

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

Results for 39 African firms (own-firm changes expected during the next 12 months)

	Dec 2013	Sept 2013	Jun 2013
Weighted Averages for	Expected growth in next 12 months	Expected growth in next 12 months	Expected growth in next 12 months
Earnings growth*	19.2%	18.8% Median=8%	11.1% Median=8%
Capital spending	20.6% Median=5%	-3.7% Median=5%	29.4% Median=10%
Technology spending	13.5%	6.8%	7.2%
R&D spending	9.9%	-4.9%	5.0%
Advertising and marketing spending	10.9%	8.0%	9.2% Median=5%
Employment – full-time	5.2%	-1.5%	2.0%
Employment – temporary	3.9%	3.8%	-5.5% Median=0%
Outsourced Employment	4.7%	-3.5%	2.2%
Wages and Salaries	10.7%	8.0%	7.8%
Productivity	3.7%	0.3%	5.1%
Inflation (Chg in prices of own-firm products)	6.0%	1.8%	4.6%
Health Care Costs	7.4%	-0.4%	9.0% Median=10%
Dividends*	10.8% Median=10%	13.6% Median=0%	15.2% Median=12%
Share Repurchases*	0%	0%	2.2%
Cash on balance sheet*	27.8% Median=0%	5.7% Median=5%	-1.9% Median=0%
Revenue	16.7%	16.8% Median=10%	9.8%
Mergers and Acquisitions	Not asked.	Not asked.	Not asked.

* indicates public firms only. All other numbers are for all survey respondents (including private). The reported averages are weighted by revenue or number of employees, so that large firms are weighted more heavily.

Africa BUSINESS OPTIMISM

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	Dec 2013	Sept 2013	Jun 2013
	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.
Optimism about the country's economy	More opt: 20.5% Less opt: 51.3% No chg: 28.2%	More opt: 27.8% Less opt: 59.3% No chg: 13.0%	More opt: 29.4% Less opt: 47.1% No chg: 23.5%
Country optimism level	56.4	52.8	55.6
Optimism about own company	More opt: 69.2% Less opt: 10.3% No chg: 20.5%	More opt: 43.4% Less opt: 41.5% No chg: 15.1%	More opt: 54.4% Less opt: 29.4% No chg: 16.2%
Own company optimism level	72.3	62.6	69.7

Top Concerns for African Businesses

MACRO CONCERNS

- Consumer Demand
- Price pressure from competitors
- Currency risk
- Input costs

INTERNAL TO OWN FIRM

- Ability to Maintain Margins
- Attracting and retaining qualified employees
- Working capital management
- Maintaining morale/productivity