

Duke's Fuqua School of Business / CFO Magazine Business Outlook
Results for 48 African firms (own-firm changes expected during the next 12 months)

	Mar 2015	Dec 2014	Sept 2014	Jun 2014	Mar 2014
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*	28.8% Median=15%	9.1%	18% Median=12%	16% Median=15%	12.8%
Capital spending	9.4% Median=5%	2.8% Median=0%	7.6%	21.88% Median=10%	11%
Technology spending	15.4%	7.5%	10.7%	15.77%	6.1%
R&D spending	5.9%	3.1%	5.8%	2.53%	6%
Advertising and marketing spending	9.0%	2.8%	4.2%	5.58%	6%
Employment – full-time	8.7%	5.1%	4.0%	5.35%	-2.0%
Employment – temporary	-7.5%	-3.5%	6.0%	2.08%	-0.4%
Outsourced Employment	0.1%	2.8%	10.3% Median=0%	3.28%	4.3%
Wages and Salaries	9.4%	7.2%	7.5%	8.47%	7%
Productivity	4.6%	2.0%	1.6%	2.62%	5.3%
Inflation (Chg in prices of own-firm products)	3.9%	5.1%	4.7%	6.24%	5.7%
Health Care Costs	9.5%	6.0%	5.3%	5.3%	10.2%
Dividends*	18.8% Median=0%	18.5% Median=6%	3.1%	6.8%	8%
Share Repurchases*	0%	5.2%	0%	0.0%	0.3%
Cash on balance sheet*	-4.7% Median=-5%	-5.0% Median=0%	1%	-1.29%	6.7%
Revenue	7.3%	7.5%	14.9% Median=12%	12.82%	9.5%
Mergers and Acquisitions	31.8% plan to acquire; Foreign targets in 18.6% of acq. 15.8% plan to sell part or all of firm	Not asked.	Not asked.	Not asked.	18.4% plan to acquire; Foreign targets in 41.4% of acq. 8.6% plan to sell part or all of firm

* 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 2015	Dec 2014	Sept 2014	Jun 2014	Mar 2014
	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: 10.6% Less opt: 70.2% No chg: 19.1%	More opt: 22.2% Less opt: 61.1% No chg: 16.7%	More opt: 30.1% Less opt: 54.8% No chg: 15.1%	More opt: 24.6% Less opt: 56.9% No chg: 18.5%	More opt: 34.1% Less opt: 39.0% No chg: 26.8%
Country optimism level	48	52.7	51.7	49.4	54.7
Optimism about own company	More opt: 41.7% Less opt: 27.1% No chg: 31.3%	More opt: 48.1% Less opt: 24.1% No chg: 27.8%	More opt: 45.9% Less opt: 33.8% No chg: 20.3%	More opt: 45.3% Less opt: 32.8% No chg: 21.9%	More opt: 61% Less opt: 24.4% No chg: 14.6%
Own company optimism level	68.3	69.7	65.5	61.5	66.2

Top Concerns for African Businesses

- Economic Uncertainty
- Reliability and cost of electricity
- Regulatory requirements
- Currency risk
- Attracting and retaining qualified employees
- Government policy
- Volatility of political situation
- Rising wages and salaries
- Access to capital
- Employee productivity