

**Duke's Fuqua School of Business / CFO Magazine Business Outlook**  
**Results for 61 African firms (own-firm changes expected during the next 12 months)**

	<b>Dec 2015</b>	<b>Sept 2015</b>	<b>Jun 2015</b>	<b>Mar 2015</b>	<b>Dec 2014</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>	9.8%	8.9%	-6.9% Median=-5%	28.8% Median=15%	9.1%
<b>Capital spending</b>	10.6% Median=5%	-16.0% Median=-10%	-3.8% Median=5%	9.4% Median=5%	2.8% Median=0%
<b>Technology spending</b>	7.3%	1.7%	3.7%	15.4%	7.5%
<b>R&amp;D spending</b>	1.0%	-5.6%	-3.6%	5.9%	3.1%
<b>Advertising and marketing spending</b>	-7.3% Median=0%	5.6%	-0.8%	9.0%	2.8%
<b>Employment – full-time</b>	3.2%	1.0%	2.2%	8.7%	5.1%
<b>Employment – temporary</b>	-4.2%	-5.2%	-2.4%	-7.5%	-3.5%
<b>Outsourced Employment</b>	-3.2%	0.5%	0.6%	0.1%	2.8%
<b>Wages and Salaries</b>	7.1%	8.3%	6.2%	9.4%	7.2%
<b>Productivity</b>	1.9%	2.6%	0.1%	4.6%	2.0%
<b>Inflation (Chg in prices of own-firm products)</b>	5.3%	0.6%	3.5%	3.9%	5.1%
<b>Health Care Costs</b>	6.3%	6.6%	7.8%	9.5%	6.0%
<b>Dividends*</b>	6.6%	5.0%	-4.6%	18.8% Median=0%	18.5% Median=6%
<b>Share Repurchases*</b>	3.1%	0%	0%	0%	5.2%
<b>Cash on balance sheet*</b>	-7.3%	7.9%	-19.3% Median=0%	-4.7% Median=-5%	-5.0% Median=0%
<b>Revenue</b>	7.3%	3.0%	0.0%	7.3%	7.5%
<b>Mergers and Acquisitions</b>	Not asked.	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.

\* 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

	<b>Dec 2015</b>	<b>Sept 2015</b>	<b>Jun 2015</b>	<b>Mar 2015</b>	<b>Dec 2014</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: 13.3% Less opt: 76.7% No chg: 10.0%	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%
<b>Country optimism level</b>	49.3	48.2	44.4	48	52.7
<b>Optimism about own company</b>	More opt: 43.3% Less opt: 38.3% No chg: 18.3%	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%
<b>Own company optimism level</b>	63.5	67.4	60.5	68.3	69.7

### Top Concerns for African Businesses

- Economic Uncertainty
- Currency risk
- Government policies
- Regulatory requirements
- Weak demand for product
- Employee morale
- Employee productivity
- Volatility of political situation
- Access to capital
- Attracting and retaining qualified employees