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

Results for 30 Japanese firms (own-firm changes expected during the next 12 months)

	Mar 2017	Dec 2016	Sept 2016	Jun 2016	Mar 2016
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*	9.2%	6.4%	-1.2%	4.8%	1.3%
Capital spending	19.9% Median = 13.3%	-5.4%	0.1%	3.8%	1.8%
Advertising and marketing spending	-1.6%	0.1%	-1.8%	-1.2%	3.6%
Technology spending	5.4%	2.7%	4.6%	0.6%	2.4%
R&D spending	2.2%	2.5%	4.0%	1.5%	3.8%
Employment – full-time	2.8%	2.4%	0.6%	-1.1%	0.2%
Wages and Salaries	2.5%	3.0%	2.6%	2.0%	0.9%
Inflation (Chg in prices of own-firm products)	-0.6%	-0.6%	-5.2% Median=-3%	0.9%	-0.5%
Healthcare cost	4.6%	2.4%	4.9%		
Revenue	-1.0%	-3.6%	-6.7% Median=-5%	-3.1%	1.6%

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

Japanese BUSINESS OPTIMISM

	Mar 2017	Dec 2016	Sept 2016	Jun 2016	Mar 2016
	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: 40.0% Less opt: 16.7% No chg: 43.3%	More opt: 33.3% Less opt: 12.5% No chg: 54.2%	More opt: 12.5% Less opt: 56.3% No chg: 31.3%	More opt: 6.3% Less opt: 50.0% No chg: 43.8%	More opt: 4.0% Less opt: 64.0% No chg: 32.0%
Country optimism level	55.7	53.9	48.0	47.8	44.5
Optimism about own company	More opt: 30.0% Less opt: 30.0% No chg: 40.0%	More opt: 16.7% Less opt: 33.3% No chg: 50.0%	More opt: 15.6% Less opt: 34.4% No chg: 50.0%	More opt: 15.6% Less opt: 37.5% No chg: 46.9%	More opt: 12.0% Less opt: 60.0% No chg: 28.0%
Own company optimism level	58.4	48.9	54.4	55.8	47.5

Top Concerns for Japanese Businesses

- Employee productivity
- Economic Uncertainty
- Currency risk
- Difficulty attracting and retaining qualified employees
- Employee morale
- Weak demand for your product/services
- Geopolitical/Health Crises
- Government policies
- Rising input/commodity costs
- Data security