

# CGMA global economic forecast

*-insights from management accountants*

**2Q, 2012**

**Detailed survey results with regional appendices**



# **Appendix - Regional breakdown**

**Rest of World Emerging**

# CGMA global economic forecast -2Q 2012

## RoWE region highlights

**Respondents** = 86 of 609 total

**CGMA Global Index** – RoWE continued to lead all regions with 69

- RoWE 2Q 2012 = 69
- RoWE 1Q 2012 = 71
- Combined regions 2Q 2012 = 58

### **Optimism**

- 17% of respondents optimistic about global economy
- Still, less than half (44%) currently optimistic about domestic economies, vs. 41% in 1Q 2012
- Nearly two-thirds (64%) continue to be optimistic about prospects for own company

### **KPIs**

- Revenue, profit and headcount expectations down slightly
- RoWE continues to lead all regions in expected spending increases for IT, other capital, and training

**Inflation** – RoWE slightly behind Asia in concern about inflation at 56%, interest rates concerns surpass energy concerns in 2Q

**Financing** – Those expecting financing to be more difficult increased from 21% to 28%

**Challenges** – Availability of skilled personnel tops list of challenges

- Top 3 Challenges = Availability of skilled personnel, global economic conditions, (tied) regulatory requirements/changes, domestic economic conditions, domestic competition

# CGMA optimism – RoWE

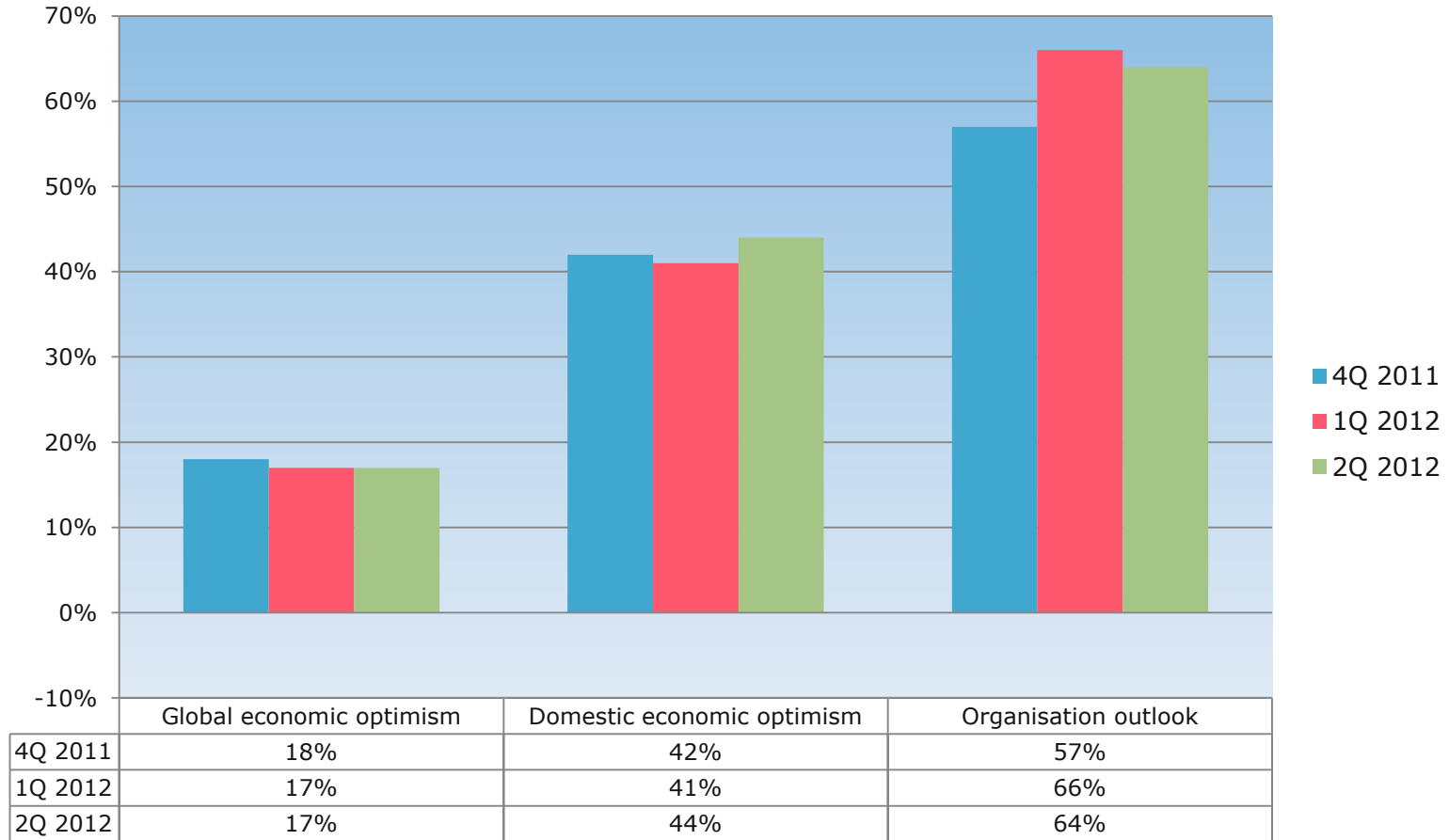
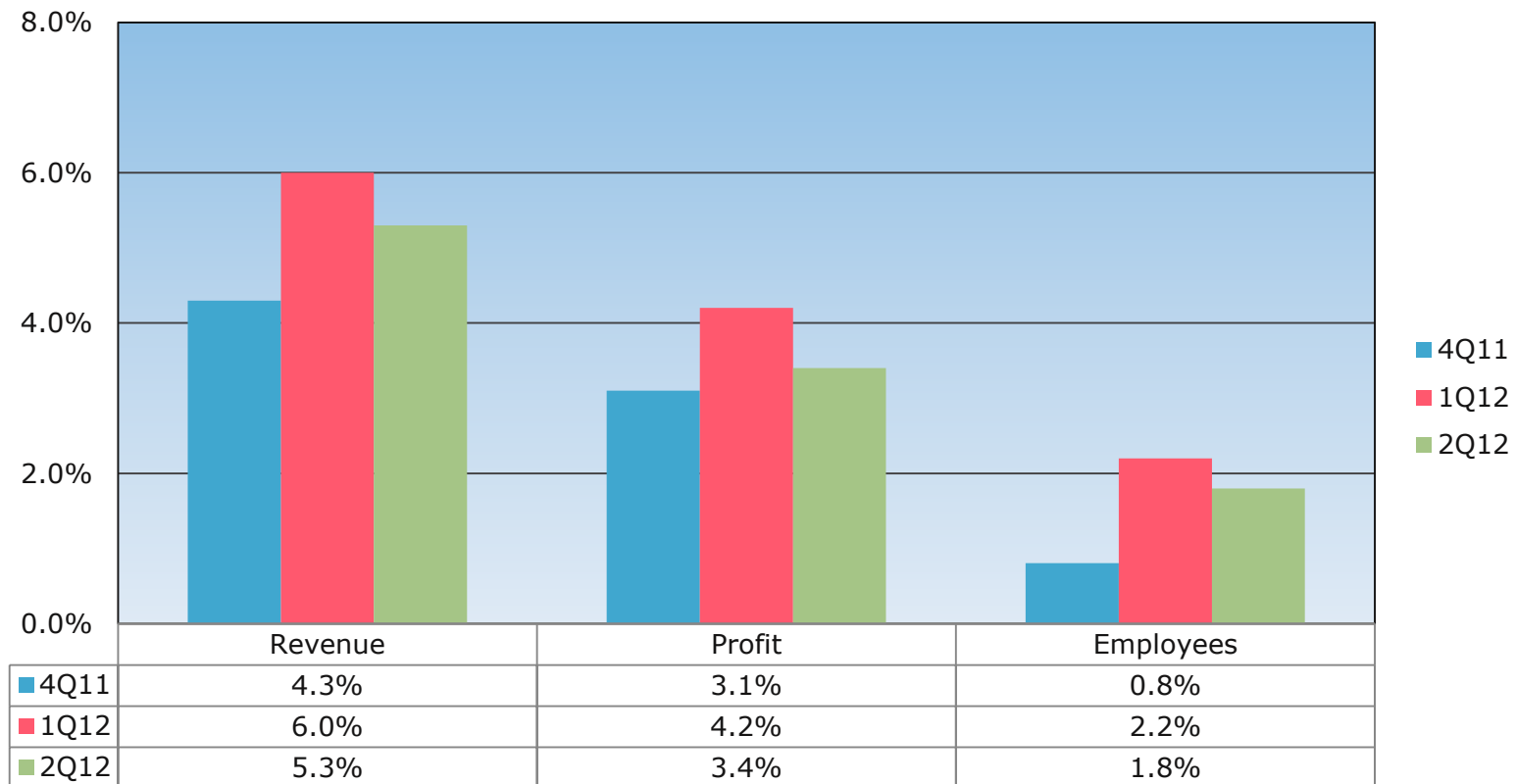


Chart displaying percentage of 'Very optimistic' and 'Optimistic' responses

# CGMA KPIs - revenue, profit and headcount

## RoWE



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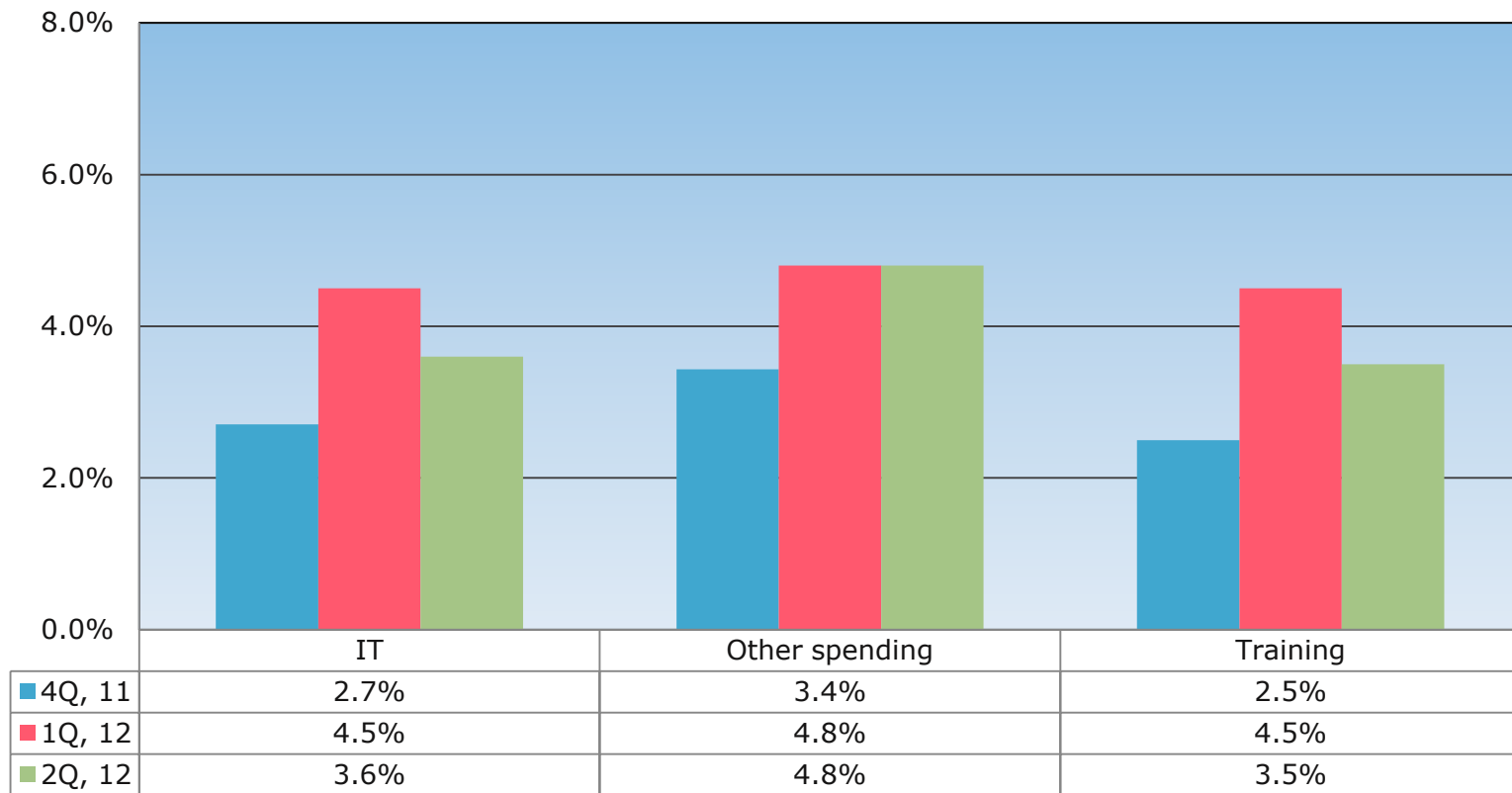


CIMA

Thinking about the coming 12 months, please comment on the probable change for your organisation of each of the following key performance indicators

Percentage displayed represents average expected change.

# CGMA spending - IT, other capital and training - RoWE



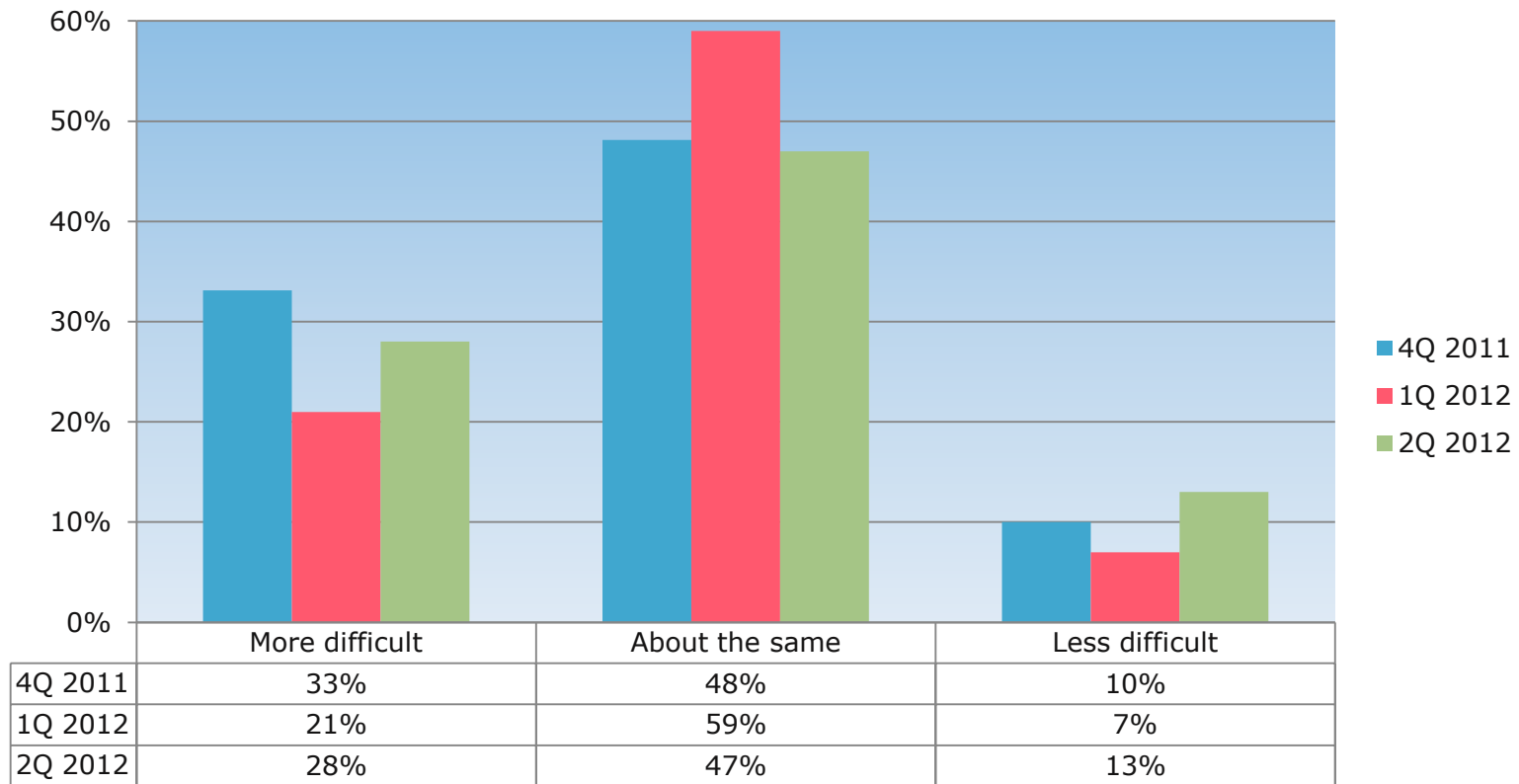
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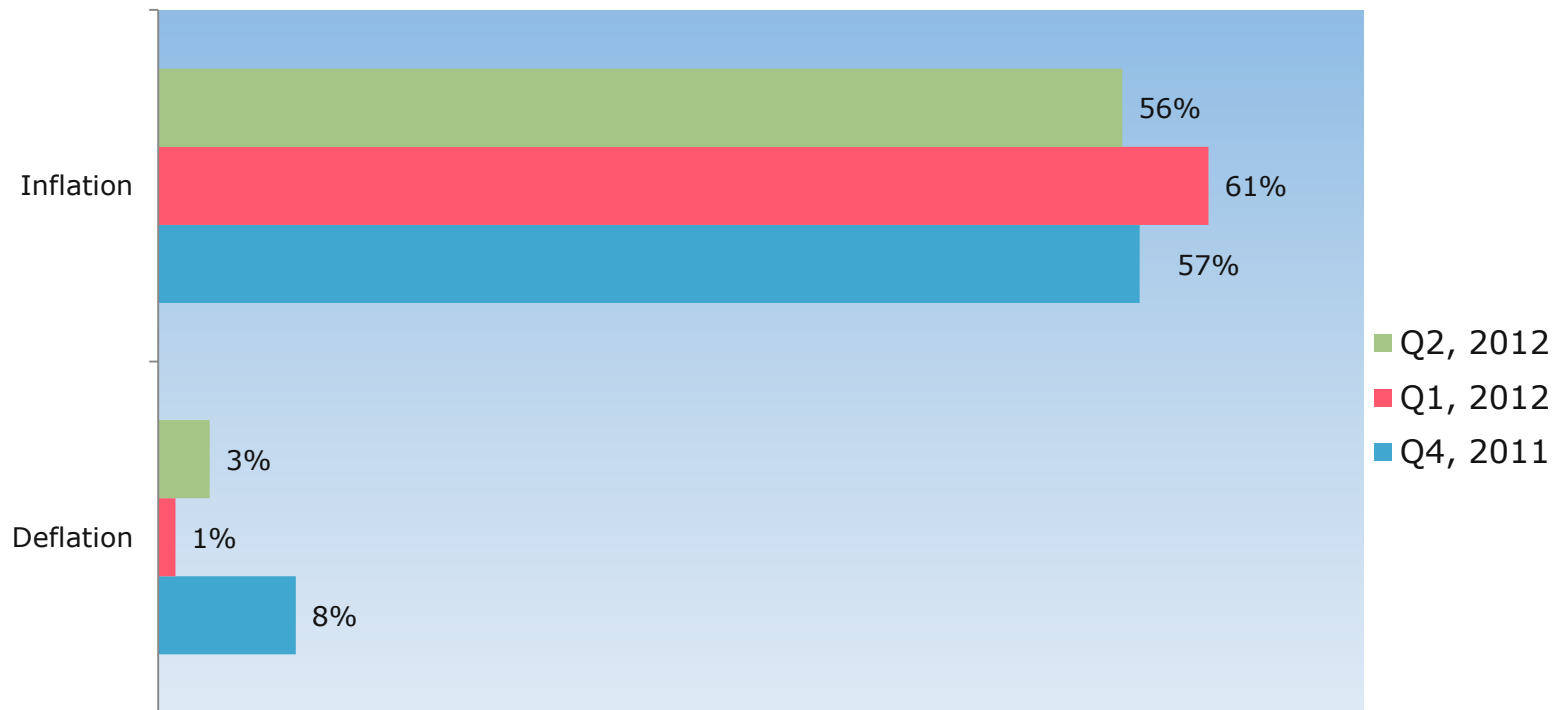
Thinking about the coming 12 months, please comment on the probable change for your organisation of each of the following key performance indicators

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# CGMA difficulty obtaining finance RoWE

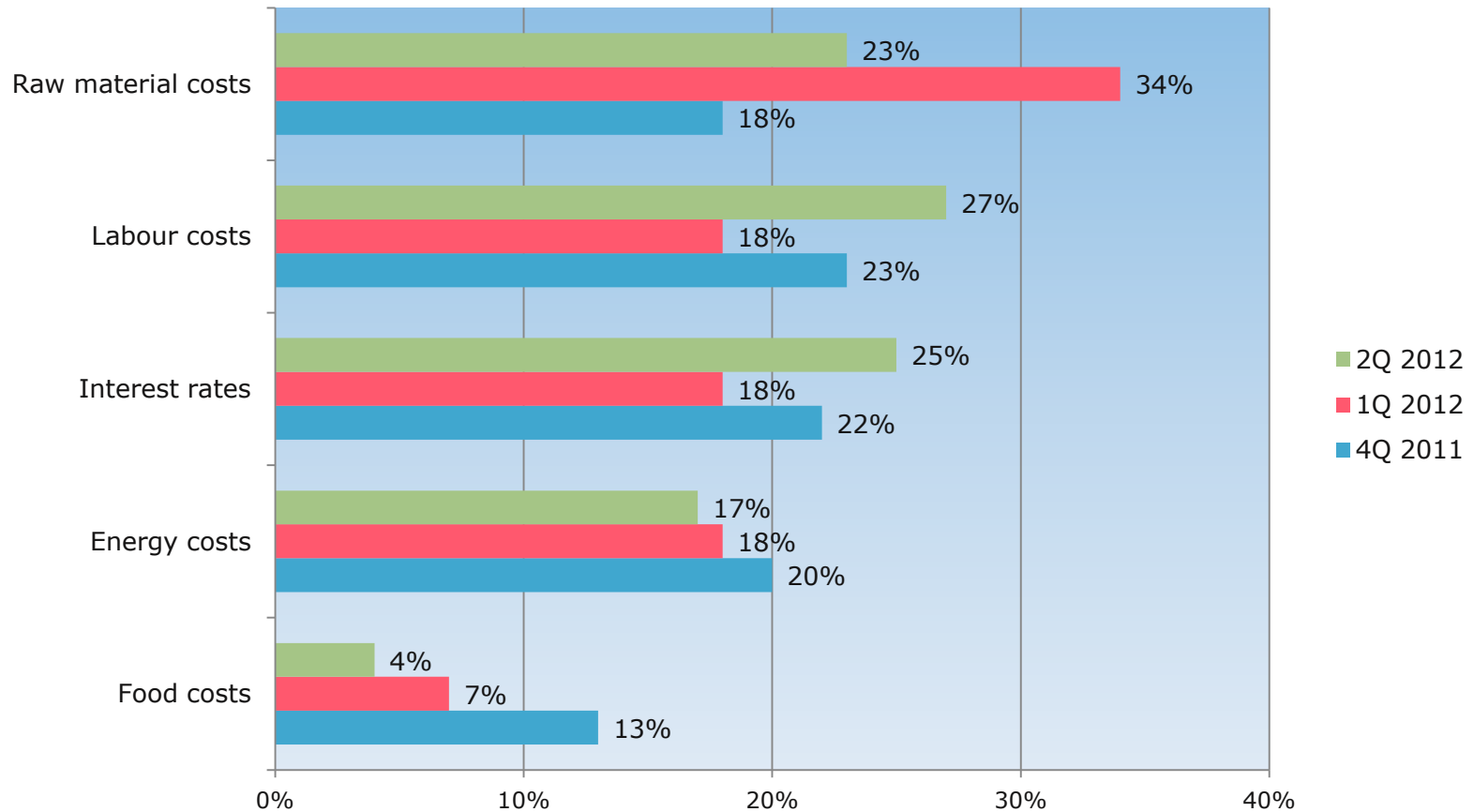


# CGMA risk of inflation vs. deflation in RoWE





# CGMA inflationary factors representing most risk – RoWE



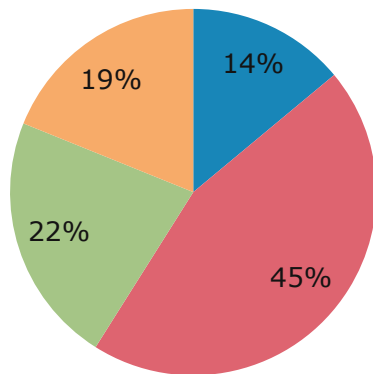
# CGMA top challenges for organisations in RoWE

	4Q11	1Q12	2Q12
<b>Challenge 1</b>	Global economic conditions	Availability of skilled personnel	Availability of skilled personnel
<b>Challenge 2</b>	Domestic economic conditions	Domestic political leadership	Global economic conditions
<b>Challenge 3</b>	Domestic political leadership	Global economic conditions	Regulatory requirements/changes <sup>(T3)</sup>
<b>Challenge 4</b>	Regulatory requirements/changes	Domestic economic conditions <sup>(T4)</sup>	Domestic economic conditions <sup>(T3)</sup>
<b>Challenge 5</b>	Domestic competition	Domestic competition <sup>(T4)</sup>	Domestic competition <sup>(T3)</sup>
<b>Challenge 6</b>	Availability of skilled personnel	Currency exchange rates	Domestic political leadership
<b>Challenge 7</b>	Developing new products/services/markets	Developing new products/services/markets	Currency exchange rates
<b>Challenge 8</b>	Currency exchange rates	Financing (access/cost of capital) <sup>(T8)</sup>	Liquidity
<b>Challenge 9</b>	Stagnant/declining markets	Materials/supplies/equipment costs <sup>(T8)</sup>	Employee and benefits costs <sup>(T9)</sup>
<b>Challenge 10</b>	Developing new products/services/markets	Stagnant/declining markets <sup>(T10)</sup>	Developing new products/services/markets <sup>(T9)</sup>
		Employee and benefits costs <sup>(T10)</sup>	

# Demographics

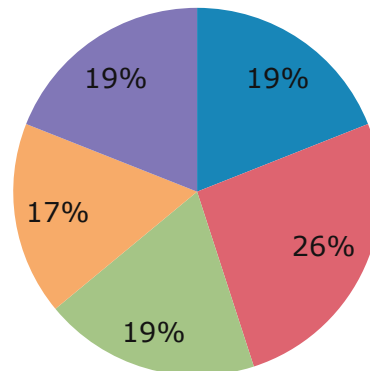
# Demographics

## Positions



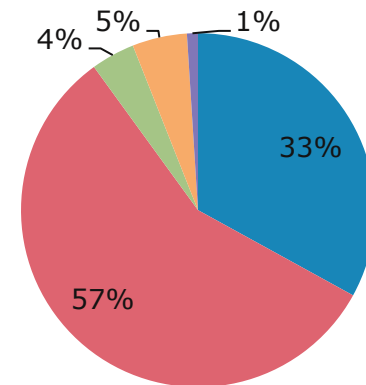
- Chair/MD/Pres/CEO/COO
- CFO/FD/VP
- Financial Controller
- Other

## Size of organisation (by number of employees)



- 1-50
- 51-250
- 251-1,000
- 1,001-10,000
- 10,000+

## Type of organisation



- Publicly listed company
- Privately owned company
- Government
- Not for Profit
- Other

# About this survey

In connection with the launch of the new CGMA credential by the AICPA and CIMA we have launched the CGMA Global Economic Survey designed to capture the views of CGMA Management Accounting professional decision makers from around the world on global economic conditions and current topical issues. The CGMA Global Economic Forecast is intended to highlight the broad business perspective of management accounting executives and the value that they bring to their organisations.

This quarterly survey was sent to a select panel of AICPA and CIMA executives (primarily CFOs, CEOs and Controllers) between 23 May and 18 June 2012. Panelists were identified and baseline data were collected during a pilot survey conducted in November 2011.

In total, the opinions of 609 CGMA Management Accounting Professional Decision makers from around the world were captured in 2Q 2012. The regional breakdown of panelists who participated in the 2Q 2012 survey is as follows:

- Asia: 107
- US: 132
- Europe (excl. UK): 120
- UK: 91
- Rest of World Developed (RoWD): 73
- Rest of World Emerging (RoWE): 86

# Regional definitions

**Asia** = Azerbaijan, Bangladesh, China, Hong Kong, India, Japan, Kazakhstan, Malaysia, Myanmar, Pakistan, Singapore, Sri Lanka, Taiwan, Thailand, Vietnam

**US** = United States

**Europe (excl. UK)** = Austria, Belgium, Bosnia & Herzegovina, Bulgaria, Cyprus, Czech republic, France, Germany, Gibraltar, Greece, Hungary, Ireland, Italy, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Russia, Spain, Switzerland, Turkey

**UK** = United Kingdom

**Rest of World Developed (RoWD)** = Australia, Canada, New Zealand

**Rest of World Emerging (RoWE)** = Angola, Bahamas, Barbados, Bermuda, Botswana, Brazil, Cayman Islands, Gambia, Ghana, Guam, Kenya, Kuwait, Liberia, Malawi, Mauritius, Nigeria, Paraguay, Peru, Puerto Rico, Qatar, Saudi Arabia, Senegal, Sierra Leone, South Africa, St. Helena, Tanzania, Trinidad and Tobago, UAE, Zambia, Zimbabwe

# Thank you

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