

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

Results for 38 Latin American firms (own-firm changes expected during the next 12 months)

	<b>June 2012</b>
<b>Weighted Averages for</b>	<b>Expected growth in next 12 months</b>
<b>Earnings growth*</b>	15.5%
<b>Capital spending</b>	20.9%
<b>Technology spending</b>	16.8%
<b>R&amp;D spending</b>	5.8%
<b>Advertising and marketing spending</b>	5.2%
<b>Employment – full-time</b>	7.4%
<b>Employment – temporary</b>	0.4%
<b>Outsourced Employment</b>	0.9%
<b>Wages and Salaries</b>	8.5%
<b>Productivity</b>	2.3%
<b>Inflation (Chg in prices of own-firm products)</b>	7.3%
<b>Health Care Costs</b>	5.9%
<b>Dividends*</b>	25.5%
<b>Share Repurchases*</b>	0.0%
<b>Cash on balance sheet*</b>	38.8%
<b>Mergers and Acquisitions</b>	41.4% plan to acquire. 16.0% plan to sell part or all of firm.
<b>Revenue</b>	20.3%

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

## U.S. BUSINESS OPTIMISM

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	June 2012
	Compared to last qtr.
<b>Optimism about the country's economy</b>	More opt: 27.0% Less opt: 43.2% No chg: 29.7%
<b>Country optimism level</b>	56.4
<b>Optimism about own company</b>	More opt: 45.9% Less opt: 29.7% No chg: 24.3%
<b>Own company optimism level</b>	69.3

### Top Concerns for Latin American Businesses

#### MACRO CONCERNS

- Consumer Demand
- National government agenda/policies
- Global financial instability
- Price pressure from competitors

#### INTERNAL TO OWN FIRM

- Ability to Maintain Margins
- Ability to forecast results
- Attracting and retaining qualified employees
- Supply chain risk