

Business Perception Survey

Results of the Quarter 3 - 2015 Survey | Vol. 13.3 | 2 February 2016

Overview

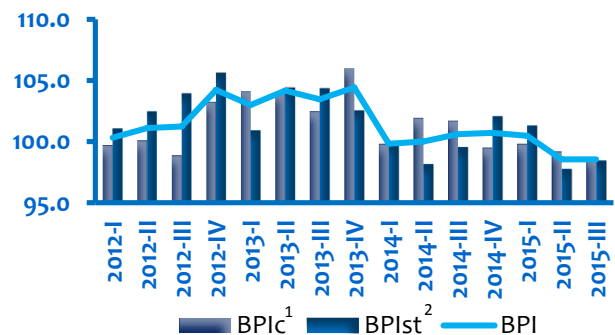
- The third quarter of 2015 Business Perception Survey shows that the overall perception on economic conditions remained practically unchanged, as the Business Perception Index (BPI) rose from 98.5 in the second quarter of 2015 to 98.6 in the quarter under review.
- The sentiment on current economic conditions worsened, while the short-term future economic index increased from 97.8 to 98.5.
- A larger percentage of respondents operated with profits in the third quarter of 2015, compared to the previous quarter. The share of businesses reporting increases in employment and sales expanded, as is the case for the share of respondents noting growth in average labor costs.
- Respondents indicate that current investment activities have improved, however, they expect short-term investment activities of their businesses to remain the same.
- More than half of the respondents expect that prices will remain the same over the next 12 months following this survey, while half of the respondents foresee a flat rate of economic growth.

percent in the second quarter of 2015 (Chart 1, Annexes 1 to 5).

The current economic condition index decreased to 98.7 percent, down from 99.2 percent in the second quarter of 2015, indicating less confidence among surveyed businesses. The sectors contributing to this decline were “real estate and other business activities”, “wholesale and retail trade”, “health, other community and personal service activities”, “financial intermediation”, and “transport, storage and communication”.

The short-term future economic index, however, grew from 97.8 percent in the second quarter of 2015 to 98.5 percent in the quarter under review. The sectors “wholesale and retail trade”, “utilities”, and “financial intermediation” were behind this expansion.

Chart 1: Business Perception Index



Source: CBA

¹BPIc: current Business Perception Index

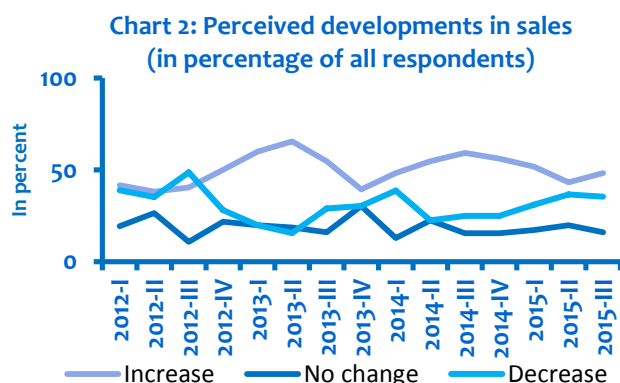
²BPIst: short-term Business Perception Index

Business Activity

In the third quarter of 2015, the overall BPI, comprising the current and short-term future perceptions on economic conditions remained practically unchanged. The BPI increased with 0.1 percentage point to 98.6 percent, up from 98.5

Sales and Profitability

During the third quarter of 2015, the percentage of respondents reporting an upturn in sales rose by 5.1 percentage points to 48.5 percent. This increase coincided with a contraction in the percentage of respondents indicating a “no change” and “decrease” of 3.9 percentage points to 16.1 percent and 1.1 percentage points to 35.5 percent, respectively. All sectors experienced growth in sales (Chart 2, Annex 6).



Source: CBA

During the quarter under review, 83.9 percent of the respondents indicated profitability, compared to 76.7 percent in the previous quarter. The percentage of profitable firms indicating an “increase” in profits, expanded by 8.5 percentage points to 45.2 percent, while the percentage of reporting “no change” and a “decrease” in profits, declined by 0.6 percentage point to 19.4 percent and 0.6 percentage point to 19.4 percent, respectively (Annex 6, 2A).

The percentage of respondents reporting an “increase” in losses increased by 3.2 percentage points to 6.5 percent. The percentage indicating “decrease” and “no change”, on the other hand, declined by 6.9 percentage points to 6.5 percent, and 3.5 percentage points to 3.2 percent, respectively (Annex 6, 2B).

Investment and Financing Activity

In the third quarter of 2015, investment activities grew, as the percentage of respondents reporting “improvement” rose by 6.1 percentage points to 19.4 percent, while the percentage indicating “no change” and “worsening” in their current investments decreased by 4.8 percentage points to 41.9 percent and 1.3 percentage points to 38.7 percent, respectively (Annex 8).

The percentage of respondents expecting a “no change” in the investment of their business in the short-term grew by 4.8 percentage points to 54.8 percent, whereas “worsening” and “improvement” contracted by 4.1 percentage points to 22.6 percent and 0.7 percentage point to 22.6 percent, respectively (Annex 8).

The percentage of respondents with investment plans over the next 12 months, declined by 5.7 percentage points to 74.2 percent, compared to the previous quarter. The percentage of respondents indicating investment intentions of below Afl. 1 million fell by 4.6 percentage points to 38.7 percent. The percentage of respondents revealing investment plans between Afl. 1 and Afl. 5 million also dropped by 7.2 percentage points to 16.1 percent. The percentage of respondents reporting investment intentions of above Afl. 5 million, on the other hand, increased by 6.1 percentage points to 19.4 percent (Annex 7).

The number of respondents indicating “no change” in the terms and conditions for obtaining financing have declined by 34.8 percent to 41.9 percent, compared to the second quarter of 2015. The percentage of respondents reporting “eased” (improvement) and “tightened” (worsening) went from 23.3 percent to 41.9 percent and 0 percent to 16.1 percent, respectively (Annex 8).

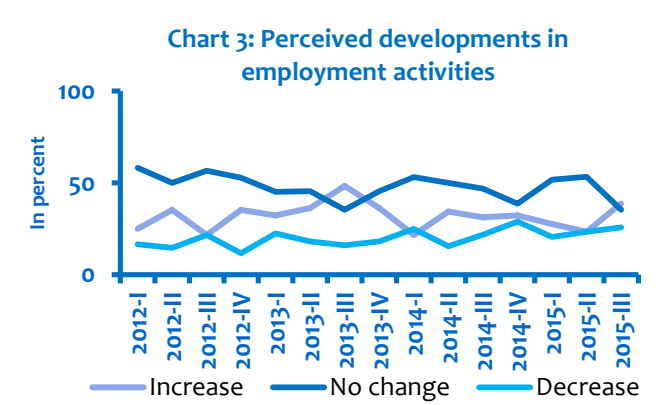
All respondents indicate that the effective financing rate for the next twelve months will remain between 5 percent and 12 percent. Almost 83 percent of the respondents are of opinion that the rate will be between 5 and 8 percent, compared to 78.6 in the previous quarter, while 17.2 percent expect a

financing rate between 8 and 12 percent, compared to 21.4 percent last quarter (Annex 7).

Employment and Wages

In the quarter under review, the percentage of surveyed firms reporting “no change” in employment decreased by 17.8 percentage points to 35.5 percent. The percentage reporting an “increase” grew by 15.4 percentage points to 38.7 percent, and the percentage reporting a “decrease” rose by 2.5 percentage points to 25.9 percent. The majority of the respondents in the categories “increase” (29.0 percent) and “decrease” (12.9 percent), noted a change of less than 5.1 percent. All sectors, with the exception of the manufacturing and financial intermediation sectors, registered an upturn in employment during the third quarter (Chart 3, Annexes 6 and 8).

The percentage of respondents experiencing “no change” in average labor costs declined by 7.2 percentage points to 16.1 percent. The percentage of respondents registering an “increase” expanded by 4.5 percentage points to 64.5 percent, while the percentage registering a “decrease” fell by 2.8 percentage points to 19.4 percent. Similar to employment, the majority of the respondents in the categories “increase” and “decrease”, noted a change of less than 5.1 percent. An increase in average wage costs was experienced in all sectors except financial intermediation (Annexes 6 and 8).



Source: CBA

Inflation and Pricing

In line with the second quarter of 2015, none of the respondents expect inflation to be below zero percent over the next 12 months. In the quarter under review, the percentage of respondents expecting inflation between 0 and 3 percent rose by 10.5 percentage points to 80.6 percent, while the percentage expecting inflation above 3 percent fell by 10.6 percentage points to 19.4 percent, compared to the previous quarter (Annex 7).

With regard to the prices for products and services over the next 12 months, 6.5 percent of the respondents indicate a decrease, compared to 3.3 percent in the previous quarter. The percentage of respondents perceiving that prices will “remain the same” decreased by 1.9 percentage points to 54.8 percent, while the percentage expecting prices to “increase” decline by 1.3 percentage points to 38.7 percent (Annex7).

An increasing number of businesses expect a positive rate in economic growth. The percentage of respondents anticipating a flat growth rate declined by 5.2 percentage points to 50.0 percent. The percentage expecting a negative growth rate also decreased by 4.3 percentage points to 23.3 percent. The percentage foreseeing a positive rate of growth, on the other hand, increased by 9.5 percentage points to 26.7 percent, compared to the previous quarter (Annex 7).

Annex 1: Response rate and indices 1]

	2011	2012	2013	2014	2013				2014				2015		
					I	II	III	IV	I	II	III	IV	I	II	III
1. Response and non-response rates															
a. Average response rate	76.1	71.5	73.9	67.4	65.6	70.0	66.0	71.2	67.9	67.3	68.1	66.0	61.7	68.2	70.3
b. Average non-response rate	23.9	28.5	26.1	32.6	34.4	30.0	34.0	28.8	32.1	32.7	31.9	34.0	38.3	31.8	29.7
2. Indices															
a. Index current economic condition	106.1	104.0	105.2	102.0	104.1	104.0	102.5	106.0	99.8	101.9	101.7	99.5	99.8	99.2	98.7
b. Index short-term future economic condition	107.0	107.5	104.3	101.7	100.9	104.4	104.3	102.5	99.8	98.2	99.6	102.1	101.3	97.8	98.5
c. Business Perception Index	106.5	105.5	104.8	101.9	103.0	104.2	103.4	104.4	99.8	100.0	100.6	100.7	100.5	98.5	98.6

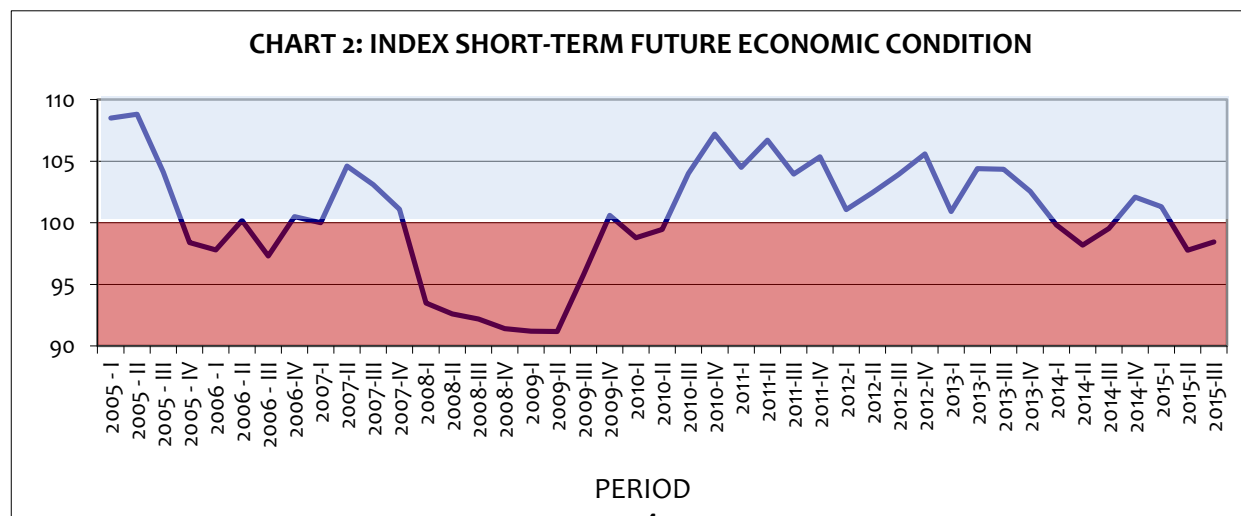
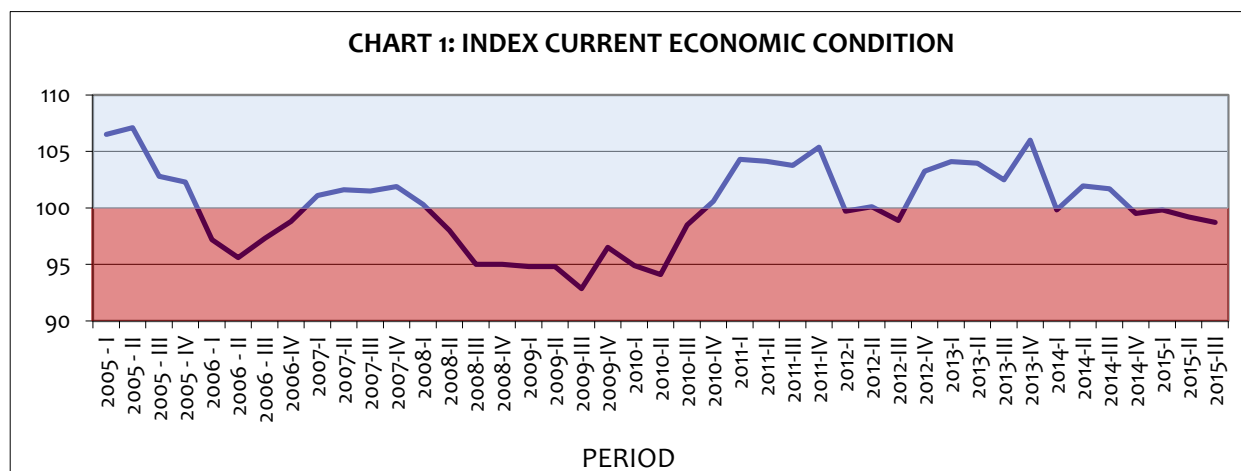
Source: CBA.

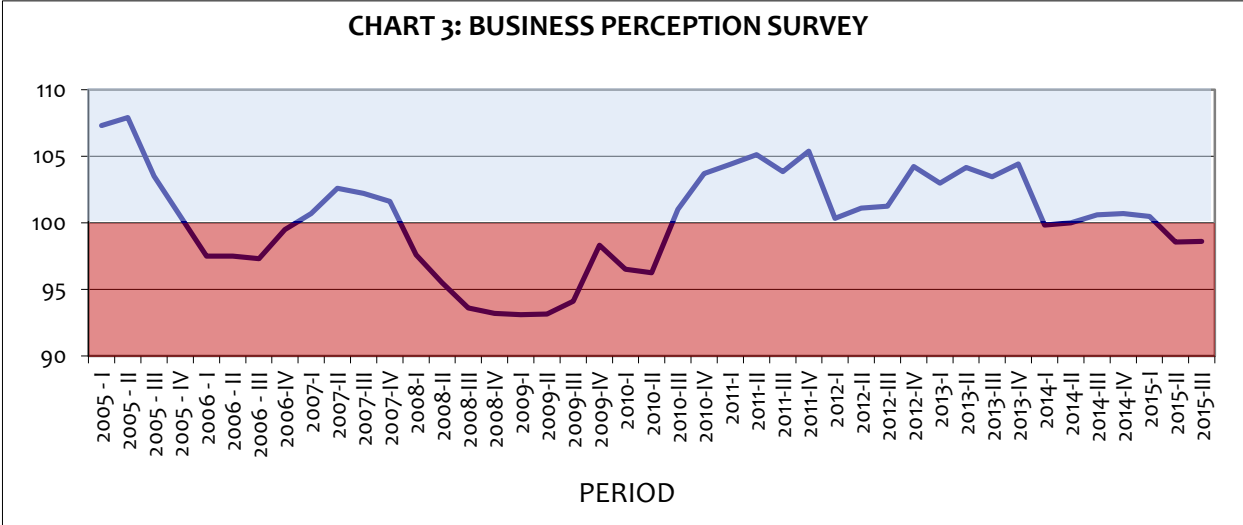
1] Index value = between 100 and 110: Optimistic perception

Index value = 100: Neutral

Index value = between 90 and 100: Pessimistic perception

Annex 2: Trends in perception





Annex 3: Business perception Survey (by sectors)

	2011	2012	2013	2014	2013				2014				2015		
					I	II	III	IV	I	II	III	IV	I	II	III
1. Index current economic condition	106.1	104.0	105.2	102.0	104.1	104.0	102.5	106.0	99.8	101.9	101.7	99.5	99.8	99.2	98.7
a. Manufacturing (excl. manufacture of refined petroleum products)	110.0	110.0	110.0	103.3	110.0	110.0	110.0	110.0	90.0	90.0	110.0	90.0	100.0	90.0	90.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	100.0	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
c. Construction	105.6	102.7	100.9	105.0	99.1	100.0	98.9	106.4	101.4	110.0	106.7	103.3	101.4	94.0	101.1
d. Wholesale and retail trade, repair of motor vehicles and household goods	108.1	108.7	110.0	100.0	106.0	102.0	97.5	107.8	103.3	103.3	100.0	100.0	103.3	100.0	92.5
e. Hotels and restaurants	108.5	104.5	106.0	101.4	107.1	107.1	102.7	107.8	98.6	101.4	106.7	102.5	103.3	98.6	106.0
f. Transport, storage and communication	110.0	102.7	110.0	96.7	108.0	108.0	110.0	110.0	110.0	102.0	101.1	98.9	98.0	100.6	100.0
g. Financial intermediation	110.0	90.0	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
h. Real estate and other business activities	97.5	110.0	110.0	106.4	110.0	107.1	105.0	107.5	102.0	102.3	110.0	102.0	106.0	110.0	100.0
i. Health, other community and personal service activities	102.2	100.0	102.9	100.6	103.3	104.5	108.0	103.3	97.4	96.7	97.0	97.8	97.1	100.0	97.5
2. Index short-term future economic condition	107.0	107.5	104.3	101.7	100.9	104.4	104.3	102.5	99.8	98.2	99.6	102.1	101.3	97.8	98.5
a. Manufacturing (excl. manufacture of refined petroleum products)	100.0	100.0	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
b. Electricity, gas and water supply	110.0	110.0	110.0	100.0	110.0	110.0	110.0	110.0	110.0	90.0	100.0	110.0	100.0	100.0	110.0
c. Construction	110.0	110.0	110.0	103.3	100.0	110.0	110.0	110.0	105.0	105.0	110.0	103.3	103.3	100.0	90.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	107.6	108.0	104.3	103.3	98.0	98.0	95.7	106.0	98.0	96.7	96.0	100.0	96.7	94.0	96.7
e. Hotels and restaurants	102.5	105.6	106.0	102.5	103.3	110.0	105.6	103.3	96.7	101.4	99.1	102.5	102.0	100.0	100.0
f. Transport, storage and communication	105.6	110.0	110.0	95.0	106.0	106.0	110.0	110.0	110.0	95.7	101.4	96.7	96.0	98.8	96.7
g. Financial intermediation	110.0	110.0	107.5	106.7	103.3	103.3	105.0	107.5	105.0	102.0	101.4	110.0	107.5	107.1	110.0
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
i. Health, other community and personal service activities	102.2	100.0	102.9	100.6	103.3	104.5	108.0	103.3	97.4	96.7	97.0	97.8	97.1	100.0	97.5
3. Business Perception Index	106.5	105.5	104.8	101.9	103.0	104.2	103.4	104.4	99.8	100.0	100.6	100.7	100.5	98.5	98.6
a. Manufacturing (excl. manufacture of refined petroleum products)	110.0	110.0	98.0	96.7	110.0	103.3	100.0	98.0	90.0	90.0	98.0	90.0	100.0	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
c. Construction	106.7	105.0	104.1	104.3	99.1	101.7	104.7	108.0	103.3	107.5	108.3	103.3	102.3	96.7	98.3
d. Wholesale and retail trade, repair of motor vehicles and household goods	107.9	108.4	106.4	102.0	102.0	100.0	96.7	107.1	100.9	100.0	97.5	100.0	100.0	98.0	94.3
e. Hotels and restaurants	106.2	105.0	106.0	102.0	106.0	108.3	104.0	106.0	100.0	101.4	101.8	102.5	102.5	99.1	102.7
f. Transport, storage and communication	108.1	105.8	110.0	95.9	107.3	107.3	110.0	110.0	110.0	98.3	101.3	97.8	97.2	99.7	98.5
g. Financial intermediation	110.0	105.0	104.1	105.0	96.7	99.1	96.7	103.3	100.0	102.7	100.8	102.0	102.0	103.3	102.0
h. Real estate and other business activities	103.3	110.0	110.0	108.0	110.0	106.7	108.2	108.8	104.0	103.7	110.0	105.6	107.9	110.0	105.6
i. Health, other community and personal service activities	104.0	102.1	100.3	101.7	98.8	105.2	104.3	99.0	96.3	95.6	97.9	100.0	96.4	95.8	98.0

Source: CBA.

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

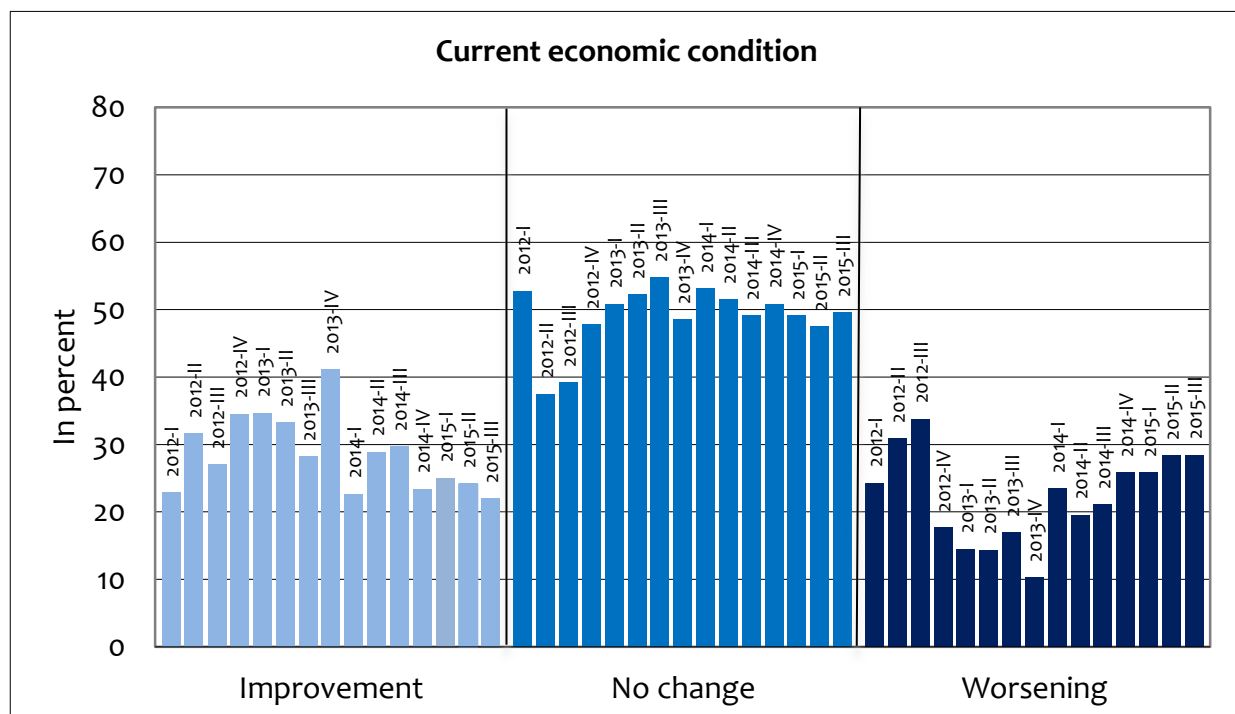
	Improvement	No change	Worsening
A. Current economic condition 1]	22.0	49.6	28.5
1. The economic conditions in Aruba	9.7	41.9	48.4
2. The activities of your business	25.8	54.8	19.4
3. The investments of your business	19.4	41.9	38.7
4. The number of employees that work for your company	33.3	60.0	6.7
5. The terms and conditions for obtaining finance	41.9	41.9	16.1
B. Expected short-term economic conditions 2]	17.7	58.1	24.2
1. The economic conditions in Aruba	3.2	54.8	41.9
2. The activities of your business	25.8	61.3	12.9
3. The investments of your business	22.6	54.8	22.6
4. The number of employees that work for your company	19.4	61.3	19.4

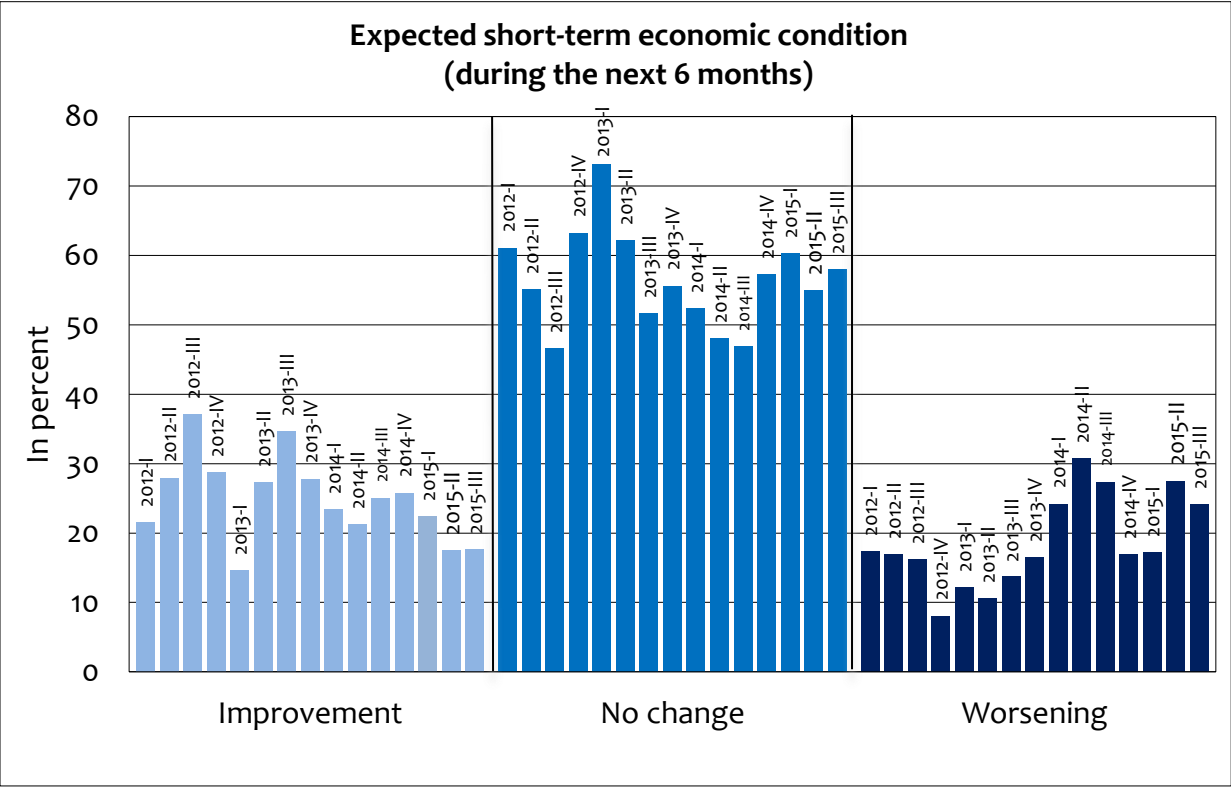
Source: CBA.

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-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	35.5	12.9	6.5	6.5	29.0	9.7	0.0
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	6.5	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	3.2	0.0	0.0
c. Construction	3.2	0.0	0.0	0.0	3.2	3.2	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	9.7	0.0	0.0	0.0	3.2	0.0	0.0
e. Hotels and restaurants	3.2	0.0	0.0	0.0	6.5	0.0	0.0
f. Transport, storage and communication	3.2	0.0	6.5	0.0	6.5	0.0	0.0
g. Financial intermediation	0.0	0.0	0.0	3.2	0.0	0.0	0.0
h. Real estate and other business activities	6.5	0.0	0.0	0.0	3.2	0.0	0.0
i. Health, other community and personal service activities	9.7	6.5	0.0	3.2	3.2	6.5	0.0
2. A. Profitability (profits), in percentages of all responding sectors	19.4	9.7	0.0	9.7	19.4	12.9	12.9
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	0.0	6.5	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	3.2	0.0	0.0	0.0	0.0	0.0
c. Construction	0.0	0.0	0.0	3.2	0.0	3.2	3.2
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	0.0	0.0	3.2	6.5	0.0	0.0
e. Hotels and restaurants	0.0	0.0	0.0	0.0	6.5	0.0	0.0
f. Transport, storage and communication	0.0	6.5	0.0	0.0	0.0	3.2	3.2
g. Financial intermediation	0.0	0.0	0.0	0.0	0.0	0.0	6.5
h. Real estate and other business activities	3.2	0.0	0.0	0.0	0.0	0.0	3.2
i. Health, other community and personal service activities	16.1	0.0	0.0	3.2	6.5	0.0	0.0
2. B. Profitability (losses), in percentages of all responding sectors	3.2	0.0	6.5	0.0	0.0	0.0	6.5
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	3.2	0.0	0.0	0.0	0.0
e. Hotels and restaurants	0.0	0.0	0.0	0.0	0.0	0.0	3.2
f. Transport, storage and communication	0.0	0.0	3.2	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	3.2	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	3.2

Source: CBA.

Annex 6: Economic indicators by sector (2015-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	16.1	12.9	16.1	6.5	22.6	19.4	6.5
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	6.5	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	3.2	0.0
c. Construction	0.0	0.0	0.0	3.2	3.2	0.0	3.2
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	0.0	6.5	0.0	3.2	3.2	0.0
e. Hotels and restaurants	0.0	3.2	0.0	0.0	3.2	3.2	0.0
f. Transport, storage and communication	0.0	6.5	3.2	0.0	0.0	3.2	3.2
g. Financial intermediation	0.0	0.0	0.0	0.0	3.2	0.0	0.0
h. Real estate and other business activities	6.5	0.0	0.0	0.0	0.0	3.2	0.0
i. Health, other community and personal service activities	9.7	3.2	6.5	3.2	3.2	3.2	0.0
4. Average wage costs, in percentages of all responding sectors	23.3	12.9	0.0	6.5	51.6	12.9	0.0
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	6.5	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	0.0	3.2	0.0	0.0
c. Construction	0.0	0.0	0.0	0.0	9.7	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	10.0	0.0	0.0	0.0	6.5	3.2	0.0
e. Hotels and restaurants	0.0	0.0	0.0	0.0	6.5	3.2	0.0
f. Transport, storage and communication	0.0	9.7	0.0	0.0	6.5	0.0	0.0
g. Financial intermediation	0.0	0.0	0.0	3.2	0.0	0.0	0.0
h. Real estate and other business activities	3.3	3.2	0.0	0.0	3.2	0.0	0.0
i. Health, other community and personal service activities	10.0	0.0	0.0	3.2	9.7	6.5	0.0

Source: CBA.

Annex 7: Future expectations and activities

	2013				2014				2015		
	I	II	III	IV	I	II	III	IV	I	II	III
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
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
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
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
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
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.1	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
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
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
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
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	3.4	6.5	6.5	9.7	3.2	6.5	3.2	0.0	0.0	0.0	0.0
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
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
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	45.2	33.3	48.4	53.1	43.8	56.3	59.4	54.8	39.3	40.0	38.7
2. Decrease	9.7	18.2	16.1	3.1	3.1	3.1	3.1	0.0	0.0	3.3	6.5
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
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	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
2. Flat									50.0	55.2	50.0
3. Positive									25.0	17.2	26.7
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 8: BUSINESS PERCEPTION RESULTS

Survey questionnaire responses

Business Perception Index

	Improvement				No change				Worsening				Current	Short-term	Business perception index				
	2014				2015				2014							2015			
	IV	I	II	III	IV	I	II	III	IV	I	II	III				IV	I	II	III
A. Current economic conditions	23.4	25.0	24.2	22.0	50.8	49.1	47.5	49.6	25.8	25.9	28.3	28.5	2011	106.1	107.0	106.5			
1. The economic conditions in Aruba	9.7	13.8	6.7	9.7	54.8	48.3	53.3	41.9	35.5	37.9	40.0	48.4	2012	104.0	107.5	105.5			
2. The activities of your business	25.8	31.0	20.0	25.8	48.4	48.3	56.7	54.8	25.8	20.7	23.3	19.4	2013	105.2	104.3	104.8			
3. The investments of your business	19.4	24.1	13.3	19.4	61.3	48.3	46.7	41.9	19.4	27.6	40.0	38.7	2014	102.0	101.7	101.87			
4. The number of employees that work for your company	38.7	31.0	56.7	33.3	38.7	51.7	33.3	60.0	22.6	17.2	10.0	6.7							
5. Terms and conditions for obtaining finance		31.0	23.3	41.9		65.5	76.7	41.9		3.5	0.0	16.1							
													2014	I	99.8	99.8	99.8		
B. Expected short-term economic conditions 1)	25.8	22.4	17.5	17.7	57.3	60.3	55.0	58.1	16.9	17.2	27.5	24.2		II	101.9	98.2	100.0		
1. The economic conditions in Aruba	19.4	10.3	10.0	3.2	38.7	55.2	40.0	54.8	41.9	34.5	50.0	41.9		III	101.7	99.6	100.61		
2. The activities of your business	25.8	27.6	20.0	25.8	67.7	65.5	66.7	61.3	6.5	6.9	13.3	12.9		IV	99.5	102.1	100.7		
3. The investments of your business	32.3	27.6	23.3	22.6	51.6	62.1	50.0	54.8	16.1	10.3	26.7	22.6							
4. The number of employees that work for your company	25.8	24.1	16.7	19.4	71.0	58.6	63.3	61.3	3.2	17.2	20.0	19.4	2015	I	99.8	101.3	100.5		
														II	99.2	97.8	98.5		
														III	98.7	98.5	98.6		

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				Losses											
	2014	2015			2014	2015			2014	2015			2014	2015			2014	2015		
	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III
1. no change	35.5	51.7	53.3	35.5	18.8	20.7	20.0	19.4	3.1	0.0	6.7	3.2	16.1	17.2	20.0	16.1	19.4	27.6	23.3	16.1
2. increase of less than 5.1 percent	25.8	24.1	20.0	29.0	25.0	20.7	6.7	19.4	0.0	0.0	0.0	0.0	29.0	20.7	10.0	22.6	51.6	51.7	53.3	51.6
3. increase between 5.1 and 10.1 percent	6.5	3.4	3.3	9.7	12.5	6.9	10.0	12.9	3.1	0.0	3.3	0.0	16.1	17.2	16.7	19.4	16.1	3.4	6.7	12.9
4. increase of more than 10.1 percent	0.0	0.0	0.0	0.0	12.5	24.1	20.0	12.9	6.3	6.9	0.0	6.5	12.9	13.8	16.7	6.5	0.0	0.0	0.0	0.0
5. decrease of less than 5.1 percent	19.4	13.8	16.7	12.9	3.1	10.3	10.0	9.7	3.1	0.0	0.0	0.0	9.7	20.7	30.0	12.9	9.7	13.8	13.3	12.9
6. decrease between 5.1 and 10.1 percent	9.7	0.0	0.0	6.5	0.0	6.9	6.7	0.0	3.1	0.0	6.7	6.5	6.5	6.9	3.3	16.1	3.2	0.0	0.0	0.0
7. decrease of more than 10.1 percent	3.2	6.9	6.7	6.5	9.4	3.4	3.3	9.7	0.0	0.0	6.7	0.0	9.7	3.4	3.3	6.5	0.0	3.4	3.3	6.5
Total	100.0	100.0	100.0	100.0	81.3	93.1	76.7	83.9	18.8	6.9	23.3	16.1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

1) In percentages of all respondents.