

Results for 43 Brazilian 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*	0.4%	-5.9%	1.2%	16.5%	10.5%
Capital spending	-4.4%	1.4%	-1.6%	2.5%	3.5%
Technology spending	3.3%	3.4%	7.7%	4.4%	4.0%
R&D spending	3.5%	3.9%	5.5%	2.2%	1.2%
Advertising and marketing spending	-0.1%	6.1%	2.1%	2.2%	3.3%
Employment – full-time	0.4%	4.8%	2.5%	2.2%	2.6%
Employment – temporary	0.5%	-1.3%	-1.9%	-0.4%	0.7%
Outsourced Employment	-0.4%	1.3%	0.9%	0.4%	1.0%
Wages and Salaries	8.1%	6.8%	7.3%	7%	7.9%
Productivity	1.7%	1.6%	3.1%	4.7%	0.6%
Inflation (Chg in prices of own-firm products)	4.2%	3.3%	4.7%	4.7%	2.4%
Health Care Costs	10.0%	9.2%	10.6%	8.2%	6.6%
Dividends*	6.1%	-5.8%	8.8%	-5.3%	7.4%
Share Repurchases*	0%	0%	0%	0%	0%
Cash on balance sheet*	-4.1%	-11.3%	3.1%	-0.7%	-3.8%
Mergers and Acquisitions	Not asked	Not asked.	Not asked.	37.7% plan to acquire; Foreign targets in 17.4% of acq. 2.1% plan to sell part or all of firm.	Not asked
Revenue	6.8%	6.5%	8.5%	8.9%	8.4%

\* 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.

**Brazilian BUSINESS OPTIMISM****Duke's Fuqua School of Business / CFO Magazine Business Outlook**

	<b>Dec 2014</b>	<b>Sept 2014</b>	<b>Jun 2014</b>	<b>Mar 2014</b>	<b>Dec 2013</b>
	<b>Compared to last qtr.</b>	<b>Compared to last qtr.</b>	<b>Compared to last qtr.</b>	<b>Compared to last qtr.</b>	<b>Compared to last qtr.</b>
<b>Optimism about the country's economy</b>	More opt: 16.3% Less opt: 58.1% No chg:25.6%	More opt: 8.8% Less opt: 64.9% No chg: 26.3%	More opt: 4.2% Less opt: 62.5% No chg: 33.3%	More opt: 9.5% Less opt: 68.3% No chg: 22.2%	More opt: 11.8% Less opt: 45.1% No chg:43.1%
<b>Country optimism level</b>	50.3	46.9	49.5	52.6	53.3
<b>Optimism about own company</b>	More opt: 32.6% Less opt: 30.2% No chg: 37.2%	More opt: 27.6% Less opt: 41.4% No chg: 31.0%	More opt: 27.1% Less opt: 33.3% No chg: 39.6%	More opt: 31.7% Less opt: 30.2% No chg: 38.1%	More opt: 49.0% Less opt: 21.6% No chg: 29.4%
<b>Own company optimism level</b>	67.7	60.9	59.7	63.3	66.2

Top Concerns for Brazilian Businesses

- Government policy
- Inflation
- Economic Uncertainty
- Regulatory requirements
- Weak demand for your product/services
- Rising wages and salaries
- Cost of benefits
- Currency risk
- Cost of borrowing
- Rising input or commodity costs