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Expectations – Interest rates 21
CFOs continue to focus on responding to and recovering from COVID-19, ensuring their business is viable post crisis and adapting the company to maximize financial performance.

**COVID-19 – Respond:**
Revenue and receivable collection periods were the most adversely impacted, with over 70% of CFOs stating the impact of COVID-19 was either adverse or severely adverse for these metrics. 

Company wide cost cutting programs was the most implemented measure to mitigate against COVID-19. 

30% implemented company cost reduction initiatives.

**COVID-19 – Thrive:**
CFOs are prioritizing cash flow generation and cost management as they seek to thrive post-crisis: economic uncertainty and COVID-19 are key factors posing significant risk to businesses across the next twelve months.

**COVID-19 – Recover:**
Opinions are divided around the time frame for economic recovery, with CFO sentiment being split between a short-term and longer term recovery.

**48%**

of CFOs predict a return to pre-crisis levels in Q2’21 or later.

**45%** of CFOs expect more of their finance team to be working remotely, with **25%** neutral.

**77%** of CFOs expect their business to be more automated and digitalized in a year.

Headcount is likely to reduce, with **41%** expecting fewer finance staff next year.

In twelve months time...
remote working is expected to stay or increase, requiring investment in digitalization and resulting in a reduced real estate footprint.
Brief introduction to the survey and the CFO Program

The Deloitte Middle East CFO Survey is in its sixteenth year and provides CFOs with insights regarding their peers’ perspectives and sentiments across a variety of topics.

This year, the survey has a special focus on COVID-19 and documents how financial leaders across the region are responding and planning to thrive in a post COVID-19 world.

The CFO Survey is a single element in a range of insight gathering, collaborative learning, training and support services offered by the Deloitte Middle East CFO Program.

Participation

July 2020

Survey responses

Revenue <$US100m: 70%
Group CFOs: 65%
10+ years of CFO experience: 46%

Industry composition

Financial services: 16%
Consumer business, manufacturing & transport: 12%
Energy and resources: 10%
Manufacturing: 11%
Family offices/groups: 11%
Technology, media and telecom: 11%
Other: 29%

44% of respondents were UAE centric CFOs, with a further 41% located in KSA and Qatar
Overview

Since the last Deloitte Middle East CFO Program Survey in 2019, the world has been in the grasp of the COVID-19 pandemic, with the full humanitarian, economic and political costs yet to be truly realized.

In response, governments and banks have implemented wide-ranging measures, including local lock-downs, international travel restrictions and the enforced closure of schools, public transport and businesses, producing a sharp decline in economic activity.

As such, CFOs are navigating through an unexpected crisis. With 48% expecting a return to pre-crisis or near-normal levels of operations not to occur until Q2’21 or later, there remains pessimism and divergence around the recovery time horizon.

This year’s survey seeks to provide CFOs with an understanding of where their peers are concentrating efforts. 41% of CFOs remain focused on responding to the crisis and ensuring financial viability, whilst 36% are recovering via the adaptation of their business to maximize performance during this time. The remaining 23% of respondents are focusing their time on evolving business models and strategizing for the post-COVID era.

Moving forward, CFOs expect remote working in their organizations to remain at the current levels or increase, with 43% planning on investing and expanding remote working capabilities across the next twelve months.

CFOs are also expecting to accelerate digital adoption, with almost two-thirds planning on implementing more cloud-based information systems and three-quarters anticipating higher digitalization/automation in the coming year. The digital agenda was the third-highest priority item in 2020, up from sixth in 2019.

Unsurprisingly, economic uncertainty and COVID-19 were overwhelmingly identified as factors posing a significant risk to companies in the next twelve months.

The exceptional risks posed by COVID-19 continue to linger and with recovery uncertain and precarious, improving cash flow (first) and cost management (second) are the highest priority items for CFOs and will be at the forefront of finance leaders’ agendas for the next twelve months.

The appetite for taking balance sheet risks was subdued in 2020 compared to prior years.
CFO and management focus

CFOs remain focused on responding to the pandemic and ensuring the survival and viability of near-term performance, as opposed to repositioning their business model and adapting strategies to thrive post crisis.

The focus of CFOs continues to be firmly placed on ensuring the company survives and is viable post crisis, with 41% of respondents citing this as their number one priority. This was closely followed by those in the throes of recovery, adapting the company to maximize performance. Few are thriving as the pandemic continues to depress economic activity.

CFOs in the Travel, Hospitality and Leisure (THL) (100%) and Consumer business (62.5%) industries were most focused on responding to the crisis, with those operating in Construction, Manufacturing and Technology, Media and Telecommunications (TMT) concentrating efforts on recovery.

Unlike their US and Europe counterparts, Middle East CFOs continue to allocate a higher portion of their time to traditional roles of stewardship and operator, as opposed to evolved business partnering.

Based on our research with CFOs, Deloitte has developed a framework ‘The Four Faces of the CFO’ (presented on the left of this page) which examines key roles and responsibilities in four key areas which CFOs balance their time and energy.

Currently, CFOs are spending 53% of their time on stewardship (oversight of control, compliance, risk management and asset preservation) and operator (finance effectiveness and efficiency) roles, as opposed to driving strategy and acting as an agent for change.

The greatest divergence between current and preferred roles was as a strategist. On average, 24% of CFOs’ time is currently allocated to this role and there is a strong preference for this to be the primary function of the CFO, with a preferred time allocation of 35%. The additional time is to be allocated between stewarding and operating the finance function and assets of the company.

Regional CFOs allocated a higher portion of their time to being a steward and operator (53% compared to 48% based on the Q1 US CFO Signals Report) whilst the preference to allocate more than 60% of time to catalyst and strategist was consistent internationally.

Management team focus
How would you best describe your management team’s current focus?

<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
<th>Current</th>
<th>Preferred</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respond</td>
<td>Ensuring the company survives and is visible post-crisis</td>
<td>41%</td>
<td></td>
</tr>
<tr>
<td>Recover</td>
<td>Adapting the company to maximise performance during the crisis</td>
<td>36%</td>
<td></td>
</tr>
<tr>
<td>Thrive</td>
<td>Evolving business models for the post-crisis future</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planning/making fundamental business strategy shifts</td>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>

The Four Faces of the CFO

What is your division of time between CFO roles? Average percent of time CFOs report spending in each role (current and preferred)?

Catalyst
Time spent working as an agent for change: establishing a value mindset; aligning groups around strategies; aiding other decision makers; establishing accountability
Current: 23%
Preferred: 27%

Operator
Time spent focused on finance organization efficiency and services levels/effectiveness: balance costs and service levels in delivering services, defining and evolving finance’s operating model; managing issues of talent and resources, off-shoring, shared services
Current: 26%
Preferred: 19%

Strategist
Time spent working as a driver of strategy, defining the company’s future; providing a financial perspective on innovation and growth; improving risk-awareness, decision making and performance management; translating expectations into business imperatives
Current: 24%
Preferred: 35%

Steward
Time spent overseeing accounting, control, risk management and asset preservation: ensuring company’s compliance with financial reporting and control environments; ensuring information quality and control rationalization
Current: 27%
Preferred: 19%
“We went pretty hard at our suppliers for discounts and extended payment terms and we probably saved a couple of million dirhams in terms of our suppliers.”

Anonymous CFO, Business Support Services
Virtual interview

“My finance team was happier and reported higher levels of productivity whilst working remotely.“

Anonymous CFO, Manufacturing
Virtual interview

Respond
**Respond:** How were key financial metrics impacted by COVID-19?

All key financial metrics used by most companies were negatively impacted by COVID-19, with over 50% of CFOs stating that the impact was adverse or severely adverse for each metric.

Revenue and receivable collection periods were the most adversely impacted, with over 70% of CFOs stating the impact of COVID-19 was either adverse or severely adverse for these metrics. CFOs of Consumer businesses, THL companies, Logistics and Distribution businesses indicated severely adverse impacts.

This was followed by operating margins, discretionary spend and supply chain, with 64% of CFOs indicating an adverse or severely adverse impact.

The least impacted metric was employee numbers, with 45% of respondents confirming a neutral impact on headcount from COVID-19. This was most apparent with CFOs within the Financial Services and Energy & Resources industries, with the majority of respondents registering no impact on employee numbers. Financial Services also noted a reduction in discretionary spend and an improvement in operating margins, with this industry appearing to perform robustly during the pandemic.

Whilst an option was available for a strongly favourable impact, this was not selected by any survey respondents.

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**COVID-19 impact**

What was the impact of COVID-19 on key financial metrics?

<table>
<thead>
<tr>
<th>Metric</th>
<th>Severely adverse</th>
<th>Adverse</th>
<th>Neutral</th>
<th>Favourable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivable collection period</td>
<td>19%</td>
<td>56%</td>
<td>23%</td>
<td>2%</td>
</tr>
<tr>
<td>Supply chain</td>
<td>11%</td>
<td>54%</td>
<td>33%</td>
<td>2%</td>
</tr>
<tr>
<td>Investment</td>
<td>19%</td>
<td>38%</td>
<td>37%</td>
<td>6%</td>
</tr>
<tr>
<td>Number of employees</td>
<td>9%</td>
<td>42%</td>
<td>45%</td>
<td>4%</td>
</tr>
<tr>
<td>Discretionary spend</td>
<td>21%</td>
<td>44%</td>
<td>20%</td>
<td>15%</td>
</tr>
<tr>
<td>Operating margins</td>
<td>17%</td>
<td>47%</td>
<td>27%</td>
<td>9%</td>
</tr>
<tr>
<td>Revenue</td>
<td>17%</td>
<td>55%</td>
<td>25%</td>
<td>3%</td>
</tr>
</tbody>
</table>
Respond: What measures were taken to mitigate against the impact of COVID-19 and how effective were they in softening the effects?

Company-wide cost cutting programs were the most implemented measure taken to cushion the effects of COVID-19, with this also being ranked as the most effective. CFOs are planning to ensure that the effective measures implemented in response to COVID-19 are retained.

CFOs prioritized the implementation of company-wide cost cutting programs to mitigate against the impact of COVID-19, with 30% ranking this as the highest priority item. These are not considered to be temporary adjustments, with CFOs who were (virtually) interviewed as part of this survey indicating that changes to cost bases, operating models, and organization structures will be retained in the long-term, to the extent possible, to drive efficiency and margin improvement.

Other key actions taken included revenue growth initiatives and working capital optimization, both of which were ranked as being relatively effective.

On average, during the short-term initial ‘respond’ phase, digitalization and omni-channels were low on the list of priorities, with 37% ranking this the lowest priority item and a further 11% indicating this was not considered at all.

Results for staff salary reductions indicate a high degree of diversity, with this measure either ranked as a high priority or not performed at all. 39% of CFOs surveyed did not seek to make any salary reductions.

Mitigating measures
In order of priority, rank the measures your company took/continues to take to cushion the effects of COVID-19

<table>
<thead>
<tr>
<th>Rank (1 = highest, 8 = lowest priority)</th>
<th>Action not taken</th>
<th>Company-wide cost cutting program</th>
<th>Digitalisation and omni-channels</th>
<th>Indirect spend reduction</th>
<th>Extended/sought new financing</th>
<th>Revenue growth initiative</th>
<th>Turn-around of underperforming business units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>11%</td>
<td>30%</td>
<td>16%</td>
<td>13%</td>
<td>11%</td>
<td>13%</td>
<td>7%</td>
</tr>
<tr>
<td>2</td>
<td>15%</td>
<td>10%</td>
<td>14%</td>
<td>11%</td>
<td>7%</td>
<td>15%</td>
<td>13%</td>
</tr>
<tr>
<td>3</td>
<td>10%</td>
<td>18%</td>
<td>18%</td>
<td>8%</td>
<td>7%</td>
<td>23%</td>
<td>11%</td>
</tr>
<tr>
<td>4</td>
<td>9%</td>
<td>10%</td>
<td>16%</td>
<td>12%</td>
<td>14%</td>
<td>11%</td>
<td>18%</td>
</tr>
<tr>
<td>5</td>
<td>8%</td>
<td>18%</td>
<td>14%</td>
<td>16%</td>
<td>9%</td>
<td>14%</td>
<td>17%</td>
</tr>
<tr>
<td>6</td>
<td>7%</td>
<td>19%</td>
<td>16%</td>
<td>8%</td>
<td>11%</td>
<td>22%</td>
<td>12%</td>
</tr>
<tr>
<td>7</td>
<td>11%</td>
<td>7%</td>
<td>13%</td>
<td>14%</td>
<td>25%</td>
<td>7%</td>
<td>17%</td>
</tr>
<tr>
<td>8</td>
<td>9%</td>
<td>7%</td>
<td>37%</td>
<td>19%</td>
<td>7%</td>
<td>14%</td>
<td>6%</td>
</tr>
</tbody>
</table>

Note: The values in the table represent the percentage of CFOs who prioritized each measure, with 0% indicating no prioritization and 100% indicating the highest priority.
Recover

“After the initial slow down in Q2, there was some positive impact from an increase in domestic travel over the summer.”

Anonymous CFO, Real Estate
Virtual interview
Recover: When will businesses return to pre-crisis levels of operation and when they do, will this be with an agile and remote workforce?

Pessimism around recovery time horizons continues to exist, illustrated by CFO sentiment that pre-crisis operational levels are unlikely to be achieved before Q2’21.

CFOs remain uncertain around the recovery timeline, with 48% estimating their company will return to pre-crisis or near normal level of operations in Q2’21 or later.

Sentiment varied significantly across industries, with manufacturing and TMT relatively optimistic, whilst unsurprisingly, THL remained pessimistic.

CFOs mostly agree or are neutral in their assessment of the continuation of remote working, indicating that certain Business Units may return to the office, whilst others are likely to have more flexible arrangements.

This is supported by 43% of CFOs considering the expansion of, and investment in remote working capabilities across the next 12 months.

CFOs who envisage a more complete return to office-based working were concentrated in Construction and Consumer business Industries, with investment and expansion also not planned where remote working is to be discontinued.

<table>
<thead>
<tr>
<th>A timeline to recovery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Now</td>
</tr>
<tr>
<td>8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Remote working</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
</tr>
<tr>
<td>Agree</td>
</tr>
<tr>
<td>Neutral</td>
</tr>
<tr>
<td>Disagree</td>
</tr>
<tr>
<td>Strongly disagree</td>
</tr>
<tr>
<td>6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Remote working investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
</tr>
<tr>
<td>Agree</td>
</tr>
<tr>
<td>Neutral</td>
</tr>
<tr>
<td>Disagree</td>
</tr>
<tr>
<td>Strongly disagree</td>
</tr>
<tr>
<td>5%</td>
</tr>
</tbody>
</table>
Thrive

“We have taken the opportunity to become leaner and do things differently and our digital transformation, which we were already working on, will accelerate.”

Anonymous CFO, Business Support Services
Virtual interview
**Thrive:** What are CFOs prioritizing over the next twelve months and how does the execution of M&A strategy sit within their plans?

**Liquidity pressures resulted in a slight shift in CFO priorities with increased cash flows and cost management the key focus for the next twelve months.**

This is supplemented by an increased urgency to digitalize as a result of remote working arrangements, with digital finance/digitalization ranking third this year, compared to sixth in 2019.

Despite the growth in remote work and an increased need to access and utilize data securely from third party locations, cyber security remained the lowest ranking priority for CFOs in 2020.

**CFO priorities**

Rank the following in order of priority for your business over the next twelve months

- Increase cash flow (2019: 3rd)
- Cost management (2019: 1st)
- Digital finance/digitalization (2019: 6th)
- Organic growth (2019: 5th)
- Budgeting and planning (2019: 4th)
- Pricing (2019: 2nd)
- New products/markets (2019: 7th)
- Cyber security (2019: 8th)

**CFOs remain open to inorganic growth via M&A activity, with 34% actively seeking opportunities and an additional 42% willing to execute on M&A activity, should the right opportunity arise.**

Those not willing to engage in M&A were primarily smaller corporates (under US$50m of annual revenue) and larger consumer businesses, whose focus continues to be on short-term survival as opposed to opportunistic acquisitions.
Thrive: What are the significant risks your business will face across the next twelve months?

Unsurprisingly, CFOs identified economic uncertainty and COVID-19 as the most significant risk to businesses over the course of the next twelve months.

Whilst the threat of COVID-19 is intrinsically linked to economic uncertainty, we highlighted this as a separate option in the survey due to the pervasive nature of the global pandemic.

Economic uncertainty was the highest ranking risk factor, with 80% of CFOs identifying this as a significant risk over the course of the year. This was followed by COVID-19, which 70% of CFOs highlighted as continuing to be a critical risk over the next twelve months, aligning with sentiment around recovery timelines.

Oil prices remained a notable risk, given the extent of exposure to international demand. This risk has increased as a concern for 37% of CFOs in 2019 to 46% in 2020.

Geopolitical risk dropped substantially, with 38% of respondents considering this a significant risk in 2020, compared with 63% in 2019.
**Thrive:** How will your company’s finance operations look a year from now?

In contrast to areas of focus in the immediate short-term respond phase, during the longer term, CFOs expect a stark increase in automation and digitalization. In addition they predict higher work force mobility driving more remote working, lower real estate footprints and higher adoption of cloud-based systems. There is also an expectation of further diversification of supply chains.

Over one-third of respondents expect more of their workforce to work remotely, with 44% neutral. This is slightly higher for the finance workforce, with 45% expected to be remote.

There is also an anticipation that the finance functions will continue to be streamlined, with 41% (34% agree and 7% strongly agree) expecting to have fewer finance staff in a year’s time.

CFOs overwhelmingly expect more automation and digitalization, mirroring the CFO priorities which ranked digitalization as their third focus outside of cost management and cash flow.

Similarly, CFOs are looking to diversify their supply chain, with less cross-border sourcing expected post-crisis.

**Post crisis company and finance operations**

A year from now, how do you expect your company and finance operations to compare to pre-crisis?

<table>
<thead>
<tr>
<th>Company operations</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>More of our workforce will be working remotely</td>
<td>9%</td>
<td>12%</td>
<td>44%</td>
<td>29%</td>
<td>6%</td>
</tr>
<tr>
<td>Our real estate footprint will be smaller</td>
<td>5%</td>
<td>18%</td>
<td>37%</td>
<td>32%</td>
<td>8%</td>
</tr>
<tr>
<td>Our sourcing/supply chain will be more diversified</td>
<td>1%</td>
<td>29%</td>
<td>55%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Our core business will be more automated/digitalised</td>
<td>2%</td>
<td>3%</td>
<td>56%</td>
<td>21%</td>
<td></td>
</tr>
<tr>
<td>Our core information systems will be more cloud-based</td>
<td>1%</td>
<td>6%</td>
<td>30%</td>
<td>45%</td>
<td>18%</td>
</tr>
<tr>
<td>We will have acquired distressed assets/businesses</td>
<td>10%</td>
<td>19%</td>
<td>40%</td>
<td>26%</td>
<td></td>
</tr>
<tr>
<td>Most of our finance work will be completed remotely</td>
<td>3%</td>
<td>27%</td>
<td>25%</td>
<td>37%</td>
<td>8%</td>
</tr>
<tr>
<td>We will have fewer finance staff</td>
<td>6%</td>
<td>30%</td>
<td>23%</td>
<td>34%</td>
<td>7%</td>
</tr>
<tr>
<td>We will be using more outsourced finance services</td>
<td>12%</td>
<td>37%</td>
<td>36%</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Finance operations</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>20%</td>
<td>40%</td>
<td>60%</td>
<td>80%</td>
<td>100%</td>
</tr>
</tbody>
</table>
Confidence and expectations
Market confidence

The effects of the COVID-19 global pandemic have understandably tempered sentiment.

CFOs’ confidence in the financial prospects of their companies are the lowest across a five year period, with 45% being less optimistic than they were a year ago. This broadly mirrored sentiment around recovery, with those predicting an upturn in 2020 also demonstrating higher degrees of optimism around their company’s financial performance in a year’s time.

CFOs surveyed, in general, appear to have little appetite for further risk exposure on their balance sheets.

Participants’ assessment of overall economic and financial uncertainty has been relatively consistent since 2017.

Financial prospects
Compared to a year ago, how do you feel about the financial prospects of your company?

Risk appetite
Is this a good time to be taking greater risk onto your balance sheet?

Economic uncertainty
How would you rate the overall level of external financial and economic uncertainty facing your business?
Confidence by country and sector

The majority of CFOs (79%) rated the level of external economic and financial uncertainty as ‘average’ or ‘high’.

Consumer business (37%) and real estate (25%) had the highest proportion of responses rating uncertainty as ‘low’.

Conversely, THL CFOs perceived the greatest levels of uncertainty from those surveyed.

Financial Services CFOs appear to be least divided, with all respondents indicating a high level of economic and financial uncertainty.

Confidence
How would you rate the overall level of external financial and economic uncertainty facing your business?

Country analysis

By sector

The CFO Program | Middle East CFO Survey
Project finance expectations

Existing cash/operating cash flows continue to be the preferred source of finance for company projects.

We are seeing an increase in the proportion of companies relying on existing cash flow and debt facilities compared to those seeking new sources of debt (51% in 2019, vs. 60% in 2020 preferred to use existing sources of finance). This reticence towards new debt may be indicative of a more cautious approach to financing from Middle East businesses.

Sources of finance
For the projects that your company is planning on undertaking, what source of financing are you considering?

Sources of finance by country

<table>
<thead>
<tr>
<th>Country</th>
<th>UAE</th>
<th>KSA</th>
<th>Qatar</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>68%</td>
<td>55%</td>
<td>53%</td>
<td>53%</td>
</tr>
<tr>
<td>2019</td>
<td>32%</td>
<td>45%</td>
<td>47%</td>
<td>47%</td>
</tr>
<tr>
<td>2020</td>
<td>38%</td>
<td>48%</td>
<td>53%</td>
<td>53%</td>
</tr>
</tbody>
</table>
Oil price expectations

Following the oil price crash in early 2020, few are expecting a significant increase in the near-term; however, 33% of respondents predict oil prices to increase (up from 22% of respondents in 2019).

CFOs are placing greater weight on the impact of oil price movements on their businesses. Compared to 2019, there has been a shift in sentiment around the impact of oil prices, with less respondents indicating 'no' or 'marginal' impact and an increase to 67% of respondents indicating that oil price fluctuations will have a 'medium' or ‘significant’ impact on their business.

Oil price expectations
What do you believe the oil price is going to do in the next six months?

- Increase
- Broadly unchanged
- Decrease

Oil price impact
How will a change in the oil price (either positive or negative) impact your business?

- No impact
- Marginal impact
- Medium impact
- Significant impact
Interest rate expectations

Overall, sentiment around future interest rates has not changed drastically when compared to 2019. However, the general consensus (61%) from our survey respondents is that interest rates will remain unchanged during the next six months.

Estimates of exposure to fluctuations in interest rates has remained broadly consistent with 2019.

### Interest rates expectations

What do you believe the local interest rate is going to do in the next six months?

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease</td>
<td>2%</td>
<td>34%</td>
<td>21%</td>
</tr>
<tr>
<td>Stay unchanged</td>
<td>41%</td>
<td>50%</td>
<td>61%</td>
</tr>
<tr>
<td>Increase</td>
<td>57%</td>
<td>16%</td>
<td>18%</td>
</tr>
</tbody>
</table>

### Interest rates impact

How will a change in the interest rate (either positive or negative) impact your business?

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>No impact</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>Marginal impact</td>
<td>41%</td>
<td>43%</td>
</tr>
<tr>
<td>Medium impact</td>
<td>38%</td>
<td>36%</td>
</tr>
<tr>
<td>Significant impact</td>
<td>11%</td>
<td>9%</td>
</tr>
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CFO Program

Bold initiatives and insights for one of the toughest jobs in the world.

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For more information on our Middle East CFO Program, please visit our page here: https://www2.deloitte.com/xen/en/pages/finance/articles/CFO-program.html

Contacts

Declan Hayes
Middle East CFO Program Leader
dehayes@deloitte.com
+971 50 651 7902

Akbar Ahmad
Middle East Client & Industry Leader
akahmad@deloitte.com
+971 50 553 8379

Clea Evagorou
Cyprus CFO Program Leader
clevagorou@deloitte.com
+ 357 22 360 600

Alex Rankin
Middle East CFO Program Manager
arankin@deloitte.com
+971 52 873 4662

Duncan O’Sullivan
Middle East CFO Program team member
duosullivan@deloitte.com
+971 52 633 3871
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