

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

Results for 169 Asian (non-Japanese) firms (own-firm changes expected during the next 12 months)

	Dec 2013	Sept 2013	June 2013	Mar 2013	Dec 2012
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*	7.0%	-0.9%	4.2%	6.3%	2.4%
Capital spending	4.6%	3.3%	6.3%	5.1%	4.1%
Technology spending	9.1%	3.2%	3.7%	8.7%	7.2%
R&D spending	3.4%	2.8%	1.7%	5.4%	4.0%
Advertising and marketing spending	5.1%	3.1%	1.0%	4.3%	2.0%
Employment – full-time	1.9%	-1.1%	0.5%	5.9%	4.00%
Employment – temporary	-1.6%	-7.3%	-3.2%	-0.1%	3.1%
Outsourced Employment	1.1%	1.6%	-1.4%	5.0%	3.4%
Wages and Salaries	5.9%	4.3%	4.1%	8.0%	7.1%
Productivity	3.0%	1.6%	2.1%	5.8%	3.6%
Inflation (Chg in prices of own-firm products)	-0.2%	-1.3%	-0.5%	3.0%	1.6%
Health Care Costs	2.4%	2.6%	2.5%	2.8%	2.7%
Dividends*	6.9%	-0.3%	3.0%	5.9%	-0.6%
Share Repurchases*	-0.4%	1.4%	0.8%	1.7%	0.0%
Cash on balance sheet*	1.2%	-5.8%	-0.3%	7.0%	-2.8%
Mergers and Acquisitions	Not asked.	Not asked.	Not asked.	29.8% plan to acquire; Foreign targets in 30.8% of acq.	Not asked.
Revenue	7.6%	8.3%	6.6%	11.1%	9.5%

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

## ASIA BUSINESS OPTIMISM

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	Dec 2013	Sept 2013	Jun 2013	Mar 2013	Dec 2012
	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.
<b>Optimism about the country's economy</b>	More opt: 47.0% Less opt: 29.8% No chg: 23.2%	More opt: 22.9% Less opt: 60.5% No chg: 16.6%	More opt: 45.9% Less opt: 30.4% No chg: 23.8%	More opt: 43.2% Less opt: 32.9% No chg: 23.9%	More opt: 37.1% Less opt: 40.0% No chg: 23.0%
<b>Country optimism level</b>	63.1	54.3	61.3	61.1	62.3
<b>Optimism about own company</b>	More opt: 51.2% Less opt: 28.6% No chg: 20.2%	More opt: 36.1% Less opt: 38.7% No chg: 25.2%	More opt: 47.3% Less opt: 32.4% No chg: 20.3%	More opt: 52.9% Less opt: 30.3% No chg: 16.8%	More opt: 39.3% Less opt: 37.1% No chg: 23.7%
<b>Own company optimism level</b>	64.3	62.2	63.5	64.1	64.0

### Top Concerns for Asian Businesses

#### MACRO CONCERNS

- Consumer Demand
- Government policy
- Price pressure from competitors
- Global financial instability

#### INTERNAL TO OWN FIRM

- Ability to maintain margins
- Attracting and retaining qualified employees
- Maintaining morale/productivity
- Ability to forecast results