

Duke's Fuqua School of Business / CFO Magazine Business Outlook
Results for 18 African firms (own-firm changes expected during the next 12 months)

	Sept 2015	Jun 2015	Mar 2015	Dec 2014	Sept 2014
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*	8.9%	-6.9% Median=-5%	28.8% Median=15%	9.1%	18% Median=12%
Capital spending	-16.0% Median=-10%	-3.8% Median=5%	9.4% Median=5%	2.8% Median=0%	7.6%
Technology spending	1.7%	3.7%	15.4%	7.5%	10.7%
R&D spending	-5.6%	-3.6%	5.9%	3.1%	5.8%
Advertising and marketing spending	5.6%	-0.8%	9.0%	2.8%	4.2%
Employment – full-time	1.0%	2.2%	8.7%	5.1%	4.0%
Employment – temporary	-5.2%	-2.4%	-7.5%	-3.5%	6.0%
Outsourced Employment	0.5%	0.6%	0.1%	2.8%	10.3% Median=0%
Wages and Salaries	8.3%	6.2%	9.4%	7.2%	7.5%
Productivity	2.6%	0.1%	4.6%	2.0%	1.6%
Inflation (Chg in prices of own-firm products)	0.6%	3.5%	3.9%	5.1%	4.7%
Health Care Costs	6.6%	7.8%	9.5%	6.0%	5.3%
Dividends*	5.0%	-4.6%	18.8% Median=0%	18.5% Median=6%	3.1%
Share Repurchases*	0%	0%	0%	5.2%	0%
Cash on balance sheet*	7.9%	-19.3% Median=0%	-4.7% Median=-5%	-5.0% Median=0%	1%
Revenue	3.0%	0.0%	7.3%	7.5%	14.9% Median=12%
Mergers and Acquisitions	22.2% plan to acquire; mainly to improve industry position and geographic diversification.	Not asked.	31.8% plan to acquire; Foreign targets in 18.6% of acq. 15.8% plan to sell part or all of firm	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

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

	Sept 2015	Jun 2015	Mar 2015	Dec 2014	Sept 2014
	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: 72.2% No chg: 5.6%	More opt: 14.3% Less opt: 74.3% No chg: 11.4%	More opt: 10.6% Less opt: 70.2% No chg: 19.1%	More opt: 22.2% Less opt: 61.1% No chg: 16.7%	More opt: 30.1% Less opt: 54.8% No chg: 15.1%
Country optimism level	48.2	44.4	48	52.7	51.7
Optimism about own company	More opt: 61.1% Less opt: 22.2% No chg: 16.7%	More opt: 48.6% Less opt: 34.3% No chg: 17.1%	More opt: 41.7% Less opt: 27.1% No chg: 31.3%	More opt: 48.1% Less opt: 24.1% No chg: 27.8%	More opt: 45.9% Less opt: 33.8% No chg: 20.3%
Own company optimism level	67.4	60.5	68.3	69.7	65.5

Top Concerns for African Businesses

- Currency risk
- Economic Uncertainty
- Government policy
- Attracting and retaining qualified employees
- Reliability and cost of electricity
- Volatility of political situation
- Cost of Borrowing
- Corruption and white collar crime
- Employee productivity
- Employee morale