

CCI

Corporate Confidence Index Q1 2006

Organisation Financial Performance

- Executive opinion on the financial performance of their organisations improved by 14 CCI points in this index, up to 103 in this quarter from 89 last quarter.
- Increasing productivity and prices in the energy sector, along with a rise in government spending, were cited as the leading causes for this expansion in market activity.
- Executives also said that their financial position could have been better if inflation was kept under control and the crime situation was mitigated.

Financial Outlook

- Executive confidence in the financial outlook of their organisation remained relatively constant over both the 6 and 12-month horizons.
- This index moved from 88 to 86 CCI points over the 6-month horizon, whilst it fell from 82 to 80 CCI points over the 12-month horizon.
- Executives said this relative stability was due to upward trends in energy sector activity, government spending and disposable income.
- Additionally, the introduction of the CSME (Caribbean Single Market & Economy) was seen to positively influence the Financial Outlook.

Investment Outlook

- The investment index increased by 14 CCI points in both the 6-month and 12-month intervals.
- This index increased from 30 to 44 CCI points over the 6-month horizon and from 42 to 56 CCI points over the 12-month horizon.
- 30% of the respondents said that they would be upgrading their Information Technology systems during both time periods.
- They also said that they intended to focus on increased Employee Training in IT services.
- Additionally, Executives said that they would be investing more in intellectual capital due to organisational restructuring.

About the Corporate Confidence Indices (CCI)

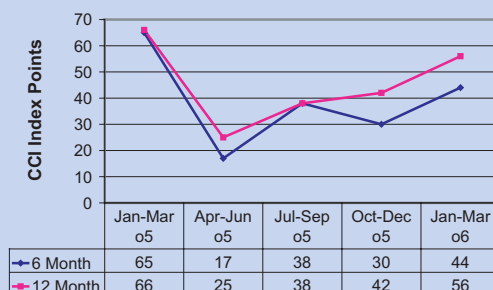
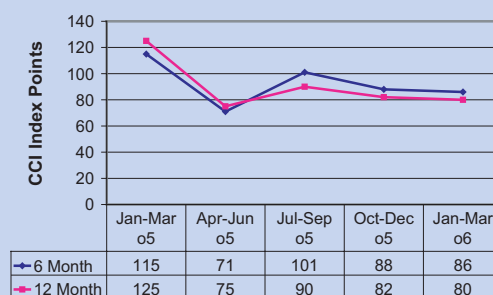
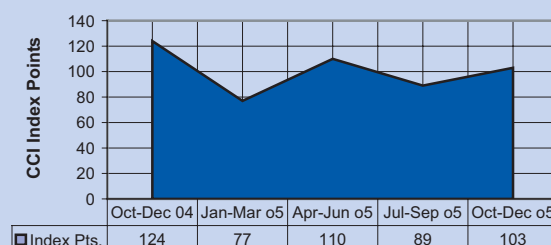
The key objective of the CCI is to provide the most current and accurate business outlook for Trinidad and Tobago and the global economy as seen by the Executives and Business Leaders of Local organizations. There are six (6) dimensions to the CCI. These are:

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

The CCI for the **First Quarter** 2006 was disseminated during December 2005; 113 Executives responded.

Key Findings

- In this quarter the *Financial Performance Index* shows that executives were more positive about their organisations financial performance during the last quarter.
- Executives were more optimistic about the Investment and Employment Outlook for their organisations.
- They are, however, relatively neutral about their organisations' Financial Outlook and less optimistic on the Local Economic Outlook Indicator
- Executives appeared more optimistic about the global economy over the 6-month horizon but less optimistic over the 12-month horizon.

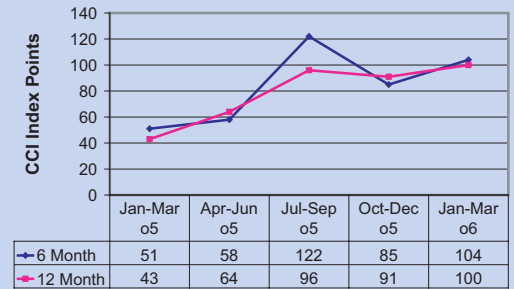




CCI Q1 2006

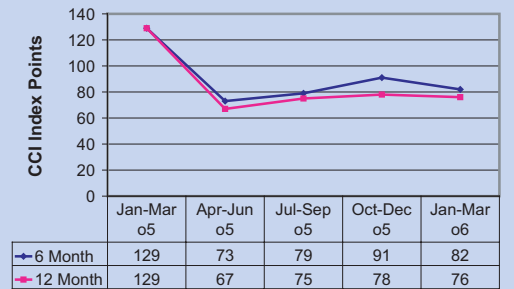
Employment Outlook

- The employment index increased by 19 CCI points over the 6-month horizon and 9 CCI points over the 12-month horizon.
- Executives attributed this increase to an upsurge in the number of upcoming projects.
- The introduction of the CSME was also cited as a major reason for the more optimistic employment outlook.



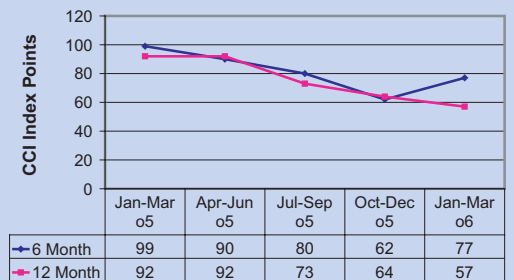
Local Economic Outlook

- Executive confidence in the local economy decreased by 9 CCI points over the 6-month horizon but remained relatively constant over the 12-month horizon.
- Executives cited high liquidity and inflation rates caused by increased government spending as the major contributors to this decrease.
- They also saw depreciating exchange rates, higher disposable incomes and the high crime rate as other main antecedents.



Global Economic Outlook

- Executive confidence in the global economy increased by 15 CCI points over the 6-month horizon but decreased by 7 CCI points over the 12-month horizon.
- Overall, rising global trade was given as a major reason for the short-term increase.
- Strong economic performances in Asia and the Middle East, especially China and India, are also cited as salient causes for the rise in the *Global Economic Outlook*.

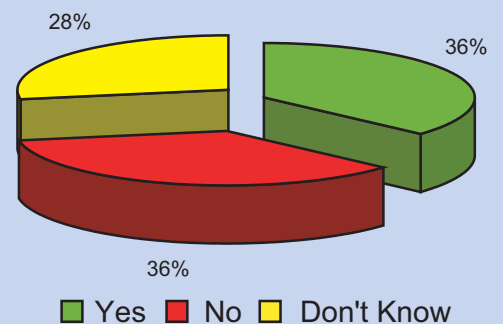


Current Pulse

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

In this quarter 36% of executives said it is likely that they would switch to one of the new telecommunications providers while 36% said that they would not. 28% said that they did not know.

Do you think it's likely that you will switch from your current telecommunications provider to one of the two new firms entering the telecommunications market later this year?



Arthur Lok Jack Graduate School of Business
 Corporate Confidence Index
 Second Quarter 2006 (April - June 2006)
 Please complete and return to us by **March 6th, 2006**
 This is to ensure that results are released promptly.
 PLEASE TICK THE MOST APPROPRIATE ANSWERS

FINANCIAL PERFORMANCE

Is your organisation's financial performance better or worse off compared to six (6) months ago, based on:

	Much Better	Better	No Change	Worse	Much Worse
Sales/Revenue					
Profitability					
Market Share					

Please indicate the reason for your answer

FINANCIAL OUTLOOK

What is the financial outlook for your organisation based on:

	6 MONTHS					12 MONTHS				
	Much Better	Better	No Change	Worse	Much Worse	Much Better	Better	No Change	Worse	Much Worse
Sales Revenue										
Profitability										
Market Share										

Please indicate the reason for your answer

INVESTMENT (CAPITAL) OUTLOOK

Are there any major capital investments planned or foreseen for your organisation based on:

	6 MONTHS			12 MONTHS		
	Yes	No	Don't Know	Yes	No	Don't Know
Fixed Capital						
Financial Capital						
Human Capital						

Please indicate the reason for your answer

EMPLOYMENT OUTLOOK

What is the outlook for employment in your organisation in the next:

	Increase	No Change	Decrease
Six Months			
Twelve Months			

Please indicate the reason for your answer

LOCAL ECONOMIC OUTLOOK

What is your outlook for the LOCAL ECONOMY based on:

	6 MONTHS					12 MONTHS				
	Very Positive	Positive	No Change	Negative	Very Negative	Very Positive	Positive	No Change	Negative	Very Negative
Consumption										
Government Spending										
Imports										
Exports										

Please indicate the reason for your answer



GLOBAL ECONOMIC OUTLOOK

What is your outlook for the GLOBAL ECONOMY based on:

	6 MONTHS					12 MONTHS				
	Very Positive	Positive	No Change	Negative	Very Negative	Very Positive	Positive	No Change	Negative	Very Negative
Consumption										
Government Spending										
Imports										
Exports										

Please indicate the reason for your answer

CURRENT PULSE QUESTION

Do you think that the government is doing enough to curb the country's rising rate of inflation?

	Yes	No	Not Sure/Don't Know
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Please indicate the sector to which your organisation belongs:

<input type="checkbox"/>	Agriculture	<input type="checkbox"/>	Educational & cultural community services	<input type="checkbox"/>	Government	<input type="checkbox"/>	SME
<input type="checkbox"/>	Assembly – type & related industries	<input type="checkbox"/>	Energy & energy related industries	<input type="checkbox"/>	Hotels & Guesthouses	<input type="checkbox"/>	Textiles, garments, footwear & headwear
<input type="checkbox"/>	Chemicals & non metallic minerals	<input type="checkbox"/>	Entertainment	<input type="checkbox"/>	Miscellaneous Manufacturing	<input type="checkbox"/>	Transportation, communication & storage
<input type="checkbox"/>	Construction	<input type="checkbox"/>	Finance, insurance, real estate & business services	<input type="checkbox"/>	Personal services	<input type="checkbox"/>	Wood & related products
<input type="checkbox"/>	Distribution	<input type="checkbox"/>	Food & drink processors	<input type="checkbox"/>	Printing, publishing & paper converters	<input type="checkbox"/>	Other

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