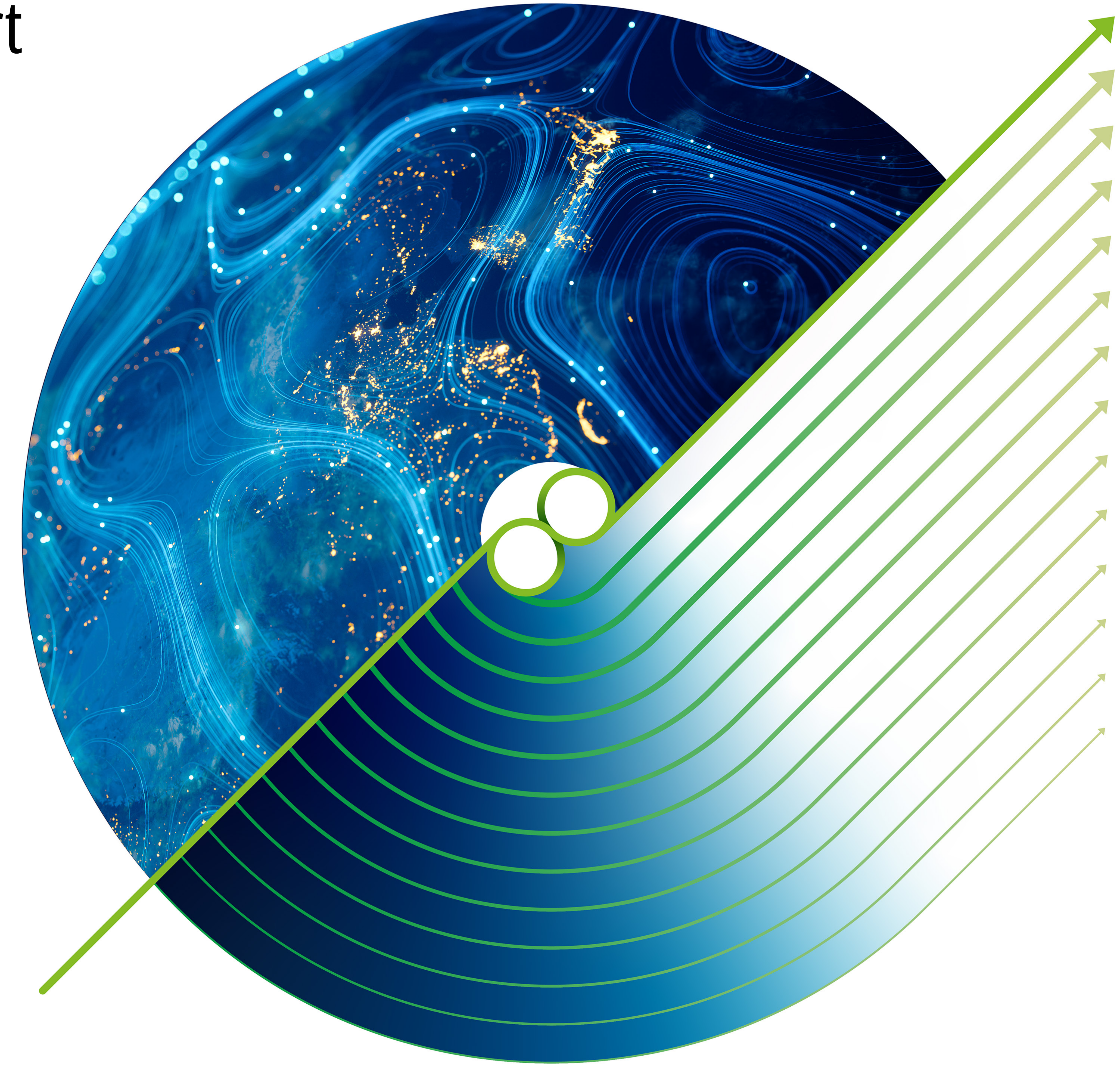
Bridging the Certainty Gap

Deloitte APEC
CEO Survey 2025

Southeast Asia report



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Together makes progress

Executive summary

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APEC CEO survey highlights

The shift is real

Geopolitics, inflation and cyber threats are the top disruption risks facing leaders in the next year.

60% of companies have live AI implementations in two or more business functions.

Transformation is no longer finite, it's a continuum. CEOs need to be real-time strategists leading continual reinvention.

Expansive resilience

More than half of CEOs are maintaining investment levels.

More than half of leaders are expanding and diversifying supply chains.

The top investment priority for operational resilience now and in the next three years is AI and automation.

Resilience isn't about bracing for impact – it's about advancing with intent. For CEOs, expansive resilience is a platform for growth.

Appetite for bold moves

In three years, the number one growth driver shifts from technology application today to new products and innovation.

Companies planning growth through M&A will almost double to 59% in the next three years.

In three years, 37% expect the majority of their sales from the APEC region—up from 19% today.

In an environment with no low-risk options, standing still can be the riskiest option of all.

Bridging the certainty gap

Seven in ten CEOs are optimistic for their own company's prospects.

Yet fewer—45% of leaders—are optimistic for the global economy.

What may distinguish leaders is not just agility but character – the future belongs to visionary realists who can turn disruption into opportunity.

Southeast Asia Executive summary

Cautious optimism and qualified confidence suggests a shift towards regional expansion and innovation.

Southeast Asia's (SEA)[1] CEOs are navigating 2025 with qualified confidence. Seven in 10 expect their companies and industries to perform well over the year ahead, even as their optimism toward the global economy lags; just 46% of leaders are confident about global prospects. This mix of conviction and caution reflects a prevailing SEA pragmatism: CEOs alert to opportunities close to home, but circumspect further afield.

Overlaying the regional perspective is an expectation that inflation will ease in the next three years. This is buoying sentiment, with a more favourable capital environment predicted to drive an upward trajectory in investment plans and a rise in M&A activity in the three years ahead. SEA foreign investments will focus on China, Indonesia, Malaysia and Hong Kong, with China also providing stiff competition to SEA companies' sales.

Growth expectations across SEA are driven by technology application today and, increasingly, innovation in the next three years. Three-quarters plan to increase investment in sustainability in the coming year, as sustainability matters become more important to the business environment and capital strategy. Half of SEA leaders plan to diversify their supply chains, with AI and digitisation the leading resilience strategies, and AI's growing influence being felt in product development and operations.

Believing geopolitical instability will ease in the coming years, SEA executives are aligning behind multilateral agreements and de-escalation tactics, projecting a future shaped as much by cooperation as by competition.

1. Southeast Asian countries included in this survey report are Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam

Implications for SEA CEOs

SEA leaders should prepare for a more active deal environment in the region.

The archetypical CEO leader emerges within this research as an optimistic, pragmatic, and outward-looking leader: confident in local growth, committed to technology adoption, and looking to governments to use multilateralism as a stabilising force. They embody a mindset of constructive risk-taking, pursuing growth while mitigating risk through cooperation and policy alignment.

Given their prevailing optimism about the performance of their own company and industry, their anticipation of improved capital conditions, and the widespread expectation of increased M&A activity, CEOs should begin preparing for a more active deal environment. They might think of their access to capital as a growth lever to be used not just defensively, but to secure strategic footholds in target regions and sectors.

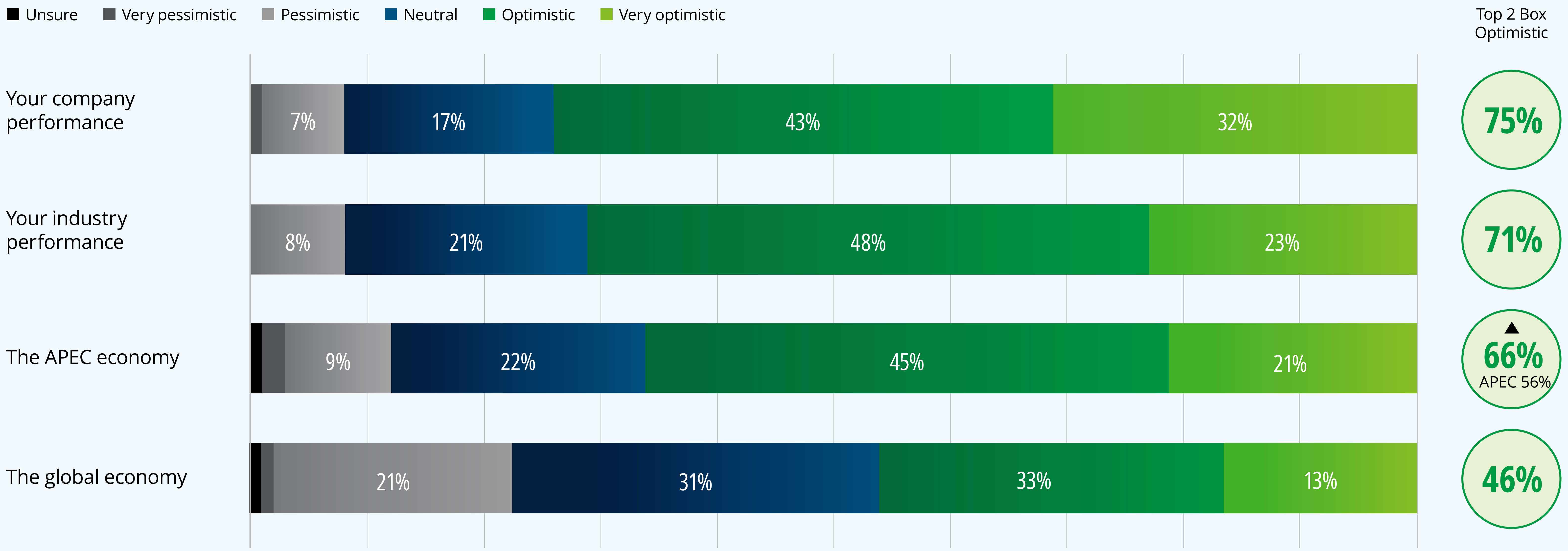
In light of the gulf between local confidence and global caution, SEA leaders may favour strategies aimed at capturing regional growth while reducing global exposure — for example, doubling down on intra-APEC trade and domestic resilience. And with the application of technology shifting toward new products as a leading growth driver in the coming years, leaders could consider reframing digital investment as a path to innovation-led growth, embedding AI not only in IT and cybersecurity for resilience, but ramping up its use in product development and operations.

Key findings

SEA leaders are increasingly optimistic as scope narrows: three quarters are optimistic about their own company versus only four in 10 for the global economy.

Leaders in SEA are most optimistic about their company performance followed by their industry (75%, 71%). They are less optimistic about the global economy (46%) – but more optimistic than others about the regional APEC economic outlook (66%).

Figure 1: *What is your personal outlook toward the following areas over the next 12 months?*



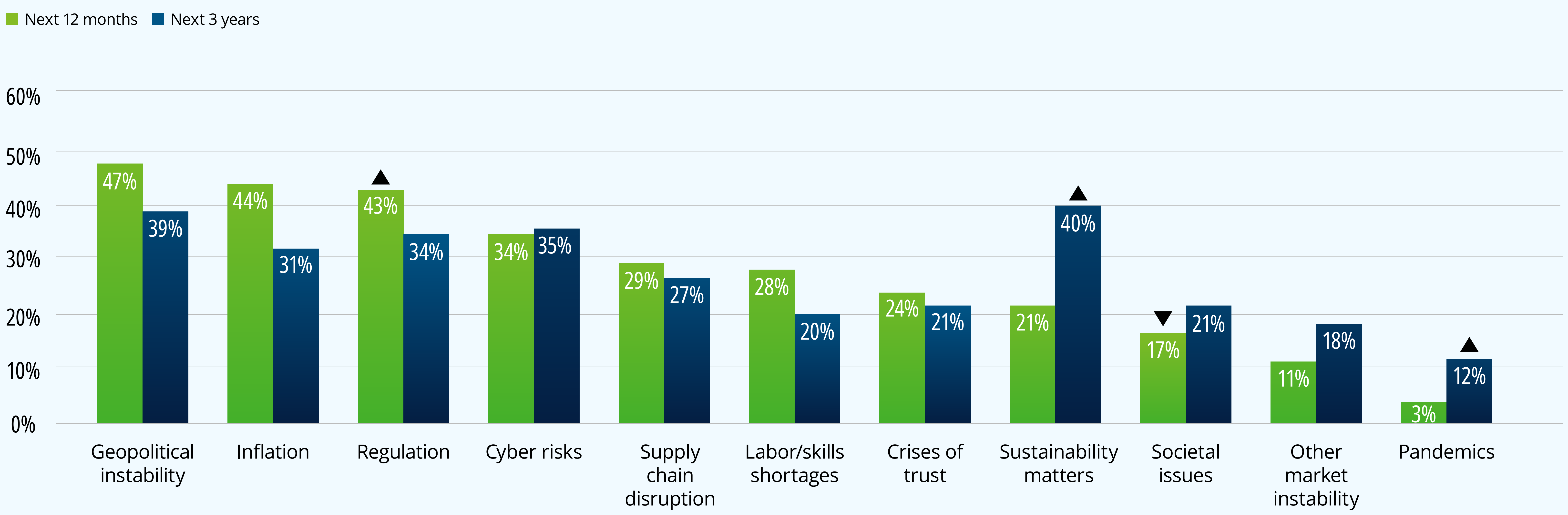
▲▼ Denotes over/under indexes versus APEC average (+5%/-5%)

Q_Outlook: Which of the following options best describes your personal outlook toward each of the following areas over the next 12 months? Select one response per row. (n=275). Responses below 4% not shown

Geopolitical instability is the most disruptive risk now and is a top concern in the next three years.

Sustainability matters is expected to gain traction as the top risk within the next three years, while inflation and the impact of regulation are expected to subside. Pandemics and other market instability are considered less threatening for now but are expected to increase over the next three years.

Figure 2: *What external matters do you expect to disrupt your business strategy within the next 12 months and next 3 years?*



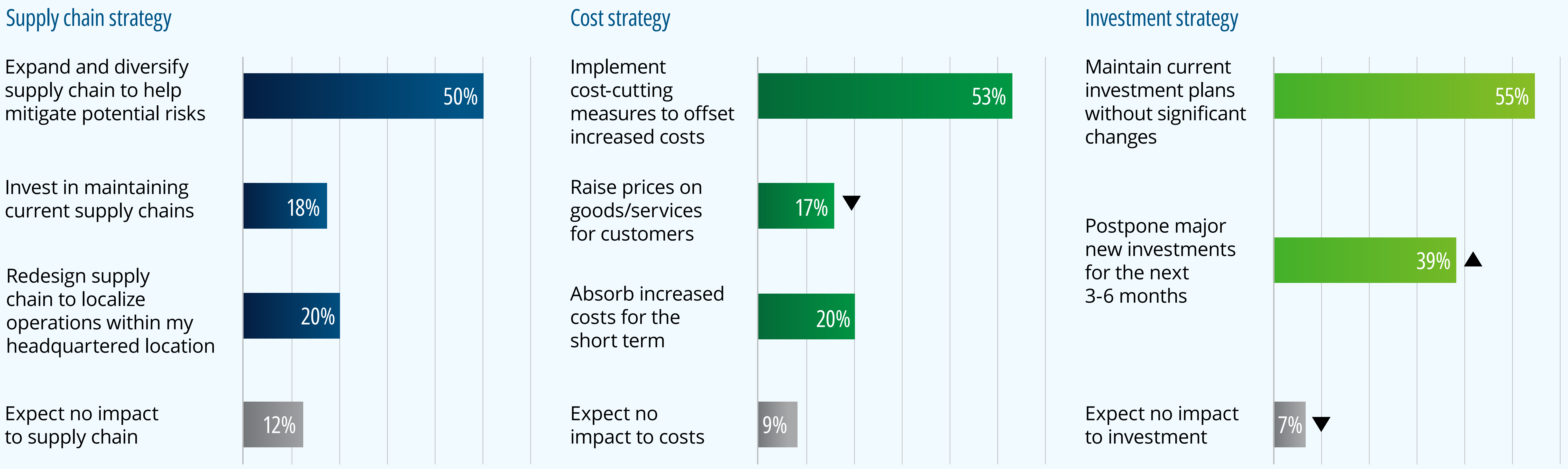
▲▼ Denotes over/under indexes versus APEC average (+5%/-5%)

Q_Disrupt: What external matters do you expect to disrupt your business strategy within the next 12 months and next 3 years? Select your top three. (n=275)

SEA corporate leaders are likely to expand and diversify their supply chains and implement cost-cutting measures. They are also more likely to continue with current investment plans.

However, in the face of current uncertainties more leaders in SEA are likely to postpone major investments.

Figure 3: *Given current economic and related policy uncertainties what strategies is your organization planning to implement in the next 12 months?*



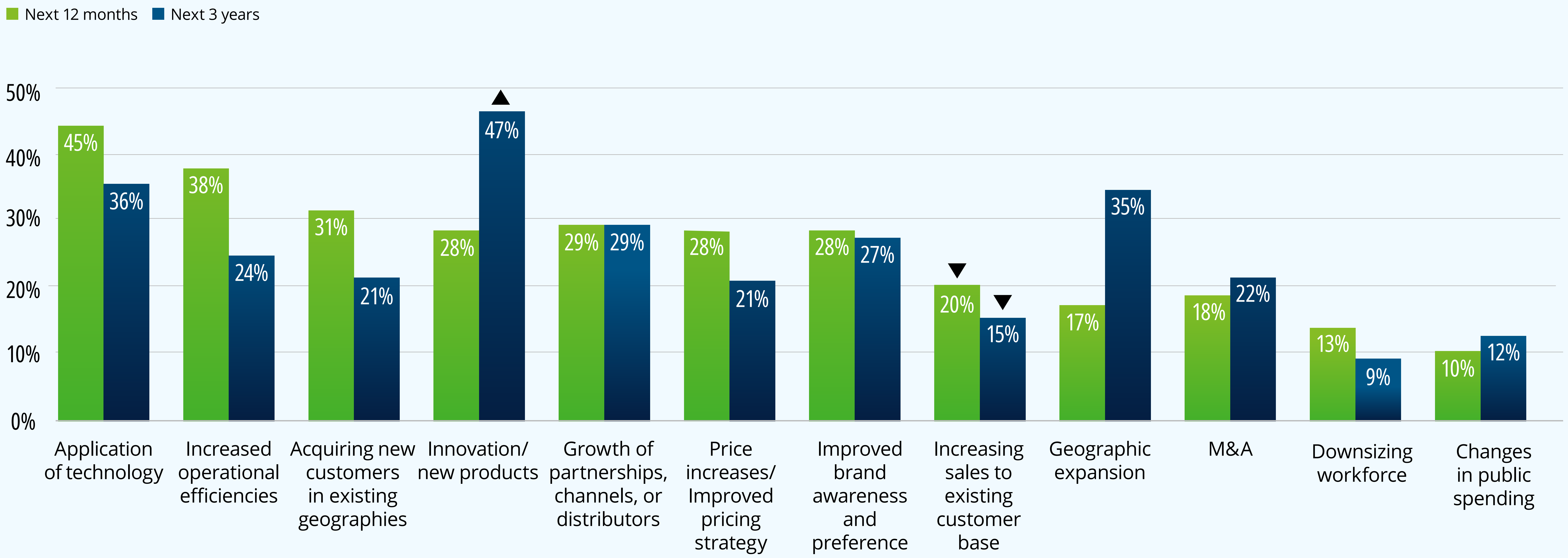
▲▼ Denotes over/under indexes versus APEC average (+5%/-5%)

Q:_Uncertainties: Given current economic and related policy uncertainties what strategies is your organization planning to implement in the next 12 months? Select the best choice in each category. (n=275)

Application of technology is seen as the top growth driver for the next twelve months—but this shifts to innovation and new products.

Increased operational efficiencies and acquiring new customers are important currently but reduce in priority over the next three years. While the importance of innovation and new products is expected to become the leading driver of growth. Geographic expansion is also expected to increase to become the number three growth driver.

Figure 4: *What do you expect to be most important to your business success over the next 12 months and over the next 3 years?*



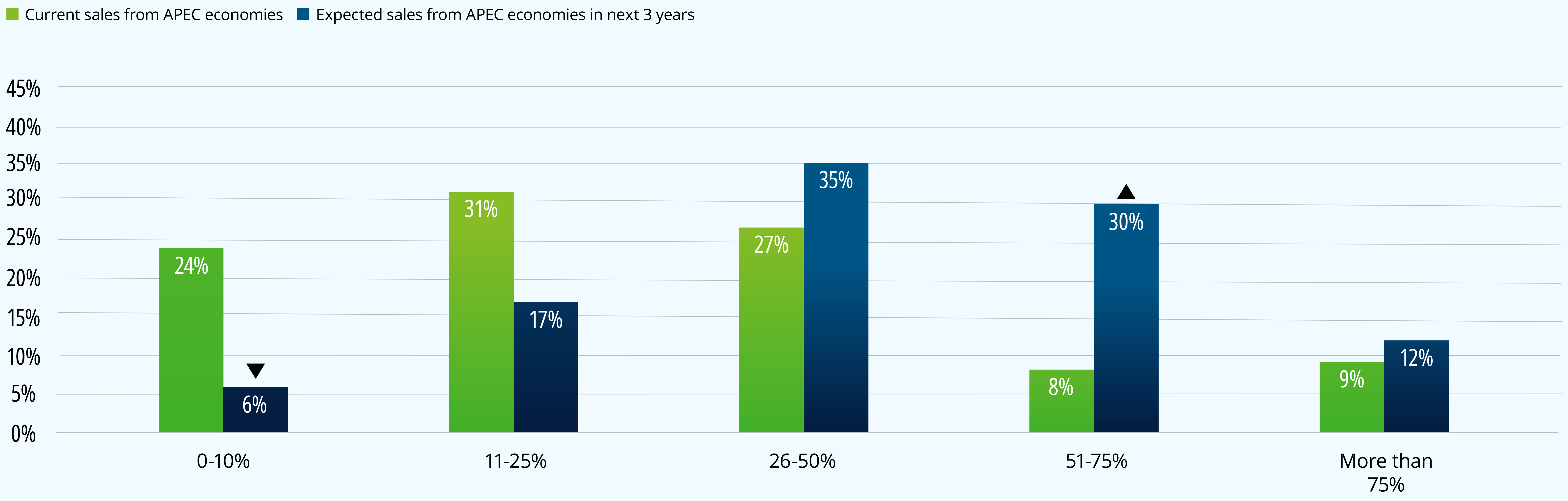
▲▼ Denotes over/under indexes versus APEC average (+5%/-5%)

Q_Growth_driver: What do you expect to be most important to your business success over the next 12 months and over the next 3 years? Please select your top three. (n=275)

SEA corporate leaders expect more of their sales from the APEC region in the next three years.

CEOs are anticipating rapid growth in intra-APEC trade. Forty-two percent of leaders expect the majority of their sales to source from APEC in three years—25% more than at present.

Figure 5: *Approximately what percentage of your company's current total global sales comes from the APEC economies? What percentage do you expect in 3 years?*



▲▼ Denotes over/under indexes versus APEC average (+5%/-5%)

Q_APEC_integration: Approximately what percentage of your company's current total global sales comes from the APEC economies? What percentage do you expect in 3 years? (n=275)

01
02
03

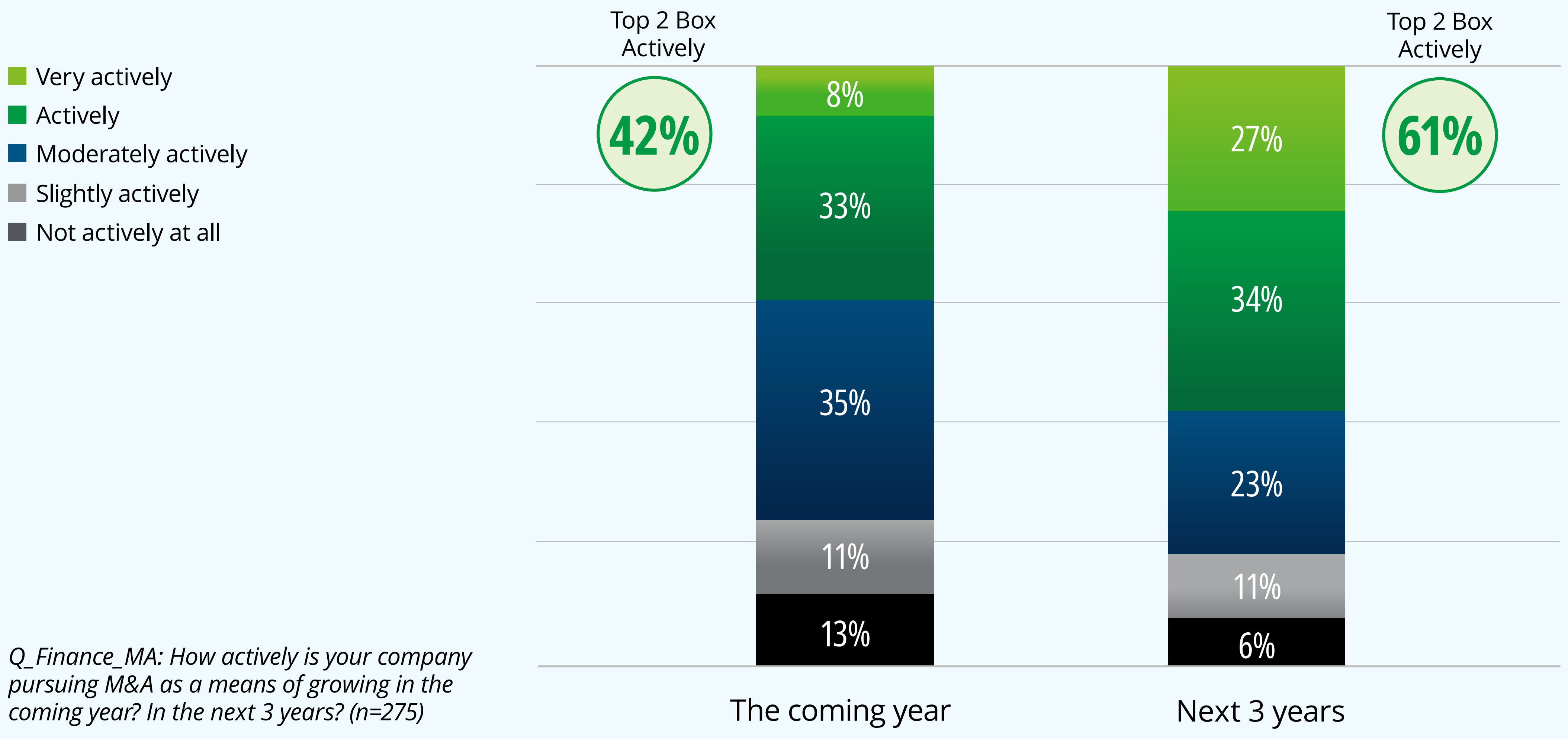
SEA leaders expect to increase their focus on M&A as a source of growth.

M&A is being actively or very actively pursued by 42% of companies in SEA in the coming year. This increases to 61% over the next three years.

Almost three quarters of SEA corporate leaders expect to increase sustainability investment in the next year.

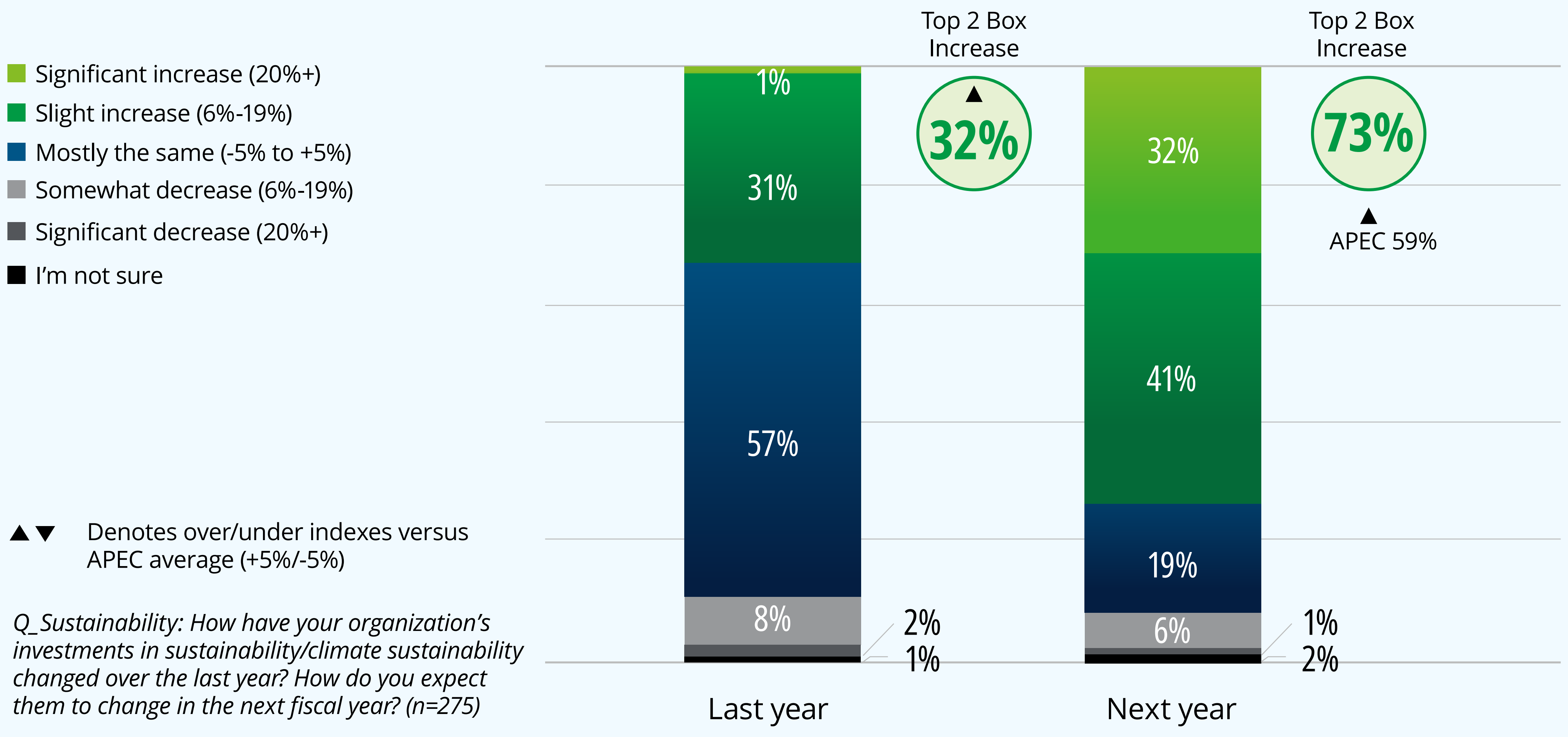
In the last year, 57% maintained their sustainability investment, while 32% increased spend in this area.

Figure 6: *How actively is your company pursuing M&A as a means of growing in the coming year? In the next 3 years?*



Q_Finance_MA: How actively is your company pursuing M&A as a means of growing in the coming year? In the next 3 years? (n=275)

Figure 7: *How have your organization's investments in sustainability/climate sustainability changed over the last year? How do you expect them to change in the next fiscal year?*

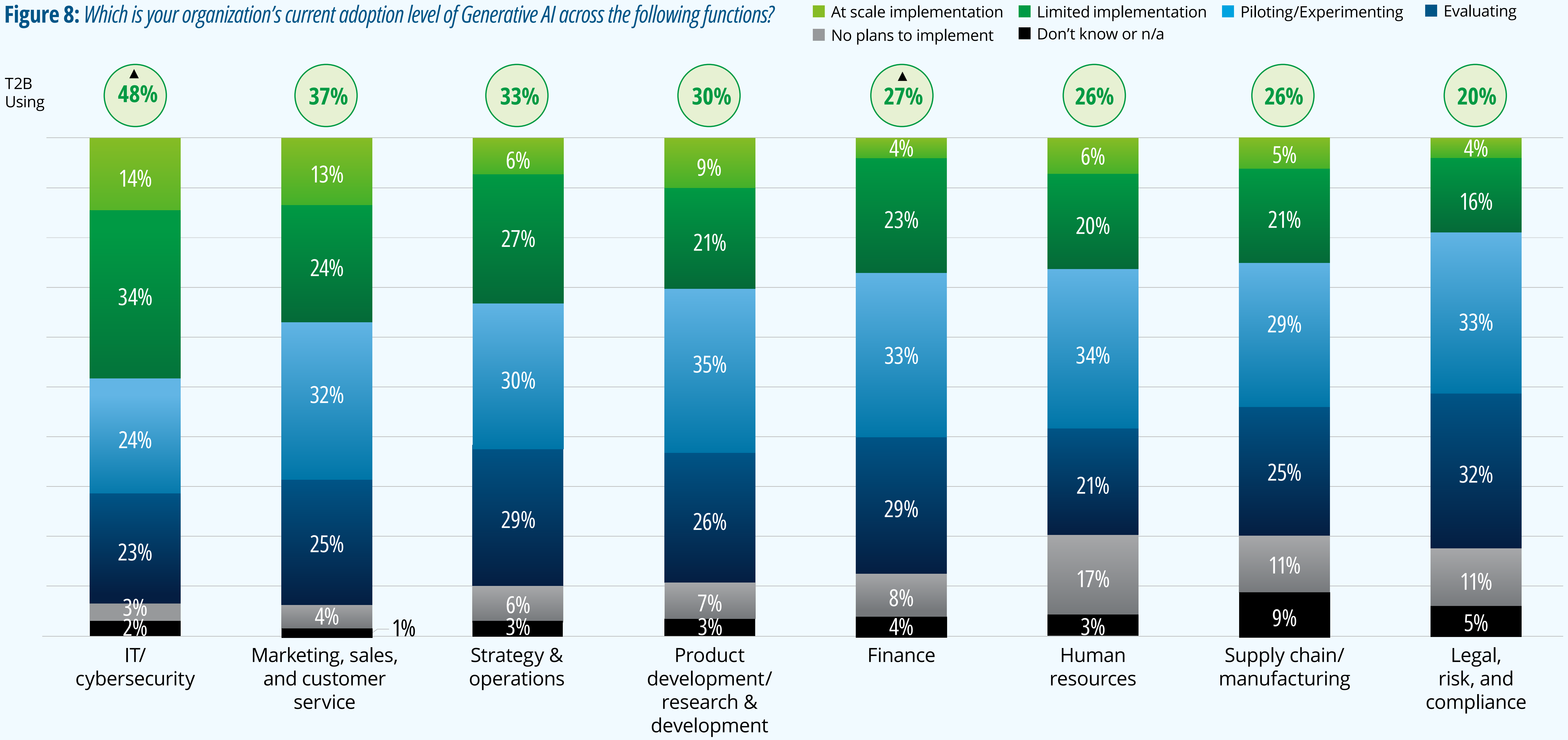


Q_Sustainability: How have your organization's investments in sustainability/climate sustainability changed over the last year? How do you expect them to change in the next fiscal year? (n=275)

Generative AI adoption is most advanced in IT and cybersecurity, and marketing, sales, and customer service functions.

Adoption is softer among legal, risk, and compliance functions.

Figure 8: *Which is your organization's current adoption level of Generative AI across the following functions?*



▲▼ Denotes over/under indexes versus APEC average (+5%/-5%)

Q_Gen_AI_Deloitte: Which is your organization's current adoption level of Generative AI across the following functions? (n=275)

Objectives & methodology

APEC CEO Survey methodology

Context

The APEC region is one of the most dynamic in the world, and includes both advanced and emerging markets, offering diverse growth opportunities.

Business confidence, growth, and business trends often start first in large companies in APEC countries and then spread more widely throughout the world.

Objectives

Deloitte conducted a study of corporate CEOs and senior executives of 18 APEC member economies (excluding Russia, Brunei and Papua New Guinea).

The study assesses the issues that matter to CEOs: business confidence and growth expectations, identify challenges and opportunities for regional economies, and evaluate various trends and priorities.

SEA sample profile

Revenue

47% $1B+

29% $100M<$1B

24% $5M<$100M

Ownership structure

52% For profit, privately held

48% For profit, publicly held

1% For profit, government owned

Employee count

37% 5,000+

58% 100–4,999

5% 10–99

Title

45% CEO or CEO-equivalent*

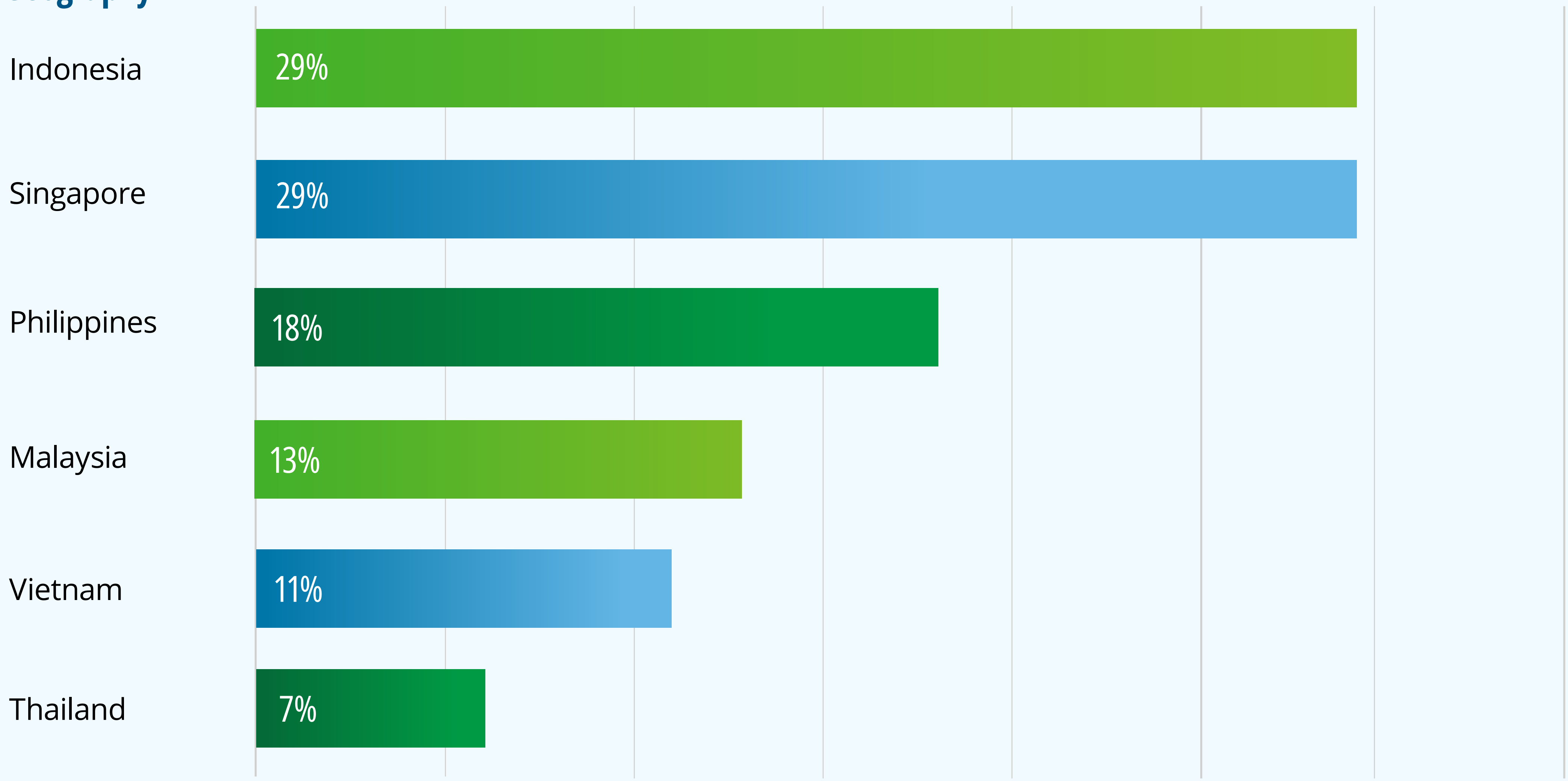
37% Other C-suite executive

10% Executive/Senior Vice President

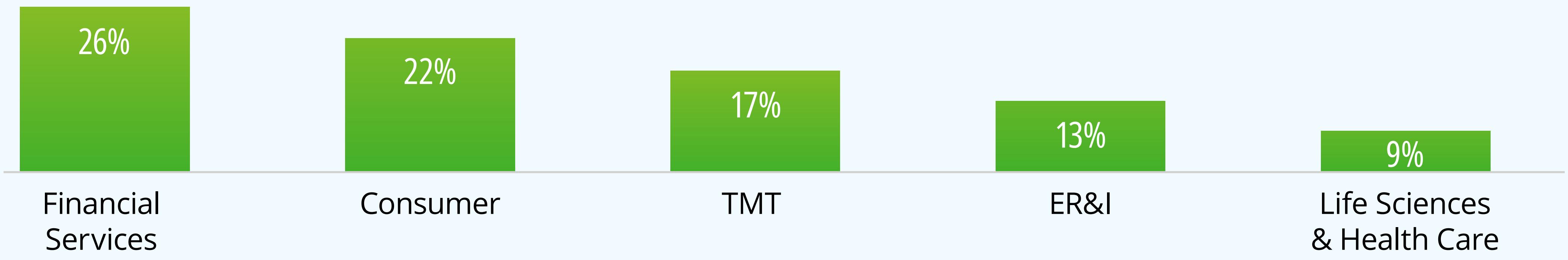
26% Vice President

17% Department/Division Head and General Counsel

Geography



Industry



**Note: CEO-equivalent in SEA includes CEOs, Presidents, C-suites in a General Management role, and Managing Directors in Financial Services firms; sum may not equal 100% due to double counting*

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