

Business Perception Survey

Results of the Quarter 4 - 2015 Survey | Vol. 13.4 | 4 August 2016

End of year perception on economic conditions remained pessimistic

Overview

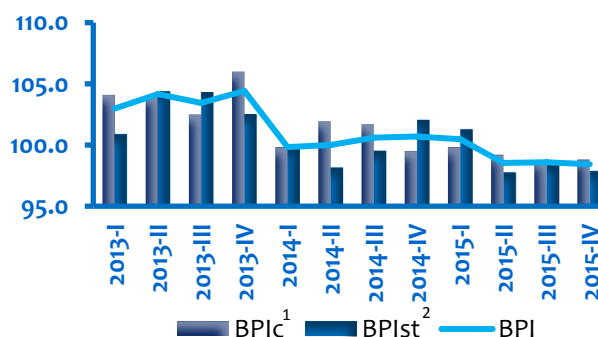
- The fourth quarter of 2015 Business Perception Survey indicates that the overall perception on economic conditions remained relatively pessimistic, as the Business Perception Index (BPI) contracted slightly to 98.4, down from 98.6 in the previous quarter.
- During the fourth quarter of 2015 the sentiment on current economic conditions rose, but remained negative, while that on the short-term future economic condition index became more pessimistic.
- Compared to the third quarter of 2015, a higher number of the surveyed firms noted increases in average wage costs, decreases in sales, and unchanged employment conditions. In addition, the percentage of firms operating with profits rose slightly in the fourth quarter of 2015, compared to the previous quarter.
- Respondents suggest that investment activities remained stable, and that this trend is expected to continue in the short term, although a higher percentage of respondents indicated to have investment plans for the next 12 months.
- Prices are expected to remain the same, as inflation expectations are fairly stable.

The current economic condition index rose minimally to 98.8 in the quarter under review, up from 98.7 in the third quarter of 2015, reflecting a modest improvement in confidence among surveyed businesses. The wholesale and retail trade sector positively influenced this index.

The short-term future economic condition index, on the other hand, contracted from 98.5 in the third quarter of 2015 to 97.9 in the fourth quarter of 2015. The sectors transport, financial intermediation, as well as hotels and restaurants contributed to this contraction.

With regard to the year 2015 as a whole, respondents indicated a decreasing optimism, noting a neutral perception, as the overall BPI for 2015 declined from 101.9 in 2014 to 100.0 in 2015. The indices for both the current economic condition and short-term future economic condition moved downward from, respectively, 102.0 and 101.7 in 2014, to 100.5 and 99.5 in 2015.

Chart 1: Business Perception Index



Source: CBA

¹BPIc: current Business Perception Index

²BPist: short-term Business Perception Index

Economic Activity

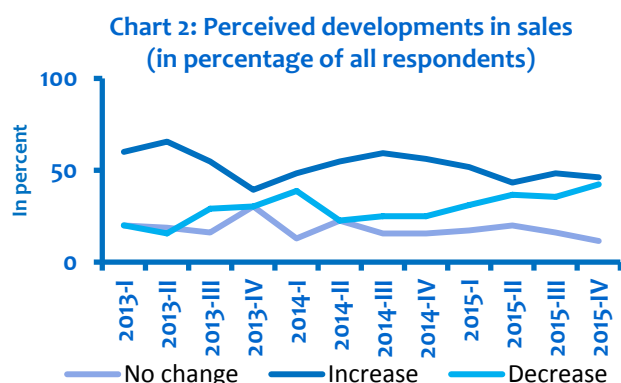
During the fourth quarter of 2015, the overall BPI, comprising the current and short-term future perceptions on economic conditions became slightly more pessimistic, as the index declined from 98.6 in the third quarter of 2015, to 98.4 in the fourth quarter of 2015 (Chart 1, Annexes 1 to 5).

Regarding short-term expectations on the growth of the economy, the majority of the respondents (65.4 percent) indicated a flat rate of growth, compared to 50.0 percent in the third quarter of 2015. The percentage of surveyed businesses expecting a “positive” and “negative” growth rate contracted by 11.3 percentage points to 15.4 percent, and 4.1 percentage points to 19.2 percent, respectively.

Sales and Profitability

During the fourth quarter of 2015, sales reportedly dwindled, as 42.3 percent of the respondents revealed a “decrease” in sales, compared to 35.5 percent during the previous quarter. Of the remaining respondents, 11.5 percent registered “no change” in sales compared to 16.1 percent in the third quarter of 2015, while 46.1 percent noted an “increase” in sales, compared to 48.5 percent in the previous quarter. All sectors, with the exception of the manufacturing and utilities sectors, reported downturns in sales (Chart 2, Annex 6).

On an annual basis, sales did not do well either, as 50.0 percent of the respondents indicated an “increase” in sales, compared to 61.3 percent in 2014. Respondents reporting a “decrease” and “no changes” in sales amounted to, respectively, 33.4 percent and 16.7 percent in 2015, compared to 22.7 percent and 16.1 percent in 2014.



Source: CBA

Contrary to sales, profitability rose marginally during the fourth quarter of 2015, as 84.6 percent of respondents reported to be profitable, compared to 83.9 percent in the third quarter of 2015 (Annex 8).

The majority (53.8 percent) of the profitable firms surveyed registered an “increase” in profits. Half of these firms (26.9 percent) noted increases of more than 10.1 percent, while 19.2 percent recorded increases of less than 5.1 percent, and 7.7 percent increases between 5.1 and 10.1 percent.

For the entire year of 2015, overall profitability declined, as the percentage of respondents reporting a profit decreased to 79.1 percent, down from 87.2 percent in 2014.

Investment and Financing Activity

During the fourth quarter of 2015, current investment activities remained stable. The percentage of respondents reporting “no change” increased by 4.3 percentage points to 46.2 compared to the previous quarter. The percentage of surveyed firms reporting “worsening” and “improvement” decreased by 4.1 percentage points to 34.6 percent, and 0.2 percentage point to 19.2 percent, respectively. (Annex 8).

Respondents indicated a similar trend in investment for the short-term future. The percentage of respondents expecting “no change” increased by 2.9 percentage points to 57.7 percent, while the categories “worsening” increased by 0.5 percentage point to 23.1 percent, and “improvement” decreased by 3.4 percentage points to 19.2 percent.

For the next 12 months following the fourth quarter of 2015, 88.5 percent of the respondents indicated that they have investment plans, of which 38.5 percent reported investments below Afl. 1 million, 34.6 percent between Afl. 1 and Afl. 5 million, and 15.4 percent above Afl. 5 million. As a consequence, the level of intended investments over the next 12 months expanded by 14.3 percentage points to 88.5 percent in the fourth quarter of 2015, up from 74.2 percent in the third quarter of 2015 (Annex 7).

Regarding expectations on financing rates over the next 12 months, the majority (88.5 percent) of respondents expect rates to be between 5 and 8 percent, compared to 82.8 in the third quarter of 2015. The percentage of surveyed firms indicating

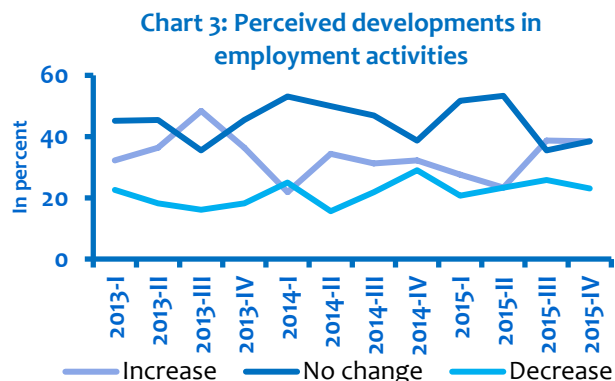
expectations of financing rates below 5 percent went from zero to 3.8 percent, while the percentage of respondents expecting rates between 8 and 12 percent declined by 9.5 percentage points to 7.7 percent. No respondent expects financing rates above 12 percent (Annex 7).

Employment and Wages

A larger share of the surveyed firms reported unchanged conditions in employment during the fourth quarter of 2015, as the surveyed businesses indicating “no change” increased from 35.5 percent in the previous quarter to 38.5 percent in the quarter under review. The percentage of respondents reporting an “increase” in employment contracted by 0.3 percentage point to 38.4 percent, while the percentage indicating a “decrease” fell by 2.9 percentage points to 23.0 percent (Chart 3, Annexes 6 and 8).

In addition, a growing number of surveyed firms noted an increase in their average wage costs during the fourth quarter of 2015. The percentage of respondents registering an “increase” in wage costs grew by 8.5 percentage points to 73.0 percent, compared to the previous quarter, while the categories “no change” and “decrease” reported declines of 8.4 percentage points to 7.7 percent, and 0.2 percentage point to 19.2, respectively. Expansions in wage costs were experienced in all sectors, with the exception of the real estate and other business activities sector.

On an annual basis, 41.7 percent of the respondents reported “no change” in their staff, compared to 35.5 percent in 2014. 29.2 percent revealed a “decrease”, and 29.2 percent noted an “increase” in employment activities. With regard to the average wage costs, 75.1 percent of the respondents reported an “increase”, 16.7 percent a “decrease”, and 8.3 percent “no change” in average wage costs in 2015.

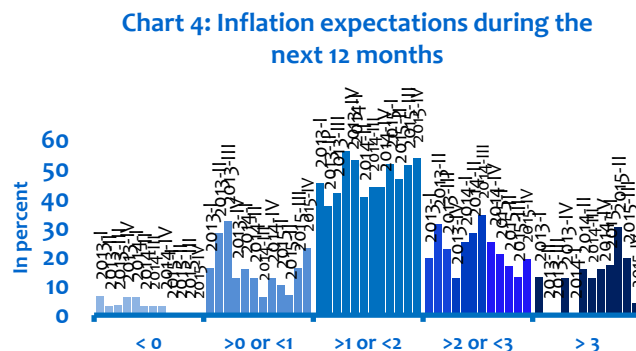


Source: CBA

Inflation and Pricing

The majority of respondents expect moderate inflation over the next 12 months following the survey. As was the case in the previous quarter, no respondent expects inflation rates to be below zero. About 96 percent of surveyed firms expect an inflation rate between 0 and 3 percent, compared to 80.6 percent in the third quarter of 2015, while the percentage expecting inflation to be above 3 percent decreased by 15.6 percentage points to 3.8 percent (Chart 4).

A large part (61.5 percent) of the respondents expects that the price level of products and/or services will remain the same during the 12 months following the fourth quarter of 2015, compared to 54.8 in the previous quarter. The percentage of surveyed businesses expecting a “decrease” grew by 1.2 percentage points to 7.7 percent, while the percentage expecting an “increase” declined by 7.9 percentage points to 30.8 percent (Annex 7).



Source: CBA

Annex 1: Response rate and indices 1]

	2012	2013	2014	2015	2013				2014				2015			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Response and non-response rates																
a. Average response rate	71.5	73.9	67.4	51.1	65.6	70.0	66.0	71.2	67.9	67.3	68.1	66.0	61.7	68.2	70.3	54.2
b. Average non-response rate	28.5	26.1	32.6	48.9	34.4	30.0	34.0	28.8	32.1	32.7	31.9	34.0	38.3	31.8	29.7	45.8
2. Indices																
a. Index current economic condition	104.0	105.2	102.0	100.5	104.1	104.0	102.5	106.0	99.8	101.9	101.7	99.5	99.8	99.2	98.7	98.8
b. Index short-term future economic condition	107.5	104.3	101.7	99.5	100.9	104.4	104.3	102.5	99.8	98.2	99.6	102.1	101.3	97.8	98.5	97.9
c. Business Perception Index	105.5	104.8	101.9	100.0	103.0	104.2	103.4	104.4	99.8	100.0	100.6	100.7	100.5	98.5	98.6	98.4

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: Trends in perception

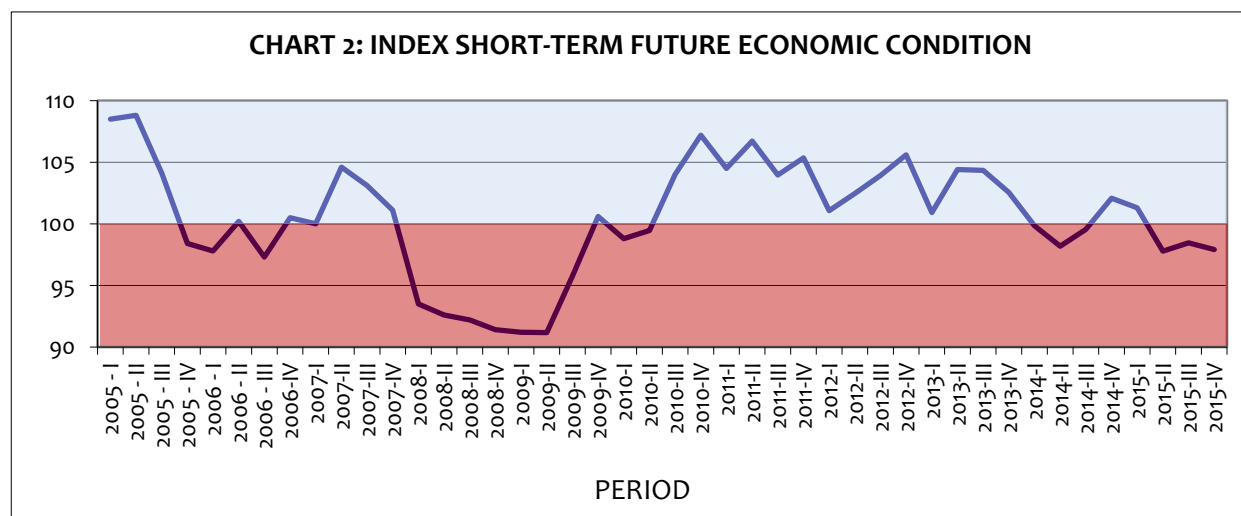
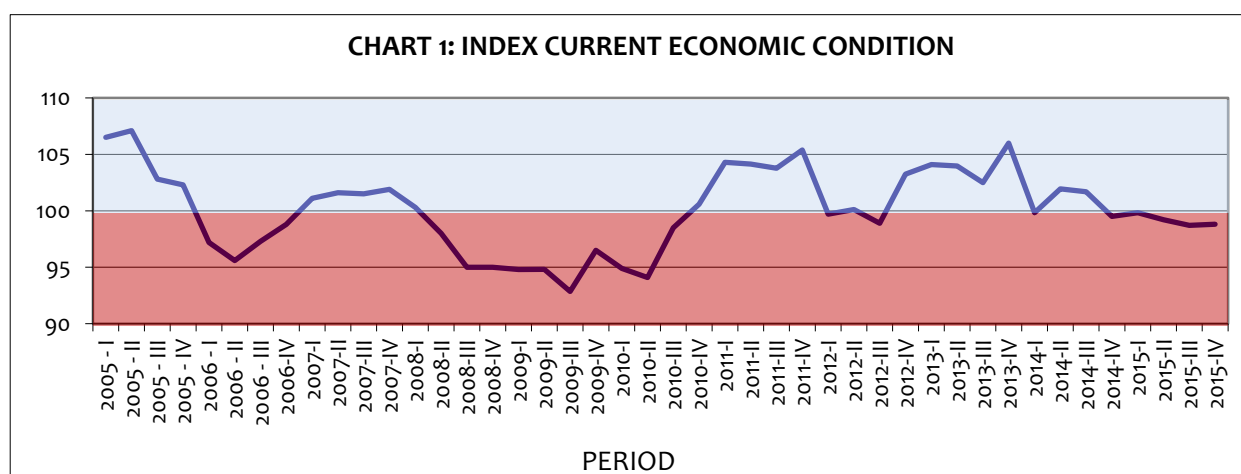
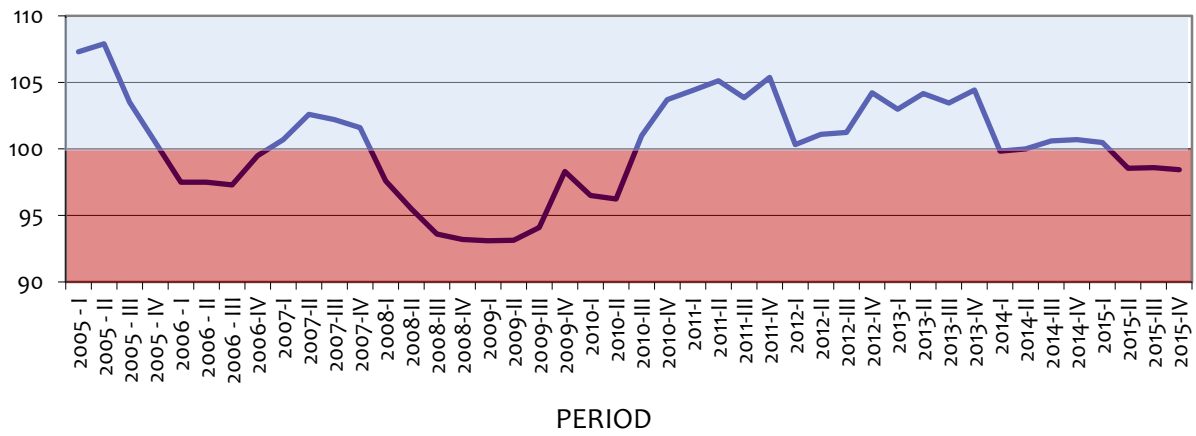


CHART 3: BUSINESS PERCEPTION SURVEY



Annex 3: Business perception Survey (by sectors)

	2012	2013	2014	2015	2013				2014				2015			
					I	II	III	IV	I	II	III	IV	I	II	III	IV
1. Index current economic condition	104.0	105.2	102.0	100.5	104.1	104.0	102.5	106.0	99.8	101.9	101.7	99.5	99.8	99.2	98.7	98.8
a. Manufacturing (excl. manufacture of refined petroleum products)	110.0	110.0	103.3	90.0	110.0	110.0	110.0	110.0	90.0	90.0	110.0	90.0	100.0	90.0	90.0	90.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	100.0	90.0	90.0	100.0	110.0	110.0	110.0
c. Construction	102.7	100.9	105.0	110.0	99.1	100.0	98.9	106.4	101.4	110.0	106.7	103.3	101.4	94.0	101.1	98.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	108.7	110.0	100.0	105.0	106.0	102.0	97.5	107.8	103.3	103.3	100.0	100.0	103.3	100.0	92.5	104.3
e. Hotels and restaurants	104.5	106.0	101.4	100.0	107.1	107.1	102.7	107.8	98.6	101.4	106.7	102.5	103.3	98.6	106.0	100.0
f. Transport, storage and communication	102.7	110.0	96.7	90.0	108.0	108.0	110.0	110.0	110.0	102.0	101.1	98.9	98.0	100.6	100.0	98.9
g. Financial intermediation	90.0	100.0	100.0	100.0	93.3	94.0	90.0	100.0	90.0	110.0	100.0	100.0	95.0	98.0	96.7	94.0
h. Real estate and other business activities	110.0	110.0	106.4	96.7	110.0	107.1	105.0	107.5	102.0	102.3	110.0	102.0	106.0	110.0	100.0	95.0
i. Health, other community and personal service activities	100.0	102.9	100.6	101.4	103.3	104.5	108.0	103.3	97.4	96.7	97.0	97.8	97.1	100.0	97.5	97.5
2. Index short-term future economic condition	107.5	104.3	101.7	99.5	100.9	104.4	104.3	102.5	99.8	98.2	99.6	102.1	101.3	97.8	98.5	97.9
a. Manufacturing (excl. manufacture of refined petroleum products)	100.0	90.0	90.0	90.0	100.0	100.0	96.7	90.0	90.0	90.0	90.0	90.0	100.0	90.0	90.0	90.0
b. Electricity, gas and water supply	110.0	110.0	100.0	100.0	110.0	110.0	110.0	110.0	110.0	90.0	100.0	110.0	100.0	100.0	110.0	110.0
c. Construction	110.0	110.0	103.3	90.0	100.0	110.0	110.0	110.0	105.0	105.0	110.0	103.3	103.3	100.0	90.0	90.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	108.0	104.3	103.3	101.1	98.0	98.0	95.7	106.0	98.0	96.7	96.0	100.0	96.7	94.0	96.7	106.0
e. Hotels and restaurants	105.6	106.0	102.5	100.0	103.3	110.0	105.6	103.3	96.7	101.4	99.1	102.5	102.0	100.0	100.0	98.0
f. Transport, storage and communication	110.0	110.0	95.0	90.0	106.0	106.0	110.0	110.0	110.0	95.7	101.4	96.7	96.0	98.8	96.7	92.5
g. Financial intermediation	110.0	107.5	106.7	105.6	103.3	103.3	105.0	107.5	105.0	102.0	101.4	110.0	107.5	107.1	110.0	107.1
h. Real estate and other business activities	110.0	110.0	110.0	110.0	110.0	106.0	110.0	110.0	106.0	106.7	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	103.3	104.5	108.0	103.3	97.4	96.7	97.0	97.8	97.1	100.0	97.5	97.5
3. Business Perception Index	105.5	104.8	101.9	100.0	103.0	104.2	103.4	104.4	99.8	100.0	100.6	100.7	100.5	98.5	98.6	98.4
a. Manufacturing (excl. manufacture of refined petroleum products)	110.0	98.0	96.7	90.0	110.0	103.3	100.0	98.0	90.0	90.0	98.0	90.0	100.0	90.0	90.0	90.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	90.0	90.0	96.7	100.0	110.0	110.0	110.0
c. Construction	105.0	104.1	104.3	94.0	99.1	101.7	104.7	108.0	103.3	107.5	108.3	103.3	102.3	96.7	98.3	94.7
d. Wholesale and retail trade, repair of motor vehicles and household goods	108.4	106.4	102.0	102.9	102.0	100.0	96.7	107.1	100.9	100.0	97.5	100.0	100.0	98.0	94.3	105.0
e. Hotels and restaurants	105.0	106.0	102.0	100.0	106.0	108.3	104.0	106.0	100.0	101.4	101.8	102.5	102.5	99.1	102.7	99.2
f. Transport, storage and communication	105.8	110.0	95.9	90.0	107.3	107.3	110.0	110.0	110.0	98.3	101.3	97.8	97.2	99.7	98.5	95.9
g. Financial intermediation	105.0	104.1	105.0	102.2	96.7	99.1	96.7	103.3	100.0	102.7	100.8	102.0	102.0	103.3	102.0	100.0
h. Real estate and other business activities	110.0	110.0	108.0	103.3	110.0	106.7	108.2	108.8	104.0	103.7	110.0	105.6	107.9	110.0	105.6	101.4
i. Health, other community and personal service activities	102.1	100.3	101.7	103.8	98.8	105.2	104.3	99.0	96.3	95.6	97.9	100.0	96.4	95.8	98.0	98.6

Source: CBA.

Annex 4: Survey questionnaire for the fourth quarter of 2015
(as a percentage of the total)

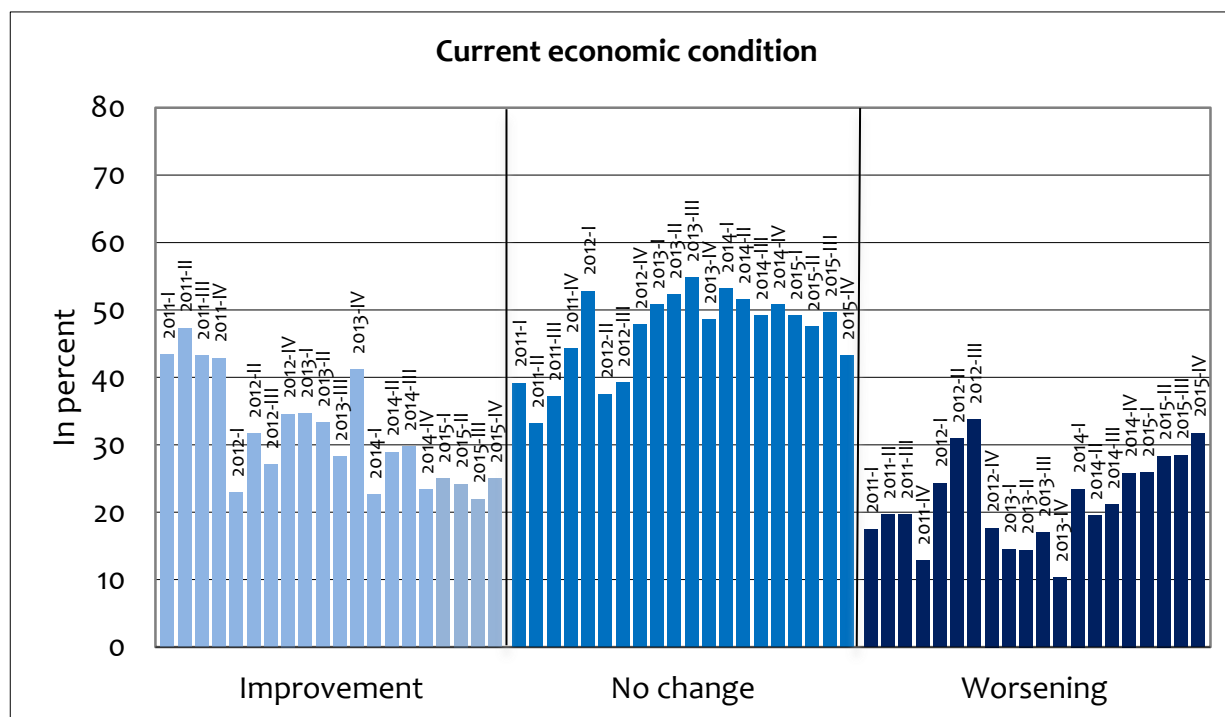
	Improvement	No change	Worsening
A. Current economic condition 1]	25.0	43.3	31.7
1. The economic conditions in Aruba	15.4	42.3	42.3
2. The activities of your business	26.9	50.0	23.1
3. The investments of your business	19.2	46.2	34.6
4. The number of employees that work for your company	38.5	34.6	26.9
5. The terms and conditions for obtaining finance	38.5	61.5	0.0
B. Expected short-term economic conditions 2]	16.3	58.7	25.0
1. The economic conditions in Aruba	7.7	61.5	30.8
2. The activities of your business	23.1	57.7	19.2
3. The investments of your business	19.2	57.7	23.1
4. The number of employees that work for your company	15.4	57.7	26.9

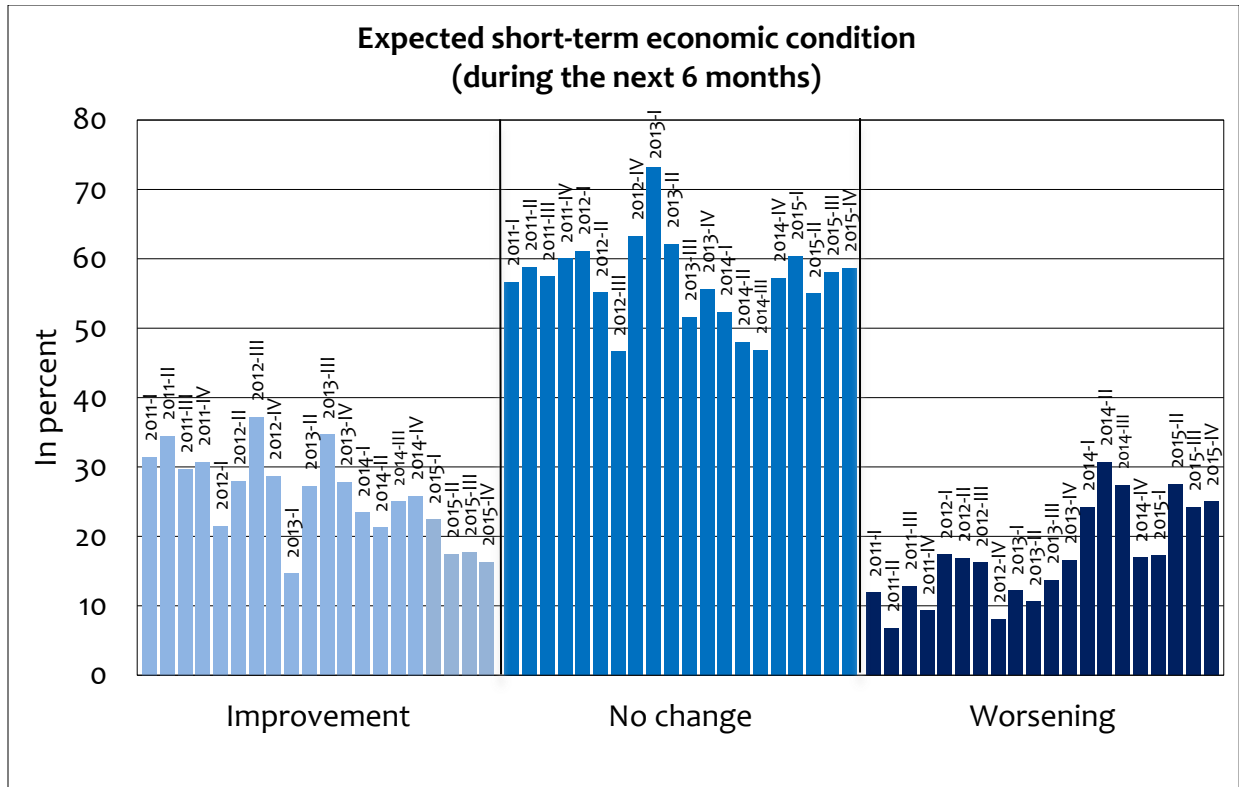
Source: CBA.

1] Compared to the corresponding quarter of 2014.

2] During the next 6 months.

Annex 5: Trends in the current and the expected short-term economic condition





Annex 6: Economic indicators by sector (2015-IV)

	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	38.5	19.2	3.8	0.0	34.6	3.8	0.0
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	7.7	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	7.7	0.0	0.0
c. Construction	3.8	0.0	0.0	0.0	3.8	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	7.7	3.8	0.0	0.0	3.8	0.0	0.0
e. Hotels and restaurants	3.8	0.0	0.0	0.0	7.7	0.0	0.0
f. Transport, storage and communication	3.8	3.8	0.0	0.0	0.0	3.8	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	3.8	0.0	0.0	0.0	3.8	0.0	0.0
i. Health, other community and personal service activities	11.5	3.8	0.0	0.0	3.8	0.0	0.0
2. A. Profitability (profits), in percentages of all responding sectors	11.5	0.0	7.7	11.5	19.2	7.7	26.9
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	7.7	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	3.8	3.8
c. Construction	0.0	0.0	0.0	3.8	0.0	0.0	3.8
d. Wholesale and retail trade, repair of motor vehicles and household goods	3.8	0.0	3.8	0.0	3.8	3.8	0.0
e. Hotels and restaurants	3.8	0.0	0.0	0.0	0.0	0.0	3.8
f. Transport, storage and communication	0.0	0.0	0.0	3.8	3.8	0.0	3.8
g. Financial intermediation	3.8	0.0	3.8	3.8	0.0	0.0	3.8
h. Real estate and other business activities	0.0	0.0	3.8	0.0	0.0	0.0	0.0
i. Health, other community and personal service activities	0.0	0.0	0.0	0.0	3.8	0.0	7.7
2. B. Profitability (losses), in percentages of all responding sectors	3.8	0.0	3.8	0.0	0.0	0.0	7.7
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	3.8	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	0.0	0.0	0.0	3.8
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	0.0
h. Real estate and other business activities	3.8	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	3.8

Source: CBA.

Annex 6: Economic indicators by sector (2015-IV) (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	11.5	23.1	15.4	3.8	30.8	3.8	11.5
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	7.7	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	3.8	3.8	0.0	0.0	3.8
d. Wholesale and retail trade, repair of motor vehicles and household goods	3.8	3.8	3.8	0.0	0.0	3.8	0.0
e. Hotels and restaurants	0.0	0.0	3.8	0.0	7.7	0.0	0.0
f. Transport, storage and communication	0.0	3.8	0.0	0.0	3.8	0.0	3.8
g. Financial intermediation	3.8	7.7	0.0	0.0	0.0	0.0	0.0
h. Real estate and other business activities	3.8	3.8	0.0	0.0	0.0	0.0	0.0
i. Health, other community and personal service activities	0.0	3.8	3.8	0.0	3.8	0.0	3.8
4. Average wage costs, in percentages of all responding sectors	7.7	11.5	7.7	0.0	65.4	3.8	3.8
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	7.7	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	11.5	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	0.0	3.8	0.0	11.5	0.0	0.0
e. Hotels and restaurants	0.0	0.0	0.0	0.0	7.7	0.0	3.8
f. Transport, storage and communication	0.0	3.8	0.0	0.0	3.8	0.0	0.0
g. Financial intermediation	0.0	0.0	3.8	0.0	7.7	0.0	0.0
h. Real estate and other business activities	3.8	3.8	0.0	0.0	0.0	0.0	0.0
i. Health, other community and personal service activities	3.8	3.8	0.0	0.0	7.7	3.8	0.0

Source: CBA.

Annex 7: Future expectations and activities

	2013				2014				2015			
	I	II	III	IV	I	II	III	IV	I	II	III	IV
A. Inflation over the next 12 months												
1. Below 0 percent	6.5	3.1	3.2	6.3	6.3	3.1	3.1	3.2	0.0	0.0	0.0	0.0
2. Between 0 and 1 percent	16.1	28.1	32.3	12.5	15.6	12.5	6.3	12.5	10.3	6.7	16.1	23.1
3. Between 1 and 2 percent	45.2	37.5	41.9	56.3	53.1	40.6	43.8	43.8	51.7	46.7	51.6	53.8
4. Between 2 and 3 percent	19.4	31.3	22.6	12.5	25.0	28.1	34.4	25.0	20.7	16.7	12.9	19.2
5. Above 3 percent	12.9	0.0	0.0	12.5	0.0	15.6	12.5	15.6	17.2	30.0	19.4	3.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.1	100.0	100.0	100.0	100.0
B. Investment plans over the next 12 months												
1. Below Afl. 1 million	50.0	40.6	48.4	45.2	37.5	46.9	50.0	41.9	44.8	43.3	38.7	38.5
2. Between Afl. 1 and Afl. 5 million	10.0	18.8	12.9	32.3	25.0	21.9	21.9	19.4	20.7	23.3	16.1	34.6
3. Above Afl. 5 million	23.3	21.9	19.4	9.7	15.6	12.5	12.5	19.4	17.2	13.3	19.4	15.4
4. Not applicable	16.7	18.8	19.4	12.9	21.9	18.8	15.6	19.4	17.2	20.0	25.8	11.5
Total	100.0	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	3.4	6.5	6.5	9.7	3.2	6.5	3.2	0.0	0.0	0.0	0.0	3.8
2. Between 5 and 8 percent	79.3	77.4	80.6	71.0	71.0	74.2	71.0	73.3	74.1	78.6	82.8	88.5
3. Between 8 and 12 percent	17.2	16.1	12.9	19.4	25.8	19.4	25.8	26.7	25.9	21.4	17.2	7.7
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	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	100.0
D. Product and/or service pricing over the next 12 months												
1. Increase	45.2	33.3	48.4	53.1	43.8	56.3	59.4	54.8	39.3	40.0	38.7	30.8
2. Decrease	9.7	18.2	16.1	3.1	3.1	3.1	3.1	0.0	0.0	3.3	6.5	7.7
3. Remain the same	45.2	48.5	35.5	43.8	53.1	40.6	37.5	45.2	60.7	56.7	54.8	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	100.0
E. Economic growth (GDP growth) over the next 12 months												
1. Below negative 10 percent	3.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
2. Between negative 10 percent and negative 5 percent	3.3	9.4	3.2	6.5	0.0	0.0	0.0	3.2				
3. Between negative 5 percent and 1 percent	26.7	21.9	25.8	12.9	18.8	35.5	25.0	29.0				
4. Between 1 and 5 percent	66.7	68.8	64.5	80.6	78.1	61.3	68.8	67.7				
5. Between 5 and 10 percent	0.0	0.0	6.5	0.0	3.1	3.2	6.3	0.0				
6. Above 10 percent	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
1. Negative									25.0	27.6	23.3	19.2
2. Flat									50.0	55.2	50.0	65.4
3. Positive									25.0	17.2	26.7	15.4
Total	100.0	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 8: BUSINESS PERCEPTION RESULTS

Survey questionnaire responses

Business Perception Index

	Improvement				No change				Worsening				Current	Short-term	Business perception index		
	2015				2015				2015								
	I	II	III	IV	I	II	III	IV	I	II	III	IV					
A. Current economic conditions	25.0	24.2	22.0	25.0	49.1	47.5	49.6	43.3	25.9	28.3	28.5	31.7	2012		104.0	107.5	105.5
1. The economic conditions in Aruba	13.8	6.7	9.7	15.4	48.3	53.3	41.9	42.3	37.9	40.0	48.4	42.3	2013		105.2	104.3	104.8
2. The activities of your business	31.0	20.0	25.8	26.9	48.3	56.7	54.8	50.0	20.7	23.3	19.4	23.1	2014		102.0	101.7	101.87
3. The investments of your business	24.1	13.3	19.4	19.2	48.3	46.7	41.9	46.2	27.6	40.0	38.7	34.6	2015		100.5	99.5	100.0
4. The number of employees that work for your company	31.0	56.7	33.3	38.5	51.7	33.3	60.0	34.6	17.2	10.0	6.7	26.9					
5. Terms and conditions for obtaining finance	31.0	23.3	41.9	38.5	65.5	76.7	41.9	61.5	3.5	0.0	16.1	0.0					
													2014	I	99.8	99.8	99.8
B. Expected short-term economic conditions 1)	22.4	17.5	17.7	16.3	60.3	55.0	58.1	58.7	17.2	27.5	24.2	25.0		II	101.9	98.2	100.0
1. The economic conditions in Aruba	10.3	10.0	3.2	7.7	55.2	40.0	54.8	61.5	34.5	50.0	41.9	30.8		III	101.7	99.6	100.61
2. The activities of your business	27.6	20.0	25.8	23.1	65.5	66.7	61.3	57.7	6.9	13.3	12.9	19.2		IV	99.5	102.1	100.7
3. The investments of your business	27.6	23.3	22.6	19.2	62.1	50.0	54.8	57.7	10.3	26.7	22.6	23.1					
4. The number of employees that work for your company	24.1	16.7	19.4	15.4	58.6	63.3	61.3	57.7	17.2	20.0	19.4	26.9	2015	I	99.8	101.3	100.5
														II	99.2	97.8	98.5
														III	98.7	98.5	98.6
														IV	98.8	97.9	98.4

1) During the next 6 months.

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

	Employment				Operational results								Sales				Average labor costs			
					Profits				Loss											
	2015				2015				2015				2015				2015			
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
1. no change	51.7	53.3	35.5	38.5	20.7	20.0	19.4	11.5	0.0	6.7	3.2	3.8	17.2	20.0	16.1	11.5	27.6	23.3	16.1	7.7
2. increase of less than 5.1 percent	24.1	20.0	29.0	34.6	20.7	6.7	19.4	19.2	0.0	0.0	0.0	0.0	20.7	10.0	22.6	30.8	51.7	53.3	51.6	65.4
3. increase between 5.1 and 10.1 percent	3.4	3.3	9.7	3.8	6.9	10.0	12.9	7.7	0.0	3.3	0.0	0.0	17.2	16.7	19.4	3.8	3.4	6.7	12.9	3.8
4. increase of more than 10.1 percent	0.0	0.0	0.0	0.0	24.1	20.0	12.9	26.9	6.9	0.0	6.5	7.7	13.8	16.7	6.5	11.5	0.0	0.0	0.0	3.8
5. decrease of less than 5.1 percent	13.8	16.7	12.9	19.2	10.3	10.0	9.7	0.0	0.0	0.0	0.0	0.0	20.7	30.0	12.9	23.1	13.8	13.3	12.9	11.5
6. decrease between 5.1 and 10.1 percent	0.0	0.0	6.5	3.8	6.9	6.7	0.0	7.7	0.0	6.7	6.5	3.8	6.9	3.3	16.1	15.4	0.0	0.0	0.0	7.7
7. decrease of more than 10.1 percent	6.9	6.7	6.5	0.0	3.4	3.3	9.7	11.5	0.0	6.7	0.0	0.0	3.4	3.3	6.5	3.8	3.4	3.3	6.5	0.0
Total	100.0	100.0	100.0	100.0	93.1	76.7	83.9	84.6	6.9	23.3	16.1	15.4	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

1) In percentages of all respondents.