

**Duke's Fuqua School of Business / CFO Magazine Business Outlook  
Results for 65 African firms (own-firm changes expected during the next 12 months)**

NOTE: June 2014 survey closed June 11, 2014, five days after the rest of the global survey was closed.

	<b>Jun 2014</b>	<b>Mar 2014</b>	<b>Dec 2013</b>	<b>Sept 2013</b>	<b>Jun 2013</b>
<b>Weighted Averages for</b>	<b>Expected growth in next 12 months</b>	<b>Expected growth in next 12 months</b>	<b>Expected growth in next 12 months</b>	<b>Expected growth in next 12 months</b>	<b>Expected growth in next 12 months</b>
<b>Earnings growth*</b>	16% Median=15%	12.8%	19.2%	18.8% Median=8%	11.1% Median=8%
<b>Capital spending</b>	21.88% Median=10%	11%	20.6% Median=5%	-3.7% Median=5%	29.4% Median=10%
<b>Technology spending</b>	15.77%	6.1%	13.5%	6.8%	7.2%
<b>R&amp;D spending</b>	2.53%	6%	9.9%	-4.9%	5.0%
<b>Advertising and marketing spending</b>	5.58%	6%	10.9%	8.0%	9.2% Median=5%
<b>Employment – full-time</b>	5.35%	-2.0%	5.2%	-1.5%	2.0%
<b>Employment – temporary</b>	2.08%	-0.4%	3.9%	3.8%	-5.5% Median=0%
<b>Outsourced Employment</b>	3.28%	4.3%	4.7%	-3.5%	2.2%
<b>Wages and Salaries</b>	8.47%	7%	10.7%	8.0%	7.8%
<b>Productivity</b>	2.62%	5.3%	3.7%	0.3%	5.1%
<b>Inflation (Chg in prices of own-firm products)</b>	6.24%	5.7%	6.0%	1.8%	4.6%
<b>Health Care Costs</b>	5.3%	10.2%	7.4%	-0.4%	9.0% Median=10%
<b>Dividends*</b>	6.8%	8%	10.8% Median=10%	13.6% Median=0%	15.2% Median=12%
<b>Share Repurchases*</b>	0.0%	0.3%	0%	0%	2.2%
<b>Cash on balance sheet*</b>	-1.29%	6.7%	27.8% Median=0%	5.7% Median=5%	-1.9% Median=0%
<b>Revenue</b>	12.82%	9.5%	16.7%	16.8% Median=10%	9.8%
<b>Mergers and Acquisitions</b>	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.	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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	<b>Jun 2014</b>	<b>Mar 2014</b>	<b>Dec 2013</b>	<b>Sept 2013</b>	<b>Jun 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: 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%	More opt: 27.8% Less opt: 59.3% No chg: 13.0%	More opt: 29.4% Less opt: 47.1% No chg: 23.5%
<b>Country optimism level</b>	49.4	54.7	56.4	52.8	55.6
<b>Optimism about own company</b>	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%	More opt: 43.4% Less opt: 41.5% No chg: 15.1%	More opt: 54.4% Less opt: 29.4% No chg: 16.2%
<b>Own company optimism level</b>	61.5	66.2	72.3	62.6	69.7

### Top Concerns for African Businesses

- Government policy
- Currency risk
- Economic Uncertainty
- Attracting and retaining qualified employees
- Wages and salaries
- Inflation
- Regulatory requirements
- Input or commodity costs
- Employee morale and productivity
- Cost of benefits