

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

### Results for 9 Chinese firms (own-firm changes expected during the next 12 months)

	Jun 2018	Mar 2018	Dec 2017	Sept 2017	Jun 2017
<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>	7.5%	2.4%	-3.0% Median=-1.5%	-8.7% Median=2.1%	5.0%
<b>Capital spending</b>	7.4%	9.1%	2.1%	11.3%	-10.3% Median = -0.1%
<b>Advertising and marketing spending</b>	-2.4% Median=0%	16.2%	1.8%	1.7%	-1.8%
<b>Technology spending</b>	10.0%	11.2%	3.0%	12.2%	10.8%
<b>R&amp;D spending</b>	8.9%	5.7%	3.1%	2.5%	8.8%
<b>Employment – full-time</b>	-1.9%	3.4%	1.4%	1.6%	8.9%
<b>Wages and Salaries</b>	-2.6%	4.9%	0.4%	6.6%	9.1%
<b>Inflation (Chg in prices of own-firm products)</b>	2.5%	2.5%	2.8%	3.2%	-1.1%
<b>Health Care Costs</b>	0%	6.4%	1.0%	0.6%	4.8%
<b>Revenue</b>	4.1%	22.9% Median = 9.0%	8.7%	5.0%	11.9%

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

### Chinese BUSINESS OPTIMISM

	Jun 2018	Mar 2018	Dec 2017	Sept 2017	Jun 2017
	<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: 9.1% Less opt: 63.6% No chg: 27.3%	More opt: 35.7% Less opt: 21.4% No chg: 42.9%	More opt: 53.3% Less opt: 13.3% No chg: 33.3%	More opt: 31.6% Less opt: 31.6% No chg: 36.8%	More opt: 20.0% Less opt: 33.3% No chg: 46.7%
<b>Country optimism level</b>	58.8	65.8	75.2	62.1	69.3
<b>Optimism about own company</b>	More opt: 9.1% Less opt: 36.4% No chg: 54.5%	More opt: 35.7% Less opt: 35.7% No chg: 28.6%	More opt: 35.7% Less opt: 35.7% No chg: 28.6%	More opt: 26.3% Less opt: 31.6% No chg: 42.1%	More opt: 33.3% Less opt: 40.0% No chg: 26.7%
<b>Own company optimism level</b>	65.5	66.3	72.1	62.6	69.6

### Top Concerns for Chinese Businesses

- Weak demand for products/services
- Economic uncertainty
- Government policy
- Currency risk
- Rising wages and salaries
- Data security
- Geopolitical/health crises
- Access to capital
- Attracting and retaining qualified employees
- Corporate tax code