

Duke's Fuqua School of Business / CFO Magazine Global Business Outlook

Results for 160 European firms (own-firm changes expected during the next 12 months)

	Sept 2016	Jun 2016	Mar 2016	Dec 2015	Sept 2015
Weighted Averages for	Expected growth in next 12 months	Expected growth in next 12 months	Expected growth in next 12 months	Expected growth in next 12 months	Expected growth in next 12 months
Earnings growth*	5.2%	10.4%	4.5%	0.7%	8.1%
Capital spending	9.8%	6.5%	6.0%	3.7%	5.8%
Advertising and marketing spending	2.5%	0.2%	4.3%	2.6%	5.4%
Technology spending	4.6%	3.3%	5.8%	4.2%	4.9%
R&D spending	2.6%	7.0%	5.0%	5.4%	3.3%
Employment – full-time	1.1%	5.6%	0.0%	3.6%	4.1%
Wages and Salaries	1.7%	1.7%	1.4%	3.3%	3.0%
Inflation (Chg in prices of own-firm products)	1.1%	1.8%	1.4%	0.5%	0.6%
Health Care Costs	0.8%	1.5%	1.8%	1.5%	1.4%
Revenue	5.6%	5.2%	5.3%	5.1%	5.6%

* indicates public firms only. All other numbers for all survey respondents (including private)

European BUSINESS OPTIMISM

	Sept 2015	Jun 2016	Mar 2016	Dec 2015	Sept 2015
	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.
Optimism about the country's economy	More opt: 27.7% Less opt: 30.8% No chg: 41.5%	More opt: 33.6% Less opt: 29.7% No chg: 36.7%	More opt: 17.8% Less opt: 44.4% No chg: 37.9%	More opt: 41.4% Less opt: 25.3% No chg: 33.3%	More opt: 41.6% Less opt: 22.1% No chg: 36.2%
Country optimism level	56.3	55.3	53.0	58.4	57.9
Optimism about own company	More opt: 38.8% Less opt: 23.1% No chg: 38.1%	More opt: 34.9% Less opt: 31.8% No chg: 33.3%	More opt: 34.5% Less opt: 26.8% No chg: 38.7%	More opt: 54.5% Less opt: 24.2% No chg: 21.2%	More opt: 45.3% Less opt: 20.9% No chg: 33.8%
Own company optimism level	63.4	58.6	62.5	65.2	63.5

Top Concerns for European Businesses

- Economic Uncertainty
- Weak demand for your product/services
- Regulatory requirements
- Currency risk
- Government policy
- Attracting and retaining qualified employees
- Geopolitical / health crises
- Employee productivity
- Access to capital
- Employee morale