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

**Results for 22 Japanese firms (own-firm changes expected during the next 12 months)**

| Weighted Averages for | Dec 2017 | Sept 2017 | Jun 2017 | Mar 2017 | Dec 2016 |
|---|---|---|---|---|---|
| | 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*** | 2.1% | 4.7% | 11.0% | 9.2% | 6.4% |
| **Capital spending** | 8.6% | 15.9% Median = 1.3% | 6.9% | 19.9% Median = 13.3% | -5.4% |
| **Advertising and marketing spending** | 0.8% | 0.3% | 2.3% | -1.6% | 0.1% |
| **Technology spending** | 3.9% | 6.9% | 1.2% | 5.4% | 2.7% |
| **R&D spending** | 4.2% | 6.5% | 0.6% | 2.2% | 2.5% |
| **Employment – full-time** | 2.5% | 1.4% | 0.7% | 2.8% | 2.4% |
| **Wages and Salaries** | 1.6% | -0.1% | 1.1% | 2.5% | 3.0% |
| **Inflation (Chg in prices of own-firm products)** | 3.9% | 1.9% | -1.7% | -0.6% | -0.6% |
| **Healthcare cost** | 2.2% | 1.4% | 8.1% | 4.6% | 2.4% |
| **Revenue** | 5.6% | 2.2% | 2.2% | -1.0% | -3.6% |

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

**Japanese BUSINESS OPTIMISM**

| | Dec 2017 | Sept 2017 | Jun 2017 | Mar 2017 | Dec 2016 |
|---|---|---|---|---|---|
| | 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: 50.0% Less opt: 4.5% No chg: 45.5% | More opt: 18.2% Less opt: 13.6% No chg: 68.2% | More opt: 40.0% Less opt: 16.0% No chg: 44.0% | More opt: 40.0% Less opt: 16.7% No chg: 43.3% | More opt: 33.3% Less opt: 12.5% No chg: 54.2% |
| **Country optimism level** | 57.8 | 52.4 | 55.6 | 55.7 | 53.9 |
| **Optimism about own company** | More opt: 40.0% Less opt: 20.0% No chg: 40.0% | More opt: 31.8% Less opt: 50.0% No chg: 18.2% | More opt: 37.5% Less opt: 25.0% No chg: 37.5% | More opt: 30.0% Less opt: 30.0% No chg: 40.0% | More opt: 16.7% Less opt: 33.3% No chg: 50.0% |
| **Own company optimism level** | 57.1 | 57.6 | 58.0 | 58.4 | 48.9 |

Top Concerns for Japanese Businesses

- Difficulty attracting and retaining qualified employees
- Economic Uncertainty
- Employee productivity
- Weak demand for your product/services
- Currency risk
- Rising input/commodity costs
- Data security
- Geopolitical/Health Crises
- Employee morale
- Regulatory requirement