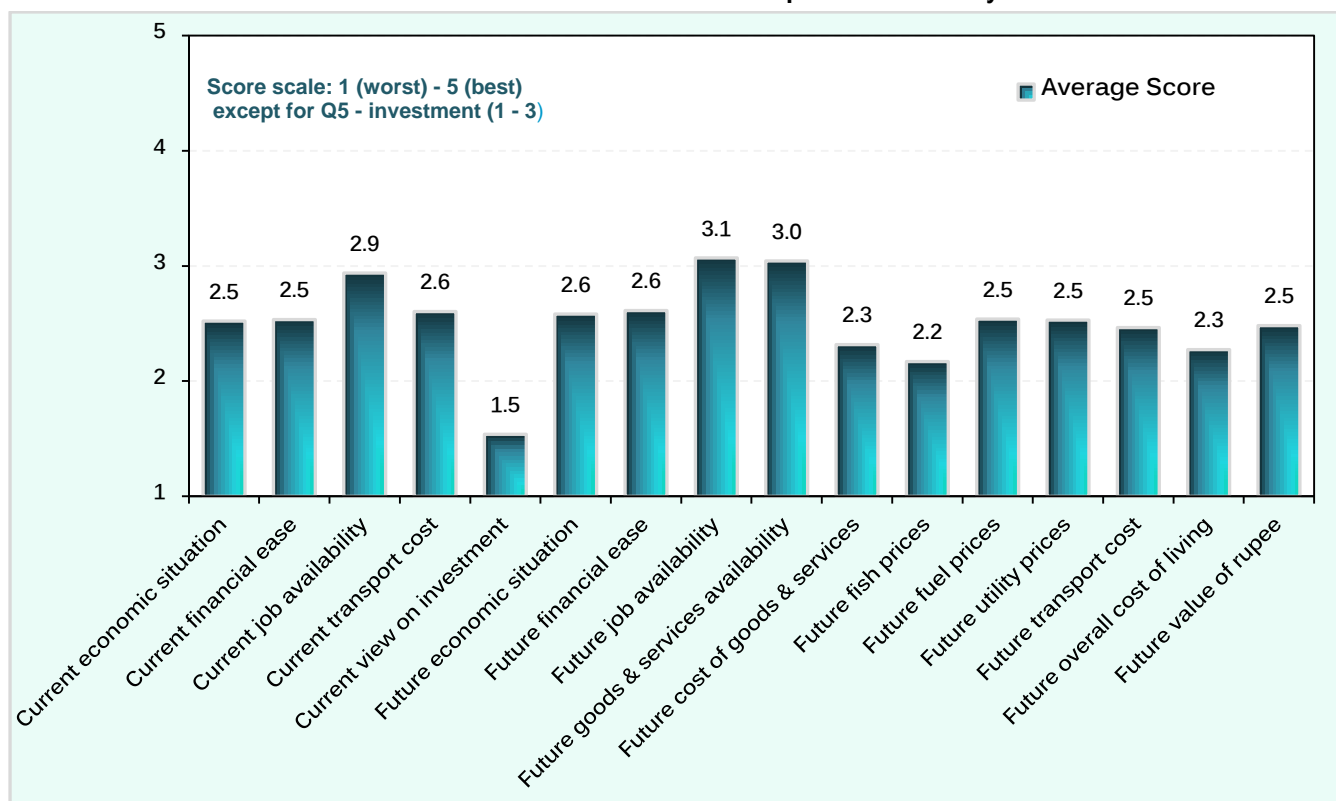


## Consumer Confidence and Expectation Survey Results - January 2015

Chart 1: Consumer Confidence and Expectation Survey Results

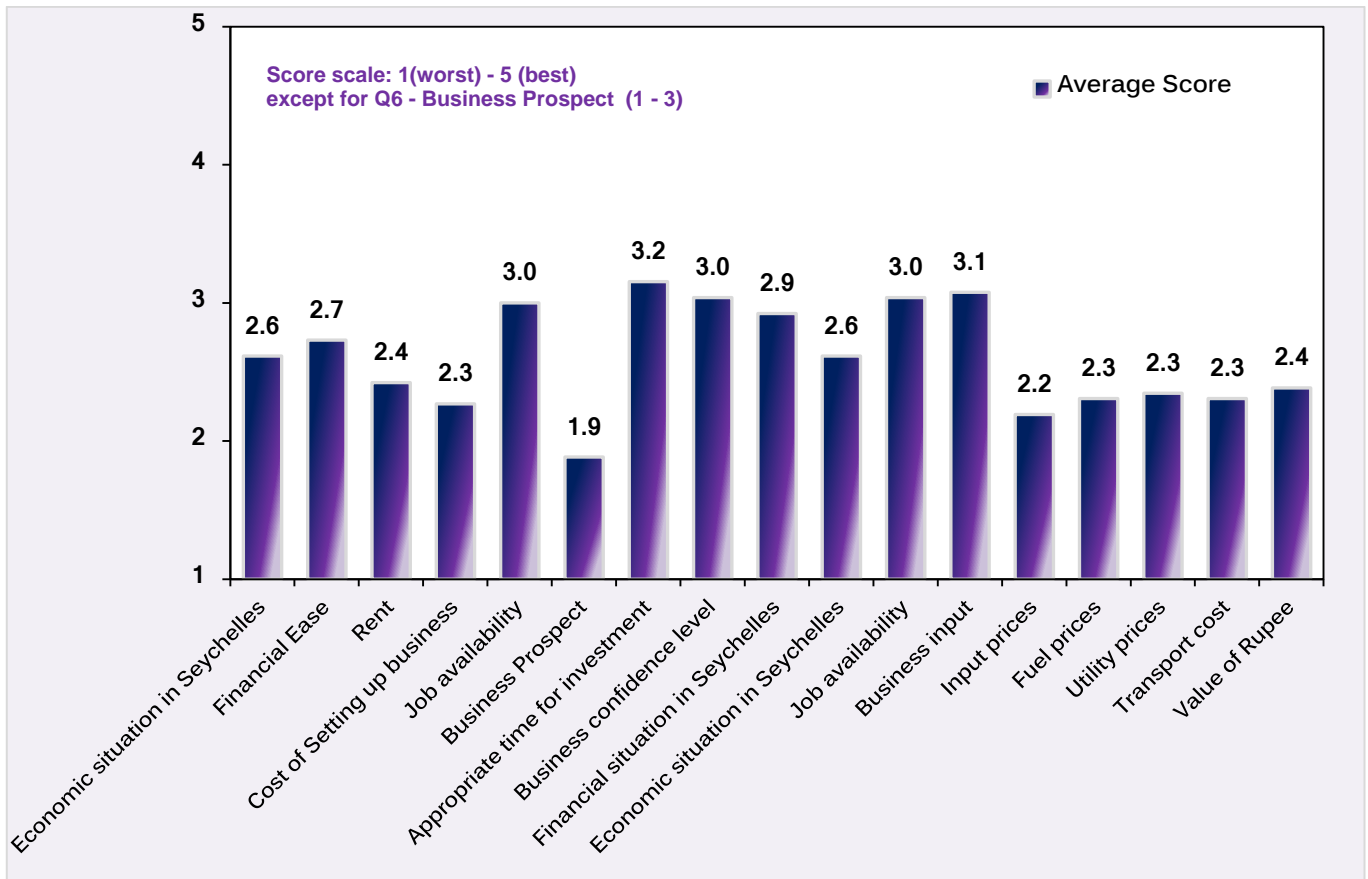


- Out of the 230 consumer survey forms that were received, 140 were from female respondents (61%). 156 were from respondents aged 18 to 40 years (68%).
- Generally, consumers' views on the present economic situation and current economic variables (prices, costs, financial situation) are that they have deteriorated compared to the previous survey.
- The majority of respondents were either uncertain or believed that the surveyed period was not the best time to make a costly investment.
- The general response to questions on future price variables (fuel, fish, utility, transport costs) and future financial situation suggests that the majority of the respondents expect these variables to remain the same over the next 6 months.
- Respondents' views on the current and future availability of jobs, as well as availability of goods and services were that these would remain the same in the next 6 months.
- Most respondents foresee the value of the rupee to depreciate slightly (i.e. need more rupees to buy) against the US dollar in the next 6 months.
- Respondents cited the following factors in their views and outlook:

- ❖ *most certainty that the cost of goods will increase given the depreciation of the rupee;*
  - ❖ *the general cost of goods and services is always on the rise. There is hardly ever a downward trend;*
  - ❖ *there is the need to reduce importation of non-essential goods and increase production of fruits and vegetables;*
  - ❖ *salaries go towards the purchase of necessities and there is no spare cash to save.*
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## Business Confidence and Expectation Survey Results - January 2015

Chart 2: Business Confidence and Expectation Survey Results



- 26 businesses participated in the January 2015 survey, of which the majority were small businesses.
- Overall, the scores indicate no significant change in business confidence in the economy compared to six months ago.
- The business community believes that future prices will increase slightly (business inputs, fuel, utility, transport costs).
- The majority of respondents' view on the current economic situation and current economic variables (rent, cost of setting up a business, financial situation) were that these were either the same or slightly worse compared to 6 months ago.
- Similar to the July 2014 results, most businesses were of the view that the general prospects for business was stagnation and that the most appropriate time to make an investment would be 6 months from now, indicating some level of uncertainty within the economy.
- The majority of respondents were more optimistic on jobs (current and future availability), availability of business inputs, their future financial situation and state of the economy in the next 6 months. They anticipate these variables to remain the same or become slightly better in the next 6 months.

- With an identical score to the July 2014 survey, the majority of businesses foresee the rupee remaining the same or depreciating slightly (slightly lose value) against the US dollar in the next 6 months
  
  - Some respondents cited the following factors in their views and outlook:
    - ❖ *Fundamentals not being right for investment in view of lack of labour, strong rupee, weak euro and high taxes;*
    - ❖ *high interest rates on loans and too much bureaucracy;*
    - ❖ *a lack of direct flights and lack of competitive ticketing;*
    - ❖ *small businesses have difficulty competing with large ones, especially in the tourism sector;*
    - ❖ *an improvement in tourist arrivals has been observed which coupled with the direct flight to Paris will contribute to increased growth;*
    - ❖ *development of the blue economy which will increase foreign exchange inflows.*
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