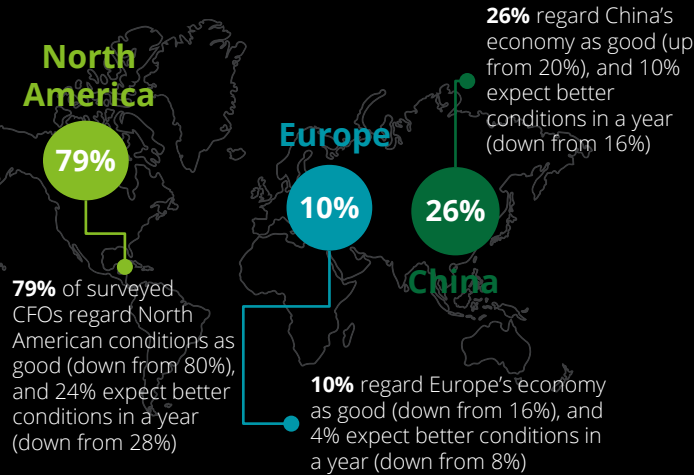




#### Investing through an expected (mild) downturn

After riding high through 2017, CFOs' sentiment and expectations began to decline in early 2018 as expectations of an economic downturn began to rise. The decline continued this quarter, but there was a silver lining: about 80% of CFOs said they expect any downturn to be mild, and about half of those said they expect a short duration (less than 5% expect a sharp, prolonged downturn). These expectations may help explain why, even as CFOs' expectations for revenue, earnings, and hiring growth continued to decline this quarter, expectations for capital spending continued to rise.

#### Expectations for the future of the North American, European, and Chinese economies remain among their lowest levels in the last several years.<sup>2</sup>



#### Own-company optimism continues to sit among its lowest levels in the last three years.<sup>4</sup>



#### Growth expectations for revenue, earnings, domestic hiring, and dividends declined; capital spending growth expectations rose<sup>3</sup>



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**Footnotes**  
 1 Visit <http://www.deloitte.com/us/cfosignals2019Q2> for the high-level CFO Signals report background and findings  
 2 Percent of CFOs saying economies are good (versus neutral or bad)  
 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