

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

Results for 13 Japanese firms (own-firm changes expected during the next 12 months)

	Jun 2019	Mar 2019	Dec 2018	Sept 2018	Jun 2018
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*	0.4% Median=1.4%		3.0%	21.9% Median=17.6%	4.9%
Capital spending	1.5% Median = 0.0%	38.0% Median=71.6%	3.5% Median=3.5%	3.9% Median=6.3%	6.4% Median=9.6%
Advertising and marketing spending	-0.1% Median=0.0%		0.4%	0.0%	4.0%
Technology spending	0.1% Median=0.0%		1.7%	2.3%	4.3%
R&D spending	0.3% Median=0.0%		1.1%	3.2%	4.7%
Employment – full-time	1.1% Median=0.0%	1.8% Median=0.0%	1.8% Median=3.0%	2.7% Median=3.4%	3.5% Median=5.0%
Wages and Salaries	2.2% Median=2.7%	1.3% Median=1.6%	1.2% Median=1.0%	3.1% Median=3.0%	3.7% Median=3.0%
Inflation (Chg in prices of own-firm products)	0.0% Median=0.0%		0.0%	4.9%	6.6%
Healthcare cost	0.6% Median=0.0%		0.3%	0.1%	2.2%
Revenue	-1.9% Median=-1.3%	4.0% Median=4.6%	1.8%	4.4%	3.5%

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

Japanese BUSINESS OPTIMISM

	Jun 2019	Mar 2019	Mar 2018	Sept 2018	Jun 2018
	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: 0.0% Less opt: 69.2% No chg: 30.8%	More opt: 15.4% Less opt: 61.5% No chg: 23.1%	More opt: 8.3% Less opt: 41.7% No chg: 50.0%	More opt: 11.1% Less opt: 16.7% No chg: 72.2%	More opt: 40.0% Less opt: 6.7% No chg: 53.3%
Country optimism level	38.6	54.1	49.4	55.2	58.9
Optimism about own company	More opt: 0.0% Less opt: 23.1% No chg: 76.9%	More opt: 30.8% Less opt: 30.8% No chg: 38.5%	More opt: 0.0% Less opt: 50.0% No chg: 50.0%	More opt: 11.8% Less opt: 35.3% No chg: 52.9%	More opt: 40.0% Less opt: 26.7% No chg: 33.3%
Own company optimism level	52.0	58.2	48.5	52.1	58.9

Top Concerns for Japanese Businesses (June 2019)

- Economic uncertainty
- Employee productivity
- Difficulty attracting and retaining qualified employees
- Employee morale
- Currency risk
- Weak demand for products/services
- Government policies
- Geopolitical/Health Crises
- Rising wages and salaries
- Access to capital