

Global economic growth underpins optimism entering 2018

Turmoil continued on several fronts this quarter. But global economic growth remained on a positive trajectory and equity markets hit new highs, and CFOs' optimism about their own companies' prospects rebounded to the third-highest level in the survey's history.

Views of North American economy improved markedly; Europe improved; China rose sharply²



74% of surveyed CFOs regard North American conditions as good, and 56% expect better conditions in a year

35% regard Europe's economy as good, and 33% expect better conditions in a year

49% regard China's economy as good, and 41% expect better conditions in a year

Expectations for earnings growth rose; revenue, capital spending, domestic hiring fell but remain relatively high³



Revenue growth expectations slid from 5.7% last quarter **4.7%**

Earnings growth expectations rose from last quarter's 7.9% **8.4%**

Capital spending expectations slipped from 7.3% last quarter **6.5%**

Domestic hiring growth expectations slid from 2.6% last quarter **2.0%**

Own-company optimism surged, largely on optimism among US CFOs⁴



Net optimism index of **+47.0**, above last quarter's **+29.0**



52% of surveyed CFOs express rising optimism, up from **45%** last quarter



5% now cite declining optimism, down from last quarter's **16%**

Footnotes

- 1 Visit <http://www.deloitte.com/us/cfosignals2017Q4> 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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