

### All eyes on the next US administration

This quarter's developments did little to offer a reprieve from volatility or uncertainty. However, CFOs' sentiment shows considerable optimism despite growth expectations that remain relatively somber.

#### Better perceptions of North America's and China's economies<sup>2</sup>



**43%** of surveyed CFOs describe North American conditions as good, and 58% expect better conditions in a year

**8%** describe Europe as good, and only 13% see it improving in a year

**24%** regard China's economy as good, and 17% expect improvement

#### Growth expectations at/below two-year averages<sup>3</sup>



Revenue growth expectations down from 4.2% last quarter **↓ 3.7%**

Earnings growth expectations rose above last quarter's 6.1% **↑ 6.4%**

Capital spending expectations down from 5.6% last quarter **↓ 3.6%**

Domestic hiring growth expectations down from last quarter's 2.3% **↓ 1.3%**

#### Optimism slightly above the two-year average<sup>4</sup>



Net optimism of **+23.4%**, above last quarter's **+19.7%**



**43%** of surveyed CFOs express rising optimism, up from to 35% in 3Q16



**20%** now cite declining optimism, up from **16%**

#### Footnotes

- 1 Visit <http://www.deloitte.com/us/cfosignals2016Q4> for the full 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

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