Deloitte.

Global CFO Signals

Entering 2015 cautiously upbeat

Q4 2014 Deloitte Member Firms' CFO Surveys: Australia, Austria, Belgium, Central Europe, India, Ireland, Netherlands, North America, Spain, Switzerland, and United Kingdom

DTTL Global CFO Signals
February 2015

About the DTTL Global CFO Program

The Deloitte Touche Tohmatsu Limited (DTTL) Global Chief Financial Officer (CFO) Program is a CFO-centric strategic initiative that brings together a multidisciplinary team of senior Deloitte member firm partners and experienced professionals to help CFOs effectively address the different challenges and demands they experience in their role. The DTTL Global CFO Program and network of Deloitte member firms harness the breadth of Deloitte member firms' capabilities to deliver forward-thinking perspectives and fresh insights to help CFOs manage the complexities of their role, drive more value in their organization, and adapt to the changing strategic shifts in the market.

About Deloitte Member Firm CFO Surveys

Twenty-three Deloitte member firms' CFO surveys, covering 58 countries, are conducted on a quarterly, biannual, or annual basis. The surveys conducted are "pulse surveys" intended to provide CFOs with quarterly information regarding their CFO peers' thinking across a variety of topics. They are not, nor are they intended to be, scientific in any way, including the number of respondents, selection of respondents, or response rate, especially within individual industries. Accordingly, this report summarizes findings for the surveyed populations but does not necessarily indicate economic or industrywide perceptions or trends. Further, the focus, timing, and respondent group for each survey may vary. Please refer to "About Deloitte Member Firms' CFO Surveys" (page 23) for member firm contacts and information on the scope and survey demographics for each survey.

About DTTL's Global CFO Signals

The purpose of DTTL's *Global CFO Signals* report is to provide highlights of recent CFO survey results from Deloitte member firms. This issue includes the results of the fourth-quarter 2014 CFO surveys from Deloitte member firms in the following geographies:

Australia: Risk aversion sets in

Austria: Cautious optimism emerges

Belgium: Outlook 2015: Reasonable year; prudent growth

Central Europe: The best is yet to come

India: Optimism on the rise

Ireland: CFOs take a measured approach

Netherlands: Geopolitical risks and regulation dampen outlook

North America: Despite global concerns, strong optimism*

Spain: Global uncertainty threatens recovery

Switzerland: A chill wind blows

United Kingdom: 2015: Growth in an uncertain world

*All numbers in the North American survey with asterisks are averages that have been adjusted to eliminate the effects of stark outliers.

Global Contacts

Sanford A Cockrell III
Global Leader
Global CFO Program
Deloitte Touche Tohmatsu Limited
scockrell@deloitte.com

Lori Calabro
Editor, *Global CFO Signals*
Global CFO Program
Deloitte Touche Tohmatsu Limited
localabro@deloitte.com

Robert Flanagan
Chief of Staff
Global CFO Program
Deloitte Touche Tohmatsu Limited
robflanagan@deloitte.com

For additional copies of this report, please email: GlobalCFOProgram@deloitte.com

Contents

Global CFO Signals

CFO Sentiment Q4 2014

Entering 2015 cautiously upbeat

Going into 2015, CFOs globally appear upbeat, if restrained. In fact, in the Q4 edition of *Global CFO Signals*, CFOs' optimism about their own companies' prospects remains positive in all but one of the 11 surveys featured. But those sentiments are somewhat relative.

In the UK, for example, optimists still outnumber pessimists, but overall optimism declined to its lowest level in two years. Net optimism among Ireland's CFOs halved this quarter, from 48% to 24%, but started from one of the highest levels recorded. And in Australia, a net 6% of CFOs reported being optimistic—up from the net 2% seen in Q3, but far from the levels due to genuine business momentum a year ago.

Elsewhere, though, optimism is far more obvious. In North America, for example, the tenor among large company CFOs is clearly one of confidence, buoyed by the strong performance of the US economy. In India, CFOs are overwhelmingly optimistic not just in the short term, but going out four to five years. And in Spain, CFOs finally are seeing the turnaround they hoped for: 89% of respondents, in fact, are optimistic about the Spanish economy over the next 12 months.

What the CFOs are collectively facing, however, is an onslaught of global risks. Weak commodity prices. Slowdown in China. Threats of deflation in the eurozone. Political instability in the Middle East. Lower consumer demand. Interest rate movements. Currency shocks. The list goes on.

Moreover, CFOs are dealing with domestic policies that can cut both ways. In Australia, for example, a net 62% of CFOs rate uncertainty over the federal government's policies as having a negative impact on optimism. And political uncertainty in the UK is seen as the biggest risk facing businesses there. Yet, in India, CFOs see the proactive role of the government as reigniting the growth process.

Still, notes Ira Kalish, chief global economist for Deloitte, CFOs globally are "enjoying the fruits of lower energy prices at this time." And with many of the major economies, such as the US and the UK, on solid footing, 2015 could shape up to be a good year for businesses despite the risks. "It obviously depends on where you operate and what industry you are in," says Kalish, "But I would be cautiously optimistic if I were a CFO."

How does CFO sentiment in Q4 2014 break down? What follows is a synopsis by region:

Americas

In all three of the countries reporting in the North American survey, CFOs remain optimistic about their companies' prospects (49% expressing rising optimism versus 16% expressing pessimism), and near-term growth expectations remain strong. Revenue expectations, which reached their three-year high last quarter, receded slightly, but are still comparatively strong. Earnings expectations, coming off their highest level in more than a year, declined, but are also relatively strong. Domestic hiring expectations declined, but are still near their four-year high. In addition, confidence in the North American economy remained high, with 63% of CFOs describing it as good or very good, and 63% believing conditions will be better a year from now. Elements of the global economy remained a concern, however, with 73% describing the European economy as bad, compared with 47% last quarter.

Australia

Net optimism among Australia's CFOs remains low for the third consecutive quarter due to concerns over China's economy, weakened commodity prices, and continued frustration with federal government policy. Despite this, the falling Australian dollar is having a positive impact on confidence, with 50% of CFOs expecting it to be below US$0.80 in the next 12 months. Credit remains cheaper and more available than at any time in recent years. In response, the majority of finance chiefs remain in growth mode, although 80% expect it to be via organic expansion over the next 12 months, and 66% expect to introduce new products and services.

Europe

CFO sentiment remains somewhat inconsistent across Europe. In Switzerland, for example, net optimism dropped to negative territory for the first time in nine quarters—and this was before the Swiss National Bank scrapped a three-year old cap on the franc in January. Rising levels of uncertainty among UK finance chiefs fed through to a weakening of risk appetite (56% down from 71%), and cost control is back topping their priorities. Elsewhere, though, net optimism among Spain's CFOs stands at a solid 43%—and more than half expect an increase in revenues over the next year. And in Belgium, optimism recovered from its dip in Q3, and 70% of CFOs expect top-line growth in 2015, up from 50% last year.

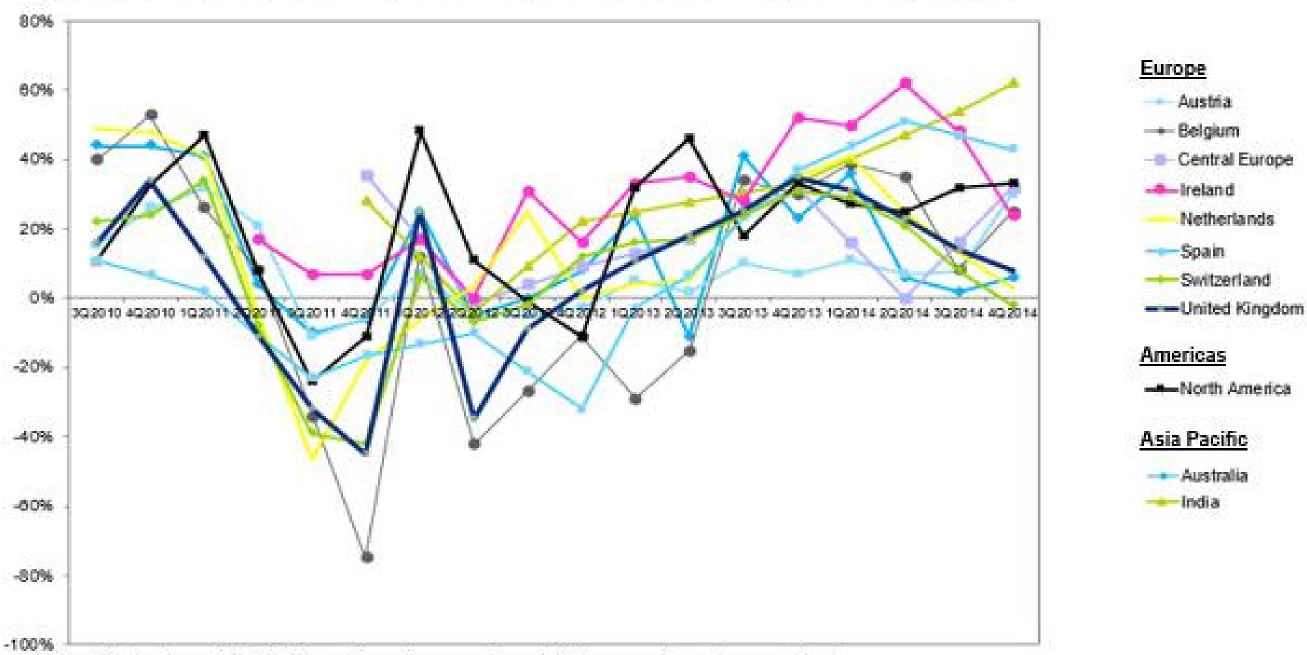
The inconsistency is also apparent in the 14 countries reporting in Central Europe. Overall, CFOs are much more optimistic about their own companies' prospects in the next six months than they are about GDP growth in their countries. Moreover, contrasting expectations for GDP growth signal that the two main regions will grow at different speeds with a north/south divide. What they share in common, though, is a sense that economic uncertainty is above normal throughout the region, and a focus on corporate restructuring. In fact, restructuring is a strong priority for 50% of CFOs in all countries, except Latvia, Slovenia, and Albania. In addition, the majority of CFOs see this as a good time to take additional risk onto the balance sheet.

India

Finally, the trepidation in other regions is not shared in India thanks to the curbing of inflation there and certain government reforms designed to spur growth. Some 65% of CFOs are positive about the Indian economy in the short run (one-year); 97% are bullish over a two-to-three year time horizon; and 93% are confident over four-to-five years. That confidence is also reflected in their business prospects, with 78% of finance chiefs saying revenues will rise and 71% expecting higher earnings. And while regulatory impediments and uncertainty in the tax environment continue to concern CFOs, 57% are positive the government will accelerate the pace of economic reforms, and 37% are very positive.

CFO Sentiment: Net Change in Optimism

Net % of CFOs who are more optimistic about the financial prospects of their company now than three months ago.



*A trend line has been plotted for this country as the survey is conducted on a semi-annual or annual basis.

Please note that the surveys conducted vary in timing, sample size and demographic of respondents. As such, these survey responses may not be a statistically accurate representation of the countries / regions identified. Please refer to the end of this publication for information on the scope and survey demographics for each participating survey.

Global CFO Signals
By the Numbers

Risk appetite

Finance chiefs are less inclined to take on risk this quarter. In Australia, 73% of CFOs say now is not the time to take greater risk onto the balance sheet, the third straight quarter of declines. Moreover, 56% believe they are more risk averse than their industry peers. In Switzerland, 70% of finance chiefs say now is not the time for added risk; among Ireland's CFOs, appetite for risk is split 50/50, down from 65% in Q3; and in the UK, while 56% of CFOs are ready to take on risk, that is down from a peak of 71% last quarter.

Uncertainty

Uncertainty is on the rise in several countries. In Belgium, close to 80% of CFOs now rate financial/economic uncertainty as above normal. The proportion of Ireland's CFOs who rate uncertainty as above normal (62%) was up substantially from Q3. And 58% of Spain's CFOs put global economic uncertainty as the biggest risk to their business. Among Dutch CFOs, however, 41% rate uncertainty as normal, up from 22%.

Metrics

The outlook for revenues and earnings is mixed. North America's CFOs' expectations for sales, for example, decreased slightly from 6.8%* to 6.0%*, but remain comparatively strong; 78% of India's CFOs expect revenues to increase in the next 12 months, as do 74% of Belgium's finance chiefs. Margins are positive in some countries as well, with 41% of the Netherland's finance chiefs expecting increases over the next 12 months. But 43% of Switzerland's CFOs expect decreases over the same time frame, and for the first time since the end of 2012, a majority in that country expects lower capital expenditures.

Hiring

The jobs outlook remains closely tied to expectations. In India, 37% of CFOs expect to initiate or accelerate corporate hiring over the next 12 months, and some 60% of North America's CFOs expect year-over-year gains. Moreover, in the UK, CFOs expect wages to rise by 2.9% in 2015, and in Ireland, 88% of CFOs see the retention of talent as a priority despite pressures to engage in cost cutting and downsizing. Elsewhere, though, almost 40% of Belgium's CFOs expect cuts in headcount, as do 33% of Australia's finance chiefs.

Corporate strategy

Growth and expansion continue to be the strategy focus in many countries, but there is a fair share of defensiveness. North America's CFOs indicate a substantial bias toward growing revenues and investing cash. And in the UK, business investment is expected to remain buoyant even though cost control is the top balance-sheet priority. But Belgium's CFOs have increased the importance of defensive strategies compared with Q3; and 29% of Ireland's CFOs believe their corporate strategy is defensive, up from 18% last quarter.

M&A activity

M&A activity remains positive in many countries thanks to available financing and opportunities. Some 90% of the Netherlands's CFOs expect M&A activity to increase in the next 12 months, as do 79% of Spain's and 52% of Switzerland's. Half of Australia's CFOs do too, but even more are focused on organic growth.

Deloitte Member Firm CFO Surveys:

Fourth Quarter 2014 Highlights

Australia
Risk aversion sets in

Optimism in check

For the sixth successive quarter, CFOs indicated they were more positive about the financial prospects for their companies then they were three months ago… but only just. A net 6% of CFOs in Q4 were more optimistic compared to a net 2% in Q3 and a net 6% in Q2 2014. While sentiment remains positive, it is clear this is finely balanced and is certainly a long way from the levels caused by genuine business momentum reported 12 months ago.

A major restraint on optimism levels has been uncertainty over federal government policy. This was a negative factor for a net 62% of CFOs, returning to the levels last seen in Q2 2013 in the run-up to the last federal election. While the change of government at the time reversed the trend for Q3 2013 (creating a positive factor for optimism), the momentum has been in a downhill slide since, reflecting ongoing budget reform battles and the current impasse in the Senate.

The Chinese economy continues to negatively affect net 46% of CFOs, the worst result recorded since 2013.

Risk aversion sets in

Only 27% of CFOs indicated now is a good time to take on more financial risk. This is the third straight quarter this measure has declined since its recorded highs at the beginning of 2014. Furthermore, 85% of CFOs believe this uncertainty will last for at least a year or more.

While only 19% of CFOs see themselves as taking on more risk than their industry peers, 56% see themselves as more risk averse. This distortion indicates that risk aversion has become more pervasive in the minds of Australian CFOs.

Highlights from the Q4 2014 Australia CFO Survey:

- CFO optimism in Australia remains low for the third consecutive quarter at net 6%.
- Optimism has been negatively affected by the Chinese economy, commodity prices, and federal government policy uncertainty.
- More than three-quarters of CFOs expect modest growth, largely through organic means.
- Risk appetite of CFOs has fallen again, with 73% of CFOs saying now is not a good time to take risk onto the balance sheet.
- The falling Australian dollar is having a positive effect on CFO optimism with 50% of CFOs expecting it to be below US$0.80 in the next 12 months.

In articulating their risk appetite, 79% of companies have documented risk appetite statements that cover all risk categories either at the corporate level or fully cascaded down the organization. This number may have grown in recent times with the increasing focus on risk management. While documented positions are good, it is important that they do not create inflexibility should economic conditions change rapidly and new opportunities emerge.

Modest growth in challenging times

Despite the relatively flat levels of optimism, CFOs remain confident in their ability to drive increased revenue growth (75%) and operating cash flows (62%) in the year ahead.

More CFOs expect to increase headcount and capital expenditure in the next 12 months than those planning reductions. However, discretionary spending levels remain under pressure.

Credit is cheaper and more available than ever before, creating a positive environment to support growth aspirations. However, a more concerning trend is the increase in the number of CFOs who expect to reduce gearing, a growing trend in the past three quarters.

Reasons to be cheerful

The most positive movement in CFO opinion was driven by the falling Australian dollar and continuing low interest rates. CFOs see both as major drivers of optimism, together with the strength of the US economy.

CFOs see further falls in both metrics in the year ahead, with 50% expecting the dollar to fall below US$0.80 and 42% expect it to fall to 2.25% or lower in the next year, an increase over last quarter's 15%.

Austria

Cautious optimism emerges

Expecting inflation to decline

This quarter for the first time since the second quarter of 2012, the majority of Austria's CFOs are expecting a decline in the rate of inflation. Moreover, 59% of respondents view economic outlook neutrally, as opposed to 44**%** who expected a decline last quarter. In addition, they are increasingly confident that an economic crisis in the next few months is unlikely (45% versus 26% last survey).

As for their own companies' prospects, the number of optimists (47%) outpaced pessimists (16%) this quarter, with 37% reporting no change. Still 25% of respondents anticipate a decline in company margins in the next few months, while 57% expect no change. In addition, while sales expectations are up from the previous survey, they have been cut in half compared to a year ago.

Credit environment remains positive

The credit environment continues to be viewed favorably by Austria's CFOs. In fact, finance chiefs expect to see an increase in the availability of credit for their companies in the coming months. Bank loans are seen as the most attractive source of financing, followed by internal financing, bonds, and equity.

The climate for investments, however, is still perceived negatively. In this survey, only 7% of CFOs view the investment environment positively due to expected slow growth in the economy and faltering demand. Nevertheless, some 35% of CFOs expect an increase of investment and another 8% see a substantial increase. As for where Austrian CFOs will invest, the US and China are favored at this time, followed by Germany.

Highlights from the Q1 2015 Austria CFO Survey:

- Some 49% of CFOs believe that the rate of inflation will decline.
- Currently 45% of CFOs think that a future financial crisis is unlikely compared to 26% last quarter.
- Overregulation is seen as a negative impact on Austria's attractiveness as a business location.
- Only 7% expect a positive environment for investment.

Overregulation seen as risk

This quarter, CFOs were asked to name the main risks for Austria as a business location. Some 65% of the survey respondents named overregulation as a risk, while 61% cited geopolitical risks.

Austrian Stock Exchange forecast

After reaching an index value of -20.2% in the last quarter of 2014, CFOs were expecting a positive trend in the Austrian Stock Exchange. The current index value is 10.6%.

Belgium

Outlook 2015:Reasonable year, prudent growth

> **Highlights from the Q4 2014 Belgium CFO Survey:**
>
> - Close to 80% of CFOs report that levels of uncertainty are above normal.
> - Overall, optimism remains positive. Some 39% of CFOs report being optimistic, while 14% report being pessimistic.
> - The highest proportion of CFOs in the last two years (20%) report that their capital expenditure is likely to increase in the next 12 months.
> - Over 70% of participants expect their topline to grow in 2015, up from 50% last year.
> - Risk appetite remains above the long-term average, with 36% of CFOs saying that now is a good time to take greater risk on the balance sheet.

Things to worry about

It would seem that Belgium's CFOs have a lot to worry about. One-third of this quarter's survey participants consider the external financial and economic uncertainty high or very high, more than double than a year ago. Geopolitical risks, growth prospects in the euro area and in emerging markets, and the competitiveness of their own companies are important concerns. Moreover, CFOs have less faith in the Belgian economy than the National Bank has, expecting only about half of the 1% GDP growth officially forecasted.

Nonetheless, CFOs remain overall optimistic about the financial prospects of their businesses in 2015. CFO optimism recovered somewhat from the decline in the third quarter, although trails somewhat lower today than it did throughout the second half of 2013 and the largest part of 2014.

More than 70% of participants expect their topline to grow in 2015, up from 50% last year. CFOs are significantly more optimistic about the growth prospects of their own organizations than they are for the Belgian economy: almost half of CFOs expect their topline to grow more than 2% and almost 30% expect to grow more than 5%, significantly outperforming projected GDP growth.

Optimism fueled by domenstic politics

The optimistic mood among CFOs is fueled by domestic politics and the expectation that government policies will have a positive impact on business in Belgium, also in the long run. In fact, at the end of 2014, a record 64% (net) of Belgium's CFOs were positive about the new federal government and its policymaking.

With the new government coalitions in place, the vast majority of CFOs are positive on the way in which the federal government and the Flemish regional government are setting the priorities for financial and economic decision making. As compared to previous periods, CFOs have become in particular more positive on labor market policy, tax policy and immigration policy. Energy policy and the general level of regulation affecting businesses receive the least credit from CFOs.

Risk appetite remains strong

Rising uncertainty however has not fed through to an easing in corporate risk appetite. Some 36% of CFOs say that this is a good time to take greater risk onto their balance sheets. The risk appetite remains well above the long-term average.

Moreover, throughout 2015, appetite for risk might translate into investments: balance sheets look healthy and more than 40% plan to increase capital expenditure in 2015, up from just 30% last year.

Prudent growth strategies

About half of survey respondents report some growth strategies are a strong priority for 2015. The net balance percentage of CFOs reporting capital expenditure is likely to increase in the next 12 months is at the highest level since the launch of the survey.

Focus is on prudent growth strategies through organic expansion and the introduction of new products and services in existing markets. More aggressive growth strategies, through expansion into new markets or through acquisitions in Belgium or abroad, are lower on the agenda.

Local oriented companies – realizing more than 70% of turnover in Belgium – see few drivers for investment and look for secular or long term growth for their products and services. International companies – realizing more than 70% of turnover outside of Belgium – see drivers for investment in developed economies outside the eurozone, and to a somewhat lesser extent in emerging markets as well.

Geopolitical concerns continue

As in past surveys, uncertainty related to the economic recovery tops the CFOs' list of concerns. Geopolitical risks have made it to the top three concerns in the last quarter of 2014. In addition, ISIS, Ebola, relationships with Russia, and their potential economic repercussions worry CFOs.

Their concerns related to the Ukraine crisis have already been justified. Almost 45% of CFOs report that Western sanctions against Russia have affected their organizations financials negatively. Sanctions primarily result in lower revenue, and to a much lesser extent, increased costs.

Closer to home, 70% of CFOs do not expect Belgium or the eurozone to enter a new recession in the next two years. As compared to a year ago, however, 8% more of CFOs assign high likelihood of recession both for our economy and for the eurozone.

Central Europe
The best is yet to come

More confident on business prospects

The sixth Deloitte Central Europe (CE) CFO report contains survey results from 14 countries: Albania, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Kosovo, Latvia, Lithuania, Poland, Romania, Serbia, Slovakia, and Slovenia.

Overall, CFOs are much more confident in their own companies' prospects than in the GDP growth of their home nations.

The distribution of expectations of GDP growth in 2015 suggests that economies in Central Europe will divide into two groups, each on a different development dynamic. The first group consists of the Visegrad (Poland, Slovenia, Hungary, and the Czech Republic) and Baltic countries. The clear majority of the Visegrad countries expect moderate GDP growth between 1.5% and 3%. From this group, Poland is expected to grow the most strongly of all CE countries. In the Baltic countries (Latvia, Lithuania, and Estonia), moderate growth is also expected by a high proportion of CFOs (61%, 48%, and 48%, respectively). These seven countries in the north or center of Eastern Europe are clearly expected to grow much faster than the other group.

Countries in the second group are all located in the south of the region or in the Balkans and the dominant expectation is for stagnation. CFOs expect GDP growth between 0.5% and 1.5%.

Concensus on top priority

There is consensus among all CFOs on their top priority regardless of any country-specific conditions. For the clear majority, the business focus next year is to grow revenues from current markets. Comparing the top priorities for CFOs by country over the next 12 months, there are two distinct blocks –"growth seeking" and "cost advantage seeking." In the largest block of growth-seeking countries, CFOs' top two business priorities are to increase growth from current markets followed by growing revenues from new markets. CFOs in Kosovo, the Czech Republic, Hungary, Slovenia, Latvia, Lithuania and Croatia will direct their companies toward meeting these goals. In these countries, factors like austerity, cost control, and improving liquidity are out, and expansion priorities are clearly in.

Above-normal uncertainty

The majority of CFOs in the region describe the general level of external financial uncertainty as above normal, high or very high. This majority is as high as 88% in Croatia and 80% in Romania. In only three countries (the Czech Republic, Poland and Estonia) do more CFOs perceive this uncertainty as normal than think it is above

Highlights from the 2015 Central Europe CFO Survey:

- CFOs from Central Europe are much more optimistic about their own companies' prospects for the next six months than about future GDP growth in their own countries.
- The majority of CFOs describe the general level of external financial uncertainty as above normal, high, or very high.
- Driven by high external risk, the top priority for next year, shared by CFOs across all Central Europe, is to grow revenues from current markets.
- The clear majority of CFOs in Central Europe believe that the time has not yet come to take more risk onto their companies' balance sheets. The appetite for risk is notably higher among CFOs in Lithuania and Poland.

normal, high, or very high. This suggests that CFOs in Central Europe are, in fact, operating at a time when higher uncertainty has become part of the "new normal" environment.

Risk averse for now

The majority of CFOs in all countries except Lithuania believe that now is not the time to take greater risks onto company balance sheets. There is a notable diversity of opinion on risk-taking across the region; clearly, fewer CFOs are "rushing for gold" in the Balkans than in the Baltic and Visegrad countries (with the exception of Slovakia).

The differences between the risk perspectives of CFOs from different countries are marked. In Albania, only 7% of CFOs believe that their companies should increase their risk exposure, while 61% of Lithuanian CFOs are bullish about taking greater risk in order to explore growth potential. It is also worth noting that risk appetite has increased during the last year in the region's three largest economies: Poland (from 39% to 47%), the Czech Republic (from 30% to 34%), and Hungary (from 24% to 27%). These countries share more than 50% of Central Europe's total GDP, and their proportion of CFOs who appear ready to increase their companies' exposure to risk is relatively high. Notably, risk aversion increased sharply in two of the region's other large economies. In Romania, the percentage of CFOs willing to take more risk dropped from 30% last year to just 12% in this edition. In Slovakia, the percentage of CFOs believing that "now is a good time to take greater risk" fell from 21% to less than 9%.

Focused on restructuring

CFOs will also be leading a significant amount of corporate restructuring/remodeling over the next year. This will be strong priority for more than 50% of CFOs in all countries except Latvia, Slovenia, and Albania, where recent major restructuring projects have already been implemented at great pace. Overall, the level of expected restructuring/remodeling in the region is impressive, as much has already been done in most CE markets in recent years.

Financing options

Fewer Central European CFOs than last year feel that the costs of finance are set to remain the same, and the divergence of expectations has increased in most countries.

In Poland, where many companies are in investment and expansionist mode, the dominant expectation among CFOs is for a decrease in the cost of finance for companies. The largest proportion of Albanian CFOs also predicts decreasing costs of finance, here driven by a focus on liquidity and the need to meet short-term pressures. In several other countries, including Latvia, Estonia and Lithuania, as well as Croatia, Serbia, Kosovo and Bulgaria, the largest proportion of CFOs is predicting higher costs of finance. Cost stability is the dominant expectations among CFOs from the Czech Republic, Romania, Slovenia, Slovakia and Hungary.

The largest proportion of CFOs in every country but Slovenia sees new credit as being "normally available." The story is different in Slovenia, where 61% of CFOs see credit as difficult to obtain. It is worth noting that this proportion has improved since last year, when as many as 79% of Slovenian CFOs had difficulties in accessing credit. Credit is easy to obtain for more than a quarter of CFOs operating in Poland, the Czech Republic, Slovakia, Estonia, and Bulgaria. This proportion has increased since last year in all these countries.

There is considerable diversity in the perceived attractiveness of bank borrowing versus equity finance among Central European countries. In Poland, the Czech Republic, Slovakia, Hungary, Latvia, and Lithuania, CFOs regard raising equity as a less attractive option for funding their plans than bank borrowing. The opposite holds true for CFOs from Serbia, Croatia, and Romania, countries where the availability of new credit is often more restricted. In the remaining countries, there is a less pronounced orientation toward bank credit rather than raising equity.

More local insights at:
www.deloitte.com/cecfosurvey2015

India

Optimism on the rise

Bullish expectations on the rise

The last year has seen an uptick in the growth prospects for the Indian economy as business confidence has improved, and many issues that plagued the economy have faded. For starters, inflation has come under control, the current account deficit has contracted to manageable levels, and it seems that the government will meet its fiscal target. In line with these developments, CFO optimism is also on the rise. Survey findings show that 9% of CFOs are very optimistic on growth prospects over the next year, while 53.6% are optimistic, 36.1% neutral, and only 1% not optimistic. Encouragingly, CFO optimism also witnessed a dramatic increase over the medium-to-long term (two-to-three years), with 44.3% more optimistic – a number that increases to 47.4% over a four-to-five year horizon. These findings show that the CFOs are willing to give the government more time to bring about structural change that would give growth a sustainable boost.

Government's role in growth

Another major theme that emerged was the proactive role of government in reigniting growth. The clear mandate given is likely to help the newly elected government push through effective legislation thereby imparting a more structural push to the growth process. As such, 37.1% of the CFOs are very positive, while another 58.8% are positive that the new government will accelerate the pace of reforms.

Corporate profitability to pick up

The slowdown of the last few years has seen corporates adapt and better utilize the resources at hand, which has resulted in increased efficiency in operations. As the economy picks up pace, corporate profitability is also expected to show a meaningful uptick. The survey reveals that 78% of CFOs believe that they will experience an increase in revenue; 71% expect higher earnings.

Highlights from the 2014 India CFO Survey:

- CFOs' economic outlooks are highly optimistic, with 65% of respondents positive about growth in the short term (one year).
- Over the medium term (two to three years), the level of optimism is even higher, with around 97% of CFOs confident about the prospects of the economy.
- Within organizations, 71% of CFOs are likely to initiate or accelerate new investment plans, while 37% are likely to initiate or accelerate hiring new workers.

Revival in capex

The next year is also likely to see a revival in corporate capex. Along with the government's promise of putting more money toward investment, corporates are also likely to allocate a higher amount to capital expenditure. Some 54% of CFOs believe that capex expenditure will be higher during the course of the next year, while 29% believe that they will keep it at the existing levels. Further, 53% of CFOs expect hiring to pick up, while 31% expect no change.

Road ahead: Not all smooth sailing

Even as growth has turned around and business confidence is on the rise, the path is still not clear. Regulatory impediments and uncertainty in the tax environment continue to be major concerns. Further, while inflation has moderated enough for the Reserve Bank of India to start the rate-cutting cycle, it continues to be a concern for 25.8% of CFOs. Within the realm of industry, increased competition due to new entrants affecting profits, as well as price trends affected by increased competition are major challenges according to the majority of CFOs.

Ireland

CFOs take a measured approach

Highlights from the Q4 2014 Ireland CFO Survey:

- Some 50% of CFOs surveyed believe that now is a good time to take greater risk onto their balance sheets, down from 65% in Q3.
- Net optimism halved this quarter from 48% in Q3 to 24% this quarter.
- While 70% of Irish CFOs consider their corporate strategy as expansionary, that is down 11% from Q3.
- Only 39% of CFO surveyed use more than half the data available to them to inform better decision making.
- More than 80% of respondents believe Budget 2015 shows Ireland to be in a stronger financial position than it has been in several years.

In a stronger financial position

“A new road to a new Ireland” was the sentiment used by Minister for Finance Michael Noonan when presenting the budget on October 14, 2014. The minister reaffirmed the government’s commitment to the 12.5% corporate tax rate as settled tax policy and outlined measures toward providing a competitive tax environment for multinationals to operate in Ireland. In a widely anticipated move, the “Double Irish” structure will be abolished effective January 1, 2015 and a broad range of measures have been announced to provide a competitive alternative to the Double Irish regime.

The reaction of CFOs to Budget 2015 indicates that most CFOs believe Ireland is in a stronger financial position than it has been for a number of years. Some 78% of CFOs feel that Ireland is in stronger position, and an additional 6% believe that Ireland is in a significantly stronger situation. Only 17% of respondents believe that Budget 2015 shows no change to Ireland’s financial position. It is notable that no respondents consider the country to be in a weaker financial state

Despite the positive reaction to Budget 2015, CFOs’ optimism has dropped this quarter, from 48% in Q3 to 24%, and the number of CFOs who believe it to be a good time to take greater balance sheet risk has dropped from 65% in Q3 2014 to 50%. External uncertainty surrounding economic market and industry trends is rising this quarter (62% of CFOs believe external uncertainty to be high) in comparison with previous quarters, which may account for the drop in optimism this quarter.

2015 corporate priorities

This drop in optimism is also apparent when CFOs outline their corporate priorities for the next 12 months. Almost one-third of CFOs now feel that the corporate strategy employed by their business is defensive. This measure had reached a low of 18% last quarter, and while the focus of the majority is still on expanding strategy, it is interesting to note the caution that has crept back into some areas. In contrast to the last quarter, CFOs are moving toward reducing costs, particularly direct costs, rather than increasing revenues and limiting risk.

Consistent with previous quarters, however, long-term growth for products and services remains the most positive influencing factor with regard to investment plans being made by companies over the next 12 months. This is followed by growth in Ireland, the European Union, Asia, and the US.

In addition, revenues and operating cash flows are expected to be the financial metrics that will show the most significant increase over the coming 12 months. CFOs believe operating costs and discretionary spending will be the metrics that experience the largest declines.

Financing, debt, and credit

Domestic banks continue to be the preferred funding option for 33% of CFOs this quarter. Preference for overseas bank funding has dropped sharply, falling into a three-way tie with equity and corporate bonds at 11%; 33% of companies do not require additional finance at this time.

For the first time in four quarters, CFOs believe that domestic credit is more easily available than credit from overseas banks. A net 39% of CFOs believe domestic credit is easily available (an increase of 17%) versus 33% for foreign credit.

A net 33% of CFOs believe new credit is costly, however, an increase of 17% this quarter. This perceived increase in the cost of new credit has been a growing trend over the past year. Over the same period, the perceived availability of new credit is mostly unchanged, with a net 39% of CFOs believing it to be easily obtainable.

Measuring perfomance; leveraging analytics

The two most important indicators when monitoring the performance of the finance function from the CFOs perspective is reporting timelines/quality and achievements of plans/budgets. Forecast accuracy and engagements with operations are the other factors that CFOs use to appraise performance. CFOs place the least emphasis on talent retention when it comes to measuring the performance of this function, despite this being a key priority among CFOs.

In addition, the survey results suggest that organizations are in the early stages of fully exploiting their data. Approximately 39% of respondents stated they use more than 50% of data available. This is not surprising as 47% of CFOs have indicated the quality of their data is “good – integrated and common data in central warehouse”.

However, in contrast, 72% of respondents use rudimentary or basic reporting tools to support finance analytics. Although organizations are beginning to see the benefits of fully utilizing their available data, the majority of respondents are lagging in terms of implementing supporting technology and in terms of data quality (53% – adequate or unintegrated data).

Netherlands

Geopolitical risks and regulations dampen outlook

Uncertainty on the rise

The outlook for the Dutch economy is slightly positive according to several institutes with a consensus estimate of around 1.37% economic growth in 2015.

The Dutch central bank, DNB, for example, projects the economy will grow by 0.8% in 2014 and will further pick up to 1.2% in 2015 and 1.5% in 2016. The Organisation for Economic Co-operation and Development is also positive about the Dutch economy. It predicts the economy to grow by 1.4% in 2015 and by 1.6% in 2016.

Still, among CFO respondents, short-term business confidence deteriorated further in Q4. Only one-third of CFOs are more optimistic about the financial prospects for their companies versus three months ago, compared to 52% a year ago. Nonetheless, the proportion of CFOs who are more optimistic continues to outnumber the less optimistic CFOs, albeit at a much lower level.

Highlights from the Q4 2014 Netherlands CFO Survey

- Some 31% of Dutch CFOs are optimistic about the financial prospects of their companies compared to 39% in Q3.
- The percentage of CFOs who rate the external financial and economic uncertainty as normal or lower than normal has recovered to 41% versus 22% last quarter.
- Geopolitical tensions and exchange rate fluctuations are seen as potential business risks by 48% of CFOs.
- In 2015, some 41% of CFOs expect better operating margins.

Outlook: 2015

A large majority (85%) expect their companies' revenues to increase in 2015. Especially companies with a global reach and companies dependent on exports to non-eurozone countries could expect higher sales because of the weak Euro. About 41% of CFOs expect operating margins to improve as well and 56% will ramp up investments in 2015.

Meanwhile, the percentage of CFOs who expect their cash flow to increase, decreased from 71% last quarter to 62% now. Almost a quarter expect cash flows to remain the same in the next 12 months. The number of CFOs expecting a decline in cash flow increased for the third consecutive quarter and now stands at 14%.

Financing conditions

Financing conditions are still easy with credit being perceived as both cheap and available. Some 72% of CFOs indicated that credit is very well available while 38% see credit as cheap.

Banking borrowing has taken over corporate debt as the most favored source of funding. The attractiveness of bank borrowing increased from 26% in the third quarter of 2014 to 76% now. Meanwhile, only 7% of CFOs are likely to issue equity. Almost half (46%) are likely to renew current credit while a third intend to attract new credit

Greatest risks

The impact of geopolitical tensions is seen as the factor that will pose most significant risk in 2015, followed by increasing regulatory frameworks, both from a domestic and EU perspective.

Exchange rate fluctuations was mentioned as third greatest risk to business in 2015, followed by rising barriers to trade/protectionism.

North America
Despite global concerns, strong optimism

Highlights from the Q4 2014 North America CFO Survey:

- On the heels of six straight positive quarters, net optimism climbed to +32 with all industries above +10.
- Sales growth expectations rose from 6.1%* last quarter to 6.8%*—highest since the third quarter of 2011.
- Forty-four percent of CFOs describe the North American economy as good (40% last quarter), and 55% believe it will be better in a year (60% last quarter).
- Forty-seven percent of CFOs say financial and economic risks are higher than normal, and just 14% say they are lower.
- Almost three-quarters say cyber security is a high priority for their company, but only 62%

Confidence despite concerns

Many important macroeconomic events have transpired since our last survey, and most seem to add uncertainty, raise the likelihood of future disruptive events, or both. Performance of several major economic regions has gotten decidedly worse, geopolitical issues have not subsided, and US equity markets have been rattled. And, not surprisingly, CFOs' outlooks for European and Chinese economies have faltered.

Still, performance of the US economy has been strong—enough so that the US Federal Reserve ended its bond-buying program on schedule and is considering dates for raising interest rates. Accordingly, CFOs' confidence in North American economies remains high, and that appears to be fueling confidence in their own companies' prospects. Net optimism* rose from a very strong +32.0 last quarter to +33.3 this quarter, extending an already-long positive streak. Moreover, just 16% of CFOs express declining optimism—again one of the lowest proportions in the history of this survey.

Behind this sentiment are performance expectations that remain near recent highs. Revenue growth expectations, which reached their three-year high last quarter, receded slightly but are still comparatively strong. Earnings expectations, coming off their highest level in more than a year, declined but are also relatively strong. Domestic hiring expectations declined but are still near their four-year high, and 60% of CFOs again expect gains (matching the highest proportion in three years).

Emerging patterns in capital investment

So what are companies doing in response to these positive outlooks? For several quarters (including this one), CFOs have indicated a bias toward growing revenue over reducing costs and toward investing cash over returning it. But capex expectations have not followed suit, and last quarter's US expectation hit its lowest level in the survey's history. This quarter's expectations are only marginally higher, even though the expected dividend growth rate is also near its survey low.

Last quarter, we posited that already established capacity, rising use of cheap-to-scale digital technologies, and the exchange of company-owned assets for outsourced cloud-based services provided at least part of the explanation, and this quarter's findings appear to further support this hypothesis.

Sources of uncertainty

This quarter, we asked CFOs about the sources of uncertainty that are most affecting their business planning, and the answers were diverse and largely industry dependent. Where most sectors agree, however, is around uncertainty related to geopolitical events, industry-specific regulation and (if cracks materialize) North American economies.

Also common were concerns about monetary policy (and related interest rates) and input prices.

CFOs' most worrisome risks mirror these findings with strong concerns about the degree to which troubles in Europe, Asia, and Latin America will ultimately affect performance at home. And they remain worried that policymakers will struggle in trying to spur growth.

How CFOs are combatting uncertainty?

Obviously, such uncertainties make planning difficult, so this quarter we asked CFOs for the most important things they have personally done to help their companies navigate in the current business environment.

Tactics vary considerably, but most revolve around one of three themes: ensuring business performance (increasing focus on strategies, efficiencies, and key decisions), managing operating risk (strengthening risk management priorities, risk awareness, and risk management approaches), and managing balance sheet risk (strengthening balance sheets, ensuring liquidity, and managing exposure to interest and foreign exchange rates.

Interplay of energy costs, interest rates, and company prices

Most companies have also been planning around uncertain futures for interest rates and energy costs. Accordingly this quarter, we asked about CFOs' expectations for both and their impacts on their own companies' pricing.

About three-quarters of CFOs expect higher interest rates over the next year. But well under one-quarter express high confidence, and only about one-third say their interest rate expectations are actually affecting their pricing plans—possibly a reflection of lingering doubts. Higher energy prices, on the other hand, are generally not expected and are mostly not built into pricing plans.

Whatever the case, it appears prices are largely back to prerecession levels—and headed higher. Just under half of CFOs say their prices are higher now than prerecession, and 21% say they are lower. Moreover, well over half say their prices will be higher in a year, and just 18% say they will be lower.

What's next?

This quarter, CFOs added an eighth-straight quarter to their streak of positive sentiment—a streak that has largely proved to be on the mark. But the relative health and resiliency of North American economies again underlie a good portion of their sentiment. And this begs important questions about how long North America can continue to accelerate if the rest of the global economy continues to struggle.

On the horizon are important decisions within several major economies about monetary and fiscal policy, the continuation of several geopolitical conflicts, and the emergence of new agendas within the US Congress. Continued performance will require navigating these challenges and surely several others not yet apparent. Accordingly, CFOs' streak of optimism seems likely to be tested over the next calendar year.

Spain

Global economic concerns threaten recovery

CFOs confirm recovery

Spain's CFOs share the positive views of the government and various analysts regarding their country. In this survey, 69% of respondents considered the economic situation as normal versus 49% in last survey, and only 31% believe that the situation is bad or very bad, the lowest percentage since the start of this survey in 2009.

Considering improvements in economic indicators, 47% of CFOs expect the growth of the Spanish economy to consolidate throughout 2015, while 44% forecast that consolidation will occur in 2016.

The variables that have the greatest impact on the Spanish economy, according to the CFOs, are economic developments in other European countries (86% believe it is high or very high) and government economic and fiscal measures (68%).

Concerning the Economic and Monetary Union (EMU), the outlook is less optimistic. Only 39% of CFOs predict that it will be in slow recovery or growing, and 62% expect EMU to be in stagnation or recession in the next 12 months. As for the global economy, 82% believe it will experience slow recovery or growth in the next 12 months.

Eyeing increased productivity

In the current economic climate, having left behind one of the worst crises in history, Spanish companies will focus on increasing levels of productivity and efficiency, reducing costs, and launching new products and services.

In general, CFOs do not expect any major changes in business indicators, with the exception of income, where more than half expected it to increase, and financial costs, where nearly half expected them to come down. Meanwhile, expectations for operating and financial results slightly vary compared to six months ago; 91% and 90% are optimistic, respectively.

Highlights from the H2 2014 Spain CFO Survey:

- While 89% of respondents are optimistic about the Spanish economy, 62% think the EU will experience stagnation or recession.
- Some 58% of CFOs see global economic uncertainty as the biggest risk to their companies.
- More than half of respondents expect an increase in revenues and cash flow over the next year.
- Low domestic demand and margin deterioration could negatively affect businesses in the next year.

Wary of global economic uncertainty

The percentage of CFOs who see this as a good time to take greater risk onto balance sheets has decreased slightly (38%).

Economic uncertainty/fragility of the global recovery is the main risk for Spanish companies, according to more than half of respondents. Weak domestic demand and margin deterioration are other risks that could have a negative impact on businesses over the next year.

M&A expectations remains high

The Spanish transactions market continues its hot streak, and 79% of CFOs think that the number of M&As in the next 12 months will increase (6% more than in the previous survey).

CFOs also maintain their positive view of the stock market in Spain, with 87% believing that the IBEX 35 will be higher in one year. In the case of listed companies, 22% of respondents consider them overvalued (compared to 14% last survey), and 39% believe they are at fair value (up from 35%).

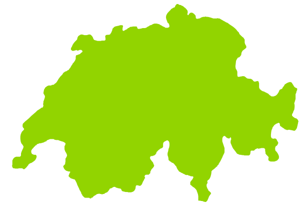
Bank debt the most attractive option

Access to new funding continues the positive trend seen in the previous edition, and CFOs are optimistic given the current outlook for financing.

Spanish CFOs consider, for the first time since November 2012, that bank debt is the most attractive source of funding. Last survey, it was considered least attractive (43%). In addition, 64% of respondents planned to contract bank debt over the next 12 months, while only 9% considered likely to issue debt.

Perception of financial costs has also improved. For the first time since May 2009, less than 50% of respondents felt that the cost of new financing for Spanish businesses is high or very high and more than 15% think that this cost is low or very low. Moreover, in the last year, the percentage of respondents who found it easy to get funding rose from 5% to 32% and the percentage of respondents who thought it was difficult reduced from 92% to 57%.

Switzerland
A chill wind blows



Mood swings

The mood among Switzerland's CFOs has become chillier, and trends noted in previous quarters are sustained in Q4.

Specifically, expectations for economic growth over the next 12 months have now fallen quarter-on-quarter for four successive quarters. The major factor underlying this deterioration is the percentage of CFOs rating Switzerland's economic prospects as positive, which has virtually halved since Q4 2013, falling from 80% to 41%. Over the same period, the number of CFOs rating the country's economic prospects as negative rose from 2% to 12%, while the number of those rating them as neither negative nor positive was 47%, up from 18% a year ago.

CFOs are therefore expecting a downturn rather than a slump. Their fears of a recession over the next two years have remained virtually unchanged: as a separate question shows, the percentage of CFOs who believe Switzerland will face a recession over the next two years has remained below 10% for the last six quarters.

Corporate short- and long-term outlooks

Perceptions of CFOs' business outlook compared to three months ago also deteriorated. For the first time in nine quarters, a small majority is now less optimistic than in the preceding quarter (net balance -2%).

In addition, this quarter, CFOs were asked about the 12-month prospects for their own companies. Despite the current slowdown, most CFOs are optimistic about prospects for 2015. A net balance of 37% expects their companies' financial prospects to improve over the next 12 months. CFOs are more optimistic about the prospects for their own companies than for the Swiss economy as a whole, with net balances of 37% and 29% respectively. Many

Highlights from the Q4 2014 Switzerland CFO Survey:

- Over the last 12 months, the proportion of CFOs who were optimistic about the outlook for the Swiss economy has virtually halved, from 80% to 41%.
- For the first time since the end of 2012, a majority of CFOs expect investment to decrease.
- Only 30% of CFOs now believe that this is a good time to take greater risk onto the balance sheet, 21 percentage points down from Q3.
- Some 34% of CFOs see deteriorating cash flow was a risk to their company (up 4 percentage points from the Q3 findings).

CFOs clearly have confidence in their own ability to manage successfully in a harsh economic environment.

Declining corporate expectations

The downturn in expectations for economic growth and the business outlook are also mirrored in CFOs' expectations for specific corporate indicators. Expectations for revenues are slightly lower, while those for operating margins are markedly lower.

There are also clear differences between CFOs of companies of differing sizes. While 71% of all companies with a turnover of more than Swiss Franc (CHF) 500 million expect revenues to improve, this figure is 47% among CFOs of companies with a turnover below CHF 500 million. CFOs of large companies are more likely to expect improvements in operating margins (27% as against 18% of CFOs of smaller companies), while the proportion of those expecting operating margins to deteriorate is markedly smaller among CFOs of larger companies (27% as against 51% net balance).

For the first time since the end of 2012, a majority expect lower capital expenditure over the next 12 months. Expectations for future hirings are also negative this quarter, while expectations for discretionary spending have continued the decline evident since Q2 2011.

Risk appetite drops

Over recent quarters, CFOs' appetite for risk has been largely unaffected by increasing threats and has reached record levels. In Q4, however, there is a 21 percentage point drop in the number of those who believe this is a good time to take greater risk onto their companies' balance sheets – the largest fall since the survey was first conducted in Q3 2009. The number of those planning to increase the level of risk on their balance sheets over the coming six months is also down, by 8 percentage points. Typical reasons for not taking greater risk onto a company's balance sheet include a generally risk-averse corporate culture, high levels of financial, economic and political uncertainty, or a shortage of attractive investment opportunities.

Despite increasing perceptions of risk and a shrinking appetite for risk among CFOs, there has been virtually no increase in the level of overall financial risk on balance sheets over recent quarters. Only a very small minority report an increase in the level of risk this quarter (a net balance of 1%).

Challenges and opportunities for 2015

The outlook for 2015 shows that external influences and problems are once again a cause for concern: CFOs are particularly worried about increasing regulation, fearing especially that tighter labor market regulation could exacerbate the ongoing acute shortage of skilled labor. CFOs appear to be more optimistic about the continuing crisis in the eurozone. It receives barely a mention among the challenges compared with the crisis between Russia and Ukraine.

As in 2013, CFOs perceive opportunities for growth abroad as a major opportunity but also as a challenge. They expect to see increasing pressure on costs and margins, a concern that translates into other findings this quarter.

Many CFOs see scope for growth abroad and want to take advantage of it to expand their markets. Innovation and technology are still the mainstays in this area, but companies are also planning to broaden their product ranges. Previous surveys have often identified process optimization as a challenge, but it is now increasingly seen as an opportunity.

United Kingdom
2015: Growth in an uncertain world

Multiple risks facing businesses

Policy uncertainty at home and economic and geopolitical risks overseas are the central challenges facing the UK's largest companies as they enter 2015. Concerns about policy change after May's general election have risen significantly, and this is seen as the biggest risk facing UK business in 2015. CFOs rate deflation and weakness in the euro area as an increasing concern and the second greatest business risk. A UK referendum on European Union membership and emerging market weakness rank as the third and fourth most prominent business risks, respectively. Again, CFOs believe that the level of threat posed by both has risen over the last three months.

This marks a big shift in thinking. Going into each year, from 2008 to 2013, CFOs' main concern was the state of the UK economy. Now the risks are seen as lying elsewhere, and CFOs are upbeat on the UK's economic fundamentals.

In fact, unlike policymakers, a majority of CFOs are not especially concerned by the UK's productivity record, and they overwhelmingly see the UK as a "good" or "excellent" place to do business. Moreover, corporations believe that the long consumer squeeze has ended. With inflation likely to run at the 1.3% mark, real earnings look set to register the first annual increase in eight years in 2015. In addition, CFOs expect wages in their businesses to rise by 2.9% on average in 2015.

Uncertainty on the rise

Nonetheless, rising levels of uncertainty have fed through to a weakening of risk appetite. Some 56% of CFOs say now is a good time to take risk onto their balance sheets, down from a peak of 71% in Q3 – though well above the long-term average.

Highlights from the Q4 2014 UK CFO Survey:

- CFO optimism about the financial prospects for their own companies has declined to its lowest level in two years. Still, the proportion of CFOs who are more optimistic continues to outnumber those who are less optimistic.
- Perceptions of economic and financial uncertainty rose in Q4, with 60% of CFOs now reporting levels as above normal, high, or very high.
- Some 56% of CFOs say now is a good time to take risk onto their balance sheet, down from a peak of 71% in the third quarter.
- On average, CFOs expect their investment in the UK to rise by 9% in 2015, following growth of about 8% in 2014.
- Cost control is CFOs' top balance sheet priority for 2015.

Moreover, CFO optimism has declined to its lowest level in two years. Nonetheless, the proportion of CFOs who are more optimistic continues to outnumber those who are less optimistic.

Investment seen as strong

Cost control is CFOs' top balance sheet priority for 2015, but CFOs also expect business investment to remain buoyant. On average, CFOs expect their investment in the UK to rise by 9% in 2015, following growth of about 8% in 2014. That would put the UK at the top of the league for investment growth in the major industrialized nations. If realized, it will take the share of UK GDP accounted for by business investment to the highest level in 15 years by the end of 2015.

Deloitte Member Firm CFO Surveys

About Deloitte Member Firms CFO Surveys

Twenty-three Deloitte Member Firm CFO Surveys, covering 58 countries, are conducted by Deloitte member firms on a quarterly, biannual, or annual basis. The objective of these surveys is to collect CFOs' opinions on a range of areas including economic outlook, financial markets, business trends, their organizations, and CFO careers. The focus and timing of each member firm's survey vary.

The following summarizes the survey scope and population of the participating member firms for this quarter. Member firms' CFO surveys can be accessed at www.deloitte.com/cfoconnect.

Member firm	Contacts	Frequency	Survey scope and population
Australia	**Stephen Gustafson** Partner +61 (0) 2 9322 7325 sgustafson@deloitte.com.au	Quarterly	Conducted between December 9, 2014 and January 12, 2015; 52 CFOs participated, representing businesses with a combined market value of approximately AUD $252 billion or 15% of the Australian-quoted equity market.
Austria	**Mag. Gerhard Marterbauer** Partner +43 1 537 00 4600 gmarterbauer@deloitte.at	Quarterly	Conducted in January 2015; 128 CFOs and financial executives participated, representing a broad range of industries. Of the participating companies, 29% have revenues in excess of €1 billion, and 71% have revenues greater than €100 million.
Belgium	**Thierry Van Schoubroeck** Partner + 32 2 749 56 04 tvanschoubroeck@deloitte.com	Quarterly	Conducted between December 8, 2014 and January 8, 2015; 70 CFOs completed the survey. The participating CFOs are active in variety of industries. Some 32% of the participating companies have a turnover of more than €1 billion, 39% between €100 million and €1 billion, and 29% less than €100 million.
Central Europe *(Albania, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Kosovo, Latvia, Lithuania, Poland, Romania, Serbia, Slovakia, Slovenia)*	**Gavin Flook** Partner, CFO Program Leader +420 234 078 930 gflook@deloitteCE.com	Annual	Conducted between October 2014 and November 2014; 560 CFOs from 14 countries (see list) and a broad range of industries participated.

Member firm	Contacts	Frequency	Survey scope and population
India	**Atul Dhawan** Partner Deloitte Haskins & Sells +91 124 679 2110 adhawan@deloitte.com	Annual	Conducted in January 2015, this survey included participation from approximately 102 respondents, 48% of whom represented Indian companies, 47% from companies headquartered outside India, and 5% headquartered in India. Annual turnover of the participating companies are as follows: < Rs 500 Cr (60%), Rs 500-1,000 Cr (13%), Rs 1,001-2,500 Cr (11%), > Rs 2,501 Cr (16%).
Ireland	**Shane Mohan** Partner +353 1 417 2543 smohan@deloitte.ie	Quarterly	Conducted between December 2014 and January 2015; CFOs of listed companies, large private companies, and Irish subsidiaries of overseas multinational companies participated.
Netherlands	**Jan de Rooij** Partner +31 (0) 6 5336 6208 JandeRooij@deloitte.nl	Quarterly	Conducted from November 27, 2014 to December 24, 2014; 29 CFOs representing a net turnover per company of approximately €1.5 billion completed the survey. The responding companies can be categorized as follows: less than €100 million (10%), €100 million–€499 million (31%), €500 million–€999 million (14%), €1 billion–€4.9 billion (38%), more than €5 billion (5%), and unknown (3%).
North America (United States, Canada, Mexico)	**Greg Dickinson** N.A. CFO Survey Director +1 213 553 1030 gdickinson@deloitte.com	Quarterly	Conducted between November 10, 2014 and November 21, 2014; 102 CFOs participated from across the United States, Canada, and Mexico. Seventy-two percent of respondents represent CFOs from public companies, and 82% are from companies with more than $1 billion in annual revenue.
Spain	**Jesús Navarro** Partner +34 91 514 50 00 jenavarro@deloitte.es **Nuria Fernández** Senior Manager +34 91 514 50 00 nufernandez@deloitte.es	Biannual	Conducted in September 2014; 152 CFOs participated from companies or groups listed in the Spanish market and/or companies or groups listed in international markets, and nonlisted companies. Of the participating companies, 45% have revenues in excess of €100 million and 40% have more than 500 employees.
Switzerland	**Dr. Michael Grampp** Chief Economist +41 44 421 68 17 mgrampp@deloitte.ch	Quarterly	Conducted between November 24, 2014 and December 15, 2014; 129 CFOs participated, representing listed companies and relevant private companies.

Member firm	Contacts	Frequency	Survey scope and population
United Kingdom	**Ian Stewart** Chief Economist +44 020 7007 9386 istewart@deloitte.co.uk	Quarterly	Conducted between November 27, 2014 and December 15, 2014; 119 CFOs participated, including CFOs of 32 FTSE 100 and 34 FTSE 250 companies. The rest were CFOs of other UK-listed companies, large private companies, and UK subsidiaries of companies listed overseas. The combined market value of the 77 UK-listed companies surveyed is £482 billion.