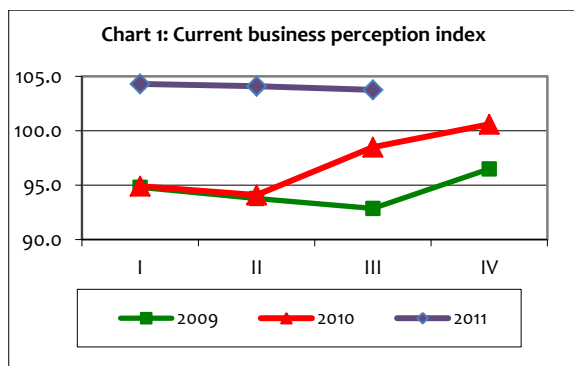




CENTRALE BANK VAN ARUBA
THE BUSINESS PERCEPTION SURVEY IN ARUBA
Survey results for the third quarter of 2011

The Business Perception Survey (BPS) for the third quarter of 2011 indicated that businesses still have a relatively positive impression about the current and future economic conditions in Aruba. Although respondents affirm that the current economic conditions are better than the corresponding quarter of 2010, the overall level of confidence decreased in comparison to the two previous quarters of 2011.

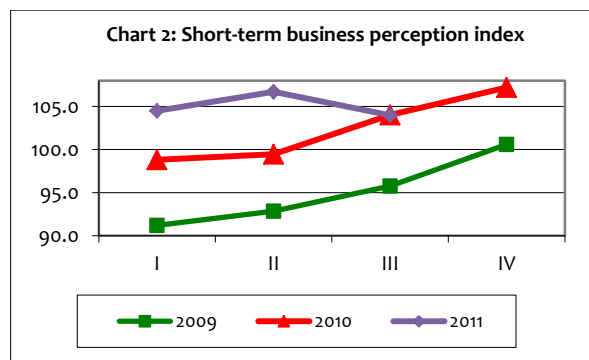
Despite a 0.3 percentage point loss to 103.8 in comparison to the previous quarter, the index on the current economic condition still maintains a recognizable level optimism. It is evident that companies seem to have more assurance about the current economic environment, compared to 2009 and 2010 (Chart1).



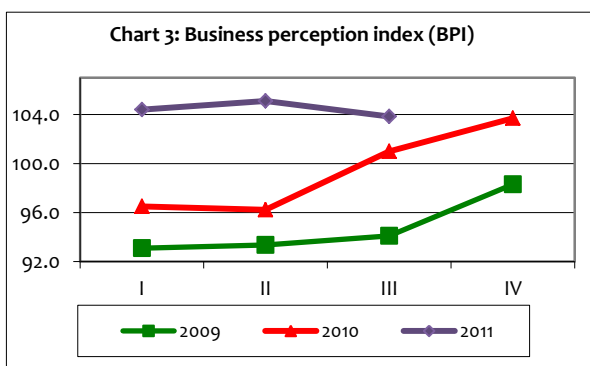
Sectors displaying the greatest growth in optimism included construction, retail, transport, and financial intermediation, with increases ranging between 10 and 14 percentage points when compared to the

corresponding period of 2010. However, the real estate sector suffered a loss in confidence by moving from 106 percent in the third quarter of 2010, to 90 percent in the third quarter of 2011.

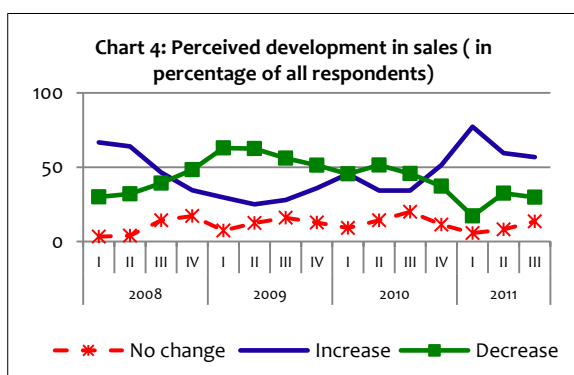
Short-term future economic conditions decreased in certitude by 2.7 percentage points to 104 in the third quarter of 2011 (Chart 2), in comparison to the second quarter of 2011. Interestingly, the survey's results indicate that firms have the same outlook about the short-term future in the quarter under review, as compared to the same period of 2010. While 57.4 percent of businesses anticipate a continuation of the current economic developments over the next 6 months, 29.7 percent believe the economy would improve.



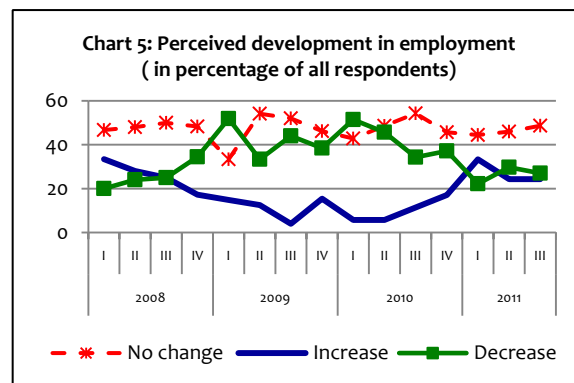
The overall business perception index, comprising the current and short-term perceptions, fell to 103.8, down from 105.1 during the previous quarter (Chart 3).



In the quarter under review, 56.7 percent of respondents indicated an increase in sales, compared to 59.7 percent in the same quarter of 2010. It should be noted that 48.6 percent of respondents reported no changes in their company's employment, 27 percent recorded decreases, and 24.3 percent registered increases (chart 4). Expansion of employment occurred mostly in areas of financial intermediation and retail.



In the area of profitability, 43.2 percent of companies indicated increases in profits, of which 18.9 percent declared that they experiences increases greater than 10 percent during the quarter under review, in comparison to its corresponding period of 2010 (annex 7).



The main deduction from this quarter's Business Perception Survey is that companies continue to maintain a positive outlook on the economy. The collective sentiment is that the level of confidence experienced a slight decline, but responses indicate that most firms seem to be as optimistic about the economy as when surveyed in 2007, before the economic downturn.

Centrale Bank van Aruba
January 5, 2012

We highly appreciate your cooperation in making this survey possible. For comments and/or suggestions, please contact Mr. Calix Ashby (e-mail: c.ashby@cbaruba.org, tel: 525-2213).

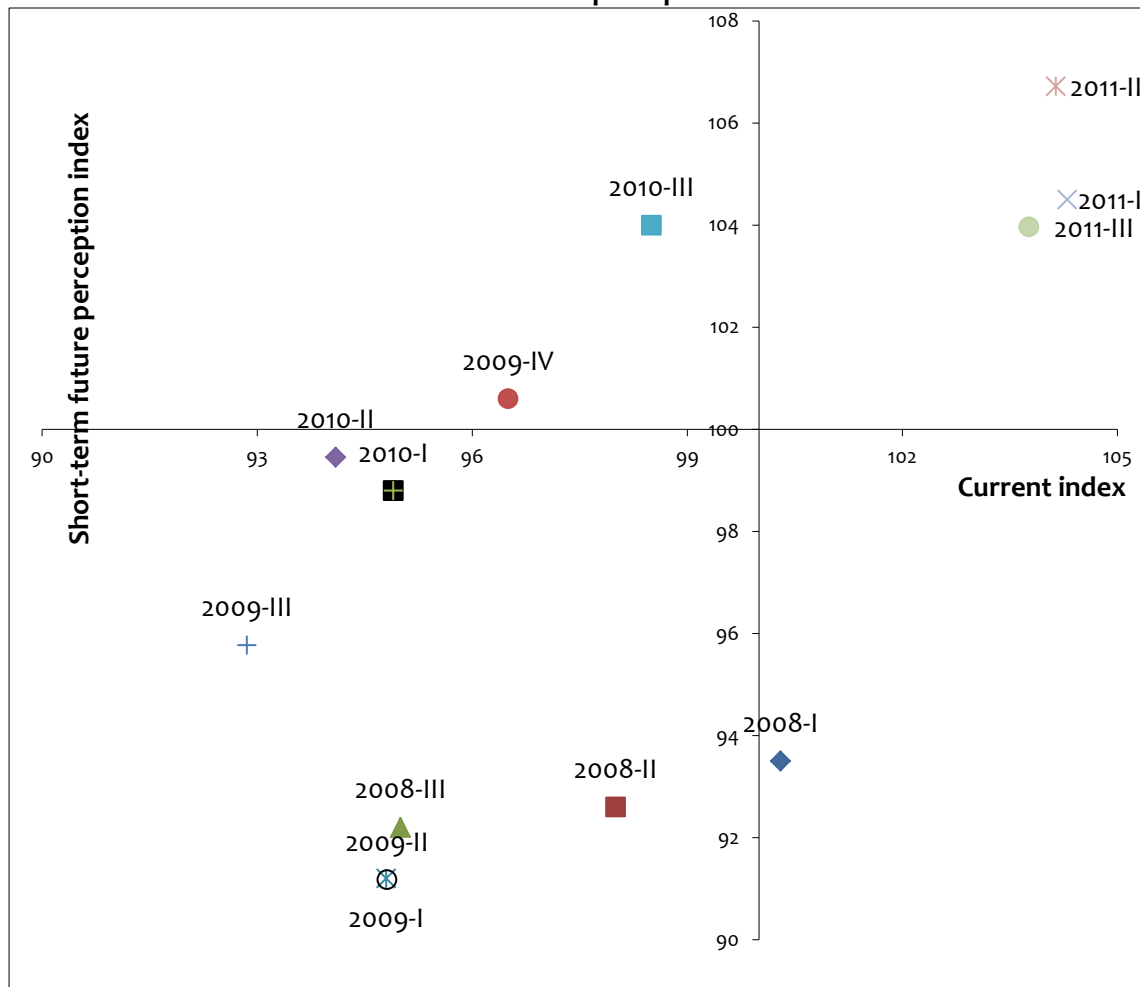
Annex 1: Response rate and indices 1]

	2009	2010	2009				2010				2011		
			I	II	III	IV	I	II	III	IV	I	II	III
1. Response and non-response rates													
a. Average response rate	57.5	72.5	54.0	48.0	50.00	78.0	69.6	69.8	74.47	76.1	77.9	78.7	78.7
b. Average non-response rate	42.5	29.1	46.0	52.0	50.00	22.0	30.4	30.2	31.91	23.9	22.1	21.3	21.3
2. Indices													
a. Index current economic condition	94.5	97.0	94.8	93.8	92.9	96.5	94.8	94.1	98.5	100.6	104.3	104.1	103.8
b. Index short-term future economic condition	95.1	102.4	91.2	92.9	95.8	100.6	99.0	99.5	104.0	107.2	104.5	106.7	104.0
c. Business Perception Index	94.7	99.4	93.1	93.4	94.1	98.3	96.5	96.2	101.0	103.7	104.4	105.1	103.8

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

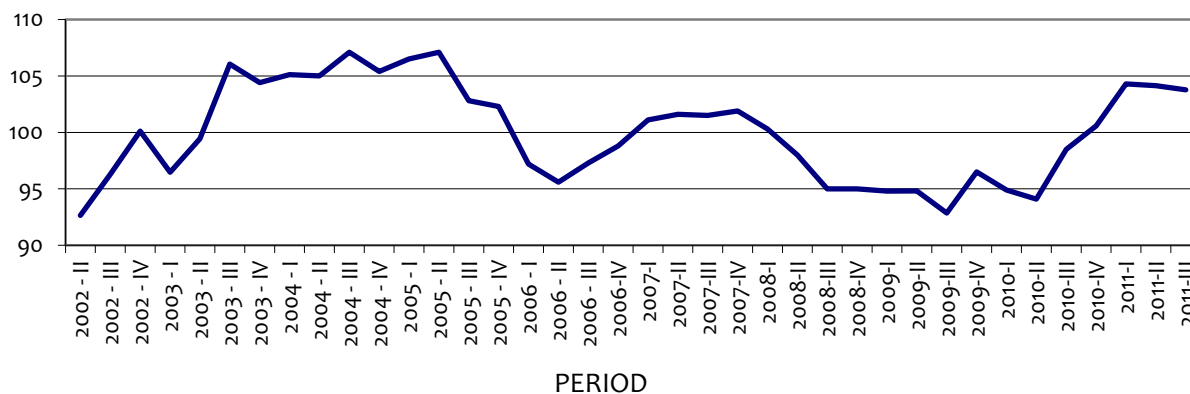


CHART 2: INDEX SHORT-TERM FUTURE ECONOMIC CONDITION

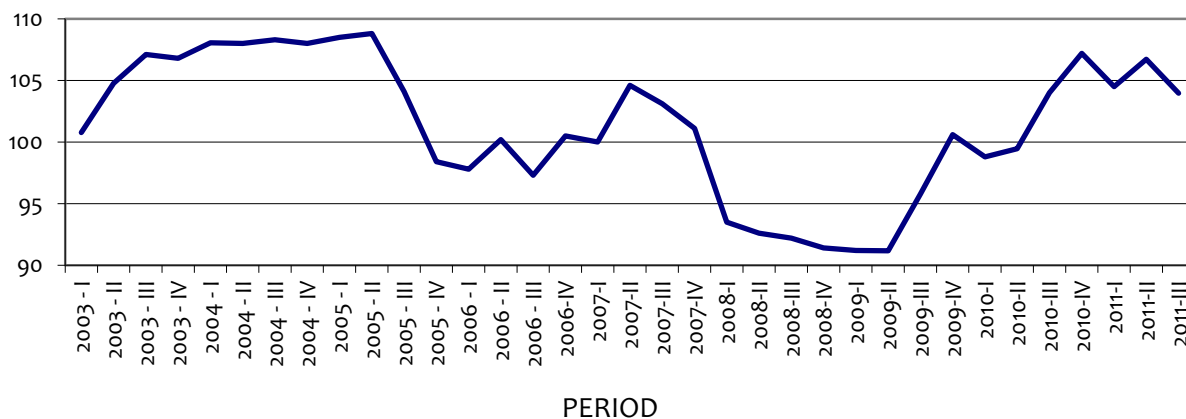
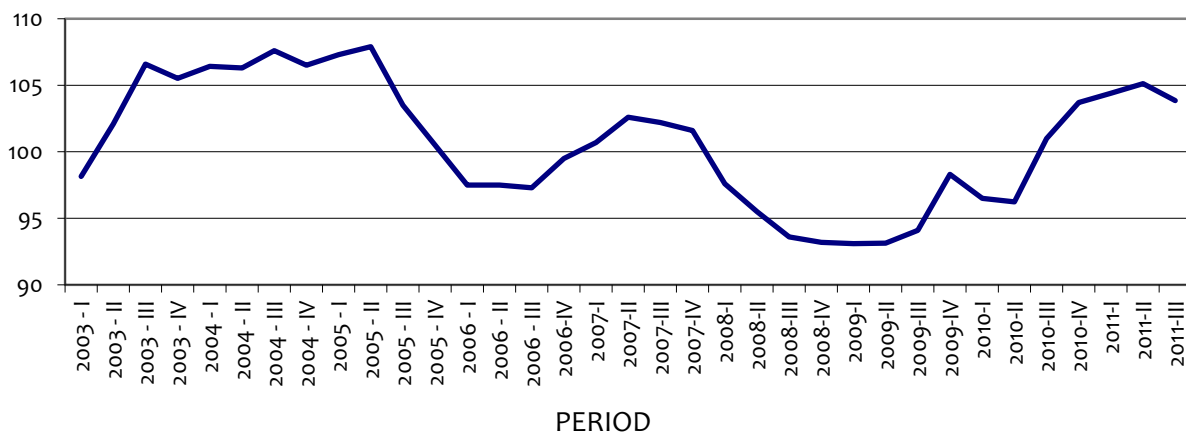


CHART 3: BUSINESS PERCEPTION SURVEY



Annex 3: Business perception Survey (by sectors)

	2008	2009	2010	2010				2011		
				I	II	III	IV	I	II	III
1. Index current economic condition	97.1	94.5	97.0	94.8	94.1	98.5	100.6	104.3	104.1	103.8
a. Manufacturing (excl. manufacture of refined petroleum products)	92.5	95.8	97.5	96.7	90.0	103.3	100.0	110.0	105.0	105.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	103.3	95.0	102.5	100.0	90.0	110.0	110.0	90.0	90.0	110.0
c. Construction	98.0	99.5	95.8	96.0	96.7	94.6	96.0	98.6	104.5	105.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	99.0	94.4	95.0	91.3	92.0	96.2	100.7	105.0	107.3	106.8
e. Hotels and restaurants	93.5	90.6	103.0	105.0	95.0	102.0	110.0	108.2	110.0	103.8
f. Transport, storage and communication	95.8	91.3	94.8	92.9	96.2	96.0	94.0	108.2	105.6	110.0
g. Financial intermediation	97.7	98.7	95.3	93.6	95.0	96.7	95.7	104.5	105.0	108.0
h. Real estate and other business activities	101.3	93.6	98.9	93.3	93.1	106.0	103.3	98.6	96.0	90.0
i. Health, other community and personal service activities	96.2	92.0	95.1	92.7	91.7	95.3	100.7	105.0	102.6	99.6
2. Index short-term future economic condition	92.4	95.1	102.4	99.0	99.5	104.0	107.2	104.5	106.7	104.0
a. Manufacturing (excl. manufacture of refined petroleum products)	90.0	90.0	105.0	100.0	100.0	110.0	110.0	100.0	100.0	100.0
b. Electricity, gas and water supply	95.8	102.5	105.0	105.0	105.0	110.0	100.0	100.0	110.0	110.0
c. Construction	90.0	96.2	102.9	101.4	96.7	103.3	110.0	106.7	110.0	95.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	92.7	94.8	99.7	99.4	97.3	96.0	106.0	110.0	110.0	108.8
e. Hotels and restaurants	91.3	95.3	107.9	110.0	106.0	107.5	108.0	95.0	110.0	96.7
f. Transport, storage and communication	93.3	91.8	99.5	90.0	100.0	100.0	108.0	110.0	106.7	110.0
g. Financial intermediation	95.0	104.4	105.5	100.0	106.0	110.0	106.0	110.0	110.0	107.8
h. Real estate and other business activities	101.3	93.6	98.9	93.3	93.1	106.0	103.3	98.6	100.0	94.0
i. Health, other community and personal service activities	96.2	92.0	95.1	92.7	91.7	95.3	100.7	105.0	102.6	99.6
3. Business Perception Index	95.0	94.7	99.4	96.5	96.2	101.0	103.7	104.4	105.1	103.8
a. Manufacturing (excl. manufacture of refined petroleum products)	91.3	93.3	99.2	96.7	90.0	106.7	103.3	110.0	105.0	105.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	100.0	98.5	105.6	102.5	100.0	110.0	110.0	90.0	95.0	110.0
c. Construction	95.3	98.0	98.8	98.2	96.7	98.2	102.2	102.3	105.4	100.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	95.9	94.6	97.5	95.6	94.8	96.1	103.3	107.4	108.5	107.8
e. Hotels and restaurants	92.5	92.4	105.0	107.1	99.2	104.4	109.1	102.6	110.0	101.6
f. Transport, storage and communication	94.8	91.6	97.0	91.7	97.6	97.8	101.0	108.9	106.0	110.0
g. Financial intermediation	96.7	100.9	100.0	94.6	99.2	104.3	101.8	107.0	107.5	107.9
h. Real estate and other business activities	98.3	94.1	100.9	95.3	95.3	105.8	107.3	99.6	97.8	92.0
i. Health, other community and personal service activities	94.4	91.8	96.1	93.0	92.1	97.5	101.9	103.3	103.1	100.5

Source: CBA.

Annex 5: Survey questionnaire for the third quarter of 2011
(as a percentage of the total)

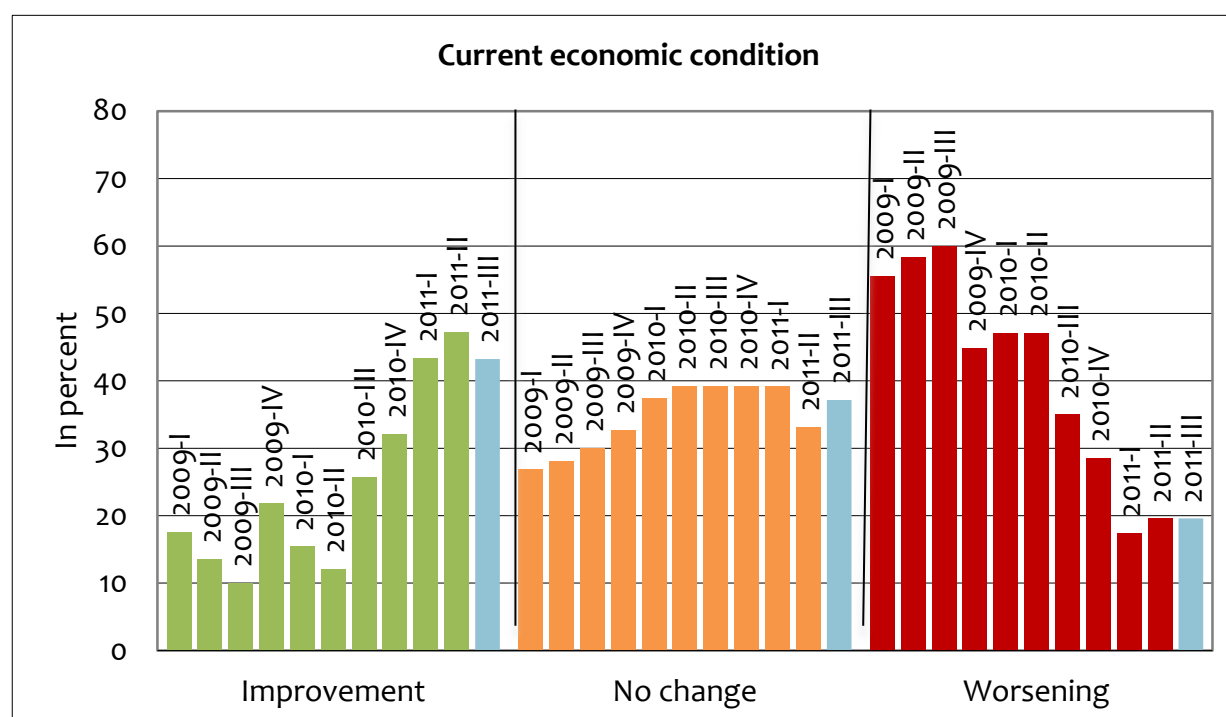
	Improvement	No change	Worsening
A. Current economic condition 1]	43.2	37.2	19.6
1. The economic conditions in Aruba	40.5	40.5	18.9
2. The activities of your business	54.1	24.3	21.6
3. The investments of your business	54.1	35.1	10.8
4. The number of employees that work for your com	24.3	48.6	27.0
B. Expected short-term economic conditions 2]	29.7	57.4	12.8
1. The economic conditions in Aruba	24.3	56.8	18.9
2. The activities of your business	37.8	51.4	10.8
3. The investments of your business	35.1	56.8	8.1
4. The number of employees that work for your com	21.6	64.9	13.5

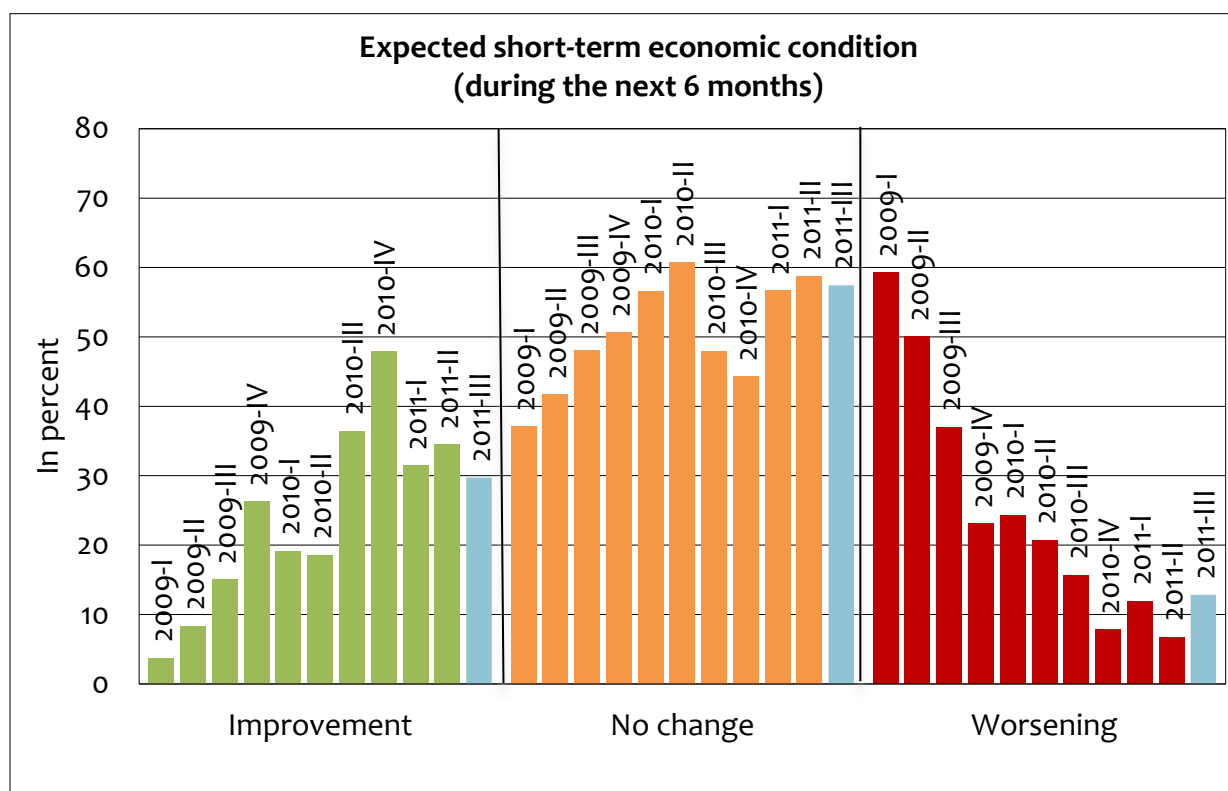
Source: CBA.

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 (2011-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	48.6	16.2	0.0	10.8	16.2	8.1	0.0
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	5.4	0.0	0.0	0.0	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	2.7	0.0	0.0	0.0	0.0	0.0	0.0
c. Construction	2.7	0.0	0.0	2.7	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	8.1	0.0	0.0	2.7	2.7	5.4	0.0
e. Hotels and restaurants	5.4	5.4	0.0	0.0	0.0	2.7	0.0
f. Transport, storage and communication	10.8	0.0	0.0	0.0	2.7	0.0	0.0
g. Financial intermediation	0.0	0.0	0.0	0.0	8.1	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	13.5	2.7	0.0	5.4	2.7	0.0	0.0
2. A. Profitability (profits), in percentages of all responding sectors	13.5	5.4	13.5	10.8	10.8	13.5	18.9
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	0.0	5.4	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	2.7	0.0	0.0	0.0	0.0
c. Construction	2.7	0.0	2.7	0.0	0.0	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	0.0	0.0	5.4	0.0	2.7	2.7	5.4
e. Hotels and restaurants	0.0	0.0	0.0	2.7	2.7	0.0	2.7
f. Transport, storage and communication	5.4	0.0	0.0	0.0	2.7	2.7	2.7
g. Financial intermediation	0.0	0.0	0.0	2.7	0.0	0.0	5.4
h. Real estate and other business activities	0.0	2.7	2.7	2.7	0.0	0.0	0.0
i. Health, other community and personal service activities	5.4	2.7	0.0	2.7	2.7	2.7	2.7
2. B. Profitability (losses), in percentages of all responding sectors	2.7	0.0	0.0	8.1	0.0	0.0	2.7
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	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	2.7	0.0	0.0	0.0
e. Hotels and restaurants	0.0	0.0	0.0	2.7	0.0	0.0	2.7
f. Transport, storage and communication	0.0	0.0	0.0	0.0	0.0	0.0	0.0
g. Financial intermediation	0.0	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	0.0	0.0
i. Health, other community and personal service activities	2.7	0.0	0.0	2.7	0.0	0.0	0.0

Source: CBA.

Anex 7: Economic indicators by sector (2011-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	13.5	5.4	8.1	16.2	18.9	10.8	27.0
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	0.0	0.0	5.4
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	0.0	0.0	0.0	2.7	0.0	0.0
c. Construction	2.7	0.0	2.7	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	2.7	2.7	13.5
e. Hotels and restaurants	0.0	0.0	2.7	2.7	2.7	0.0	5.4
f. Transport, storage and communication	5.4	0.0	0.0	0.0	5.4	2.7	0.0
g. Financial intermediation	0.0	0.0	0.0	5.4	0.0	2.7	0.0
h. Real estate and other business activities	0.0	2.7	2.7	2.7	0.0	0.0	0.0
i. Health, other community and personal service activities	5.4	2.7	0.0	5.4	5.4	2.7	2.7
4. Average wage costs, in percentages of all responding sectors	32.4	5.4	2.7	0.0	37.8	16.2	5.4
a. Manufacturing (excl. manufacture of refined petroleum products)	0.0	0.0	0.0	0.0	5.4	0.0	0.0
b. Electricity, gas and water supply, manufacture of refined petroleum products	0.0	2.7	0.0	0.0	0.0	0.0	0.0
c. Construction	2.7	0.0	0.0	0.0	2.7	0.0	0.0
d. Wholesale and retail trade, repair of motor vehicles and household goods	2.7	0.0	2.7	0.0	8.1	0.0	5.4
e. Hotels and restaurants	0.0	0.0	0.0	0.0	8.1	5.4	0.0
f. Transport, storage and communication	8.1	2.7	0.0	0.0	2.7	0.0	0.0
g. Financial intermediation	0.0	0.0	0.0	0.0	2.7	5.4	0.0
h. Real estate and other business activities	8.1	0.0	0.0	0.0	0.0	0.0	0.0
i. Health, other community and personal service activities	10.8	0.0	0.0	0.0	8.1	5.4	0.0

Source: CBA.