarter to 20.8 percent in the third quarter of the year (Chart 13 & Annex 5).

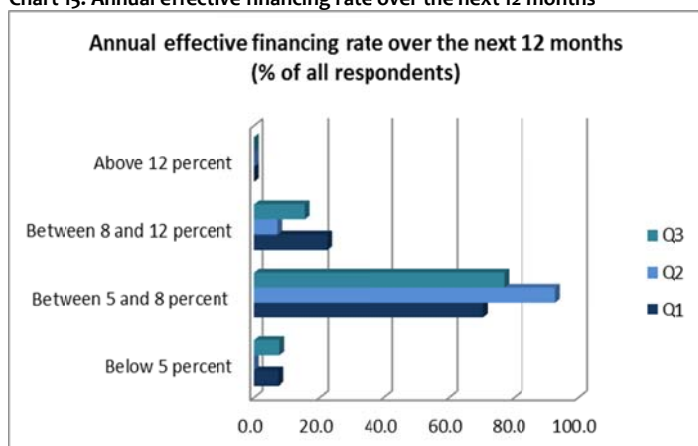
Chart 14: Terms and conditions for obtaining finance



Source: Centrale Bank van Aruba

During the first three quarters of 2016, the majority of respondents indicated that the terms and conditions for obtaining financing have ‘remained the same’. This percentage decreased by 4.6 percentage points, from 81.5 percent in the first quarter, to 76.9 percent in the third quarter. While no respondent noted ‘tightened’ financing terms and conditions in the first quarter of the year, this percentage increased to 15.4 percent in the third quarter of 2016. The percentage of respondents indicating ‘eased’ terms and conditions for obtaining finance dropped 10.8 percentage points, from 18.5 percent in the first quarter to 7.7 percent in the third quarter (Chart 14 & Annex 3).

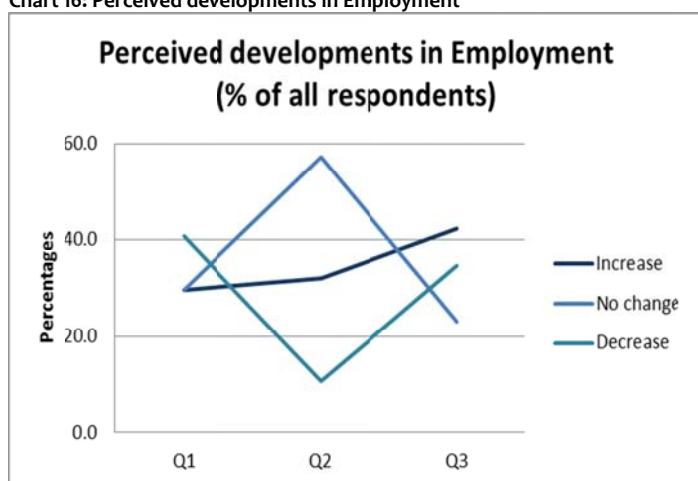
Chart 15: Annual effective financing rate over the next 12 months



Source: Centrale Bank van Aruba

During the first three quarters of 2016, the majority of respondents revealed that they expected the annual effective financing rate over the next 12 months to be between 5 and 8 percent. The percentage of respondents in this group rose by 6.5 percentage points, from 70.4 percent in the first quarter to 76.9 percent in the third quarter. The number of respondents expecting the annual effective financing rate to be below 5 percent, edged up 0.3 percentage point, from 7.4 percent in the first quarter to 7.7 percent in the third quarter of the year. The percentage expecting the annual effective financing rate between 8 percent and 12 percent, was 22.2 percent in the first quarter of 2016. During the third quarter of the year, this percentage contracted by 6.8 percentage points to 15.4 percent (Chart 15 & Annex 5).

Chart 16: Perceived developments in Employment

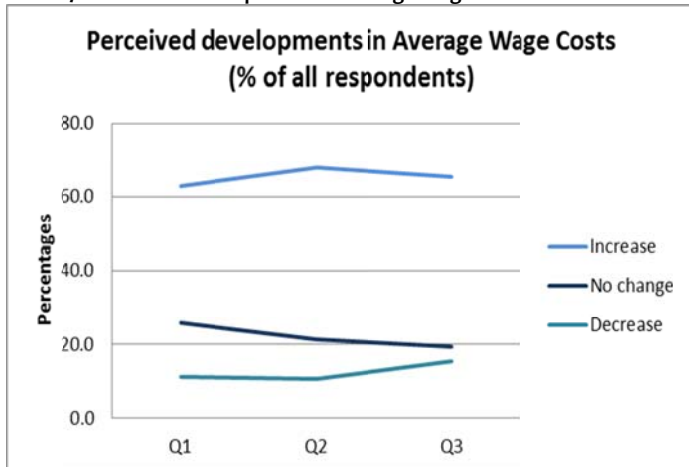


Source: Centrale Bank van Aruba

Employment and Wages

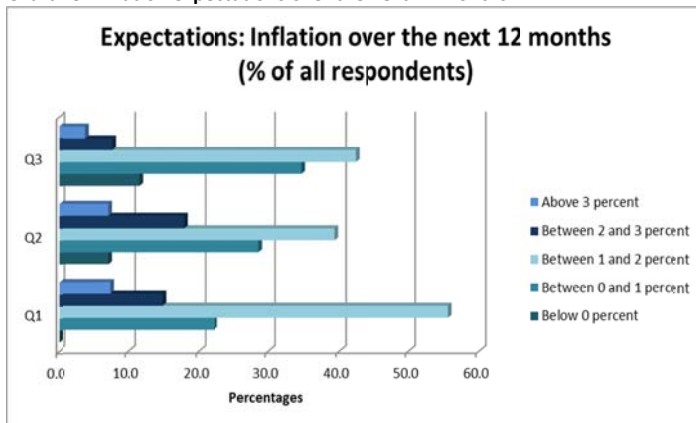
In the quarters under review, the percentage of surveyed firms reporting ‘no change’ in employment noted a downturn of 6.5 percentage points, from 29.6 percent in the first quarter to 23.1 percent in the third quarter. The number of surveyed businesses reporting and ‘increase’ grew by 12.7 percentage points, from 29.6 in the first quarter, to 42.3 percent in the third quarter. In the first quarter of 2016, 40.7 percent of respondents indicated a ‘decrease’ in employment. This percentage fell by 6.1 percentage points to 34.6 percent in the third quarter (Chart 16 & Annex 6).

Chart 17: Perceived developments in Average Wage Costs



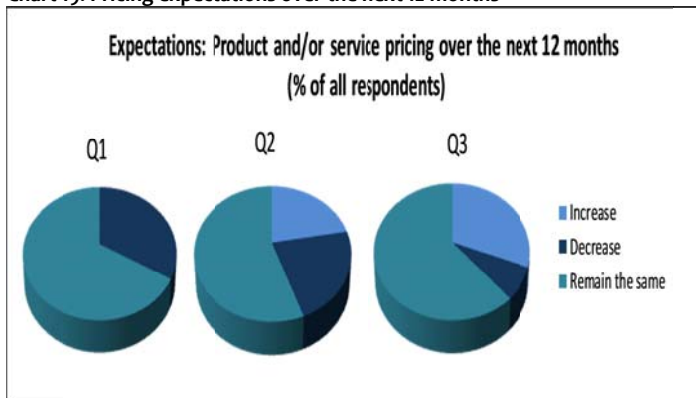
Source: Centrale Bank van Aruba

Chart 18: Inflation expectations over the next 12 months



Source: Centrale Bank van Aruba

Chart 19: Pricing expectations over the next 12 months



Source: Centrale Bank van Aruba

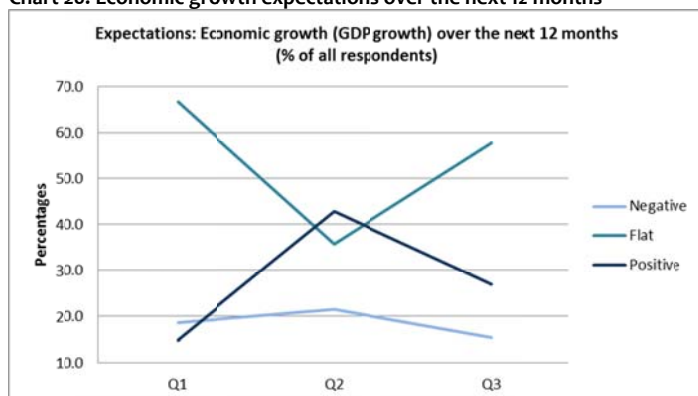
With regard to average labor costs, the percentage of respondents experiencing 'no change' was 25.9 percent in the first quarter of 2016. This percentage contracted by 6.7 percentage points to 19.2 percent in the third quarter. Respondents registering an 'increase' expanded by 2.3 percentage points, from 63.0 percent in the first quarter to 65.3 percent in the third quarter. The percentage registering a 'decrease' rose by 4.3 percentage points, from 11.1 percent in the first quarter 15.4 percent in the third quarter (Chart 17 & Annex 6).

Inflation, Pricing and Economic Growth

During the first quarter of 2016, the majority of respondents (55.6 percent) expected inflation over the next 12 months to be between 1 and 2 percent, while no respondent expected inflation to be below 0 percent. The number of surveyed businesses expecting inflation below 0 percent grew to 11.5 percent in the third quarter of 2016. The percentage of firms expecting inflation to be between 0 and 3 percent decreased during the first three quarters of 2016, moving from 92.6 percent in the first quarter to 84.6 percent in the third quarter. The amount of reporters expecting inflation above 3 percent also noted a downturn, fluctuating by 3.6 percentage points, from 7.4 percent in the first quarter to 3.8 percent in the third quarter (Chart 18 & Annex 5).

With regard to the prices for products and services over the next 12 months, the number of respondents expecting an 'increase' went down by 2.5 percentage points, from 33.3 percent in the first quarter of 2016 to 30.8 percent in the third quarter. During the first quarter of the year, no respondent expected a 'decrease' in the prices of product of services. By the third quarter, however, this percentage rose to 7.7 percent. The majority of the respondents expected prices to 'remain the same'. During the first quarter of 2016, this expectation was reported by 66.7 percent. This percentage contracted by 5.2 percentage points to 61.5 percent in the third quarter (Chart 19 & Annex 5).

Chart 20: Economic growth expectations over the next 12 months



Source: Centrale Bank van Aruba

On the subject of economic growth expectations over the next 12 months, the number of respondents anticipating a negative growth rate shrank by 3.1 percentage points, from 18.5 percent in the first quarter of 2016 to 15.4 percent in the third quarter. The percentage of surveyed businesses presuming a flat growth rate was 66.7 percent in the first quarter. This percentage decreased by 9.0 percentage points to 57.7 percent in the third quarter. 14.8 percent of the firms expected a positive rate of economic growth in the first quarter. This percentage rose by 12.1 percentage points to 26.9 percent in the third quarter (Chart 20 & Annex 5).

Annexes

Annex 1: Response rate and indices ^{1]}

	2012	2013	2014	2015	2014				2015				2016		
					I	II	III	IV	I	II	III	IV	I	II	III
1. Response and non-response rates															
a. Average response rate	71.5	73.9	67.4	51.1	67.9	67.3	68.1	66.0	61.7	68.2	70.3	54.2	56.3	58.2	49.7
b. Average non-response rate	28.5	26.1	32.6	48.9	32.1	32.7	31.9	34.0	38.3	31.8	29.7	45.8	43.8	41.8	50.3
2. Indices															
a. Index current economic condition	104.0	105.2	102.0	100.5	99.8	101.9	101.7	99.5	99.8	99.2	98.7	98.8	97.2	98.5	97.4
b. Index short-term future economic condition	107.5	104.3	101.7	99.5	99.8	98.2	99.6	102.1	101.3	97.8	98.5	97.9	100.3	103.8	104.6
c. Business Perception Index	105.5	104.8	101.9	100.0	99.8	100.0	100.6	100.7	100.5	98.5	98.6	98.4	98.3	100.8	101.1

Source: CBA.

- ^{1]} Index value = between 100 and 110: Optimistic perception
Index value = 100: Neutral
Index value = between 90 and 100: Pessimistic perception

Annex 2: Business perception Survey (by sectors)

	2012	2013	2014	2015	2014				2015				2016		
					I	II	III	IV	I	II	III	IV	I	II	III
1. Index current economic condition	104.0	105.2	102.0	100.5	99.8	101.9	101.7	99.5	99.8	99.2	98.7	98.8	97.2	98.5	97.4
a. Manufacturing (excl. manufacture of refined petroleum products)	110.0	110.0	103.3	90.0	90.0	90.0	110.0	90.0	100.0	90.0	90.0	90.0	90.0	103.3	96.7
b. Electricity, gas and water supply, manufacture of refined petroleum products	110.0	110.0	110.0	110.0	110.0	100.0	90.0	90.0	100.0	110.0	110.0	110.0	110.0	102.0	110.0
c. Construction	102.7	100.9	105.0	110.0	101.4	110.0	106.7	103.3	101.4	94.0	101.1	98.0	95.7	95.0	100.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	108.7	110.0	100.0	105.0	103.3	103.3	100.0	100.0	103.3	100.0	92.5	104.3	96.7	103.3	100.0
e. Hotels and restaurants	104.5	106.0	101.4	100.0	98.6	101.4	106.7	102.5	103.3	98.6	106.0	100.0	98.0	95.7	110.0
f. Transport, storage and communication	102.7	110.0	96.7	90.0	110.0	102.0	101.1	98.9	98.0	100.6	100.0	98.9	90.0	100.8	95.7
g. Financial intermediation	90.0	100.0	100.0	100.0	90.0	110.0	100.0	100.0	95.0	98.0	96.7	94.0	94.0	100.0	110.0
h. Real estate and other business activities	110.0	110.0	106.4	96.7	102.0	102.3	110.0	102.0	106.0	110.0	100.0	95.0	105.0	103.3	90.0
i. Health, other community and personal service activities	100.0	102.9	100.6	101.4	97.4	96.7	97.0	97.8	97.1	100.0	97.5	97.5	101.4	91.8	93.3
2. Index short-term future economic condition	107.5	104.3	101.7	99.5	99.8	98.2	99.6	102.1	101.3	97.8	98.5	97.9	100.3	103.8	104.6
a. Manufacturing (excl. manufacture of refined petroleum products)	100.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	100.0	90.0	90.0	90.0	90.0	100.0	100.0
b. Electricity, gas and water supply	110.0	110.0	100.0	100.0	110.0	90.0	100.0	110.0	100.0	100.0	110.0	110.0	100.0	110.0	110.0
c. Construction	110.0	110.0	103.3	90.0	105.0	105.0	110.0	103.3	103.3	100.0	90.0	90.0	90.0	90.0	110.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	108.0	104.3	103.3	101.1	98.0	96.7	96.0	100.0	96.7	94.0	96.7	106.0	97.5	104.3	94.0
e. Hotels and restaurants	105.6	106.0	102.5	100.0	96.7	101.4	99.1	102.5	102.0	100.0	100.0	98.0	98.0	110.0	110.0
f. Transport, storage and communication	110.0	110.0	95.0	90.0	110.0	95.7	101.4	96.7	96.0	98.8	96.7	92.5	98.0	108.0	107.8
g. Financial intermediation	110.0	107.5	106.7	105.6	105.0	102.0	101.4	110.0	107.5	107.1	110.0	107.1	110.0	107.1	106.0
h. Real estate and other business activities	110.0	110.0	110.0	110.0	106.0	106.7	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0
i. Health, other community and personal service activities	100.0	102.9	100.6	101.4	97.4	96.7	97.0	97.8	97.1	100.0	97.5	97.5	101.4	91.8	93.3
3. Business Perception Index	105.5	104.8	101.9	100.0	99.8	100.0	100.6	100.7	100.5	98.5	98.6	98.4	98.3	100.8	101.1
a. Manufacturing (excl. manufacture of refined petroleum products)	110.0	98.0	96.7	90.0	90.0	90.0	98.0	90.0	100.0	90.0	90.0	90.0	90.0	102.0	98.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	110.0	110.0	110.0	110.0	110.0	90.0	90.0	96.7	100.0	110.0	110.0	110.0	110.0	105.6	110.0
c. Construction	105.0	104.1	104.3	94.0	103.3	107.5	108.3	103.3	102.3	96.7	98.3	94.7	94.0	93.3	105.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	108.4	106.4	102.0	102.9	100.9	100.0	97.5	100.0	100.0	98.0	94.3	105.0	97.0	103.8	97.3
e. Hotels and restaurants	105.0	106.0	102.0	100.0	100.0	101.4	101.8	102.5	102.5	99.1	102.7	99.2	98.0	100.0	110.0
f. Transport, storage and communication	105.8	110.0	95.9	90.0	110.0	98.3	101.3	97.8	97.2	99.7	98.5	95.9	93.1	103.9	102.5
g. Financial intermediation	105.0	104.1	105.0	102.2	100.0	102.7	100.8	102.0	102.0	103.3	102.0	100.0	104.1	105.0	102.5
h. Real estate and other business activities	110.0	110.0	108.0	103.3	104.0	103.7	110.0	105.6	107.9	110.0	105.6	101.4	107.5	107.1	102.0
i. Health, other community and personal service activities	102.1	100.3	101.7	103.8	96.3	95.6	97.9	100.0	96.4	95.8	98.0	98.6	101.4	94.2	96.7

Source: CBA.

Annex 3: Survey questionnaire for the quarters of 2016
(as a percentage of the total)

	Improvement	No change	Worsening
Q1-2016			
A. Current economic condition 1]	21.3	40.7	38.0
1. The economic conditions in Aruba	7.4	48.1	44.4
2. The activities of your business	33.3	37.0	29.6
3. The investments of your business	14.8	48.1	37.0
4. The number of employees that work for your company	29.6	29.6	40.7
5. The terms and conditions for obtaining finance	18.5	81.5	0.0
B. Expected short-term economic conditions 2]	17.6	65.7	16.7
1. The economic conditions in Aruba	11.1	66.7	22.2
2. The activities of your business	29.6	63.0	7.4
3. The investments of your business	18.5	59.3	22.2
4. The number of employees that work for your company	11.1	74.1	14.8
Q2-2016			
A. Current economic condition 1]	23.2	45.5	31.3
1. The economic conditions in Aruba	0.0	50.0	50.0
2. The activities of your business	35.7	28.6	35.7
3. The investments of your business	25.0	46.4	28.6
4. The number of employees that work for your company	32.1	57.1	10.7
5. The terms and conditions for obtaining finance	0.0	71.4	28.6
B. Expected short-term economic conditions 2]	27.7	59.8	12.5
1. The economic conditions in Aruba	28.6	53.6	17.9
2. The activities of your business	32.1	57.1	10.7
3. The investments of your business	25.0	60.7	14.3
4. The number of employees that work for your company	25.0	67.9	7.1
Q3-2016			
A. Current economic condition 1]	24.0	44.2	31.7
1. The economic conditions in Aruba	3.8	69.2	26.9
2. The activities of your business	42.3	34.6	23.1
3. The investments of your business	7.7	50.0	42.3
4. The number of employees that work for your company	42.3	23.1	34.6
5. The terms and conditions for obtaining finance	7.7	76.9	15.4
B. Expected short-term economic conditions 2]	28.8	60.6	10.6
1. The economic conditions in Aruba	26.9	57.7	15.4
2. The activities of your business	34.6	65.4	0.0
3. The investments of your business	26.9	53.8	19.2
4. The number of employees that work for your company	26.9	65.4	7.7

Source: CBA.

1] Compared to the corresponding quarter of the previous year.

2] During the next 6 months.

Annex 4: Economic indicators by sector (2016-1)

	No Change	Decrease			Increase		
		Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent	Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent
1. Employment, in percentages of all responding sectors	29.6	29.6	7.4	3.7	25.9	0.0	3.7
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	3.7	0.0	0.0	0.0	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	0.0	3.7	0.0	0.0
c. Construction	0.0	7.4	0.0	0.0	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	11.1	3.7	0.0	3.7	3.7	0.0	0.0
e. Hotels and restaurants	0.0	3.7	0.0	0.0	3.7	0.0	3.7
f. Transport, storage and communication	0.0	3.7	3.7	0.0	3.7	0.0	0.0
g. Financial intermediation	3.7	3.7	0.0	0.0	3.7	0.0	0.0
h. Real estate and other business activities	3.7	0.0	0.0	0.0	3.7	0.0	0.0
i. Health, other community and personal service activities	11.1	3.7	3.7	0.0	3.7	0.0	0.0
2. A. Profitability (profits), in percentages of all responding sectors	22.2	3.7	7.4	7.4	18.5	3.7	18.5
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	3.7	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	3.7	0.0	0.0	0.0
c. Construction	7.4	0.0	0.0	0.0	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	0.0	3.7	3.7	7.4	0.0	3.7
e. Hotels and restaurants	0.0	0.0	3.7	0.0	0.0	0.0	3.7
f. Transport, storage and communication	7.4	0.0	0.0	0.0	3.7	0.0	0.0
g. Financial intermediation	3.7	0.0	0.0	0.0	0.0	0.0	3.7
h. Real estate and other business activities	0.0	0.0	0.0	0.0	0.0	0.0	3.7
i. Health, other community and personal service activities	3.7	3.7	0.0	0.0	3.7	3.7	3.7
2. B. Profitability (losses), in percentages of all responding sectors	3.7	3.7	0.0	0.0	0.0	3.7	7.4
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	0.0	0.0	0.0	0.0
c. Construction	0.0	0.0	0.0	0.0	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	0.0	0.0	0.0	0.0	3.7	0.0
e. Hotels and restaurants	0.0	0.0	0.0	0.0	0.0	0.0	3.7
f. Transport, storage and communication	0.0	0.0	0.0	0.0	0.0	0.0	0.0
g. Financial intermediation	0.0	3.7	0.0	0.0	0.0	0.0	0.0
h. Real estate and other business activities	3.7	0.0	0.0	0.0	0.0	0.0	0.0
i. Health, other community and personal service activities	0.0	0.0	0.0	0.0	0.0	0.0	3.7

Source: CBA.

Annex 4: Economic indicators by sector (2016-I) (continued)

	No Change	Decrease			Increase		
		Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent	Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent
3. Sales, in percentages of all responding sectors	11.1	18.5	7.4	11.1	18.5	25.9	7.4
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	3.7	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	3.7	0.0	0.0	0.0
c. Construction	0.0	0.0	0.0	3.7	0.0	0.0	3.7
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	7.4	0.0	0.0	7.4	7.4	0.0
e. Hotels and restaurants	0.0	0.0	0.0	0.0	3.7	7.4	0.0
f. Transport, storage and communication	0.0	3.7	0.0	3.7	0.0	3.7	0.0
g. Financial intermediation	3.7	7.4	0.0	0.0	0.0	0.0	0.0
h. Real estate and other business activities	3.7	0.0	0.0	0.0	0.0	3.7	0.0
i. Health, other community and personal service activities	3.7	0.0	7.4	0.0	3.7	3.7	3.7
4. Average wage costs, in percentages of all responding sectors	25.9	3.7	3.7	3.7	51.9	7.4	3.7
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	3.7	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	0.0	3.7	0.0	0.0
c. Construction	0.0	0.0	0.0	0.0	7.4	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	11.1	0.0	0.0	3.7	7.4	0.0	0.0
e. Hotels and restaurants	0.0	0.0	0.0	0.0	7.4	3.7	0.0
f. Transport, storage and communication	3.7	3.7	0.0	0.0	3.7	0.0	0.0
g. Financial intermediation	0.0	0.0	0.0	0.0	7.4	0.0	3.7
h. Real estate and other business activities	3.7	0.0	3.7	0.0	0.0	0.0	0.0
i. Health, other community and personal service activities	7.4	0.0	0.0	0.0	11.1	3.7	0.0

Source: CBA.

Annex 4: Economic indicators by sector (2016-II)

	No Change	Decrease			Increase		
		Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent	Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent
1. Employment, in percentages of all responding sectors	57.1	7.1	0.0	3.6	25.0	3.6	3.6
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	3.6	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	7.1	0.0	0.0	0.0	3.6	0.0	0.0
c. Construction	3.6	0.0	0.0	3.6	0.0	3.6	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	10.7	0.0	0.0	0.0	7.1	0.0	0.0
e. Hotels and restaurants	7.1	0.0	0.0	0.0	0.0	0.0	3.6
f. Transport, storage and communication	3.6	3.6	0.0	0.0	7.1	0.0	0.0
g. Financial intermediation	7.1	3.6	0.0	0.0	0.0	0.0	0.0
h. Real estate and other business activities	3.6	0.0	0.0	0.0	0.0	0.0	0.0
i. Health, other community and personal service activities	14.3	0.0	0.0	0.0	3.6	0.0	0.0
2. A. Profitability (profits), in percentages of all responding sectors	21.4	14.3	14.3	7.1	17.9	7.1	7.1
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	0.0	3.6	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	3.6	3.6	0.0	3.6	0.0	0.0
c. Construction	3.6	3.6	0.0	0.0	3.6	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	3.6	3.6	0.0	0.0	3.6	3.6	3.6
e. Hotels and restaurants	0.0	0.0	3.6	0.0	0.0	0.0	0.0
f. Transport, storage and communication	3.6	3.6	0.0	3.6	3.6	0.0	0.0
g. Financial intermediation	3.6	0.0	0.0	0.0	3.6	0.0	3.6
h. Real estate and other business activities	0.0	0.0	0.0	0.0	3.6	0.0	0.0
i. Health, other community and personal service activities	7.1	0.0	7.1	3.6	0.0	0.0	0.0
2. B. Profitability (losses), in percentages of all responding sectors	0.0	0.0	3.6	0.0	0.0	0.0	7.1
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	0.0	0.0	0.0	0.0
c. Construction	0.0	0.0	0.0	0.0	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	0.0	0.0	0.0	0.0	0.0	0.0
e. Hotels and restaurants	0.0	0.0	3.6	0.0	0.0	0.0	3.6
f. Transport, storage and communication	0.0	0.0	0.0	0.0	0.0	0.0	0.0
g. Financial intermediation	0.0	0.0	0.0	0.0	0.0	0.0	3.6
h. Real estate and other business activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
i. Health, other community and personal service activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: CBA.

Annex 4: Economic indicators by sector (2016-II) (continued)

	No Change	Decrease			Increase		
		Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent	Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent
3. Sales, in percentages of all responding sectors	22.2	18.5	14.8	7.4	29.6	7.4	0.0
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	0.0	3.7	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	3.7	0.0	7.4	0.0	0.0
c. Construction	3.7	0.0	0.0	3.7	3.7	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	7.4	3.7	3.7	0.0	3.7	0.0	0.0
e. Hotels and restaurants	0.0	7.4	0.0	0.0	0.0	3.7	0.0
f. Transport, storage and communication	0.0	7.4	0.0	0.0	7.4	0.0	0.0
g. Financial intermediation	3.7	0.0	3.7	0.0	0.0	0.0	0.0
h. Real estate and other business activities	0.0	0.0	0.0	0.0	3.7	0.0	0.0
i. Health, other community and personal service activities	7.4	0.0	3.7	3.7	3.7	0.0	0.0
4. Average wage costs, in percentages of all responding sectors	21.4	7.1	0.0	3.6	57.1	7.1	3.6
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	3.6	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	0.0	10.7	0.0	0.0
c. Construction	0.0	0.0	0.0	0.0	10.7	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	0.0	0.0	3.6	10.7	3.6	0.0
e. Hotels and restaurants	0.0	0.0	0.0	0.0	7.1	3.6	0.0
f. Transport, storage and communication	3.6	3.6	0.0	0.0	3.6	0.0	3.6
g. Financial intermediation	7.1	3.6	0.0	0.0	0.0	0.0	0.0
h. Real estate and other business activities	0.0	0.0	0.0	0.0	3.6	0.0	0.0
i. Health, other community and personal service activities	10.7	0.0	0.0	0.0	7.1	0.0	0.0

Source: CBA.

Annex 4: Economic indicators by sector (2016-III)

	No Change	Decrease			Increase		
		Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent	Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent
1. Employment, in percentages of all responding sectors	23.1	23.1	7.7	3.8	38.5	3.8	0.0
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	3.8	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	0.0	7.7	0.0	0.0
c. Construction	0.0	0.0	0.0	3.8	3.8	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	3.8	7.7	0.0	0.0	7.7	0.0	0.0
e. Hotels and restaurants	3.8	3.8	0.0	0.0	0.0	0.0	0.0
f. Transport, storage and communication	0.0	3.8	0.0	0.0	7.7	0.0	0.0
g. Financial intermediation	3.8	0.0	3.8	0.0	3.8	0.0	0.0
h. Real estate and other business activities	0.0	0.0	0.0	0.0	3.8	0.0	0.0
i. Health, other community and personal service activities	11.5	7.7	3.8	0.0	0.0	3.8	0.0
2. A. Profitability (profits), in percentages of all responding sectors	19.2	7.7	3.8	23.1	15.4	3.8	15.4
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	0.0	3.8	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	3.8	0.0	0.0	0.0	3.8	0.0	0.0
c. Construction	3.8	0.0	0.0	3.8	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	3.8	0.0	0.0	3.8	0.0	7.7
e. Hotels and restaurants	0.0	3.8	0.0	0.0	0.0	0.0	0.0
f. Transport, storage and communication	0.0	0.0	0.0	7.7	3.8	0.0	0.0
g. Financial intermediation	3.8	0.0	0.0	3.8	0.0	0.0	0.0
h. Real estate and other business activities	0.0	0.0	0.0	3.8	0.0	0.0	0.0
i. Health, other community and personal service activities	7.7	0.0	3.8	3.8	3.8	0.0	7.7
2. B. Profitability (losses), in percentages of all responding sectors	0.0	0.0	0.0	3.8	0.0	3.8	0.0
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	0.0	0.0	0.0	0.0
c. Construction	0.0	0.0	0.0	0.0	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	0.0	0.0	0.0	0.0	0.0	0.0
e. Hotels and restaurants	0.0	0.0	0.0	3.8	0.0	0.0	0.0
f. Transport, storage and communication	0.0	0.0	0.0	0.0	0.0	0.0	0.0
g. Financial intermediation	0.0	0.0	0.0	0.0	0.0	3.8	0.0
h. Real estate and other business activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
i. Health, other community and personal service activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: CBA.

Annex 4: Economic indicators by sector (2016-III) (continued)

	No Change	Decrease			Increase		
		Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent	Less than 5.1 percent	Between 5.1 - 10.1 percent	More than 10.1 percent
3. Sales, in percentages of all responding sectors	23.1	11.5	7.7	0.0	30.8	11.5	15.4
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	0.0	3.8	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	3.8	0.0	0.0	0.0	3.8	0.0	0.0
c. Construction	0.0	0.0	0.0	0.0	0.0	0.0	7.7
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	7.7	0.0	0.0	7.7	0.0	3.8
e. Hotels and restaurants	3.8	0.0	0.0	0.0	0.0	3.8	0.0
f. Transport, storage and communication	0.0	0.0	3.8	0.0	7.7	0.0	0.0
g. Financial intermediation	7.7	0.0	3.8	0.0	0.0	0.0	0.0
h. Real estate and other business activities	0.0	3.8	0.0	0.0	0.0	0.0	0.0
i. Health, other community and personal service activities	7.7	0.0	0.0	0.0	11.5	3.8	3.8
4. Average wage costs, in percentages of all responding sectors	19.2	15.4	0.0	0.0	61.5	0.0	3.8
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	3.8	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	0.0	7.7	0.0	0.0
c. Construction	0.0	0.0	0.0	0.0	7.7	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	3.8	7.7	0.0	0.0	7.7	0.0	0.0
e. Hotels and restaurants	0.0	3.8	0.0	0.0	3.8	0.0	0.0
f. Transport, storage and communication	3.8	0.0	0.0	0.0	3.8	0.0	3.8
g. Financial intermediation	0.0	3.8	0.0	0.0	7.7	0.0	0.0
h. Real estate and other business activities	0.0	0.0	0.0	0.0	3.8	0.0	0.0
i. Health, other community and personal service activities	11.5	0.0	0.0	0.0	15.4	0.0	0.0

Source: CBA.

Annex 5: Future expectations and activities

	2014				2015				2016		
	I	II	III	IV	I	II	III	IV	I	II	III
A. Inflation over the next 12 months											
1. Below 0 percent	6.3	3.1	3.1	3.2	0.0	0.0	0.0	0.0	0.0	7.1	11.5
2. Between 0 and 1 percent	15.6	12.5	6.3	12.5	10.3	6.7	16.1	23.1	22.2	28.6	34.6
3. Between 1 and 2 percent	53.1	40.6	43.8	43.8	51.7	46.7	51.6	53.8	55.6	39.3	42.3
4. Between 2 and 3 percent	25.0	28.1	34.4	25.0	20.7	16.7	12.9	19.2	14.8	17.9	7.7
5. Above 3 percent	0.0	15.6	12.5	15.6	17.2	30.0	19.4	3.8	7.4	7.1	3.8
Total	100.0	100.0	100.0	100.1	100.0	100.0	100.0	100.0	100.0	100.0	100.0
B. Investment plans over the next 12 months											
1. Below Afl. 1 million	37.5	46.9	50.0	41.9	44.8	43.3	38.7	38.5	55.6	32.1	58.3
2. Between Afl. 1 and Afl. 5 million	25.0	21.9	21.9	19.4	20.7	23.3	16.1	34.6	18.5	32.1	20.8
3. Above Afl. 5 million	15.6	12.5	12.5	19.4	17.2	13.3	19.4	15.4	11.1	17.9	20.8
4. Not applicable	21.9	18.8	15.6	19.4	17.2	20.0	25.8	11.5	14.8	17.9	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
C. Annual effective financing rate over the next 12 months					*						
1. Below 5 percent	3.2	6.5	3.2	0.0	0.0	0.0	0.0	3.8	7.4	0.0	7.7
2. Between 5 and 8 percent	71.0	74.2	71.0	73.3	74.1	78.6	82.8	88.5	70.4	92.9	76.9
3. Between 8 and 12 percent	25.8	19.4	25.8	26.7	25.9	21.4	17.2	7.7	22.2	7.1	15.4
4. Above 12 percent	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
D. Product and/or service pricing over the next 12 months											
1. Increase	43.8	56.3	59.4	54.8	39.3	40.0	38.7	30.8	33.3	22.2	30.8
2. Decrease	3.1	3.1	3.1	0.0	0.0	3.3	6.5	7.7	0.0	22.2	7.7
3. Remain the same	53.1	40.6	37.5	45.2	60.7	56.7	54.8	61.5	66.7	55.6	61.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
E. Economic growth (GDP growth) over the next 12 months											
1. Below negative 10 percent	0.0	0.0	0.0	0.0							
2. Between negative 10 percent and negative 5 percent	0.0	0.0	0.0	3.2							
3. Between negative 5 percent and 1 percent	18.8	35.5	25.0	29.0							
4. Between 1 and 5 percent	78.1	61.3	68.8	67.7							
5. Between 5 and 10 percent	3.1	3.2	6.3	0.0							
6. Above 10 percent	0.0	0.0	0.0	0.0							
1. Negative					25.0	27.6	23.3	19.2	18.5	21.4	15.4
2. Flat					50.0	55.2	50.0	65.4	66.7	35.7	57.7
3. Positive					25.0	17.2	26.7	15.4	14.8	42.9	26.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: CBA.

* Annual effective financing rate for business loans

Annex 6: BUSINESS PERCEPTION RESULTS

Survey questionnaire responses

Business Perception Index

	Improvement				No change				Worsening				Current		Short-term	Business Perception Index
	2015		2016		2015		2016		2015		2016		2015		2016	
	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III
A. Current economic conditions	25.0	21.3	23.2	24.0	43.3	40.7	45.5	44.2	31.7	38.0	31.3	31.7	2012	104.0	107.5	105.5
1. The economic conditions in Aruba	15.4	7.4	0.0	3.8	42.3	48.1	50.0	69.2	42.3	44.4	50.0	26.9	2013	105.2	104.3	104.8
2. The activities of your business	26.9	33.3	35.7	42.3	50	37.0	28.6	34.6	23.1	29.6	35.7	23.1	2014	102.0	101.7	101.9
3. The investments of your business	19.2	14.8	25.0	7.7	46.2	48.1	46.4	50.0	34.6	37.0	28.6	42.3	2015	100.5	99.5	100.0
4. The number of employees that work for your company	38.5	29.6	32.1	42.3	34.6	29.6	57.1	23.1	26.9	40.7	10.7	34.6				
5. Terms and conditions for obtaining finance	38.5	18.5	0.0	7.7	61.5	81.5	71.4	76.9	0.0	0.0	28.6	15.4	2015 I	99.8	101.3	100.5
													II	99.2	97.8	98.5
B. Expected short-term economic conditions 1)	16.3	17.6	27.7	28.8	58.7	65.7	59.8	60.6	25.0	16.7	12.5	10.6	III	98.7	98.5	98.6
1. The economic conditions in Aruba	7.7	11.1	28.6	26.9	61.5	66.7	53.6	57.7	30.8	22.2	17.9	15.4	IV	98.8	97.9	98.4
2. The activities of your business	23.1	29.6	32.1	34.6	57.7	63.0	57.1	65.4	19.2	7.4	10.7	0.0				
3. The investments of your business	19.2	18.5	25.0	26.9	57.7	59.3	60.7	53.8	23.1	22.2	14.3	19.2	2016 I	97.2	100.3	98.3
4. The number of employees that work for your company	15.4	11.1	25.0	26.9	57.7	74.1	67.9	65.4	26.9	14.8	7.1	7.7	II	98.5	103.8	100.8
													III	97.4	104.6	101.1

1) During the next 6 months.

Perceived developments of employment, profitability, sales, and average wage costs 1)

	Employment				Operational results								Sales				Average labor costs			
	2015		2016		Profits				Loss				2015		2016		2015		2016	
	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III
1. no change	38.5	29.6	57.1	23.1	11.5	22.2	21.4	19.2	3.8	3.7	0.0	0.0	11.5	11.1	22.2	23.1	7.7	25.9	21.4	19.2
2. increase of less than 5.1 percent	34.6	25.9	25.0	38.5	19.2	18.5	17.9	15.4	0.0	0.0	0.0	0.0	30.8	18.5	29.6	30.8	65.4	51.9	57.1	61.5
3. increase between 5.1 and 10.1 percent	3.8	0.0	3.6	3.8	7.7	3.7	7.1	3.8	0.0	3.7	0.0	3.8	3.8	25.9	7.4	11.5	3.8	7.4	7.1	0.0
4. increase of more than 10.1 percent	0.0	3.7	3.6	0.0	26.9	18.5	7.1	15.4	7.7	7.4	7.1	0.0	11.5	7.4	0.0	15.4	3.8	3.7	3.6	3.8
5. decrease of less than 5.1 percent	19.2	29.6	7.1	23.1	0.0	3.7	14.3	7.7	0.0	3.7	0.0	0.0	23.1	18.5	18.5	11.5	11.5	3.7	7.1	15.4
6. decrease between 5.1 and 10.1 percent	3.8	7.4	0.0	7.7	7.7	7.4	14.3	3.8	3.8	0.0	3.6	0.0	15.4	7.4	14.8	7.7	7.7	3.7	0.0	0.0
7. decrease of more than 10.1 percent	0.0	3.7	3.6	3.8	11.5	7.4	7.1	23.1	0.0	0.0	0.0	3.8	3.8	11.1	7.4	0.0	0.0	3.7	3.6	0.0
Total	100.0	100.0	100.0	100.0	84.6	81.5	89.3	88.5	15.4	18.5	10.7	7.7	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

1) In percentages of all respondents.