## Deloitte.

## CFO Signals<sup>™</sup>

Business Outlook Highlights | 2nd Quarter 2017<sup>1</sup>



## CFOs remain optimistic; business focus on offense over defense

Despite rising concerns about political and policy uncertainty, CFOs' remain highly optimistic regarding economic growth and their companies' prospects. Year-over-year expectations for revenue, earnings, capital spending, and domestic hiring are all above their two-year averages.

**Views of North American economy** declined slightly but remain strong, China and Europe improved<sup>2</sup>



Revenue growth 65% of surveyed CFOs describe North American conditions as good, and 58%

expect better conditions in a year



17% describe Europe as good, and 30% see it improving in a year



28% regard China's economy as good, and 32% expect improvement in a year Year-over-year expectations for capital investment remain very strong, revenue growth and earnings up<sup>3</sup>



expectations rose from 4.3% last quarter



Earnings growth expectations rose above last quarter's 7.3%



Capital spending expectations slipped from 10.5% last quarter



Domestic hiring growth expectations held steady with the last quarter



Own-company optimism declined but remains very high4



Net optimism index of +44, below last quarter's +50



55% of surveyed CFOs express rising optimism, down from **60%** in 1Q17



11% now cite declining optimism, up from last quarter's 10%

1 Visit http://www.deloitte.com/us/cfosignals2017Q2 for the full CFO Signals report

- 2 Percent of CFOs saying economies are good or very good
- 3 Represents forecasted results for the next 12 months
- 4 Represents change in CFO optimism of company prospects over the next 12 months, compared to prior quarter

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