

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

Results for 183 Asian (non-Japanese) firms (own-firm changes expected during the next 12 months)

	June 2013	Mar 2013	Dec 2012	Sept 2012	May 2012
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*	4.2%	6.3%	2.4%	4.7%	0.7%
Capital spending	6.3%	5.1%	4.1%	7.5%	7.4%
Technology spending	3.7%	8.7%	7.2%	13.7%	2.9%
R&D spending	1.7%	5.4%	4.0%	4.6%	4.1%
Advertising and marketing spending	1.0%	4.3%	2.0%	1.8%	3.3%
Employment – full-time	0.5%	5.9%	4.00%	2.6%	3.2%
Employment – temporary	-3.2%	-0.1%	3.1%	3.2%	3.5%
Outsourced Employment	-1.4%	5.0%	3.4%	8.1%	4.0%
Wages and Salaries	4.1%	8.0%	7.1%	7.2%	7.1%
Productivity	2.1%	5.8%	3.6%	3.9%	2.7%
Inflation (Chg in prices of own-firm products)	-0.5%	3.0%	1.6%	2.5%	0.7%
Health Care Costs	2.5%	2.8%	2.7%	3.7%	5.2%
Dividends*	3.0%	5.9%	-0.6%	4.2%	2.8%
Share Repurchases*	0.8%	1.7%	0.0%	15.1%	0.2%
Cash on balance sheet*	-0.3%	7.0%	-2.8%	-5.2%	4.9%
Mergers and Acquisitions	Not asked.	29.8% plan to acquire; Foreign targets in 30.8% of acq.	Not asked.	Not asked.	Not asked.
Revenue	6.6%	11.1%	9.5%	5.9%	6.9%

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

ASIA BUSINESS OPTIMISM
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	Jun 2013	Mar 2013	Dec 2012	Sept 2012	May 2012
	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: 45.9% Less opt: 30.4% No chg: 23.8%	More opt: 43.2% Less opt: 32.9% No chg: 23.9%	More opt: 37.1% Less opt: 40.0% No chg: 23.0%	More opt: 32.7% Less opt: 46.5% No chg: 20.9%	More opt: 20.3% Less opt: 58.1% No chg: 21.6%
Country optimism level	61.3	61.1	62.3	59.7	57.6
Optimism about own company	More opt: 47.3% Less opt: 32.4% No chg: 20.3%	More opt: 52.9% Less opt: 30.3% No chg: 16.8%	More opt: 39.3% Less opt: 37.1% No chg: 23.7%	More opt: 43.7% Less opt: 33.5% No chg: 22.8%	More opt: 33.8% Less opt: 44.9% No chg: 21.3%
Own company optimism level	63.5	64.1	64.0	64.4	62.3

Top Concerns for Asian Businesses

MACRO CONCERNS

- Consumer Demand
- Price pressure from competitors
- Global financial instability
- Government policy

INTERNAL TO OWN FIRM

- Ability to maintain margins
- Attracting and retaining qualified employees
- Maintaining morale/productivity
- Working capital management