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Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

1a. Are you more or less optimistic about your country's economy compared to last quarter?

	<u>Number</u>	<u>Percent</u>	<u>95% CI</u>
1=More optimistic	14	20.6 %	± 9.9 %
0=No change	10	14.7 %	± 8.6 %
-1=Less optimistic	44	64.7 %	± 11.7 %
Total	68	100.0 %	

Mean = -0.44

SD = 0.82

Missing Cases = 0

Response Percent = 100.0 %

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

1b. Rate your optimism about your country's economy on a scale from 0-100, with 0 being the least optimistic and 100 being the most optimistic.

Minimum = 5

Maximum = 90

Mean = 48.29

Median = 50

Standard Deviation (Unbiased Estimate) = 18.87

95 Percent Confidence Interval Around The Mean = 43.70 - 52.88

4 Groups

1 = 40

2 = 50

3 = 60

Valid Cases = 65

Missing Cases = 3

Response Percent = 95.6%

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

2a. Are you more or less optimistic about the financial prospects for your own company compared to last quarter?

	Number	Percent	95% CI
1=More optimistic	19	27.9 %	± 10.9 %
0=No change	19	27.9 %	± 10.9 %
-1=Less optimistic	30	44.1 %	± 12.1 %
Total	68	100.0 %	

Mean = -0.16

SD = 0.84

Missing Cases = 0

Response Percent = 100.0 %

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

2b. Rate your optimism about the financial prospects for your own company on a scale from 0-100, with 0 being the least optimistic and 100 being the most optimistic.

Minimum = 9

Maximum = 90

Mean = 58.17

Median = 60

Standard Deviation (Unbiased Estimate) = 19.21

95 Percent Confidence Interval Around The Mean = 53.47 - 62.88

4 Groups

1 = 50

2 = 60

3 = 70

Valid Cases = 64

Missing Cases = 4

Response Percent = 94.1%

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

3. During the past quarter, which items have been the most pressing concerns for your company's top management team?

	Number	Percent	95% CI
Economic uncertainty	55	80.9 %	± 9.6 %
Government policies	36	52.9 %	± 12.2 %
Currency risk	26	38.2 %	± 11.9 %
Weak demand for your products/services	25	36.8 %	± 11.8 %
Corporate tax code	15	22.1 %	± 10.1 %
Employee productivity	11	16.2 %	± 9.0 %
Cost of borrowing	11	16.2 %	± 9.0 %
Difficulty attracting / retaining qualified employees	10	14.7 %	± 8.6 %
Regulatory requirements	10	14.7 %	± 8.6 %
Geopolitical / health crises	8	11.8 %	± 7.9 %
Data security	8	11.8 %	± 7.9 %
Inflation	7	10.3 %	± 7.4 %
Rising input or commodity costs	7	10.3 %	± 7.4 %
Cost of benefits	5	7.4 %	± 6.4 %
Access to capital	5	7.4 %	± 6.4 %
Deflation	5	7.4 %	± 6.4 %
Employee morale	2	2.9 %	± 4.1 %
Rising wages and salaries	0	0.0 %	± 0.0 %
Other	0	0.0 %	± 0.0 %
Total	246		

Number of Cases = 68

Number of Responses = 246

Average Number Of Responses Per Case = 3.6

Number Of Cases With At Least One Response = 68

Response Percent = 100.0 %

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3. During the past quarter, which items have been the most pressing concerns for your company's top management team? - Other specified

--- No Response ---

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4. Relative to the previous 12 months, what will be your company's PERCENTAGE CHANGE during the next 12 months? [Unweighted - Winsorized]

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Revenue	4.36	6.19	2.73 - 6.00	5	-8.82	13.46	55
Capital spending	4.30	10.88	1.12 - 7.48	0	-20	38.33	45
Wages/Salaries	3.55	3.40	2.64 - 4.46	3	-7.01	11.19	54
Health care costs	3.41	4.75	2.02 - 4.80	1.50	0	14.71	45
Technology spending	2.81	4.39	1.55 - 4.06	0.65	-5	13.28	47
Prices of your products	2.13	4.19	0.94 - 3.31	3	-7.45	10	48
Marketing/advertising spending	1.68	8.33	-0.67 - 4.04	0	-20	22.88	48
Number of domestic full-time employees	1.15	5.32	-0.32 - 2.63	0	-9.54	10.37	50
Research and development spending	0.97	2.48	0.24 - 1.71	0	-6.35	8.08	44
Earnings	-0.09	14.35	-3.82 - 3.64	0.50	-34.30	25	57

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

4. Relative to the previous 12 months, what will be your company's PERCENTAGE CHANGE during the next 12 months for: [Unweighted - Sorted],

(N=68)

	Mean & SD	Positive 1	Zero 0	Negative -1	Total
Wages/Salaries	0.80 0.45	44 81.48%	9 16.67%	1 1.85%	54 100.00%
Revenue	0.60 0.76	42 76.36%	4 7.27%	9 16.36%	55 100.00%
Health care costs	0.51 0.51	23 51.11%	22 48.89%	0 0.00%	45 100.00%
Technology spending	0.49 0.55	24 51.06%	22 46.81%	1 2.13%	47 100.00%
Prices of your products	0.40 0.76	27 56.25%	13 27.08%	8 16.67%	48 100.00%
Capital spending	0.31 0.70	20 44.44%	19 42.22%	6 13.33%	45 100.00%
Research and development spending	0.27 0.50	13 29.55%	30 68.18%	1 2.27%	44 100.00%
Marketing/advertising spending	0.27 0.74	21 43.75%	19 39.58%	8 16.67%	48 100.00%
Number of domestic full-time employees	0.20 0.76	20 40.00%	20 40.00%	10 20.00%	50 100.00%
Earnings	0.18 0.89	28 49.12%	11 19.30%	18 31.58%	57 100.00%

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

4. Relative to the previous 12 months, what will be your company's PERCENTAGE CHANGE during the next 12 months? [All Companies - Winsorized - Revenue Weighted - Sorted]

	<u>Mean</u>	<u>SD</u>	<u>95% CI</u>	<u>Median</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Total</u>
Revenue	4.30	4.53	3.12 - 5.48	3.07	-8.82	13.46	57
Capital spending	2.59	10.06	-0.30 - 5.48	0	-20	38.33	47
Prices of your products	2.16	4.05	1.08 - 3.24	3	-7.45	10	54
Technology spending	2.05	3.77	1.02 - 3.09	0	-5	13.28	51
Marketing/advertising spending	1.54	7.31	-0.50 - 3.57	0	-20	22.88	50
Earnings	0.93	12.06	-2.21 - 4.06	0	-34.30	25	57
Research and development spending	0.50	1.31	0.14 - 0.87	0	-6.35	8.08	49

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

4. Relative to the previous 12 months, what will be your company's PERCENTAGE CHANGE during the next 12 months? [All Companies - Winsorized - Employee Weighted - Sorted]

	<u>Mean</u>	<u>SD</u>	<u>95% CI</u>	<u>Median</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Total</u>
Health care costs	3.40	4.32	2.02 - 4.77	3	0	14.71	38
Wages/Salaries	3.16	3.36	2.20 - 4.12	3	-7.01	11.19	47
Number of domestic full-time employees	1.15	4.83	-0.32 - 2.62	0	-9.54	10.37	41

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

4. Relative to the previous 12 months, what will be your company's PERCENTAGE CHANGE during the next 12 months? [Public Companies - Winsorized - Revenue Weighted]

	<u>Mean</u>	<u>SD</u>	<u>95% CI</u>	<u>Median</u>	<u>Minimum</u>	<u>Maximum</u>
Earnings	4.74	6.58	1.48 - 8.00	5	-34.30	13
Revenue	4.55	2.17	3.46 - 5.63	5	2	10

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5. For your country: In which quarter do you expect a downturn (recession) will occur?

	<u>Number</u>	<u>Percent</u>	<u>Cumulative</u>
Already	11	16.2 %	16.2 %
2019Q4	8	11.8 %	27.9 %
2020Q1	11	16.2 %	44.1 %
2020Q2	8	11.8 %	55.9 %
2020Q3	6	8.8 %	64.7 %
2020Q4	2	2.9 %	67.6 %
2021Q1	2	2.9 %	70.6 %
2021Q2	0	0.0 %	70.6 %
2021Q3	0	0.0 %	70.6 %
2021Q4	0	0.0 %	70.6 %
2022Q1	0	0.0 %	70.6 %
2022Q2	0	0.0 %	70.6 %
2022Q3	1	1.5 %	72.1 %
2022Q4	0	0.0 %	72.1 %
2023	11	16.2 %	88.2 %
Never	8	11.8 %	100.0 %
Total	68	100.0 %	100.0 %

Missing Cases = 0

Response Percent = 100.0 %

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

6. For which job titles / roles does your company have the most difficulty hiring and retaining qualified employees?

Country Where Based	During the past quarter, which items have been the most pressing concerns for your company's top management team?: Difficulty attracting / retaining qualified employees	IN	For which job titles / roles does your company have the most difficulty hiring and retaining qualified employees?
Peru	Top4 concern	Bank/Fin/Insur/Real Est	Chief Operations Officer
Peru	NOT a Top4 concern	Services, Consulting	Gerentes de Inversiones
Peru	NOT a Top4 concern	Retail/Wholesale	Millennials en posiciones operativas y de entrada.
Peru	NOT a Top4 concern	Retail/Wholesale	Marketing y Ventas.
Peru	NOT a Top4 concern	Other	mandos medios
Peru	NOT a Top4 concern	Other	Innovación y finanzas
Peru	NOT a Top4 concern	Mining/Construction	Operaciones
Peru	NOT a Top4 concern	Manufacturing	Technical Sales Representative
Peru	NOT a Top4 concern	Manufacturing	MANO DE OBRA CALIFICADA EN LA PLANTA TEXTIL
Peru	NOT a Top4 concern	Bank/Fin/Insur/Real Est	Personal joven profesional en responsabilidades iniciales. Falta de compromiso de los milennialistas
Peru	NOT a Top4 concern	Bank/Fin/Insur/Real Est	middle management, with experience in alternative investment management
Peru	NOT a Top4 concern	Bank/Fin/Insur/Real Est	Head of Sales and Head of Research
Peru	NOT a Top4 concern	Agr, Forestry, Fishing	Investigación
Other	Top4 concern	Unspecified Industry	Gerencia
Mexico	NOT a Top4 concern	Other	Para puestos básicos como la recepción de los hoteles
Mexico	NOT a Top4 concern	Manufacturing	Planeación Financiera
Mexico	NOT a Top4 concern	Bank/Fin/Insur/Real Est	Ingeniería

Chile	NOT a Top4 concern	Transp, Public Util	Para niveles medios

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

6. For which job titles / roles does your company have the most difficulty hiring and retaining qualified employees?

Country Where Based	During the past quarter, which items have been the most pressing concerns for your company's top management team?: Difficulty attracting / retaining qualified employees	IN	For which job titles / roles does your company have the most difficulty hiring and retaining qualified employees?
Chile	NOT a Top4 concern	Services, Consulting	ventas
Chile	NOT a Top4 concern	Services, Consulting	Marketing y relaciones corporativas
Chile	NOT a Top4 concern	Manufacturing	Tecnico calificado
Chile	NOT a Top4 concern	Energy	Ingenieros de Desarrollo
Brazil	Top4 concern	Retail/Wholesale	digital factory & CDO (chief data officer) & data team
Brazil	Top4 concern	Retail/Wholesale	Área de TI, prevenção de perdas e controladoria.
Brazil	Top4 concern	Manufacturing	PROFISSIONAIS COM FORMAÇÃO ESPECIALIZADA
Brazil	Top4 concern	Manufacturing	Operations
Brazil	Top4 concern	Manufacturing	Analista
Brazil	NOT a Top4 concern	Transp, Public Util	Gerência intermediária e engenharias
Brazil	NOT a Top4 concern	Transp, Public Util	funções técnica de TI
Brazil	NOT a Top4 concern	Transp, Public Util	Auditoria Interna
Brazil	NOT a Top4 concern	Services, Consulting	Operação
Brazil	NOT a Top4 concern	Services, Consulting	nrnhum
Brazil	NOT a Top4 concern	Services, Consulting	None
Brazil	NOT a Top4 concern	Retail/Wholesale	técnicos
Brazil	NOT a Top4 concern	Retail/Wholesale	no momento de desemprego , não estamos tendo essa dificuldade
Brazil	NOT a Top4 concern	Retail/Wholesale	Não temos dificuldade neste

			momento, pois há excesso de
			mão de obra qualificada
			desempregada

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

6. For which job titles / roles does your company have the most difficulty hiring and retaining qualified employees?

Country Where Based	During the past quarter, which items have been the most pressing concerns for your company's top management team?: Difficulty attracting / retaining qualified employees	IN	For which job titles / roles does your company have the most difficulty hiring and retaining qualified employees?
Brazil	NOT a Top4 concern	Retail/Wholesale	IT, Digital,
Brazil	NOT a Top4 concern	Retail/Wholesale	Gerencia Loja
Brazil	NOT a Top4 concern	Other	desenvolvedores pra area de tecnologia
Brazil	NOT a Top4 concern	Manufacturing	TI
Brazil	NOT a Top4 concern	Manufacturing	Engenharia de desenvolvimento de novos produtos e tecnologia da informação
Brazil	NOT a Top4 concern	Manufacturing	comercial
Brazil	NOT a Top4 concern	Energy	Tesouraria e custos
Brazil	NOT a Top4 concern	Communication/Media	Comercial, Agência Digital
Brazil	NOT a Top4 concern	Bank/Fin/Insur/Real Est	Gerente e Diretoria
Argentina	NOT a Top4 concern	Services, Consulting	Mandos medios
Argentina	NOT a Top4 concern	Healthcare/Pharm	Gerencia comercial

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7a. In many countries, long-term interest rates have been near historic lows for several years. Do very low long-term interest rates benefit some types of firms more so than benefiting other types of firms? BY INDUSTRY

N=67	Total	Industry	
		Banking/ Finance/ Insurance/Real Estate A	All other industries B
Total	67	16	50
	100.0%	23.9%	74.6%
<u>In many countries, long-term interest rates have been near historic lows for several years. Do very low long-term interest rates benefit some types of firms more so than benefiting other types of firms?</u>			
Market leaders	31	7	24
	46.3%	43.8%	48.0%
Middle of the pack firms	17	5	11
	25.4%	31.3%	22.0%
All firms benefit about the same	17	5	12
	25.4%	31.3%	24.0%
Struggling firms	14	2	12
	20.9%	12.5%	24.0%
New firms	11	3	7
	16.4%	18.8%	14.0%
Don't know	0	0	0
	0.0%	0.0%	0.0%

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

7a. In many countries, long-term interest rates have been near historic lows for several years. Do very low long-term interest rates benefit some types of firms more so than benefiting other types of firms? BY INDUSTRY (Excludes Don't Know)

N=67	Total	Industry	
		Banking/ Finance/ Insurance/Real Estate A	All other industries B
Total	67	16	50
	100.0%	23.9%	74.6%
<u>In many countries, long-term interest rates have been near historic lows for several years. Do very low long-term interest rates benefit some types of firms more so than benefiting other types of firms?</u>			
Market leaders	31	7	24
	46.3%	43.8%	48.0%
Middle of the pack firms	17	5	11
	25.4%	31.3%	22.0%
All firms benefit about the same	17	5	12
	25.4%	31.3%	24.0%
Struggling firms	14	2	12
	20.9%	12.5%	24.0%
New firms	11	3	7
	16.4%	18.8%	14.0%

Significance Tests Between Columns: Lower case: $p < .05$ Upper case: $p < .01$

Duke, FGV, CFO magazine Global Business Outlook survey - Latin America - EXCLUDES Ecuador - Third Quarter, 2019

7b. Are there negative effects on the overall economy or on companies from very low long-term interest rates?

	<u>Number</u>	<u>Percent</u>	<u>Cumulative</u>
No, there are no negative effects	25	38.5 %	38.5 %
Yes, there are negative effects	29	44.6 %	83.1 %
Other	3	4.6 %	87.7 %
<u>Don't Know</u>	<u>8</u>	<u>12.3 %</u>	<u>100.0 %</u>
Total	65	100.0 %	100.0 %

Missing Cases = 3

Response Percent = 95.6 %

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7b. Please describe what negative effects on the overall economy or on companies from very low long-term interest rates:

Country Where Based	IN	Please describe what negative effects on the overall economy or on companies from very low long-term interest rates:
Argentina	Services, Consulting	Burbujas de todo tipo, en Activos e Insumos
Brazil	Communication/Media	Alocação errada de capital em projetos com pouca rentabilidade ou interesse estratégico
Brazil	Manufacturing	afeta calculos referente a investimentos
Brazil	Manufacturing	deflation
Brazil	Manufacturing	Sim, caso a taxa seja mantida artificialmente baixa. Pode ocorrer inflação e aumento da dívida publi
Brazil	Other	Investimentos em novas tecnologias, mais produtivas, dificultando a competitividade.
Brazil	Retail/Wholesale	Bancos
Brazil	Retail/Wholesale	desinvestimento estrangeiro
Brazil	Retail/Wholesale	MENOR INDICE DE POUPANÇA
Brazil	Services, Consulting	Fixed income
Brazil	Transp, Public Util	As empresas podem se endividar além do limite razoável.
Brazil	Transp, Public Util	aumento dos movimentos especulativos
Brazil	Transp, Public Util	Comprometimento dos planos de pensão - aposentadorias
Chile	Other	la plata se va a otros lugares en que se obtenga mas interes

Chile	Services, Consulting	En general estancamiento de la economía y poca inversión

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7b. Please describe what negative effects on the overall economy or on companies from very low long-term interest rates:

Country Where Based	IN	Please describe what negative effects on the overall economy or on companies from very low long-term interest rates:
Mexico	Bank/Fin/Insur/Real Est	Presiones a la inflación
Mexico	Communication/Media	incremento del tipo de cambio peso/dolar
Mexico	Healthcare/Pharm	Recesion
Mexico	Manufacturing]Fuga de capitales
Mexico	Retail/Wholesale	falta de inverisión, por la fuga de capitales
Peru	Bank/Fin/Insur/Real Est	A la larga afecta a los fondos de ahorro y las pensiones
Peru	Bank/Fin/Insur/Real Est	Banks capturing the credit business
Peru	Bank/Fin/Insur/Real Est	on banking sector, which does better with positive yield curve
Peru	Bank/Fin/Insur/Real Est	Someone subsidizes the cost of financing
Peru	Manufacturing	LAS TASAS PASIVAS TAMBIEN DISMINUYEN Y AFECTAN A LOS QUE VIVEN DE SUS INTERESES
Peru	Manufacturing	Retirees will deplet their egg nests
Peru	Other	Los jubilados ven reducirse sus ingresos y consumen menos
Peru	Other	tipo de cambio se puede ver afectado
Peru	Retail/Wholesale	Niveles artificialmente bajos en tasas generan incentivos falsos a invertir

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7b. Are there negative effects on the overall economy or on companies from very low long-term interest rates? OTHER

Country Where Based	IN	Are there negative effects on the overall economy or on companies from very low long-term interest rates? OTHER
Argentina	Healthcare/Pharm	Existe el riesgo de una burbuja financiera como en 2008
Mexico	Bank/Fin/Insur/Real Est	Depende de la empresa y su giro pero en general es una forma para acelerar la economía
Mexico	Manufacturing	Inflación moderada

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8. When your company evaluates large investment projects, how important are the following techniques in your analysis of whether to pursue a large project?

(N=68)

	Not considered	Considered but not important to decision	Important	Very important	Don't Know	Total
Impact on earnings per share	25 41.7%	8 13.3%	13 21.7%	13 21.7%	1 1.7%	60 100.0%
Internal Rate of Return (IRR)	1 1.6%	4 6.3%	17 27.0%	40 63.5%	1 1.6%	63 100.0%
Net Present Value (NPV)	18 29.5%	6 9.8%	15 24.6%	21 34.4%	1 1.6%	61 100.0%
Payback Period	3 4.6%	5 7.7%	28 43.1%	29 44.6%	0 0.0%	65 100.0%
Return on Investment (ROI)	7 10.9%	9 14.1%	12 18.8%	35 54.7%	1 1.6%	64 100.0%
Valuation multiples (like P/E or Value/EBIDTA)	26 40.0%	6 9.2%	14 21.5%	16 24.6%	3 4.6%	65 100.0%

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8. When your company evaluates large investment projects, how important are the following techniques in your analysis of whether to pursue a large project? EXCLUDES DON'T KNOW / SHOWS AVERAGE SCORES

(N=68)

	Mean	Not considered 0	Considered but not important to decision 1	Important 2	Very important 3	Total
Internal Rate of Return (IRR)	2.55	1 1.6%	4 6.5%	17 27.4%	40 64.5%	62 100.0%
Payback Period	2.28	3 4.6%	5 7.7%	28 43.1%	29 44.6%	65 100.0%
Return on Investment (ROI)	2.19	7 11.1%	9 14.3%	12 19.0%	35 55.6%	63 100.0%
Net Present Value (NPV)	1.65	18 30.0%	6 10.0%	15 25.0%	21 35.0%	60 100.0%
Valuation multiples (like P/E or Value/EBIDTA)	1.32	26 41.9%	6 9.7%	14 22.6%	16 25.8%	62 100.0%
Impact on earnings per share	1.24	25 42.4%	8 13.6%	13 22.0%	13 22.0%	59 100.0%

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8. Please tell us if there are any other methods or techniques that are very important in how your firm evaluates/chooses which large investment projects to pursue:

Country Where Based	IN	Please tell us if there are any other methods or techniques that are very important in how your firm evaluates/chooses which large investment projects to pursue:
Argentina	Services, Consulting	Economic Value Added (EVA)
Brazil	Manufacturing	O PAYBACK É O PRINCIPAL INDICADOR
Brazil	Retail/Wholesale	Presença na região . Aumento de capacidade de compra
Brazil	Transp, Public Util	Valor/EBITDA é usado para avaliação do valor da empresa quando de eventual venda, usado para avaliar a taxa de retorno do proejto de investimento
Mexico	Bank/Fin/Insur/Real Est	MoC o múltiplo de costo
Mexico	Healthcare/Pharm	NO
Mexico	Manufacturing	IRR above to WACC adjusted for risk
Mexico	Other	ninguna otra
Peru	Manufacturing	EL ROI BASICAMENTE LO USO PARA VER SI LA EMPRESA QGENERA OD ESTRUYE VALOR. LO DE EVALUACION POR MULTIPLOS O EV/EBITDA LO APLICO MAS PARA VALORACION DE LA EMPRESA. LA TIR ME DA LA RENTABILIDAD DEL PROYECTO VS LO QUE PIDEN LOS INVERSIONISTAS
Peru	Other	Estimados del Valor Agregado Económico.
Peru	Other	las clasicas

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8. Please explain how your company uses NPV to pick which projects to pursue. (Where does NPV fit in the hierarchy of considerations when choosing a project, does NPV play a primary role or more of a support / back-up role, etc.)

Country Where Based	Net Present Value (NPV)	IN	Please explain how your company uses NPV to pick which projects to pursue. (Where does NPV fit in the hierarchy of
Argentina	Important	Healthcare/Pharm	Juega un rol de soporte
Argentina	Very Important	Services, Consulting	Rol primordial, definiendo Valor en sentido amplio, no exclusivamente contable.
Brazil	Considered	Retail/Wholesale	Fluxo de Caixa Descontado , das entradas e saídas dos projetos . Peso baixo/ médio pra decisão , mas útil pra avaliar payback
Brazil	Considered	Transp, Public Util	O VPL é importante principalmente na escolha entre diferentes projetos.
Brazil	Important	Manufacturing	CONSIDERAMOS O VALOR PRESENTE DESCONTANDO COM UMA TAXA QUE INCLUA O RISCO DO PROJETO. SE O VALOR POSITIVO FOR MUITO PEQUENO REAVALIAMOS COM MAIS CUIDADO.
Brazil	Very Important	Bank/Fin/Insur/Real Est	muito relevante
Brazil	Very Important	Energy	Suporte

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8. Please explain how your company uses NPV to pick which projects to pursue. (Where does NPV fit in the hierarchy of considerations when choosing a project, does NPV play a primary role or more of a support / back-up role, etc.)

Country Where Based	Net Present Value (NPV)	IN	Please explain how your company uses NPV to pick which projects to pursue. (Where does NPV fit in the hierarchy of
Brazil	Very Important	Manufacturing	O NPV do novo projeto não pode ser inferior a 7% do NPV dos projetos em andamento.
Brazil	Very Important	Other	Utilizamos o VPL para definir em qual projeto investir, caso aplicavel e quando temos que comparar entre os diferentes projetos
Brazil	Very Important	Services, Consulting	100%
Brazil	Very Important	Services, Consulting	Higher NPV is a better cushion for the things that will go wrong.
Brazil	Very Important	Services, Consulting	Npv maiores q a taxa da economia
Brazil	Very Important	Transp, Public Util	Considerado com instrumento de apoio a decisão, não principal métrica
Brazil	Very Important	Transp, Public Util	NPV é o principal critério para projetos que não são necessários em função de regulamentação
Chile	Considered	Manufacturing	Rol importante pero no vital
Chile	Considered	Services, Consulting	rol de apoio
Chile	Important	Other	primordial

Chile	Important	Services, Consulting	Es muy importante

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8. Please explain how your company uses NPV to pick which projects to pursue. (Where does NPV fit in the hierarchy of considerations when choosing a project, does NPV play a primary role or more of a support / back-up role, etc.)

Country Where Based	Net Present Value (NPV)	IN	Please explain how your company uses NPV to pick which projects to pursue. (Where does NPV fit in the hierarchy of
Chile	Important	Transp, Public Util	Apoyo
Chile	Very Important	Energy	Priomordial junto a la TIR
Mexico	Considered	Bank/Fin/Insur/Real Est	Soporte y/o informativo
Mexico	Important	Healthcare/Pharm	El VPN es un indicador clave para la toma de decisiones
Mexico	Important	Healthcare/Pharm	Rol de Soporte
Mexico	Important	Services, Consulting	Soporte
Mexico	Very Important	Communication/Media	Se discrimina que proyectos se llevarán a cabo a través de la evaluación del VPN de diversos proyectos, seleccionamos aquellos que representen mejores resultados.
Mexico	Very Important	Manufacturing	juega un rol de soporte
Mexico	Very Important	Manufacturing	Tiene que ser positive aunado a una ROIC mayor que la WACC
Mexico	Very Important	Other	Es un rol de soporte pues al tratarse de inversiones a muy largo plazo mas de 10 años, debemos ofrecer a los inversionistas un panorama claro de lo que va obtener de su inversión al final del

			periodo
Mexico	Very Important	Other	primordial

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8. Please explain how your company uses NPV to pick which projects to pursue. (Where does NPV fit in the hierarchy of considerations when choosing a project, does NPV play a primary role or more of a support / back-up role, etc.)

Country Where Based	Net Present Value (NPV)	IN	Please explain how your company uses NPV to pick which projects to pursue. (Where does NPV fit in the hierarchy of
Peru	Important	Manufacturing	<p>IMPORTANTE</p> <p>PORQUE</p> <p>DETERMINA LA</p> <p>ALTERNATIVA DE</p> <p>REALIZAR O NO LA</p> <p>INVERSION LUEGO</p> <p>DE ACTUALIZAR</p> <p>LOS FLUJOS</p> <p>FUTUROS DEL</p> <p>PROYECTO A UNA</p> <p>TASA DE CORTE</p> <p>QUE SE ESTIMA SEA</p> <p>EQUIVALENTE AL</p> <p>COSTO PROMEDIO</p> <p>EL CAPITAL PROPIO</p> <p>Y AJENO</p>
Peru	Important	Retail/Wholesale	<p>Antes de tomar una</p> <p>decisión de inversión</p> <p>es importante calcular</p> <p>el VPN pues determina</p> <p>si el proyecto es</p> <p>viable.</p>
Peru	Very Important	Agr, Forestry, Fishing	<p>Un rol primordial, lo</p> <p>usamos para</p> <p>confrontar con</p> <p>operaciones en el</p> <p>sector forrestal de</p> <p>Africa</p>
Peru	Very Important	Bank/Fin/Insur/Real Est	<p>Very relevant because</p> <p>we manage funds and</p> <p>the initial costs must</p> <p>be compensated by</p> <p>the future cash flows</p> <p>(fees)</p>
Peru	Very Important	Other	<p>En primer lugar.</p>

Peru	Very Important	Services, Consulting	Rol de soporte
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8. When you use a return on investment (ROI) to help pick a project, do you rely primarily on a:
(Asked of respondents who rated ROI as Important or Very Important)

	<u>Number</u>	<u>Percent</u>	<u>Cumulative</u>
1-year ROI	22	48.9 %	48.9 %
Multi-year ROI	21	46.7 %	95.6 %
Other	2	4.4 %	100.0 %
Total	45	100.0 %	100.0 %

Missing Cases = 2

Response Percent = 95.7 %

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8. Other ROI to help pick a project:

Country Where Based	IN	Other ROI to help pick a project
Brazil	Retail/Wholesale	ROI em 4 anos
Mexico	Manufacturing	ROIC

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8. Please explain how you account for ROI in future years:

Country Where Based	IN	Please explain how you account for ROI in future years
Brazil	Manufacturing	4
Brazil	Other	ROI ao longo de 3-5 anos
Brazil	Retail/Wholesale	CF / Capitais usados
Brazil	Retail/Wholesale	ROI em 2 anos
Brazil	Transp, Public Util	Fazemos o ROI médio pelo tempo do projeto
Brazil	Transp, Public Util	TIR
Chile	Other	Se define tasa mínima de corte
Chile	Services, Consulting	3 a 5 años
Mexico	Bank/Fin/Insur/Real Est	ROI a lo largo de la vida del proyecto
Mexico	Healthcare/Pharm	3
Mexico	Healthcare/Pharm	SE DETERMINA DE FORMA ACUMULADA A MAXIMO 3 AÑOS
Mexico	Manufacturing	Máximo de recuperación no mayor de 3 años
Mexico	Other	lo empatamos con el periodo de 10 años y utilizamos una tasa de interes igual a la lider
Mexico	Services, Consulting	5
Peru	Bank/Fin/Insur/Real Est	3
Peru	Bank/Fin/Insur/Real Est	growth 5% additional to 1th year
Peru	Other	Depende de la duración esperada del proyecto

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Return on assets (ROA=operating earnings/assets) (Winsorized)

	<u>Mean</u>	<u>SD</u>	<u>95% CI</u>	<u>Median</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Total</u>
% Approximate ROA in 2018	7.76	9.95	4.71 - 10.80	7.10	-13.10	28.30	41
% Expected ROA in 2019	9.67	10.89	6.29 - 13.05	8	-13.40	35	40

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Industry

	<u>Number</u>	<u>Percent</u>	<u>95% CI</u>
Manufacturing	13	19.4 %	± 9.6 %
Services, Consulting	11	16.4 %	± 9.0 %
Retail/Wholesale	10	14.9 %	± 8.6 %
Banking/Finance/Insurance/Real Estate	7	10.4 %	± 7.4 %
Transportation & Public Utilities	4	6.0 %	± 5.7 %
Healthcare/Pharmaceutical	4	6.0 %	± 5.7 %
Energy	3	4.5 %	± 5.0 %
Mining/Construction	2	3.0 %	± 4.1 %
Agriculture, Forestry, & Fishing	2	3.0 %	± 4.1 %
Communication/Media	2	3.0 %	± 4.1 %
Technology [Software/Hardware/Biotech]	1	1.5 %	± 2.9 %
<u>Other Industry</u>	<u>8</u>	<u>11.9 %</u>	<u>± 7.9 %</u>
Total	67	100.0 %	

Missing Cases = 1

Response Percent = 98.5 %

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Industry (Other specified)

Alimentos
almacenes
Conglomerado.
DJGM
Embalagens
Hotelería
hotelería y turismo
Manufactura y Venta por Mayor
Serviços de plataformas de identificação de segurança

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Sales Revenue

	<u>Number</u>	<u>Percent</u>	<u>95% CI</u>
Less than \$25 million	22	32.8 %	± 11.4 %
\$25-99 million	15	22.4 %	± 10.1 %
\$100-499 million	21	31.3 %	± 11.3 %
\$500-999 million	2	3.0 %	± 4.1 %
\$1-4.9 billion	6	9.0 %	± 6.9 %
\$5-9.9 billion	1	1.5 %	± 2.9 %
<u>More than \$10 billion</u>	<u>0</u>	<u>0.0 %</u>	<u>± 0.0 %</u>
Total	67	100.0 %	

Missing Cases = 1

Response Percent = 98.5 %

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Number of Employees

	<u>Number</u>	<u>Percent</u>	<u>95% CI</u>
Fewer than 100	17	28.8 %	± 10.6 %
100-499	19	32.2 %	± 11.0 %
500-999	4	6.8 %	± 5.8 %
1,000-2,499	10	16.9 %	± 8.7 %
2,500-4,999	5	8.5 %	± 6.4 %
5,000-9,999	3	5.1 %	± 5.0 %
<u>Over 10,000</u>	<u>1</u>	<u>1.7 %</u>	<u>± 3.0 %</u>
Total	59	100.0 %	

Missing Cases = 9

Response Percent = 86.8 %

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In what country are you personally located

	<u>Number</u>	<u>Percent</u>	<u>95% CI</u>
Brazil	29	43.3 %	± 12.1 %
Mexico	15	22.4 %	± 10.1 %
Peru	13	19.4 %	± 9.6 %
Chile	8	11.9 %	± 7.9 %
Argentina	2	3.0 %	± 4.1 %
Total	67	100.0 %	

Missing Cases = 1

Response Percent = 98.5 %

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Headquarters Latin America (Other Specified)

--- No Response ---

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If your company headquarters is another country, please indicate which country.

Alemanha
Alemania
Bélgica
Chile
ESTADOS UNIDOS DA AMERICA
Estados Unidos
Estados Unidos
Italy
Mexico
Netherlands
Perú
Suecia
US
USA

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Ownership

	<u>Number</u>	<u>Percent</u>	<u>95% CI</u>
Private	50	75.8 %	± 10.8 %
Public	12	18.2 %	± 9.3 %
Government	3	4.5 %	± 5.0 %
Nonprofit	1	1.5 %	± 2.9 %
Total	66	100.0 %	

Missing Cases = 2

Response Percent = 97.1 %

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Foreign Sales

	<u>Number</u>	<u>Percent</u>	<u>95% CI</u>
0%	30	45.5 %	± 12.1 %
1-24%	16	24.2 %	± 10.4 %
25-50%	10	15.2 %	± 8.7 %
<u>More than 50%</u>	<u>10</u>	<u>15.2 %</u>	<u>± 8.7 %</u>
Total	66	100.0 %	

Missing Cases = 2

Response Percent = 97.1 %

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In what region of the world are most of your foreign sales?

	<u>Number</u>	<u>Percent</u>	<u>95% CI</u>
US/Canada	14	41.2 %	± 16.8 %
Latin America	13	38.2 %	± 16.5 %
Europe	4	11.8 %	± 10.8 %
Asia/Pacific Basin	3	8.8 %	± 9.5 %
Africa	0	0.0 %	± 0.0 %
Total	34	100.0 %	

Missing Cases = 2

Response Percent = 94.4 %

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What is your company's credit rating?

	<u>Number</u>	<u>Percent</u>	<u>Cumulative</u>
AAA	3	8.1 %	8.1 %
AA+	2	5.4 %	13.5 %
AA	4	10.8 %	24.3 %
AA-	3	8.1 %	32.4 %
A+	5	13.5 %	45.9 %
A	8	21.6 %	67.6 %
A-	2	5.4 %	73.0 %
BBB+	3	8.1 %	81.1 %
BBB	3	8.1 %	89.2 %
BBB-	1	2.7 %	91.9 %
BB+	1	2.7 %	94.6 %
BB	1	2.7 %	97.3 %
BB-	1	2.7 %	100.0 %
B+	0	0.0 %	100.0 %
B	0	0.0 %	100.0 %
B-	0	0.0 %	100.0 %
CCC	0	0.0 %	100.0 %
CC	0	0.0 %	100.0 %
D	0	0.0 %	100.0 %
Total	37	100.0 %	100.0 %

Missing Cases = 0

Response Percent = 100.0 %

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What is your company's credit rating?

N=37	Total	Credit Rating	
		Actual	Estimate
		A	B
Total	37 100.0%	19 51.4%	18 48.6%
AAA	3 8.1%	2 10.5%	1 5.6%
AA+	2 5.4%	2 10.5%	0 0.0%
AA	4 10.8%	2 10.5%	2 11.1%
AA-	3 8.1%	3 15.8%	0 0.0%
A+	5 13.5%	2 10.5%	3 16.7%
A	8 21.6%	4 21.1%	4 22.2%
A-	2 5.4%	0 0.0%	2 11.1%
BBB+	3 8.1%	0 0.0%	3 16.7%
BBB	3 8.1%	2 10.5%	1 5.6%
BBB-	1 2.7%	1 5.3%	0 0.0%
BB+	1 2.7%	1 5.3%	0 0.0%
BB	1 2.7%	0 0.0%	1 5.6%
BB-	1 2.7%	0 0.0%	1 5.6%
B+	0 0.0%	0 0.0%	0 0.0%

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

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What is your company's credit rating?

N=37	Total	Credit Rating	
		Actual	Estimate
		A	B
B	0 0.0%	0 0.0%	0 0.0%
B-	0 0.0%	0 0.0%	0 0.0%
CCC	0 0.0%	0 0.0%	0 0.0%
CC	0 0.0%	0 0.0%	0 0.0%
D	0 0.0%	0 0.0%	0 0.0%

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

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Language version

	<u>Number</u>	<u>Percent</u>	<u>95% CI</u>
Spanish	34	50.0 %	± 12.2 %
Portuguese	28	41.2 %	± 12.0 %
English	6	8.8 %	± 6.9 %
Total	68	100.0 %	

Missing Cases = 0

Response Percent = 100.0 %

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Your job title (e.g., CFO, Asst. Treasurer, etc):

	<u>Number</u>	<u>Percent</u>
CFO	30	45.5 %
CEO	13	19.7 %
VP of Finance	9	13.6 %
Other	8	12.1 %
Controller	3	4.5 %
Treasurer	3	4.5 %
Total	66	100.0 %

Missing Cases = 2

Response Percent = 97.1 %

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Other job title:

Economista-chefe
R&D
Consultor
proprietário
Gerente servicios (comercial)
Board Member
Gerente Finanzas Corporativas

