

CCI

Corporate Confidence Indices Q4 2008

Organisation Financial Performance

- Executive opinion on the Financial Performance of their organisation decreased marginally from 43 to 39 CCI points during this quarter's results.
- There was a significant increase in the percentage of respondents who said there was no change in the financial performance of their organisation. There was also a decrease in the percentage that indicated their organisation was performing better/ much better, hence the slight drop in this Index.
- Many respondents indicated that the continued high economic activity and implementation of cost control processes influenced their organisation's improved performance. Some executives, however, pointed out that inflationary pressures accounted for their financial underperformance.

Financial Outlook

- Executive confidence in the Financial Outlook for their organisations is forecast to improve over the shorter 6-month horizon but expected to drop slightly over the longer 12-month horizon.
- The index will improve from 42 to 45 CCI points over the 6-month time period and fall from 56 to 54 CCI points over the 12-month time period.
- This short term increase can be related to the cyclical effects of Christmas and Carnival and the continued cost control processes, while the long term decrease has been linked to limited growth and the global financial slowdown.

Investment Outlook

- Similarly the Investment Outlook is projected to rise in the shorter 6-month horizon and decline over the longer 12-month time horizon, moving from 83 to 90 CCI points and from 86 to 76 CCI points respectively.
- For the fourth quarter in a row, the majority of executives surveyed who indicated that they would be investing during this period said their investment would be 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:

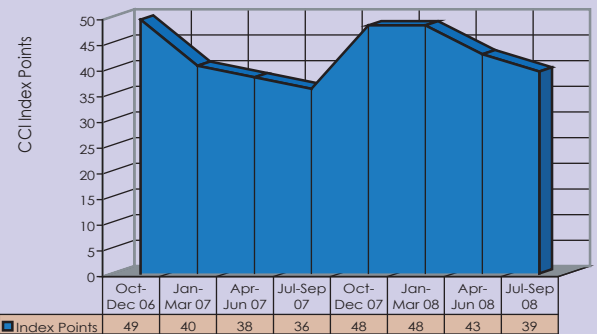
- Financial Performance**
- Investment Outlook**
- Local Economic Outlook**
- Financial Outlook**
- Employment Outlook**
- Global Economic Outlook**

The CCI report for the Fourth Quarter of 2008 was disseminated during October 2008; the sample data was collected from the responses of 63 executives.

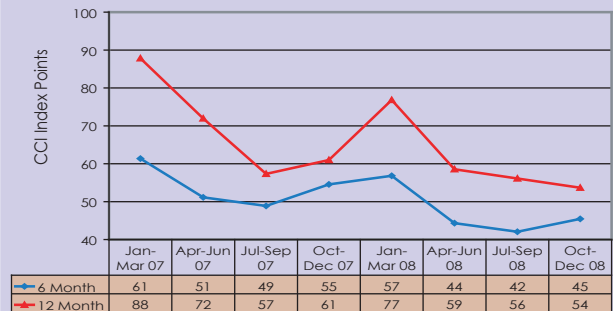
Key Findings

- Executive opinion with regards to the current Financial Performance of their organisation fell slightly from their position six (6) months ago.
- Executive confidence in the Financial and Investment Outlook is expected to improve slightly over the 6-month horizon. However, most executives forecast that these outlooks will be reversed over the 12-month time period.
- The Employment and Local Economic Outlooks are both forecast to decline over both 6-month and 12-month horizons after one (1) quarter of marginal improvement.
- The Global Economic Outlook decreased sharply over both the 6- and 12- month time frames continuing its downward trend after one (1) quarter of growth.

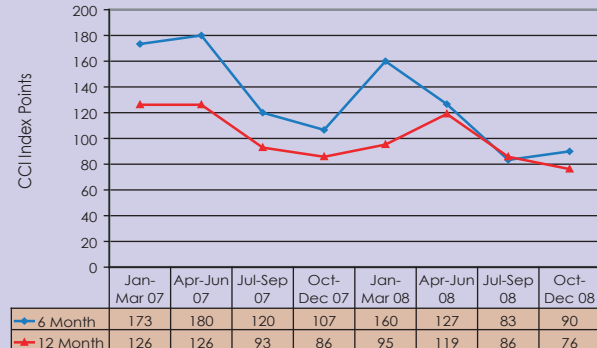
Financial Performance



Financial Outlook



Investment Outlook



Employment Outlook

- The outlook for Employment over both the 6- month and 12- month horizons continued its undulating pattern, decreasing this quarter after a period of bouyancy during the last quarter.
- Due to a significant increase in the number of executives that indicated there will be no change in their employment numbers during this quarter the index declined by 16 CCI points over the 6-month horizon to 46 CCI points and by 5 CCI points over the 12-month horizon to 55 CCI points.
- Most executives, approximately 44% of the sampled population, indicated that changes in employment (i.e. either increases or decreases) within their organisations would mostly affect their permanent employees. Temporary employees are the other group that would be significantly affected.
- Executives indicated that 65% of new employees will be hired to fill vacancies in already existing positions and new positions in existing department within the organisation predominantly located in the same country as their head office.

Local Economic Outlook

- Executive confidence in the Local Economy is projected to plummet during both the 6 and 12-month horizons.
- The index is anticipated to move from 37 to 23 CCI points over the 6-month time period and from 38 to 21 CCI points over the 12-month time period.
- The major attributes associated with this decreasing confidence were high inflation and the effects of crime and criminal activities on business. It should also be noted that high consumer and government spending are being seen as positives for the outlook of the economy.

Global Economic Outlook

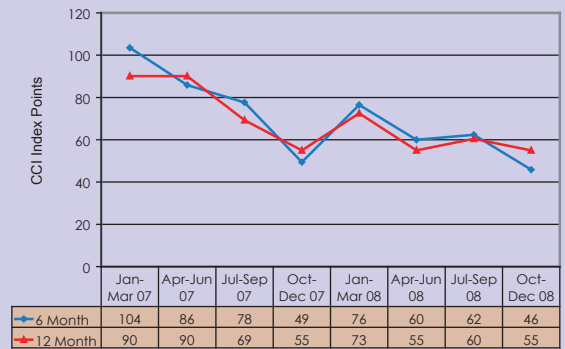
- The declining trend of the Global Economic Index is forecast to continue after one (1) quarter of decline, compounding and further enhancing the negative outlook for the global economy.
- The actual index decreased from -6 to -47 CCI points over the 6-month horizon and from -8 to -34 CCI points over the 12-month horizon.
- The collapse of the financial sectors and pending recession in the United States and other OECD nations is being seen as the major contributor to this decline. To a lesser extent, the high cost for food and energy commodities as well as the significant reduction in consumer spending is impacting the global economy.

Results of Last Quarter's Current Pulse Question

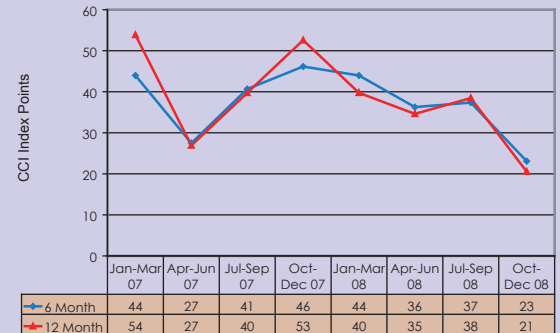
Each quarter, we gauge executive opinion on a prominent issue impacting the business environment.

The results showed that 52% of the Executives surveyed believe that the overall business community can do more to assist in reversing the double digit inflation rate being experienced in Trinidad & Tobago, while 35% believed that they cannot do anything more. Thirteen percent (13%) said that they did not know or were not sure if they can do anything more to assist in this initiative.

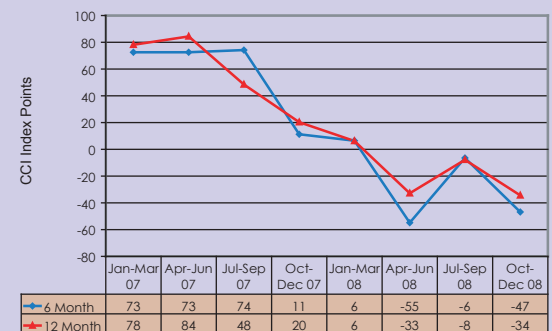
Employment Outlook



Local Economic Outlook

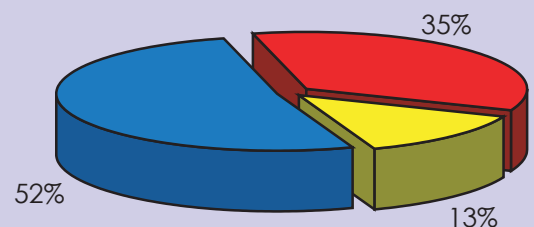


Global Economic Outlook



Last Quarter's Current Pulse Results

Do you believe that the overall business community could do more to assist in reversing the double digit inflation rate currently being experienced in Trinidad & Tobago?



Arthur Lok Jack Graduate School of Business
Corporate Confidence Indices - First Quarter 2009 (January - March 2009)
Please complete and return to us by 22nd December, 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 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

