

CCI

Corporate Confidence Indices Q3 2008

Organisation Financial Performance

- Executive opinion on the Financial Performance of their organisation decreased marginally from 48 to 43 CCI points during this quarter's results.
- There was a small increase in the percentage of respondents who said their organisation was performing worse /much worse. However, there was no increase in the percentage that indicated their organisation was performing better/ much better, hence the slight drop in this Index.
- Many respondents indicated that the booming economy and continued high international energy and commodity prices influenced their improved performance, however some organisations pointed out that higher organisational costs and industry seasonality accounted for their financial underperformance.

Financial Outlook

- Executive confidence in the Financial Outlook for their organisations fell slightly over the 6-month and 12-month time periods.
- The index decreased from 44 to 42 CCI points over the 6-month horizon and from 59 to 56 CCI points over the 12-month horizon.

Investment Outlook

- The Investment Outlook for both the 6 and 12-month time horizons decreased substantially during this quarter's report, moving from 127 to 83 CCI points and from 119 to 86 CCI points respectively.
- This decrease is due to a significant increase in the number of Executives who said they were not undertaking or are not sure of any investment plans for their organisation in the near future.
- For the third quarter in a row, the majority of Executives surveyed who would be investing during this period said that their investment would be based mostly in fixed capital followed by substantial investments in technological and human capital.

About the Corporate Confidence Indices (CCI)

The key objective of the CCI is to provide the most current and accurate business outlook for Trinidad and Tobago and the global economy as seen by the executives and business leaders of local organisations. There are six (6) dimensions to the CCI:

Financial Performance
Investment Outlook
Local Economic Outlook

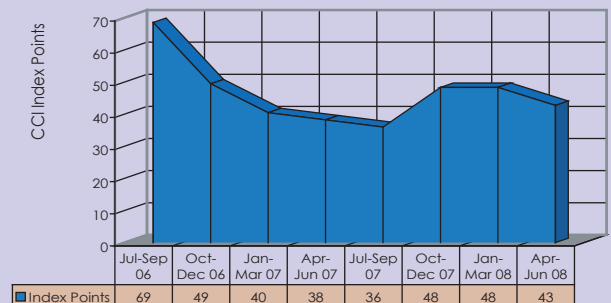
Financial Outlook
Employment Outlook
Global Economic Outlook

The CCI report for the Third Quarter of 2008 was disseminated during July 2008; the sample data was collected from the responses of 54 Executives.

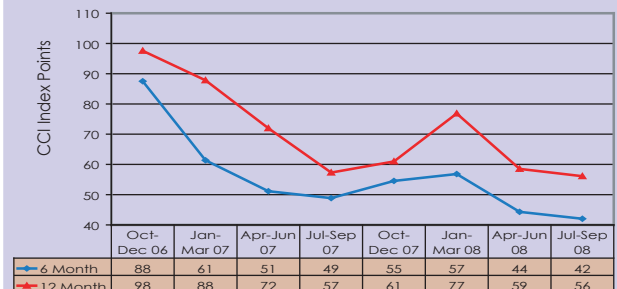
Key Findings

- Executive Opinion on the current Financial Performance of their organisations declined from their position six (6) months ago.
- Executive confidence in the Financial and Investment Outlook diminished for the second consecutive quarter over both 6 and 12-month horizons. However, most executives forecast that their Employment Outlook Index will increase over this time period.
- The Local Economic Outlook rose marginally over both the 6-month and 12-month horizons after two (2) quarters of continuous decline.
- The Global Economic Outlook increased sharply over both the 6- and 12- month time frames after one (1) year of considerable decline.

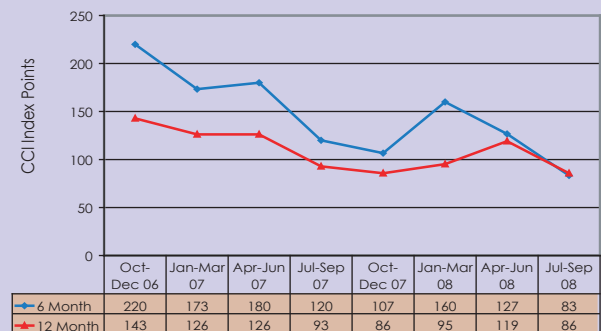
Financial Performance



Financial Outlook



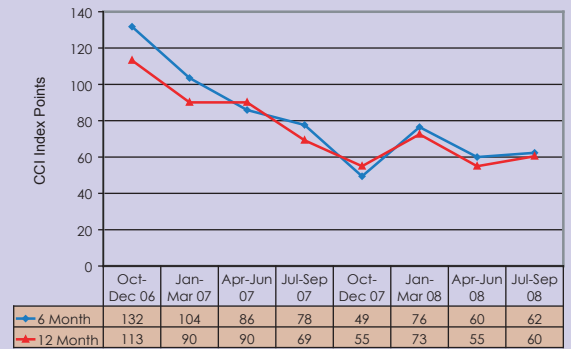
Investment Outlook



Employment Outlook

- The outlook for Employment over both the 6- month and 12- month horizons increased again this quarter after its decline during last quarter's results.
- Due to a small increase in the number of Executives that indicated they will be "staffing up" during this quarter, the index rose by 2 CCI points over the 6-month horizon to 62 CCI points, and by 5 CCI points over the 12-month horizon to 60 CCI points.
- Most Executives, approximately 25% of the sampled population, indicated that changes in employment (i.e. either increases or decreases) within their organisations would mostly affect their full-time employees. Other significantly affected groups would be temporary and permanent employees.
- Executives indicated that 57% of new employees will be hired to fill both new and existing positions in departments within the organisation in the same country as their head office.

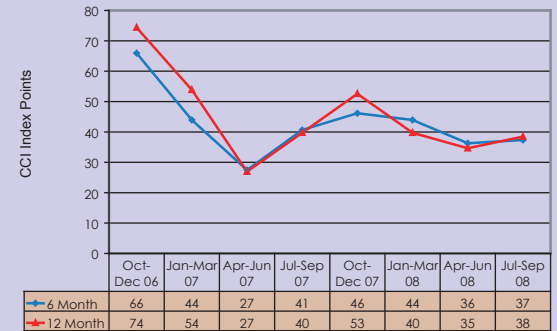
Employment Outlook



Local Economic Outlook

- Executive confidence in the Local Economy marginally improved during both the 6 and 12-month horizons.
- The index rose from 36 to 37 CCI points over the 6-month time period and from 35 to 38 CCI points over the 12-month time period.
- The major attributes to this slightly increasing confidence were the continued high government expenditure and export activity as well as soaring international energy prices.

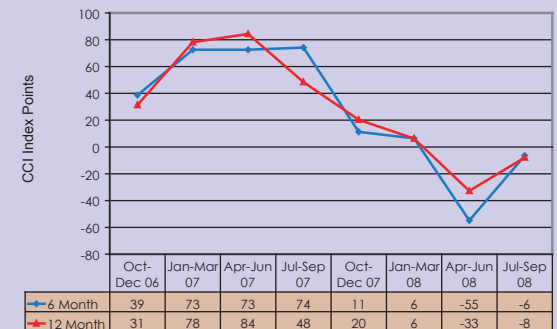
Local Economic Outlook



Global Economic Outlook

- The year long plummeting of the Global Economic Index was finally reversed during this quarter's results. Even though the index rose sharply during both 6 and 12-month horizons they still recorded negative values, indicating that more Executives still regarded the global outlook as negative rather than positive.
- The actual index increased from -55 to -6 CCI points over the 6-month horizon and from -33 to -8 CCI points over the 12-month horizon.
- There was an increase of over 50% in Executives who stated that the outlook for the global economy was positive during this quarter's results. The negative index rating was attributed to concerns of an economic global slowdown, high energy prices and the weakening of the US economy.

Global Economic Outlook



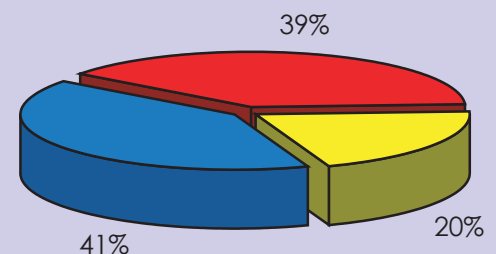
Result from Last Quarter's Current Pulse Question

Each quarter, we gauge executive opinion on a prominent issue impacting the business environment.

The results show that 41% of the Executives surveyed agreed that there is a need to establish alternative global partnerships or access other markets locally and internationally to ensure their competitiveness and survival, whereas 39% thought that it was not necessary. Twenty percent (20%) said that they did not know or were not sure about their future activity within the local and international environment.

Last Quarter's Current Pulse Results

In light of the current situation and trends in the local and international environment, particularly the ongoing US recession, does your organisation expect to establish alternative global partnerships or access other markets??



■ Yes ■ No ■ Don't Know

Arthur Lok Jack Graduate School of Business
Corporate Confidence Indices - Fourth Quarter 2008 (October - December 2008)
 Please complete and return to us by September 29th 2008.
 This is to ensure that results are released promptly. All responses will remain confidential.
 The CCI is also available online - <http://www.gsb.tt/ebuzz/index.html>
PLEASE TICK THE MOST APPROPRIATE ANSWERS

1. How is your organisation's current Financial Performance as compared to six (6) months ago?

- Much Better Better No Change Worse Much Worse

Reasons _____

2. What is the Financial Outlook for your organisation over the next six (6) months?

- Much Better Better No Change Worse Much Worse

Reasons _____

3. What is the Financial Outlook for your organisation over the next twelve (12) months?

- Much Better Better No Change Worse Much Worse

Reasons _____

**4. Are there any major Capital Investments planned for your organisation during the next six (6) months?
 (Tick all that Apply)**

- No Investments Foreseen Fixed Capital Technological Capital
 Human Capital Don't Know Other.....

**5. Are there any major Capital Investments planned for your organisation over the next twelve (12) months?
 (Tick all that Apply)**

- No Investments Foreseen Fixed Capital Technological Capital
 Human Capital Don't Know Other.....

6. What is the outlook for Employment in your organisation during the next six (6) months?

- Increase No Change Decrease

7. What is the outlook for Employment in your organisation during the next twelve (12) months?

- Increase No Change Decrease

If you have answered 'No Change' to BOTH Questions 6 & 7 please go to Question 11

8. If there is an increase or decrease, what status of employment would be affected? (Tick all that Apply)

- Permanent Temporary Full-Time Part-Time Contract

9. What type of vacancies will any new employees fill? (Tick all that apply)

- Already existing positions New positions in new departments
 New positions in existing departments Don't know

10. Where will these employees be located? (Tick all that apply)

- The same country as company's head office A different country from the company's head office

11. What is your outlook for the Local Economy over the next six (6) months?

- Very Positive Positive No Change Negative Very Negative

