

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

Results for 54 African firms (own-firm changes expected during the next 12 months)

	Sept 2013	Jun 2013
Weighted Averages for	Expected growth in next 12 months	Expected growth in next 12 months
Earnings growth*	18.8% Median=8%	11.1% Median=8%
Capital spending	-3.7% Median=5%	29.4% Median=10%
Technology spending	6.8%	7.2%
R&D spending	-4.9%	5.0%
Advertising and marketing spending	8.0%	9.2% Median=5%
Employment – full-time	-1.5%	2.0%
Employment – temporary	3.8%	-5.5% Median=0%
Outsourced Employment	-3.5%	2.2%
Wages and Salaries	8.0%	7.8%
Productivity	0.3%	5.1%
Inflation (Chg in prices of own-firm products)	1.8%	4.6%
Health Care Costs	-0.4%	9.0% Median=10%
Dividends*	13.6% Median=0%	15.2% Median=12%
Share Repurchases*	0%	2.2%
Cash on balance sheet*	5.7% Median=5%	-1.9% Median=0%
Revenue	16.8% Median=10%	9.8%
Mergers and Acquisitions	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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	Sept 2013	Jun 2013
	Compared to last qtr.	Compared to last qtr.
Optimism about the country's economy	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	52.8	55.6
Optimism about own company	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	62.6	69.7

Top Concerns for African Businesses

MACRO CONCERNS

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

INTERNAL TO OWN FIRM

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