

Duke's Fuqua School of Business / CFO Magazine Global Business Outlook
Results for 32 African firms (own-firm changes expected during the next 12 months)

| | Jun 2018 | Mar 2018 | Dec 2017 | Sept 2017 | Jun 2017 |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| 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* | 7.1% | 7.3% | 10.6% | 11.8% | 11.3% Median=10.6% |
| Capital spending | -3.3% Median=-2.2% | 9.1% | 0.6% | 3.1% | 6.0% |
| Advertising and marketing spending | 16.5% Median=9.5% | 8.0% | 3.5% | 5.7% | 2.2% |
| Technology spending | 11.4% Median=1.9% | 5.4% | 8.8% | 14.4% | 14.3% Median=10% |
| R&D spending | -2.0% | 2.5% | 3.6% | 3.0% | 2.4% |
| Employment – full-time | 6.3% | 8.5% | 3.5% | -0.1% | -5.0% Median=0% |
| Wages and Salaries | 5.9% | 6.6% | 8.0% | 4.9% | 3.6% |
| Inflation (Chg in prices of own-firm products) | 4.2% | 4.0% | 3.5% | 4.2% | 2.1% |
| Health Care Costs | 5.4% | 5.0% | 5.0% | 3.5% | 7.5% |
| Revenue | 6.6% | 5.1% | 14.8% | 14.0% | 8.9% |

* 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

| | Jun 2018 | Mar 2018 | Dec 2017 | Sept 2017 | Jun 2017 |
|--------------------------------------|---|---|---|---|---|
| | 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: 59.4% Less opt: 31.3% No chg: 9.4% | More opt: 78.7% Less opt: 12.8% No chg: 8.5% | More opt: 40.0% Less opt: 41.8% No chg: 18.2% | More opt: 35.7% Less opt: 42.9% No chg: 21.4% | More opt: 47.5% Less opt: 40.0% No chg: 12.5% |
| Country optimism level | 55.9 | 60.4 | 52.5 | 51.5 | 49.7 |
| Optimism about own company | More opt: 59.4% Less opt: 18.8% No chg: 21.9% | More opt: 63.0% Less opt: 19.6% No chg: 17.4% | More opt: 63.6% Less opt: 27.3% No chg: 9.1% | More opt: 70.4% Less opt: 22.2% No chg: 7.4% | More opt: 55.0% Less opt: 25.0% No chg: 20.0% |
| Own company optimism level | 66.0 | 61.3 | 63.9 | 64.1 | 61.9 |

Top Concerns for African Businesses

- Government policies
- Economic Uncertainty
- Corruption and white collar crime
- Access to capital
- Employee morale
- Currency risk
- Difficulty attracting/retaining qualified employees
- Regulatory requirements
- Weak demand for products/service
- Volatility of political situation