

Duke's Fuqua School of Business / CFO Magazine Business Outlook
Results for 54 African firms (own-firm changes expected during the next 12 months)

	Dec 2014	Sept 2014	Jun 2014	Mar 2014	Dec 2013
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*	9.1%	18% Median=12%	16% Median=15%	12.8%	19.2%
Capital spending	2.8% Median=0%	7.6%	21.88% Median=10%	11%	20.6% Median=5%
Technology spending	7.5%	10.7%	15.77%	6.1%	13.5%
R&D spending	3.1%	5.8%	2.53%	6%	9.9%
Advertising and marketing spending	2.8%	4.2%	5.58%	6%	10.9%
Employment – full-time	5.1%	4.0%	5.35%	-2.0%	5.2%
Employment – temporary	-3.5%	6.0%	2.08%	-0.4%	3.9%
Outsourced Employment	2.8%	10.3% Median=0%	3.28%	4.3%	4.7%
Wages and Salaries	7.2%	7.5%	8.47%	7%	10.7%
Productivity	2.0%	1.6%	2.62%	5.3%	3.7%
Inflation (Chg in prices of own-firm products)	5.1%	4.7%	6.24%	5.7%	6.0%
Health Care Costs	6.0%	5.3%	5.3%	10.2%	7.4%
Dividends*	18.5% Median=6%	3.1%	6.8%	8%	10.8% Median=10%
Share Repurchases*	5.2%	0%	0.0%	0.3%	0%
Cash on balance sheet*	-5.0% Median=0%	1%	-1.29%	6.7%	27.8% Median=0%
Revenue	7.5%	14.9% Median=12%	12.82%	9.5%	16.7%
Mergers and Acquisitions	Not asked.	Not asked.	Not asked.	18.4% plan to acquire; Foreign targets in 41.4% of acq. 8.6% plan to sell part or all of firm	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

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

	Dec 2014	Sept 2014	Jun 2014	Mar 2014	Dec 2013
	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: 22.2% Less opt: 61.1% No chg: 16.7%	More opt: 30.1% Less opt: 54.8% No chg: 15.1%	More opt: 24.6% Less opt: 56.9% No chg: 18.5%	More opt: 34.1% Less opt: 39.0% No chg: 26.8%	More opt: 20.5% Less opt: 51.3% No chg: 28.2%
Country optimism level	52.7	51.7	49.4	54.7	56.4
Optimism about own company	More opt: 48.1% Less opt: 24.1% No chg: 27.8%	More opt: 45.9% Less opt: 33.8% No chg: 20.3%	More opt: 45.3% Less opt: 32.8% No chg: 21.9%	More opt: 61% Less opt: 24.4% No chg: 14.6%	More opt: 69.2% Less opt: 10.3% No chg: 20.5%
Own company optimism level	69.7	65.5	61.5	66.2	72.3

Top Concerns for African Businesses

- Economic Uncertainty
- Government policy
- Currency risk
- Rising wages and salaries
- Reliability and cost of electricity
- Attracting and retaining qualified employees
- Regulatory requirements
- Rising input or commodity costs
- Imbalance between transformation and service delivery imperatives
- Volatility of political situation