

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

Results for 128 European firms (own-firm changes expected during the next 12 months)

	Sept 2018	Jun 2018	Mar 2018	Dec 2017	Sept 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*	7.6%	3.1%	7.2%	3.6%	6.2%
Capital spending	1.5% Median=2.0%	6.2% Median=3.0%	7.0%	4.8%	6.6%
Advertising and marketing spending	1.0%	4.5%	2.5%	0.9%	4.9%
Technology spending	4.8%	6.6%	4.0%	3.0%	5.2%
R&D spending	2.9%	1.4%	2.4%	6.3%	3.2%
Employment – full-time	1.6% Median=1.0%	2.9% Median=1.0%	-0.1% Median = 2%	3.9%	0.4%
Wages and Salaries	2.2% Median=2.0%	3.1% Median=2.0%	2.4%	2.6%	2.7%
Inflation (Chg in prices of own-firm products)	1.2%	1.1%	2.8%	1.1%	1.5%
Health Care Costs	0.7%	2.1%	1.1%	1.3%	1.2%
Revenue	3.8%	8.3%	4.5%	5.6%	7.0%

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

European BUSINESS OPTIMISM

	Sept 2018	Jun 2018	Mar 2018	Dec 2017	Sept 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: 23.6% Less opt: 37.8% No chg: 38.6%	More opt: 38.4% Less opt: 22.2% No chg: 39.4%	More opt: 60.0% Less opt: 10.5% No chg: 29.5%	More opt: 47.9% Less opt: 15.8% No chg: 36.3%	More opt: 63.1% Less opt: 14.4% No chg: 22.5%
Country optimism level	57.9	68.5	67.0	66.9	63.4
Optimism about own company	More opt: 32.3% Less opt: 26.0% No chg: 41.7%	More opt: 45.9% Less opt: 24.5% No chg: 29.6%	More opt: 52.0% Less opt: 21.0% No chg: 27.0%	More opt: 51.0% Less opt: 19.0% No chg: 29.9%	More opt: 42.9% Less opt: 17.4% No chg: 39.8%
Own company optimism level	62.5	69.1	65.9	68.7	64.0

Top Concerns for European Businesses

- Attracting and retaining qualified employee
- Economic uncertainty
- Regulatory requirements
- Government policies
- Employee morale
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- Data security
- Currency risk
- Weak demand for your product/services
- Employee productivity
- Geopolitical / health crises