



CENTRALE BANK VAN ARUBA

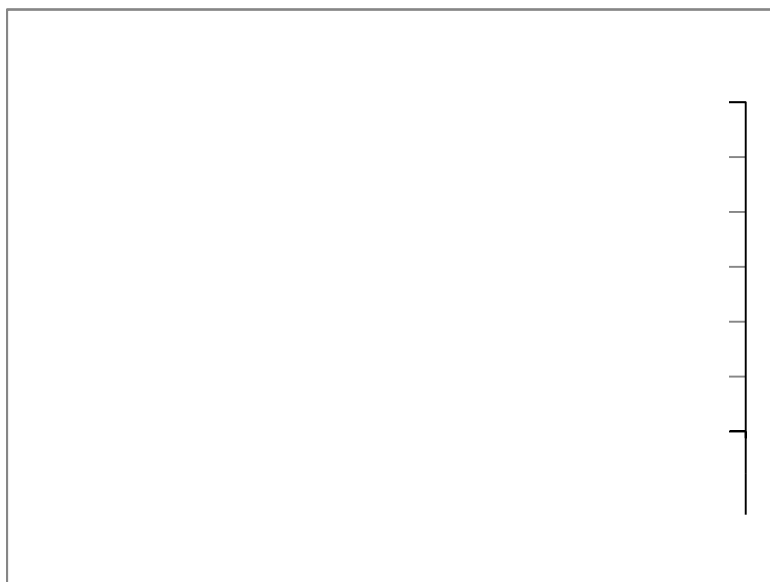
## A SLIGHT DECLINE IN CONSUMER CONFIDENCE IN THE FIRST QUARTER OF

2014<sup>1</sup>

Press Release<sup>2</sup>

The Consumer Confidence Index fell by 0.7 index point to 97.3 in the first quarter of 2014<sup>3</sup>. The index has declined for two consecutive periods (see Chart 1). Furthermore, the index is 1.2 index points lower than the same period of the previous year. The drop in the Consumer Confidence Index was the result of decreases in both the Present Situation Index and the Expectation Index in the first quarter of 2014 (Table 1).

Consumers' perceptions on their present personal financial situation deteriorated, as 23.8 percent of respondents revealed that their personal financial situation had worsened,



compared to 14.8 percent in the fourth quarter of 2013. This same development is seen at both the present business and economic conditions (where 36.3 percent of the respondents indicated deterioration in the first quarter of 2014 versus 21.8 percent in the fourth quarter of 2013) and the government's financial position (32.1 percent pointed out a worsening in the first quarter of 2014 versus 28.5 percent in the fourth quarter of 2013).

Consumers tended to be on a neutral level with regard to future expectations, as the majority indicated that their personal financial situation, the business and economic conditions, as well as the government's financial position will stay the same in the near future. Moreover, consumers' outlook on the labor market in the present situation was more or less the same as in the fourth quarter of 2013. Finally, consumers reported that it was not prudent to purchase a car (52.0 percent),

<sup>1</sup> The Centrale Bank van Aruba (CBA) introduced the Consumer Confidence Survey (CCS) in 2012. The principle aim of the CCS is to provide the CBA with valuable information for its macro-economic analyses and forecasts, as well as for determining the sentiments of Aruban consumers, which will further the CBA's understanding of economic developments. For a complete overview of the CCS methodology, please review our press releases of March 23, 2012 and May 10, 2012, both can be downloaded from our website ([www.cbaruba.org](http://www.cbaruba.org)).

<sup>2</sup> The English text prevails.

<sup>3</sup> The index can vary between 90 and 110. Between 90 and 100 indicates a situation of pessimism. An index of exactly 100 indicates that consumers are neither pessimistic nor optimistic, but are neutral in regards to their thoughts about economic developments in Aruba. Between 100 and 110 indicates a situation of optimism in consumer sentiments.

but it was suitable to purchase some major appliances (44.3 percent) or to go on vacation (45.8 percent).

Table 1: Indices			
	Consumer Confidence Index	Present Situation Index	Expectation Index
2012 I	96.2	95.6	99.0
2012 II	96.7	95.4	101.2
2012 III	96.8	95.5	100.6
2012 IV	97.7	98.5	100.3
2013 I	98.5	100.1	101.3
2013 II	96.9	97.7	99.1
2013 III	98.6	99.1	101.4
2013 IV	98.0	99.9	101.0
2014 I	97.3	96.9	98.9

The complete presentation of the results of this survey can be downloaded from the CBA's website. For further information, please contact Mr. Jonathan Upegui, Economist at the Research Department, at telephone 5252215 or email [j.uegui@cbaruba.org](mailto:j.uegui@cbaruba.org).

Centrale Bank van Aruba

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