

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

Results for 68 Latin American firms (own-firm changes expected during the next 12 months)

	Sept 2019	Jun 2019	Mar 2019	Dec 2018	Sept 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*	4.7% Median = 5.0%	5.5% Median = 10.0%		7.8%	8.0%
Capital spending	2.6% Median = 0.0%	10.4% Median = 5.0%	10.0% Median=5.0%	2.2% Median=3.0%	1.4% Median=0.0%
Advertising and marketing spending	1.5% Median = 0.0%	5.5% Median = 10.0%		3.6%	3.9%
Technology spending	2.1% Median = 0.0%	6.7% Median = 5.0%		4.2%	4.8%
R&D spending	0.5% Median = 0.0%	3.0% Median = 3.0%		3.8%	3.7%
Employment – full-time	1.2% Median = 0.0%	1.8% Median = 0.0%	5.4% Median=2.0%	2.0% Median=0%	2.6% Median=0.0%
Wages and Salaries	3.2% Median = 3.0%	4.0% Median = 4.0%	5.5% Median=5.0%	3.7% Median=4.0%	4.4% Median=4.0%
Inflation (Chg in prices of own-firm products)	2.2% Median = 3.0%	3.2% Median = 3.7%		3.6%	3.8%
Health Care Costs	3.4% Median = 3.0%	4.1% Median = 3.3%		4.8%	7.7%
Revenue	4.3% Median = 3.1%	7.8% Median = 10.0%	12.5% Median=10.0%	10.7%	8.9%

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

Latin America BUSINESS OPTIMISM

	Sept 2019	Jun 2019	Mar 2019	Dec 2018	Sept 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: 20.6% Less opt: 64.7% No chg: 14.7%	More opt: 33.3% Less opt: 46.2% No chg: 20.5%	More opt: 65.8% Less opt: 13.1% No chg: 21.0%	More opt: 36.4% Less opt: 19.8% No chg: 43.8%	More opt: 41.5% Less opt: 15.3% No chg: 43.2%
Country optimism level	48.3	57.7	65.4	62.6	56.4
Optimism about own company	More opt: 27.9% Less opt: 44.1% No chg: 27.9%	More opt: 43.5% Less opt: 31.3% No chg: 25.2%	More opt: 68.4% Less opt: 23.9% No chg: 17.8%	More opt: 67.8% Less opt: 15.7% No chg: 16.5%	More opt: 56.5% Less opt: 6.5% No chg: 36.9%
Own company optimism level	58.2	64.8	70.8	68.7	66.2

Top Concerns for Latin American Businesses (September 2019)

- Economic uncertainty
- Government policies
- Currency risk
- Weak demand for products/services
- Corporate tax code
- Employee productivity
- Cost of borrowing
- Attracting and retaining qualified employee
- Regulatory requirements
- Geopolitical/health crises