



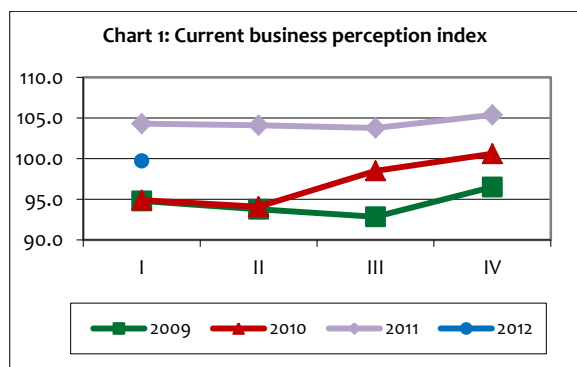
CENTRALE BANK VAN ARUBA

THE BUSINESS PERCEPTION SURVEY IN ARUBA

BUSINESS CONFIDENCE DROPS

Survey results for the first quarter of 2012

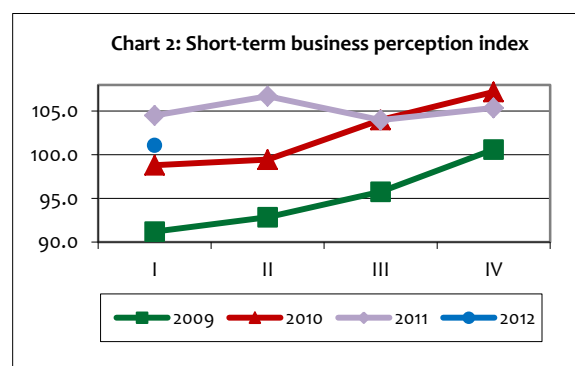
In the first quarter of 2012, results of the Business Perception Survey (BPS) indicate that businesses turned pessimistic about the current economic conditions in Aruba, and became less optimistic about the future economic conditions. Undoubtedly, news concerning the suspension of the Valero refinery's operations led to this gloomier outlook. After a slight upturn in the fourth quarter of 2011, the index on the current economic conditions dropped by 5.7 percentage points to 99.7 in the first quarter of 2012 (Chart 1).



Only about one in every five companies or 21.5 percent of respondents expected an improved performance of the economic conditions for the next six months, while 61.1 percent anticipated that current economic conditions to persist for the next six months (Annex 5). Interestingly, the results reveal that 9.2 percent more companies perceived that improvements would be witnessed in the

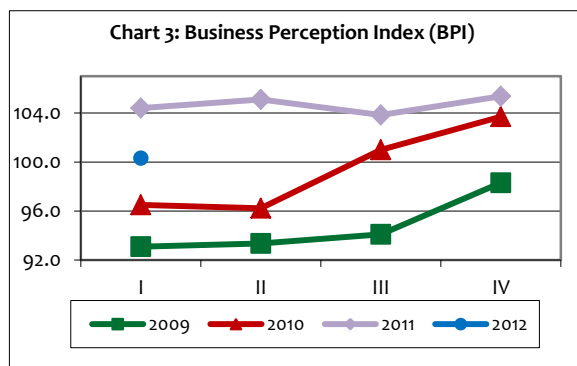
short term future, compared to the fourth quarter of the previous year (Annex 6).

As the overall business confidence fell back to levels observed in the first three quarters of 2010, sectors registering the largest declines in confidence were the manufacturing and the hotel & restaurant (Annex 3).

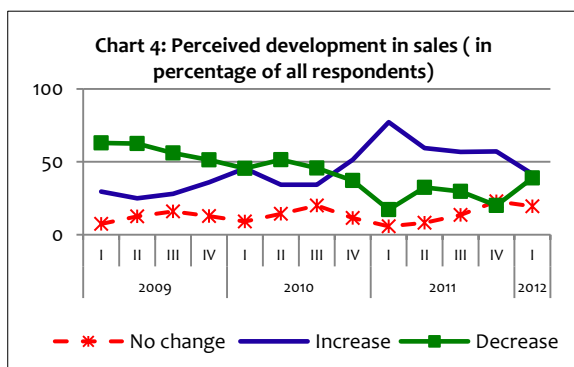


In the quarter under review, the overall Business Perception Index (BPI), comprising the current and short-term perceptions, fell to 100.3, down from 105.4 during the previous quarter (Chart 3). Compared to the first quarter of 2011, the BPI weakened as well by 4.1 percentage points. The Business Perception Index noted drops in most sectors, except for increases in the utilities and construction, which grew by, respectively, 10 and 4 percentage points in the first quarter of 2012, compared to the fourth quarter of 2011.

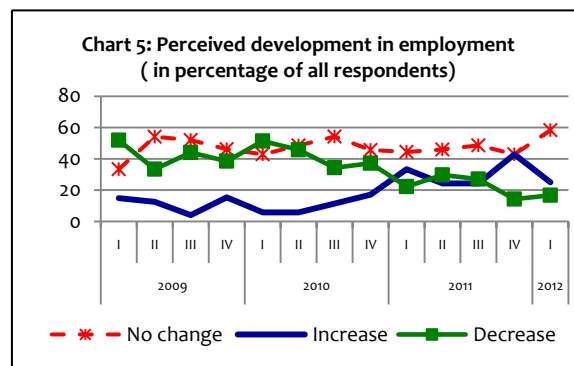
41.7 percent of respondents indicated an increase in sales, compared to 77.2 percent in



the same quarter of 2011 (Chart 4). 25.0 percent of the firms surveyed noted an increase in staffing, as staffing registered increases of up to 10.1 percent. Expansion of employment occurred mostly in the wholesale and retail trade sectors (Annex 7).



The survey's questions on profitability provides findings that reflect the positive sentiment felt by businesses about the current economic conditions, as 88.9 percent of the respondents reported that profits were observed (annex 7). The highest profit surges were noted in the sector of health, other community and personal service activities.



All in all, despite the slight fall in optimism within several industries, on balance businesses opinionated a somewhat neutral outlook on the economy.

Centrale Bank van Aruba
July 25, 2012

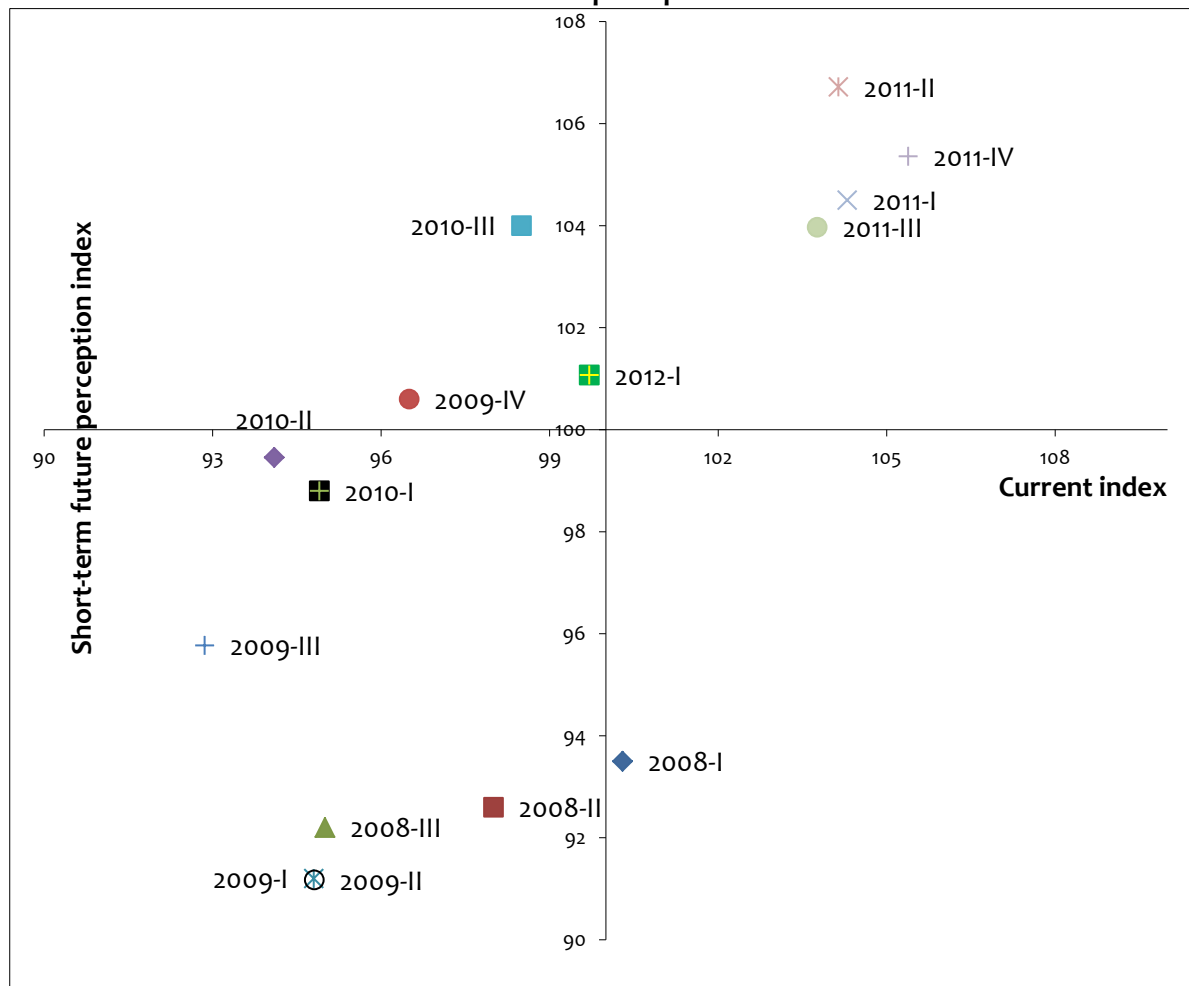
Annex 1: Response rate and indices 1]

	2009	2010	2011	2010				2011				2012
				I	II	III	IV	I	II	III	IV	I
1. Response and non-response rates												
a. Average response rate	76.0	70.0	76.1	69.6	69.8	74.47	76.1	77.9	78.7	78.7	76.1	78.3
b. Average non-response rate	24.0	30.0	23.9	30.4	30.2	31.91	23.9	22.1	21.3	21.3	23.9	21.7
2. Indices												
a. Index current economic condition	94.6	98.2	106.1	94.8	94.1	98.5	100.6	104.3	104.1	103.8	105.4	99.7
b. Index short-term future economic condition	98.2	106.3	107.0	99.0	99.5	104.0	107.2	104.5	106.7	104.0	105.4	101.1
c. Business Perception Index	96.0	101.7	106.5	96.5	96.2	101.0	103.7	104.4	105.1	103.8	105.4	100.3

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: Index current and short-term future perception



Annex 3: Trends in perception

CHART 1: INDEX CURRENT ECONOMIC CONDITION

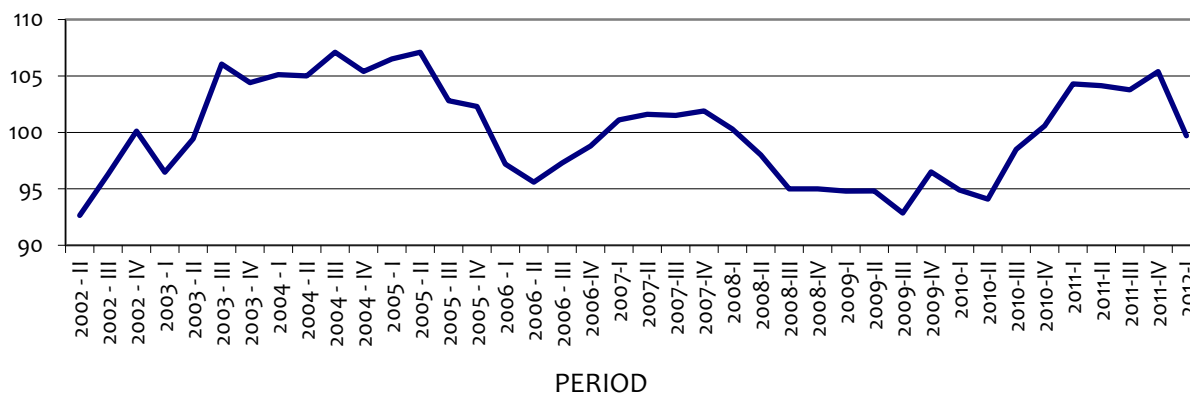


CHART 2: INDEX SHORT-TERM FUTURE ECONOMIC CONDITION

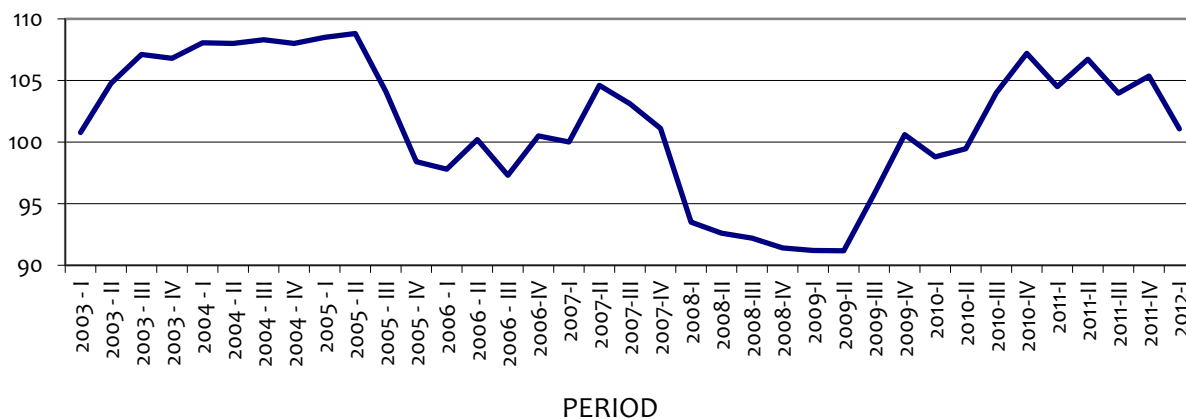
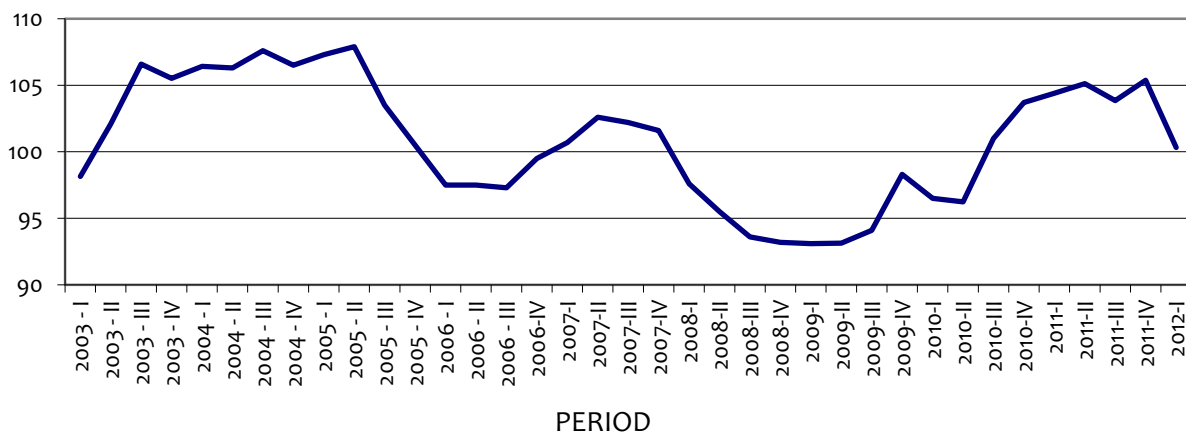


CHART 3: BUSINESS PERCEPTION SURVEY



Annex 3: Business perception Survey (by sectors)

	2009	2010	2011	2010				2011				2012
				I	II	III	IV	I	II	III	IV	I
1. Index current economic condition	94.6	98.2	106.1	94.8	94.1	98.5	100.6	104.3	104.1	103.8	105.4	99.7
a. Manufacturing (excl. manufacture of refined petroleum products)	95.0	105.0	110.0	96.7	90.0	103.3	100.0	110.0	105.0	105.0	110.0	90.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	90.0	110.0	100.0	100.0	90.0	110.0	110.0	90.0	90.0	110.0	100.0	100.0
c. Construction	101.7	92.0	105.6	96.0	96.7	94.6	96.0	98.6	104.5	105.0	103.3	100.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	95.3	97.3	108.1	91.3	92.0	96.2	100.7	105.0	107.3	106.8	108.7	103.8
e. Hotels and restaurants	92.2	110.0	108.5	105.0	95.0	102.0	110.0	108.2	110.0	103.8	105.7	94.3
f. Transport, storage and communication	91.3	91.4	110.0	92.9	96.2	96.0	94.0	108.2	105.6	110.0	105.0	98.0
g. Financial intermediation	98.6	97.5	110.0	93.6	95.0	96.7	95.7	104.5	105.0	108.0	102.5	103.3
h. Real estate and other business activities	94.0	97.3	97.5	93.3	93.1	106.0	103.3	98.6	96.0	90.0	102.0	100.0
i. Health, other community and personal service activities	91.3	98.8	102.2	92.7	91.7	95.3	100.7	105.0	102.6	99.6	103.7	101.3
2. Index short-term future economic condition	98.2	106.3	107.0	99.0	99.5	104.0	107.2	104.5	106.7	104.0	105.4	101.1
a. Manufacturing (excl. manufacture of refined petroleum products)	100.0	110.0	100.0	100.0	100.0	110.0	110.0	100.0	100.0	100.0	100.0	90.0
b. Electricity, gas and water supply	110.0	110.0	110.0	105.0	105.0	110.0	100.0	100.0	110.0	110.0	100.0	110.0
c. Construction	94.0	110.0	110.0	101.4	96.7	103.3	110.0	106.7	110.0	95.0	110.0	110.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	100.0	105.3	107.6	99.4	97.3	96.0	106.0	110.0	110.0	108.8	108.6	105.0
e. Hotels and restaurants	103.3	106.7	102.5	110.0	106.0	107.5	108.0	95.0	110.0	96.7	107.1	92.9
f. Transport, storage and communication	94.6	108.0	105.6	90.0	100.0	100.0	108.0	110.0	106.7	110.0	102.5	98.6
g. Financial intermediation	102.0	105.6	110.0	100.0	106.0	110.0	106.0	110.0	110.0	107.8	105.0	110.0
h. Real estate and other business activities	102.5	110.0	110.0	93.3	93.1	106.0	103.3	98.6	100.0	94.0	110.0	106.0
i. Health, other community and personal service activities	94.0	99.1	102.2	92.7	91.7	95.3	100.7	105.0	102.6	99.6	103.7	101.3
3. Business Perception Index	96.0	101.7	106.5	96.5	96.2	101.0	103.7	104.4	105.1	103.8	105.4	100.3
a. Manufacturing (excl. manufacture of refined petroleum products)	95.0	106.7	110.0	96.7	90.0	106.7	103.3	110.0	105.0	105.0	110.0	90.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	100.0	110.0	110.0	102.5	100.0	110.0	110.0	90.0	95.0	110.0	100.0	110.0
c. Construction	97.4	99.4	106.7	98.2	96.7	98.2	102.2	102.3	105.4	100.0	106.0	110.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	97.3	100.8	107.9	95.6	94.8	96.1	103.3	107.4	108.5	107.8	108.6	104.3
e. Hotels and restaurants	93.8	108.8	106.2	107.1	99.2	104.4	109.1	102.6	110.0	101.6	106.2	93.8
f. Transport, storage and communication	92.9	98.3	108.1	91.7	97.6	97.8	101.0	108.9	106.0	110.0	103.8	98.2
g. Financial intermediation	100.0	101.8	110.0	94.6	99.2	104.3	101.8	107.0	107.5	107.9	104.7	104.0
h. Real estate and other business activities	97.8	103.3	103.3	95.3	95.3	105.8	107.3	99.6	97.8	92.0	105.0	103.3
i. Health, other community and personal service activities	92.4	98.9	104.0	93.0	92.1	97.5	101.9	103.3	103.1	100.5	103.3	101.5

Source: CBA.

Annex 5: Survey questionnaire for the first quarter of 2012
(as a percentage of the total)

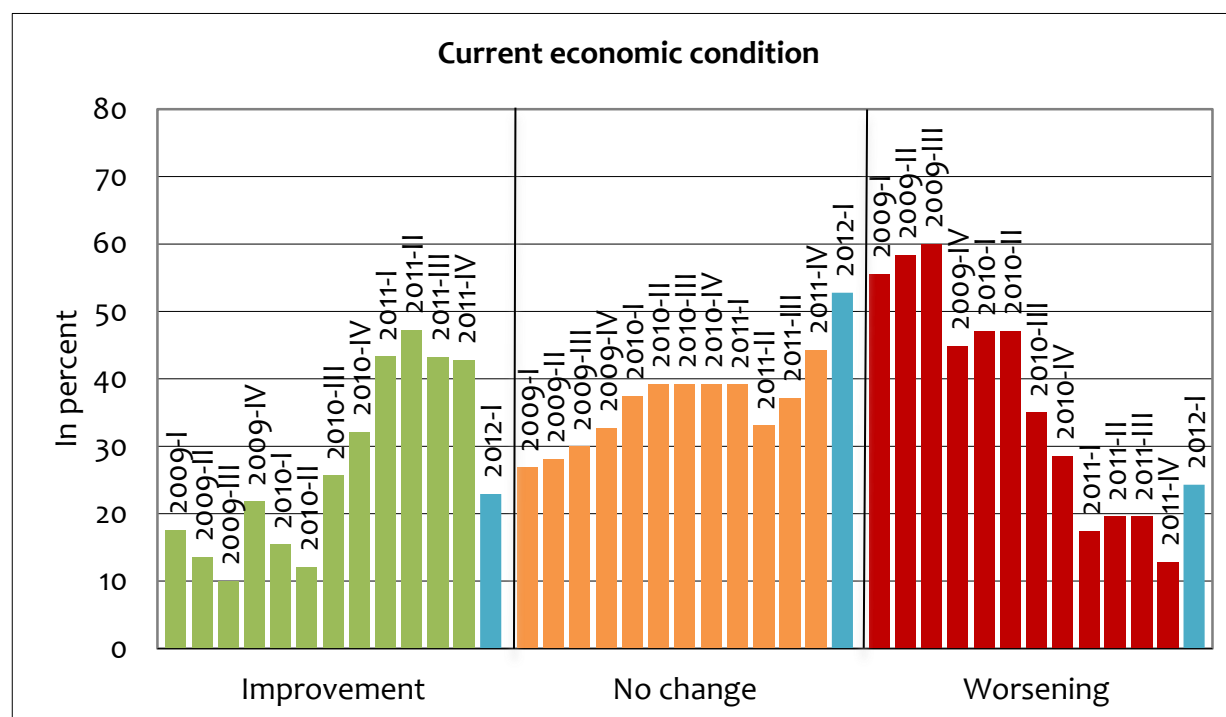
	Improvement	No change	Worsening
A. Current economic condition 1]	22.9	52.8	24.3
1. The economic conditions in Aruba	16.7	50.0	33.3
2. The activities of your business	25.0	44.4	30.6
3. The investments of your business	27.8	55.6	16.7
4. The number of employees that work for your company	22.2	61.1	16.7
B. Expected short-term economic conditions 2]	21.5	61.1	17.4
1. The economic conditions in Aruba	16.7	52.8	30.6
2. The activities of your business	22.2	58.3	19.4
3. The investments of your business	27.8	58.3	13.9
4. The number of employees that work for your company	19.4	75.0	5.6

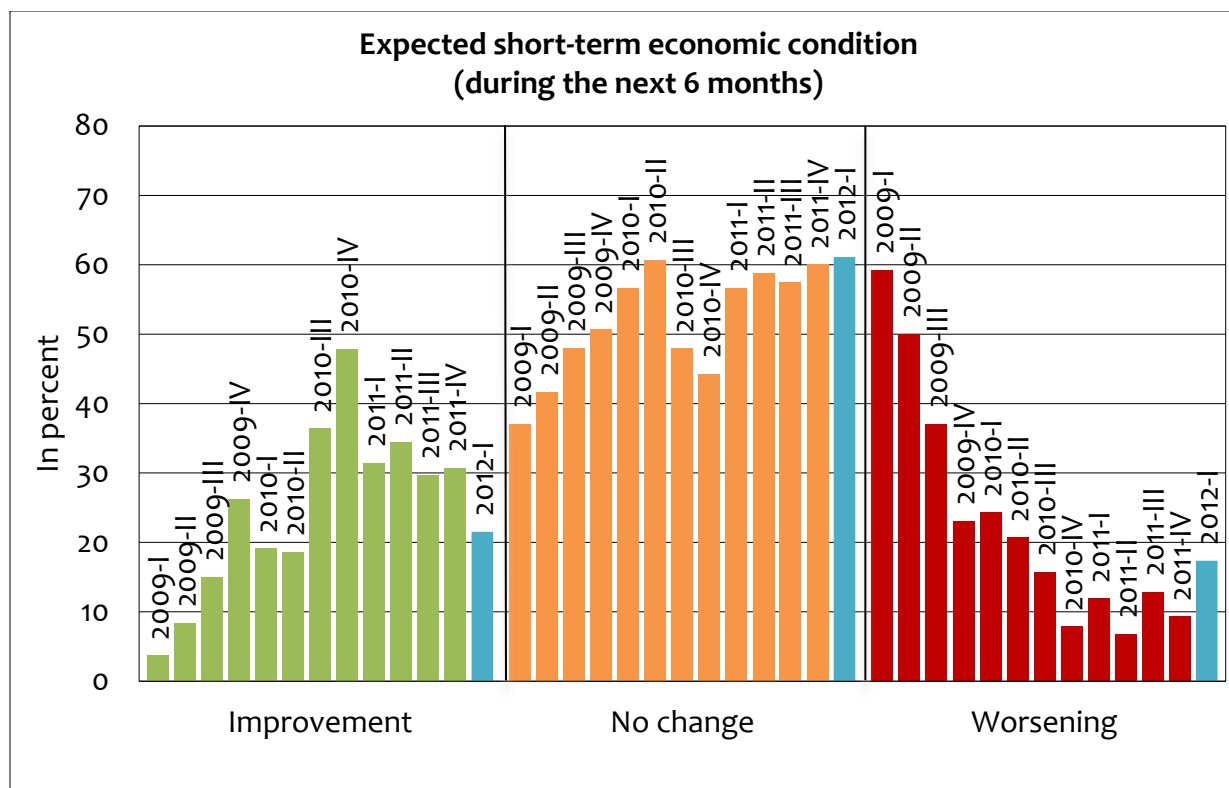
Source: CBA.

1] Compared to the corresponding quarter of 2010.

2] During the next 6 months.

Annex 6: Trends in the current and the expected short-term economic condition





Anex 7: Economic indicators by sector (2012-I)

	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	58.3	8.3	2.8	5.6	16.7	8.3	0.0
a. Manufacturing (excl. manufacture of refined petroleum products)	5.6	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	2.8	0.0	0.0
c. Construction	2.8	0.0	0.0	0.0	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	5.6	0.0	0.0	0.0	8.3	2.8	0.0
e. Hotels and restaurants	11.1	2.8	0.0	2.8	0.0	0.0	0.0
f. Transport, storage and communication	11.1	0.0	0.0	0.0	0.0	2.8	0.0
g. Financial intermediation	2.8	0.0	0.0	0.0	2.8	0.0	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	11.1	5.6	2.8	2.8	0.0	2.8	0.0
2. A. Profitability (profits), in percentages of all responding sectors	16.7	8.3	2.8	25.0	13.9	13.9	8.3
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	5.6	0.0	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	2.8	0.0	0.0	0.0
c. Construction	2.8	0.0	0.0	0.0	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	2.8	2.8	0.0	5.6	0.0	5.6	0.0
e. Hotels and restaurants	2.8	0.0	0.0	5.6	2.8	2.8	0.0
f. Transport, storage and communication	2.8	2.8	0.0	0.0	5.6	0.0	0.0
g. Financial intermediation	0.0	0.0	0.0	0.0	0.0	0.0	5.6
h. Real estate and other business activities	0.0	0.0	0.0	2.8	2.8	2.8	0.0
i. Health, other community and personal service activities	5.6	2.8	2.8	2.8	2.8	2.8	2.8
2. B. Profitability (losses), in percentages of all responding sectors	0.0	2.8	0.0	2.8	2.8	2.8	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	0.0	2.8	0.0	0.0
f. Transport, storage and communication	0.0	2.8	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	0.0	0.0	0.0	0.0	0.0	2.8	0.0
i. Health, other community and personal service activities	0.0	0.0	0.0	2.8	0.0	0.0	0.0

Source: CBA.

Anex 7: Economic indicators by sector (2012-1) (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	19.4	13.9	16.7	8.3	5.6	25.0	11.1
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	0.0	0.0	5.6
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	2.8	0.0	0.0	0.0	0.0
c. Construction	2.8	0.0	0.0	0.0	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	5.6	0.0	0.0	2.8	0.0	5.6	2.8
e. Hotels and restaurants	0.0	8.3	0.0	2.8	2.8	2.8	0.0
f. Transport, storage and communication	2.8	5.6	0.0	0.0	2.8	2.8	0.0
g. Financial intermediation	0.0	0.0	2.8	0.0	0.0	2.8	0.0
h. Real estate and other business activities	0.0	0.0	5.6	0.0	0.0	5.6	0.0
i. Health, other community and personal service activities	8.3	0.0	5.6	2.8	0.0	5.6	2.8
4. Average wage costs, in percentages of all responding sectors	25.0	5.6	0.0	0.0	47.2	19.4	2.8
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	5.6	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	0.0	2.8	0.0	0.0
c. Construction	2.8	0.0	0.0	0.0	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	2.8	0.0	0.0	0.0	2.8	8.3	2.8
e. Hotels and restaurants	2.8	0.0	0.0	0.0	8.3	5.6	0.0
f. Transport, storage and communication	0.0	2.8	0.0	0.0	11.1	0.0	0.0
g. Financial intermediation	0.0	0.0	0.0	0.0	5.6	0.0	0.0
h. Real estate and other business activities	8.3	0.0	0.0	0.0	2.8	0.0	0.0
i. Health, other community and personal service activities	8.3	2.8	0.0	0.0	8.3	5.6	0.0

Source: CBA.