

CCI

Corporate Confidence Indices Q3 2007

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
Investment Outlook
Local Economic Outlook

Financial Outlook
Employment Outlook
Global Economic Outlook

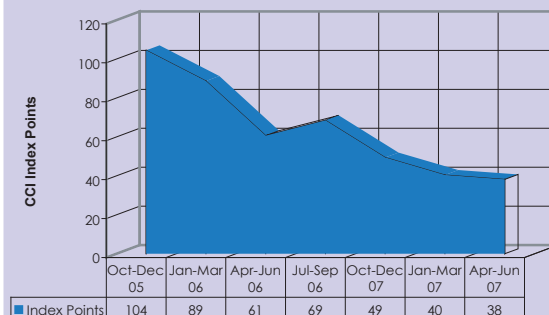
The CCI for the Third Quarter 2007 was disseminated during July 2007; 69 executives responded.

Key Findings

- Executive opinion with respect to the Financial Performance, Financial Outlook, Investment Outlook and Employment Outlook of their organisations weakened between last quarter and this quarter.
- Executive confidence in the Local Economic Outlook increased over both 6-month and 12-month horizons.
- The Global Economic Outlook Index, on the other hand, increased marginally over the 6-month time period but decreased significantly over the corresponding 12-month time period.

Organisation Financial Performance

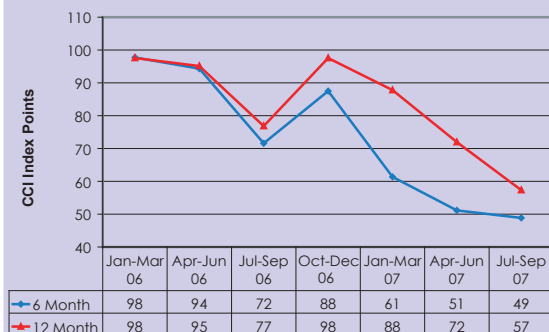
- Executive opinion on the Financial Performance of their organisations fell by 2 CCI points over the past 6-months from 40 to 38 points this quarter.
- Fifty-seven percent of respondents said that their organisation performed better /much better than 6 months ago while 10% said that their organisation performed worse /much worse.
- Thirty-three percent said that there was no significant change in their organisation's financial performance during this period.



Financial Performance

Financial Outlook

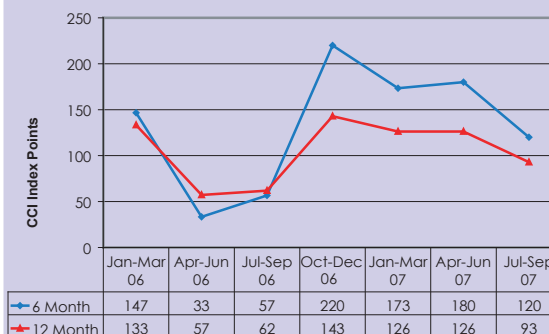
- Executive confidence in the Financial Outlook for their organisations decreased over both the 6 and 12-month time periods during this quarter.
- The index dropped marginally over the 6-month horizon from 51 to 49 CCI points, whereas the decline over the 12-month horizon was more substantial with the index moving from 72 to 57 CCI points.



Financial Outlook

Investment Outlook

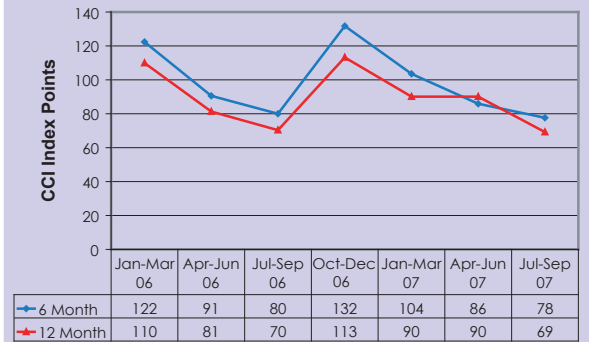
- The Investment Outlook Index decreased considerably from 180 to 120 CCI points over the 6-month horizon and from 126 to 93 CCI points over the 12-month horizon.
- This decrease is due to the fact that most of the organisations surveyed said that they are coming to the end of their financial year and most of their investments are undertaken during the beginning of the fiscal year.
- The majority of executives surveyed who did indicate that they would be investing during this period said that their investment would be in fixed capital followed by technological capital and human capital.



Investment Outlook

Employment Outlook

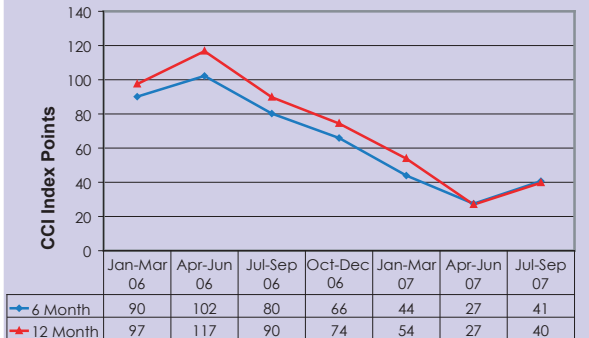
- The outlook for Employment also declined over both the 6- month and 12- month horizons.
- The index fell by 8 CCI points over the 6-month horizon to 78 CCI points and by 21 CCI points over the 12-month horizon to 69 CCI points.
- The majority of executives indicated that any changes in employment (i.e. either increases or decreases) within their organisations would primarily affect the permanent employees.



Employment Outlook

Local Economic Outlook

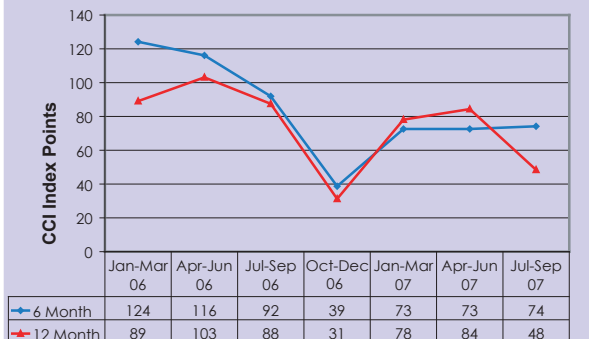
- Executive confidence in the Local Economy increased (for the first time in over a year) during both the 6 and 12-month horizons.
- The index rose from 27 to 41 CCI points over the 6-month time period and from 27 to 40 CCI points over the 12-month time period.
- The main reasons for this increasing confidence in the Local Economy according to the executives surveyed were perceptions of controlled consumer spending and a reduction in the level of importation.



Local Economic Outlook

Global Economic Outlook

- Executive confidence in the performance of the Global Economy rose slightly over the 6-month horizon but almost halved over the 12-month time period.
- The index increased from 73 to 74 CCI points over the 6-month horizon but fell from 84 to 48 CCI points over the 12-month horizon.
- This substantial decrease was mainly due to a reduction in the percentage of positive responses regarding consumer spending, imports and exports within the Global Economy.



Global Economic Outlook

RESULT FROM LAST QUARTER'S CURRENT PULSE QUESTION

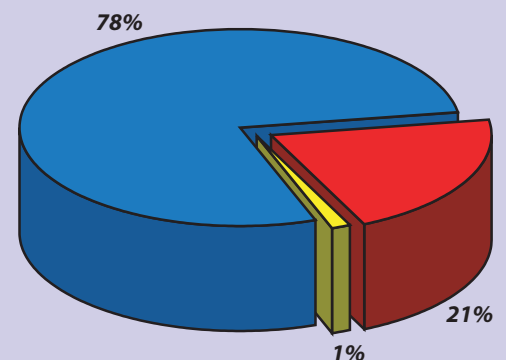
Each quarter, we gauge executive opinion on a prominent issue impacting the business environment.

The results showed that 78% of executives believed the current investment climate in Trinidad & Tobago is attractive to international investors, whereas 21% said that it was not. One percent (1%) said that they did not know.

New Current Pulse Question

Do you think that the high influx of foreign companies and their employees in the construction industry is benefiting the Trinidad & Tobago economy?

Do you think that the current investment climate in Trinidad and Tobago is attractive to international investors?



■ Yes ■ No ■ Don't Know

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Corporate Confidence Indices - Fourth Quarter 2007 (October - December 2007)
Please complete (also available online) and return to us by September 14th, 2007.
This is to ensure that results are released promptly. Please note that all responses will remain confidential.

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 during the next six (6) months?

- Much Better Better No Change Worse Much Worse

Reasons _____

3. What is the Financial Outlook for your organisation in 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 be filling? (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 during the next six (6) months?

- Very Positive Positive No Change Negative Very Negative

