

Duke's Fuqua School of Business / CFO Magazine Business Outlook
Results for 41 African firms (own-firm changes expected during the next 12 months)

	Mar 2014	Dec 2013	Sept 2013	Jun 2013
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
Earnings growth*	12.8%	19.2%	18.8% Median=8%	11.1% Median=8%
Capital spending	11%	20.6% Median=5%	-3.7% Median=5%	29.4% Median=10%
Technology spending	6.1%	13.5%	6.8%	7.2%
R&D spending	6%	9.9%	-4.9%	5.0%
Advertising and marketing spending	6%	10.9%	8.0%	9.2% Median=5%
Employment – full-time	-2.0%	5.2%	-1.5%	2.0%
Employment – temporary	-0.4%	3.9%	3.8%	-5.5% Median=0%
Outsourced Employment	4.3%	4.7%	-3.5%	2.2%
Wages and Salaries	7%	10.7%	8.0%	7.8%
Productivity	5.3%	3.7%	0.3%	5.1%
Inflation (Chg in prices of own-firm products)	5.7%	6.0%	1.8%	4.6%
Health Care Costs	10.2%	7.4%	-0.4%	9.0% Median=10%
Dividends*	8%	10.8% Median=10%	13.6% Median=0%	15.2% Median=12%
Share Repurchases*	0.3%	0%	0%	2.2%
Cash on balance sheet*	6.7%	27.8% Median=0%	5.7% Median=5%	-1.9% Median=0%
Revenue	9.5%	16.7%	16.8% Median=10%	9.8%
Mergers and Acquisitions	18.4% plan to acquire; Foreign targets in 41.4% of acq. 8.6% plan to sell part or all of firm	Not asked.	Not asked.	Not asked.

* indicates public firms only. All other numbers are for all survey respondents (including private). The reported averages are weighted by revenue or number of employees, so that large firms are weighted more heavily.

Africa BUSINESS OPTIMISM

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	Mar 2014	Dec 2013	Sept 2013	Jun 2013
	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.
Optimism about the country's economy	More opt: 34.1% Less opt: 39.0% No chg: 26.8%	More opt: 20.5% Less opt: 51.3% No chg: 28.2%	More opt: 27.8% Less opt: 59.3% No chg: 13.0%	More opt: 29.4% Less opt: 47.1% No chg: 23.5%
Country optimism level	54.7	56.4	52.8	55.6
Optimism about own company	More opt: 61% Less opt: 24.4% No chg: 14.6%	More opt: 69.2% Less opt: 10.3% No chg: 20.5%	More opt: 43.4% Less opt: 41.5% No chg: 15.1%	More opt: 54.4% Less opt: 29.4% No chg: 16.2%
Own company optimism level	66.2	72.3	62.6	69.7

Top Concerns for African Businesses

MACRO CONCERNS

- Consumer Demand
- Currency risk
- Policy uncertainty
- Labor instability

INTERNAL TO OWN FIRM

- Ability to Maintain Margins
- Attracting and retaining qualified employees
- Working capital management
- Maintaining morale/productivity