

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 improved²




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 up³



Revenue growth expectations rose from 4.3% last quarter  **5.6%**


Earnings growth expectations rose above last quarter's 7.3%  **8.7%**


Capital spending expectations slipped from 10.5% last quarter  **9.0%**


Domestic hiring growth expectations held steady with the last quarter  **2.1%**

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%**

Footnotes

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