



# Project Eagle Preliminary Survey Results

16 March 2018



# Key findings

# Key Findings

## CFOs are confident about investing in the U.S.

- 61% of CFOs rated their overall confidence in investing in the US economy at 20+ on a scale of 1-25 with 25 = “extremely confident”.
- 71% of CFOs reported that they expect the overall business environment in the U.S. to either improve significantly or somewhat in the next 1-3 years.
- 56% describe today’s U.S. business climate as “getting better” for foreign-based companies today compared to 6 months ago.
- 32% of the companies headquartered in the U.S. thought the U.S. business environment would improve significantly compared to 16% of companies not headquartered in the U.S.
- Only 10% of CFOs expected declining levels of U.S. economic growth to become more prevalent in the next 1-3 years.

## A majority of respondents have employees in the United States and expect U.S. employment levels to increase

- 77% of all surveyed CFOs indicated that their company has employees in the U.S.
- 64% of companies with employees in the U.S. expect their company’s U.S. employment level to increase in the next 6 months.
- 66% of companies without employees in the U.S. expect their company’s U.S. employment level to increase in the next 6 months.

# Key Findings

## Economic threats were the most influential factors on potential U.S. investment

- 59% of respondents said that declining levels of U.S. economic growth would negatively influence their decision to invest in the United States – the most influential of the factors.
- Growth of U.S. protectionism (45% of respondents said would negatively influence investment), and increased economic threats to the United States posed by hostile entities (43%) were the next most influential factors.

## 68% of CFOs say U.S. tax reform will have a positive impact on their company's financial performance.

- 68% of CFOs say U.S. tax reform will have a positive impact on their company's financial performance.
- 34% of the companies headquartered in the United States said that the changes would have a "very positive impact" on their company's financial performance compared to 19% of companies not headquartered in the U.S. and 22% of companies overall.
- 75% of companies in the U.S. said they anticipated tax savings compared to 56% of non U.S. companies.
- Nearly half of the companies who were anticipating tax savings said that they would use them to invest in property plant and equipment.

# Key Findings

Of all of the geopolitical/scenario drivers, CFOs found the following factors to be most and least likely to happen in the near future:

## **Most likely**

- The growth of U.S. protectionism.
- More restrictive immigration policies in the U.S.
- Increased cyber threats to the U.S. posed by hostile entities.
- Loss in the U.S.' innovative edge.
- Increased U.S. scrutiny of cross-border mergers and acquisitions.

## **Least likely**

- Declining levels of U.S. economic growth.
- Decline in U.S. exports.
- Decline in global political influence of the U.S.
- Decline in overall number of democratic governments.

# Key Findings

Of all of the geopolitical/scenario drivers, CFOs found the following factors to have the most/least influence on their investment decisions.

## **Most influential**

- Declining levels of U.S. economic growth.
- The growth of U.S. protectionism.
- Increased economic threats to the U.S. posed by hostile entities.
- More restrictive immigration policies in the U.S.
- Increased cyber threats to the U.S. posed by hostile entities.

## **Least influential**

- Decline in overall number of democratic governments.
- Increased levels of overseas U.S. military engagement.
- Increase influence of the WTO appeal process.
- Decline in global political influence of the United States.
- Loss in the U.S.'s innovative edge.

# Risk factors

CFOs reported on the likelihood and influence of key risk factors that might impact U.S. investment. Four categories of risk factors emerged:

## Unlikely factors

- Declining levels of U.S. economic growth (unlikely but most influential).
- Decline in U.S. exports.
- Decline in global political influence of the United States.
- Decline in overall number of democratic governments.

## Moderately likely but not influential factors

- Increased influence of the WTO appeal process.
- Increased levels of overseas U.S. military engagement.

## Moderately likely and somewhat influential factors

- Increase in unfair trade and IP practices outside the United States.
- Increased levels of U.S. economic inequality.
- Increased economic threats to the United States posed by hostile entities.
- Increased reputational risk of using a foreign brand in a U.S. market.

## Most likely and more influential factors

- The growth of U.S. protectionism.
- More restrictive immigration policies in the United States.
- Increased cyber threats to the United States posed by hostile entities.
- Increased U.S. scrutiny of cross-border mergers and acquisitions.
- Increased levels of innovation in countries other than the United States.

# Segmentation definitions

Segment	Question used for definition	Breakdown	
		Category	Count
Company size	S3. What is your company's total annual revenue for your last fiscal year?	Less than \$500 million (Medium)	255
		\$500 million to \$3 billion (Large)	122
		More than \$3 billion (Very large)	120
Country of parent company headquarters	S1. In which country is your parent company headquartered?	United States	103
		Other	394
Region	S1. In which country is your parent company headquartered?	Asia/Pacific	134
		Europe	180
		North America	157
		South America	26
Investment status	S5. Is your company either currently investing in or considering investing in the U.S.?	Companies headquartered outside the U.S. currently investing in the U.S.:	245
		Not currently investing in the U.S.:	149



# Segmented difference

## Company size

- Companies with more than \$3B in revenue were less likely to think that the U.S. business environment was getting better.
- Companies with revenues greater than \$3B were less likely than expected to say that their U.S. employment levels would increase in the next 6 months.

## U.S. based vs. non-U.S. based companies

Companies with U.S. parent headquarters were more:

- Confident about investing in the U.S. economy.
- Likely to report benefitting from U.S. tax reform.
- Optimistic about U.S. economic growth.

## U.S. investors vs. non-investors

Companies investing in the U.S. were less likely to say that the U.S. business environment was getting better for foreign-based companies.

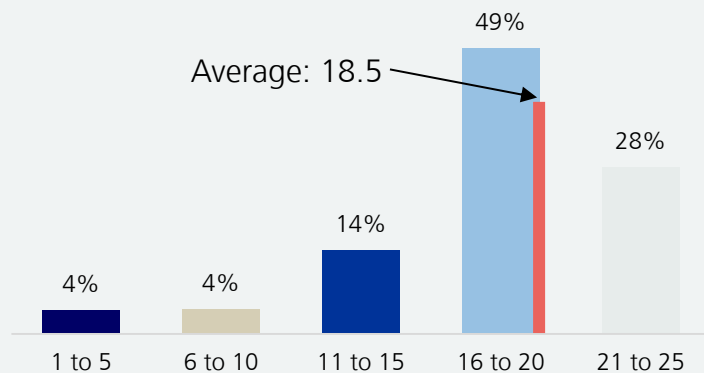
## Regional

- CFOs of European companies were less likely to say that the U.S. business environment was getting better.
- CFOs of companies headquartered in Asia were less likely to think that the U.S. business environment would improve significantly in the next 1-3 years.
- CFOs in South America were most confident about investing in the U.S. economy.

# Detailed results

# Overall confidence in investing in the U.S. economy is moderately high, and improving

Q1: How would you rate your overall confidence in investing in the U.S. economy? Please rate on a scale of 1-25 where 1 = "Not confident at all" and 25 = "Extremely confident".

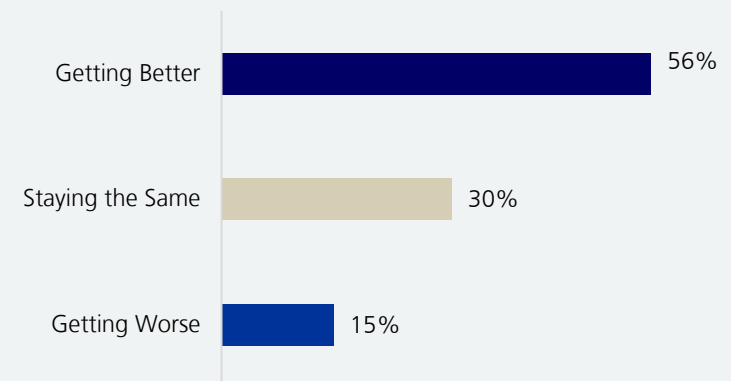


U.S. based companies gave the U.S. economy a confidence rating of 19.8.

Companies with headquarters in Asia gave the U.S. economy a confidence rating of 17.9 while those in South America gave it a confidence rating of 20.6.

n = 496

Q3: Compared to six months ago, how would you describe the U.S. business climate for foreign-based companies today?



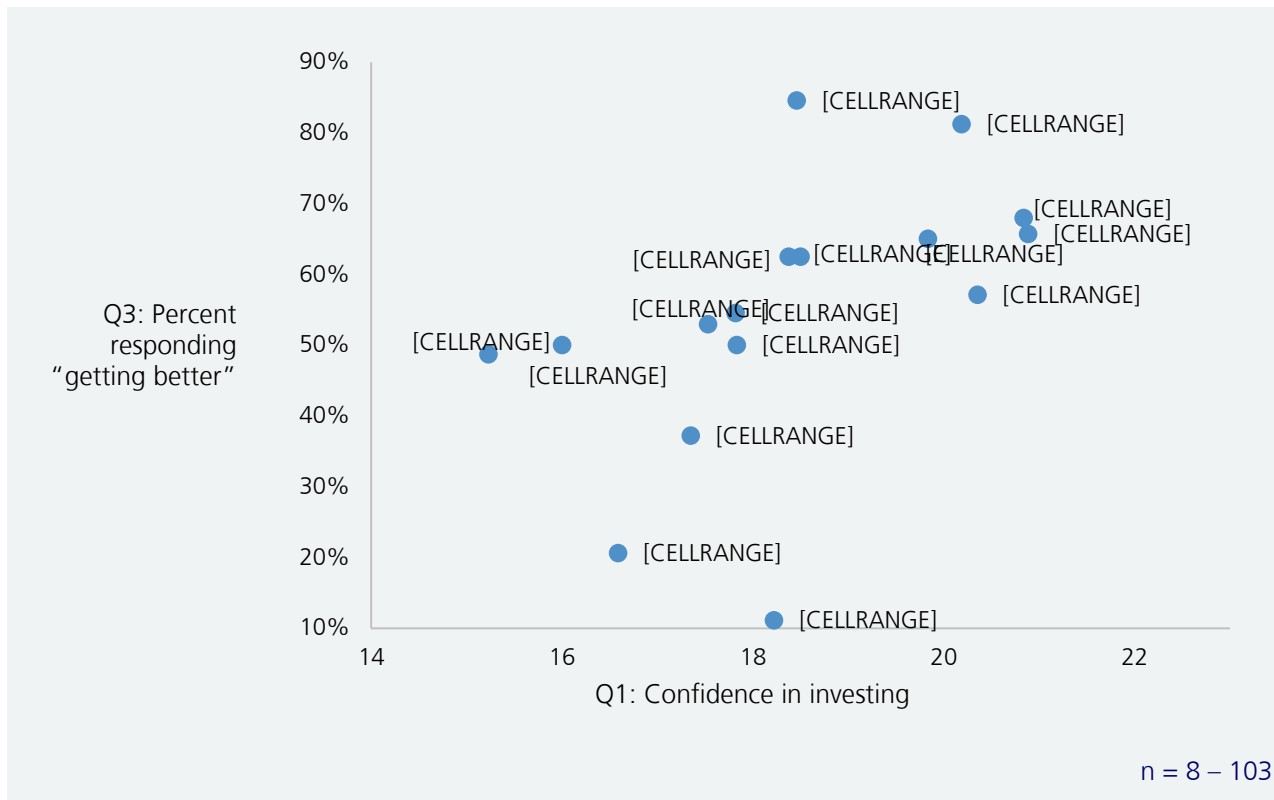
26% of companies with annual revenue greater than \$3B said that the business environment was getting worse compared to 15% overall.

n = 497

Numbers may not add due to rounding.

\*Difference in means or proportions was statistically significant at the 5% level.

# Confidence in the U.S. business climate by country



## Notes

Compared to foreign companies, U.S. companies felt more confident investing in the U.S. economy.\*

46% of CFOs with companies headquartered in Europe selected "getting better" compared to 56% overall.\*

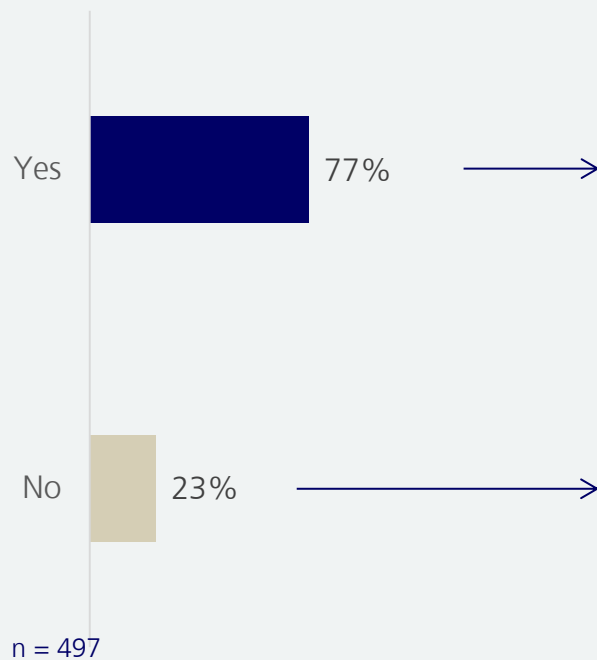
Q1: How would you rate your overall confidence in investing in the U.S. economy? Please rate on a scale of 1-25 where 1 = "Not confident at all" and 25 = "Extremely confident". Measure: Average rating.

Q3: Compared to six months ago, how would you describe the U.S. business climate for foreign-based companies today?

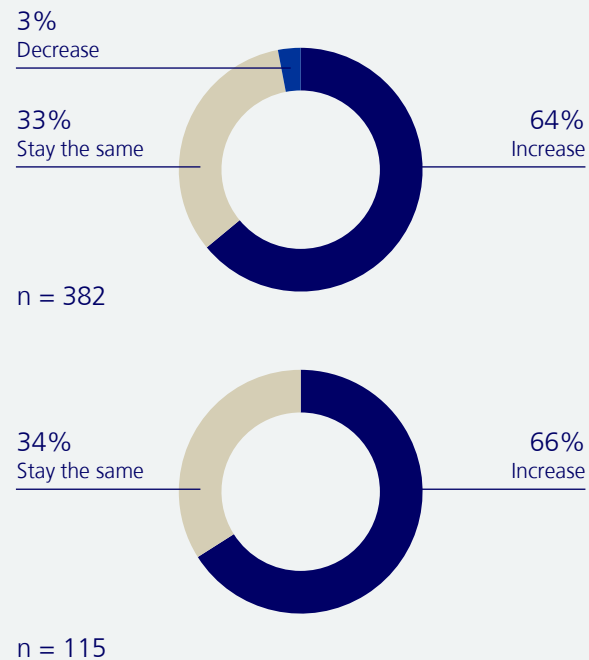
Measure: Percentage responding "Getting better". \*Difference in means or proportions was statistically significant at the 5% level.

# A majority of respondents have employees in the United States and expect U.S. employment levels to increase

Q2.A: Does your company have employees in the U.S.? (including U.S. companies who are all assumed to say yes).



Q2: How do you expect your company's U.S. employment level to change in the next 6 months?



## Notes

77% of all surveyed CFOs indicated that their company has employees in the U.S.

64% of companies with employees in the U.S. expect their company's U.S. employment level to increase in the next 6 months.

Numbers may not add due to rounding.

\*Difference in means or proportions was statistically significant at the 5% level.

# Likelihood and influence of factors affecting a company's decision to invest in the United States

Q4: Listed below are some factors that can influence a company's decision to invest in the United States – either positively or negatively. How would you expect each of these factors to evolve over the next 1-3 years?

Q5: Now, consider the factors below in terms of their influence on your company's decision to increase investment in the United States. Please rate each factor in terms of how it would change your company's decision to invest in the United States.

## Likelihood

## Negative influence

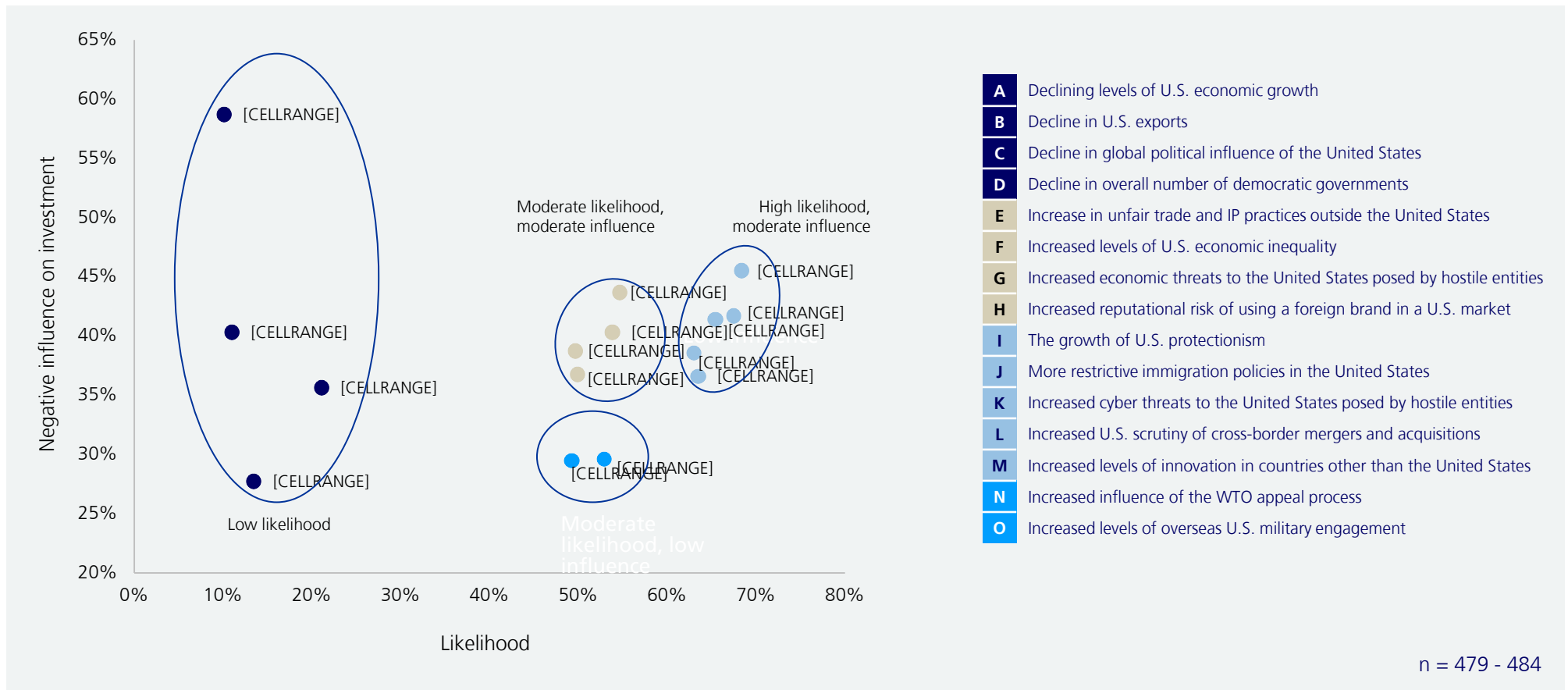


Will become more prevalent
  Will become significantly more prevalent
  Greatly reduce U.S. investments
  Moderately reduce U.S. investments

Numbers may not add due to rounding.

n = 479 - 484

# Likelihood and influence of factors affecting a company's decision to invest in the United States – all factors



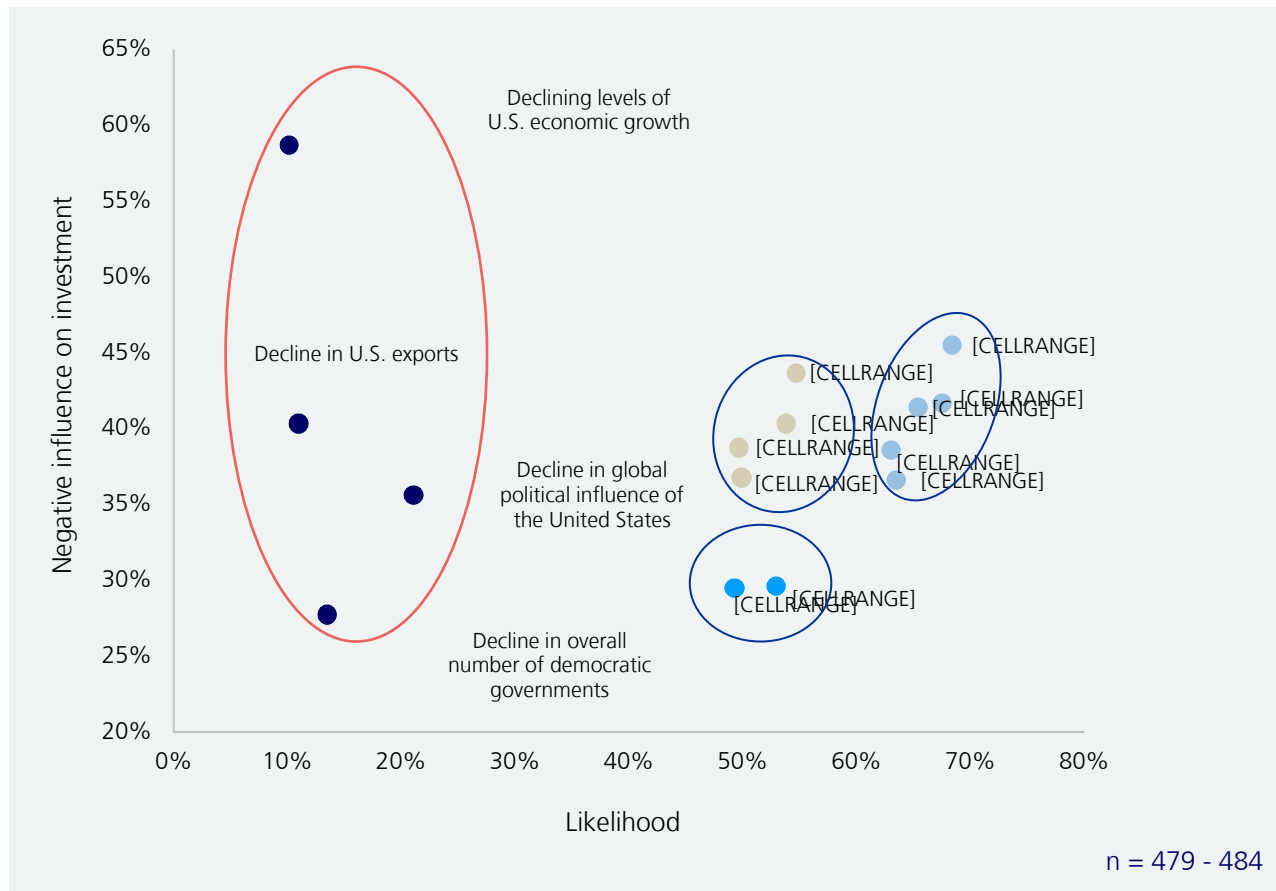
## Likelihood: How would you expect each of these factors to evolve over the next 1-3 years?

Note: Likelihood is generally measured as the percent of respondents answering “will become more prevalent” or “will become significantly more prevalent.” For a more detailed breakdown, see Appendix A1.

## Impact: Please rate each factor in terms of how it would change your company's decision to invest in the United States.

Note: Impact is measured as the percent of respondents answering “moderately reduce” or “greatly reduce” our investment.

# Factors with low likelihood



## Notes

All factors in this group had a low reported level of likelihood, ranging from 10% (declining levels of U.S. economic growth) to 21% (decline in global political influence of the United States).

Declining levels of U.S. economic growth was the top factor that would lead companies to reduce their investment in the U.S.

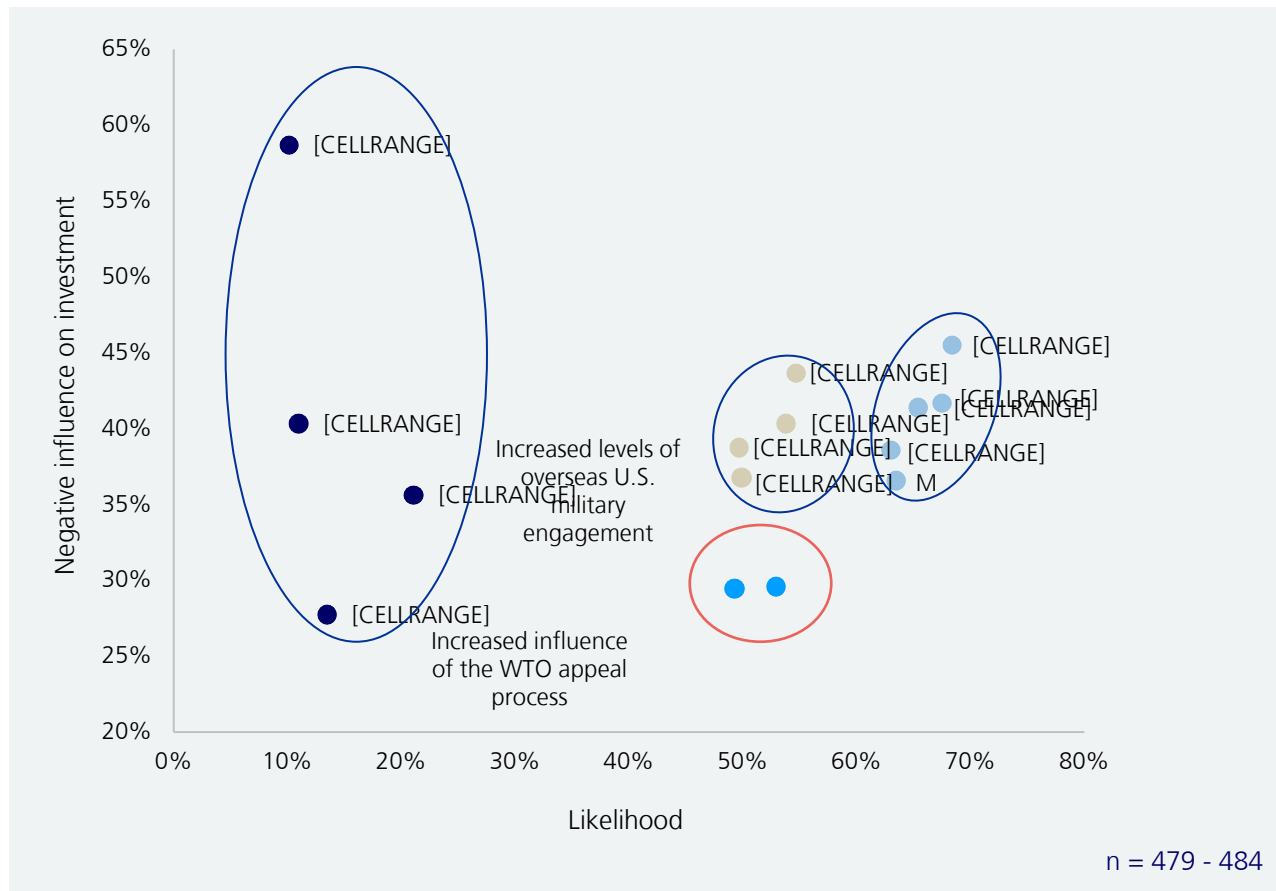
28% of the CFOs from North America were more likely to expect U.S. economic growth to be significantly more prevalent, compared to 16% overall.\*

17% of North American CFOs said they would greatly reduce their investment in the U.S. if the overall number of democratic governments worldwide decreased compared to 9% overall.\*

\*Difference in means or proportions was statistically significant at the 5% level.



# Factors with moderate likelihood and low influence



## Notes

These factors are relatively low in influence – approximately 29% of CFOs reported that these factors would either greatly or moderately reduce their investment in the U.S.

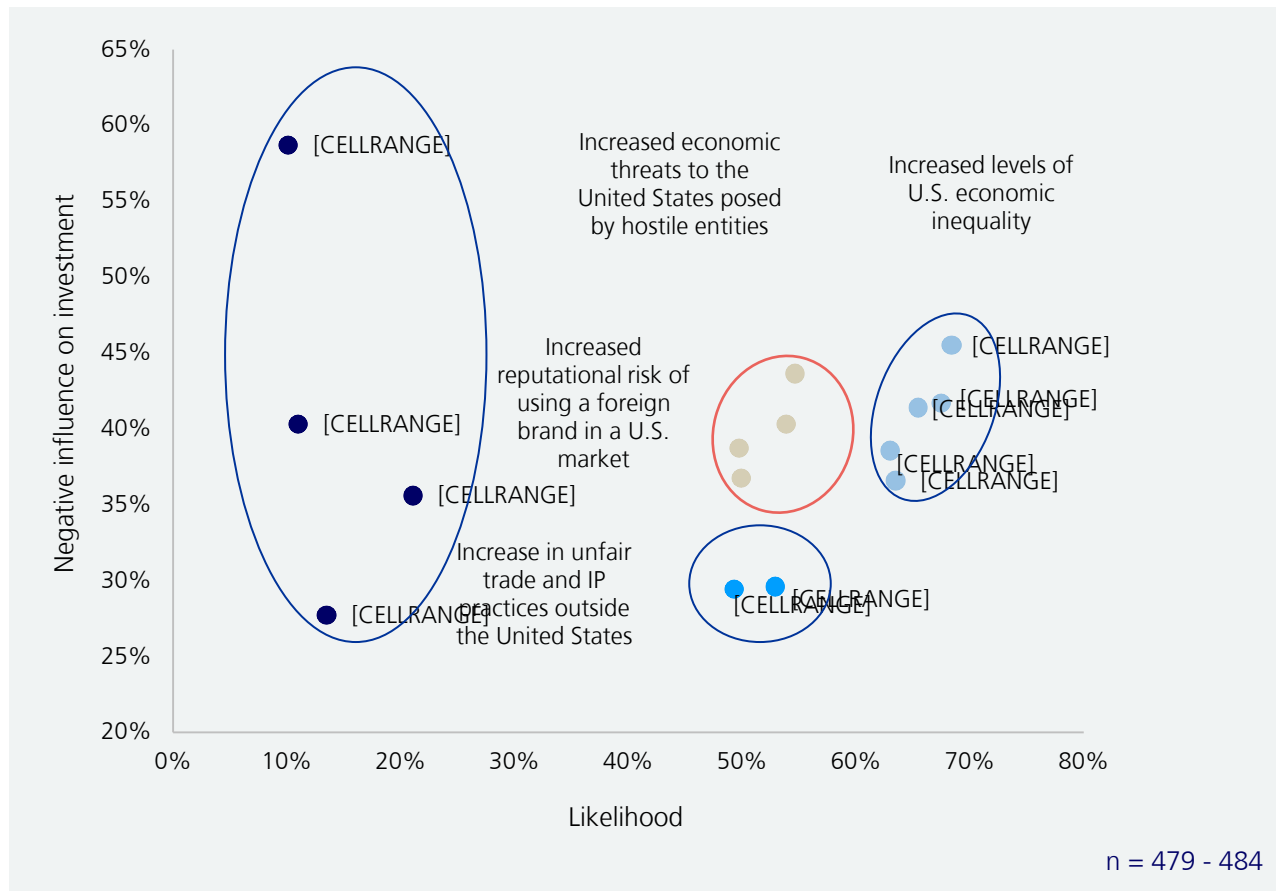
These factors are all also relatively low in likelihood: 49% for increased levels of overseas U.S. military engagement and 53% for increased influence of the WTO appeal process.

Only 6% of the CFOs of European headquartered companies said that increased levels of U.S. military engagement would become “significantly more prevalent” compared to 13% overall.\*

19% of North American CFOs were more likely to “greatly reduce their investment in the U.S.” if levels of U.S. overseas military engagement increased compared to 11% of all CFOs who said they would “greatly reduce” their investments.\*

\*Difference in means or proportions was statistically significant at the 5% level.

# Factors with moderate likelihood and moderate influence



## Notes

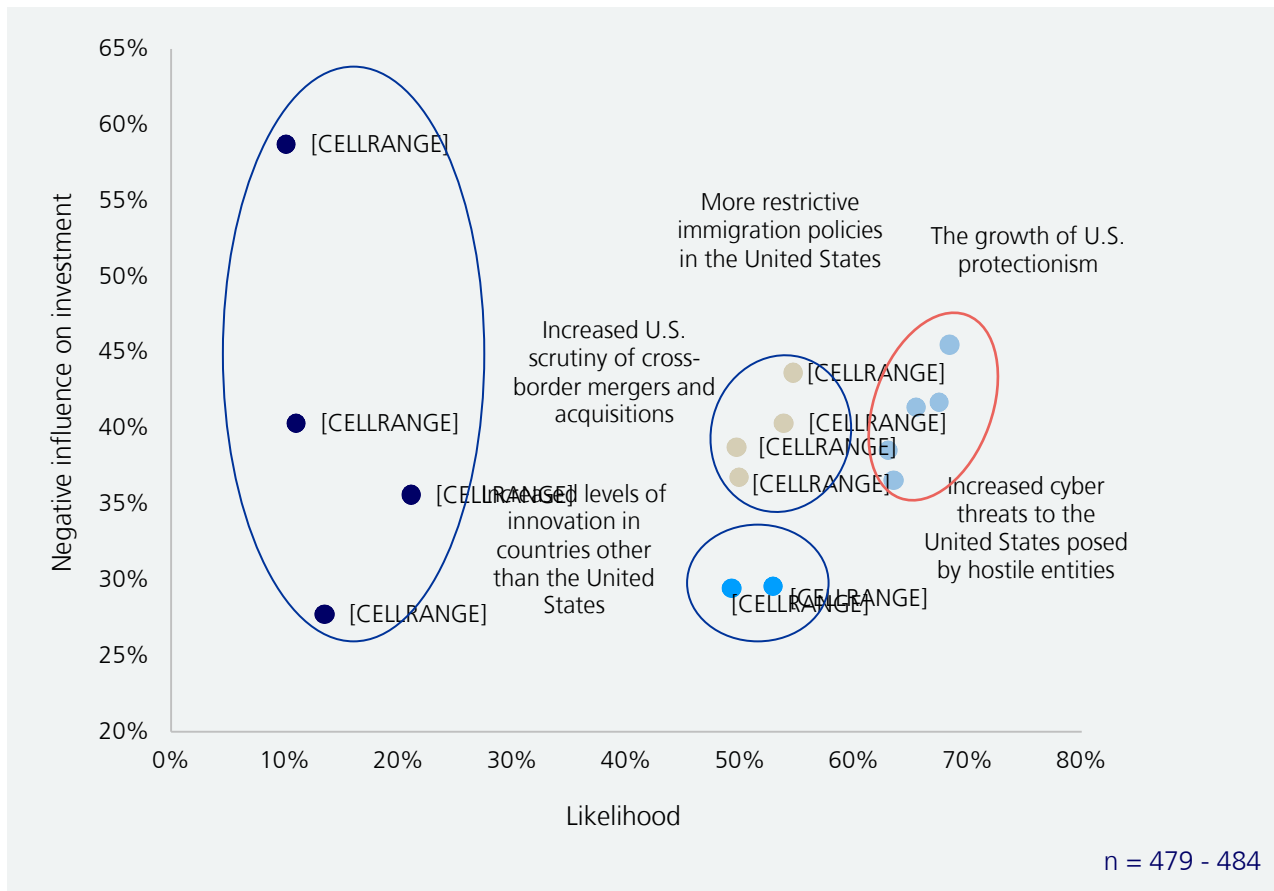
These factors ranged in likelihood from 50% (increase in unfair trade and IP practices outside the United States and increased reputational risk of using a foreign brand in a U.S. market) to 55% (increased economic threats to the United States posed by hostile entities).

54% of CFOs of companies headquartered in Europe were more likely to say that an increase in unfair trade and IP practices and economic inequality would not affect their investment decision compared to 42% overall.\*

20% of North American CFOs said they would "greatly reduce" their investments in the U.S. if economic threats to the U.S. increased compared to 11% overall.\*

\*Difference in means or proportions was statistically significant at the 5% level.

# Factors with relatively high likelihood and moderate influence



## Notes

This grouping contains the five most likely factors, each between 63% and 68%.

21% of North American CFOs said they would “greatly reduce” their investment in the U.S. if cyber threats to the U.S. posed by hostile entities increased compared to 14% overall.\*

14% of North American CFOs said they would “greatly reduce” their investment in the U.S. if there were increased levels of innovation in countries other than the United States compared to 8% of all CFOs.

\*Difference in means or proportions was statistically significant at the 5% level

# Impact of outlook

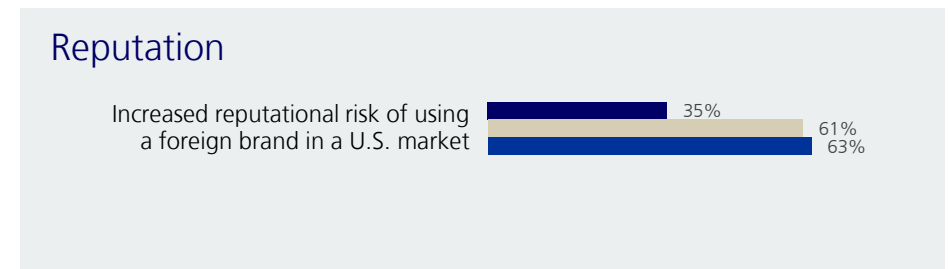
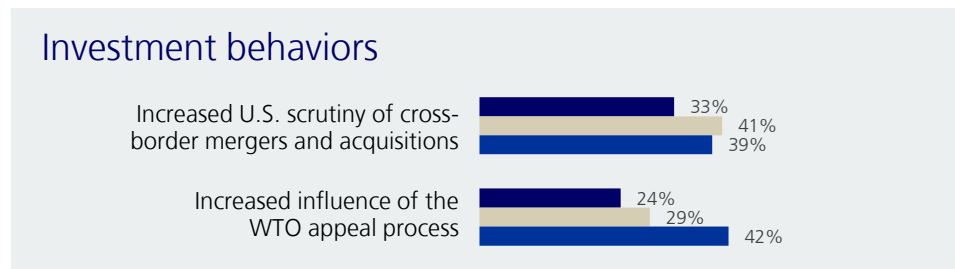
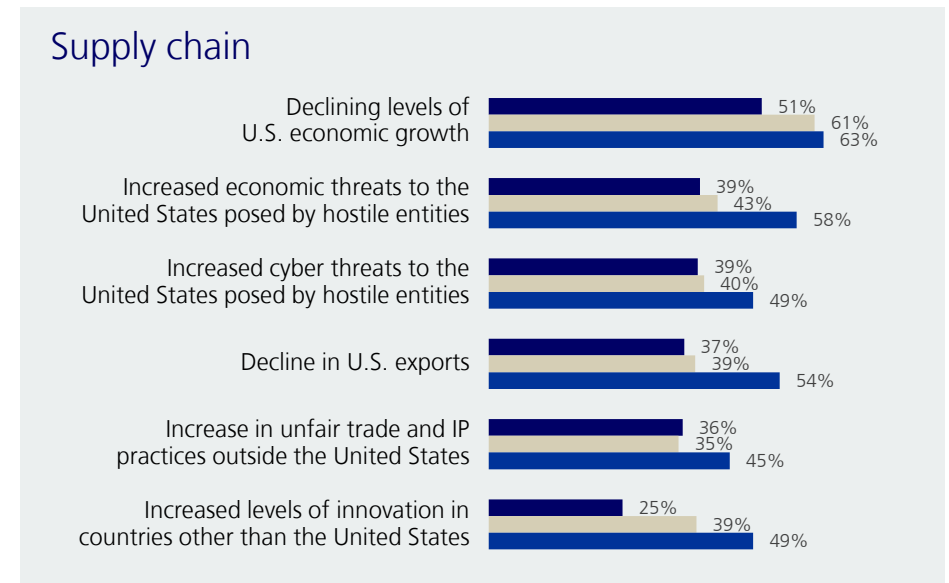
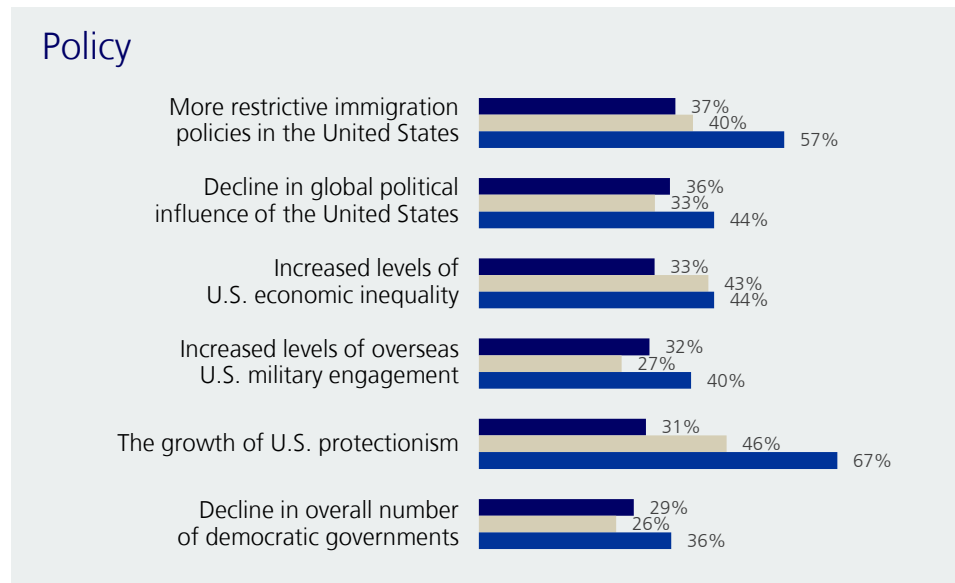
Respondents were divided into 3 groups based on their expected likelihood of the following trade and political stability factors:



\*Difference in means or proportions was statistically significant at the 5% level

# Variance across political groups in reducing investment in the United States

How often respondents answered they would “greatly reduce” or “moderately reduce” investment in the U.S. for each of the risk exposures was analyzed across the three groups defined in the previous slide.



# Frequency of likelihood

	U.S. Companies	Non U.S. Companies	Investing in the U.S.	Not investing In the U.S.	Medium-sized company	Large Company	Very Large Company
The growth of U.S. protectionism	74.5%	66.8%	69.0%	62.9%	60.3%	70.6%	83.1%
Increased influence of the WTO appeal process	59.8%	51.1%	50.4%	52.1%	49.6%	61.9%	50.8%
Increase in unfair trade and IP practices outside the United States	47.5%	50.5%	51.3%	49.3%	48.2%	50.0%	53.4%
Increased levels of U.S. economic inequality	50.5%	54.7%	54.2%	55.6%	55.5%	51.7%	52.5%
More restrictive immigration policies in the United States	74.3%	65.7%	68.6%	60.8%	61.8%	69.7%	77.1%
Increased levels of overseas U.S. military engagement	58.4%	46.8%	43.0%	53.1%	52.2%	51.7%	40.7%
Increased economic threats to the United States posed by hostile entities	52.5%	55.2%	58.2%	50.3%	50.8%	60.2%	57.1%
Increased cyber threats to the United States posed by hostile entities	65.3%	65.4%	66.4%	63.9%	57.3%	67.2%	80.5%
Declining levels of U.S. economic growth	8.9%	10.4%	8.4%	13.8%	12.1%	11%	5.1%
Decline in U.S. exports	13.9%	10.2%	8.8%	12.6%	14.7%	5.9%	8.5%
Increased levels of innovation in countries other than the United States	67.3%	62.5%	63.9%	60.1%	61.0%	63.6%	68.6%
Decline in global political influence of the United States	15.8%	22.5%	24.6%	19.0%	17.7%	15.3%	33.9%
Decline in overall number of democratic governments	13.7%	13.4%	14.3%	11.9%	13.8%	11.9%	14.4%
Increased reputational risk of using a foreign brand in a U.S. market	50.5%	49.5%	48.5%	51.0%	49.8%	55.1%	44.1%
U.S. scrutiny of cross-border mergers and acquisitions	59.4%	63.9%	66.2%	60.1%	57.6%	63.6%	73.7%

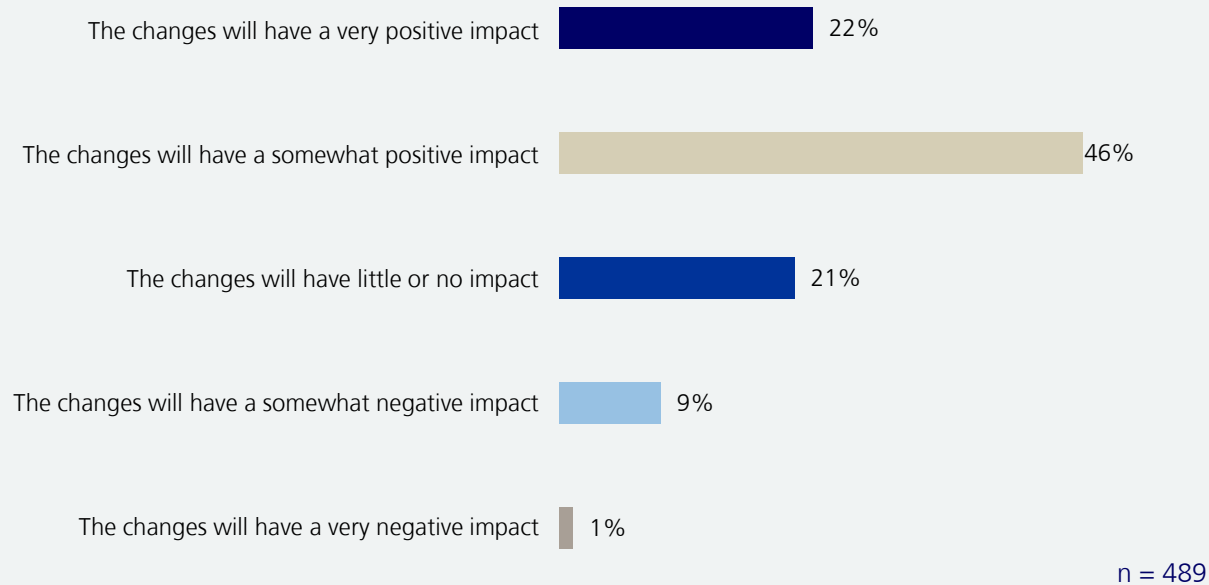
\*Two of the fifteen factors have been omitted because there weren't any statistically significant findings associated with them.

# Factors influencing investment decisions

	U.S. Companies	Non U.S. Companies	Investing in the U.S.	Not investing in the U.S.	Medium-sized company	Large Company	Very Large Company
The growth of U.S. protectionism	40.6%	46.8%	43.3%	52.8%	44.9%	35.6%	56.8%
Increased influence of the WTO appeal process	27.0%	30.3%	26.4%	36.8%	34.1%	27.1%	22.7%
Increase in unfair trade and IP practices outside the United States	40.6%	35.8%	30.1%	45.1%	39.9%	38.1%	28.8%
Increased levels of U.S. economic inequality	45.0%	39.1%	34.2%	47.2%	44.5%	37.3%	34.7%
More restrictive immigration policies in the United States	42.0%	41.6%	35.6%	51.7%	45.7%	34.5%	40.7%
Increased levels of overseas U.S. military engagement	43.0%	25.9%	21.3%	33.6%	32.2%	30.5%	22.7%
Increased economic threats to the United States posed by hostile entities	58.0%	39.9%	33.1%	51.4%	45.3%	51.3%	32.8%
Increased cyber threats to the United States posed by hostile entities	52.0%	38.6%	32.8%	48.3%	45.3%	41.5%	33.1%
Declining levels of U.S. economic growth (FLIP)	62.0%	57.9%	57.3%	58.7%	53.3%	61.0%	67.8%
Decline in U.S. exports	39.4%	40.6%	34.3%	51.0%	42.9%	39.5%	35.9%
Increased levels of innovation in countries other than the United States	35.0%	37.0%	37.4%	36.4%	33.5%	33.9%	45.8%
Decline in global political influence of the United States	44.0%	33.4%	27.8%	42.7%	35.8%	40.2%	30.8%
Decline in overall number of democratic governments	38.2%	24.9%	19.7%	33.6%	29.6%	30.5%	21.2%
Increased reputational risk of using a foreign brand in a U.S. market	29.6%	41.1%	34.9%	51.4%	41.7%	34.5%	36.8%
U.S. scrutiny of cross-border mergers and acquisitions	32.3%	40.2%	39.3%	41.7%	35.1%	36.4%	47.9%

# Most respondents anticipate that the recent tax code changes will positively impact their company's finances

Q6: Which one of the following statements best describes the impact that you anticipate the recent changes to the U.S. tax code will have on your company's financial performance in the next 1-3 years?



## Notes

34% of the companies headquartered in the United States said that the changes would have a "very positive impact" on their company's financial performance compared to 19% of companies not headquartered in the U.S. and 22% of companies overall.\*

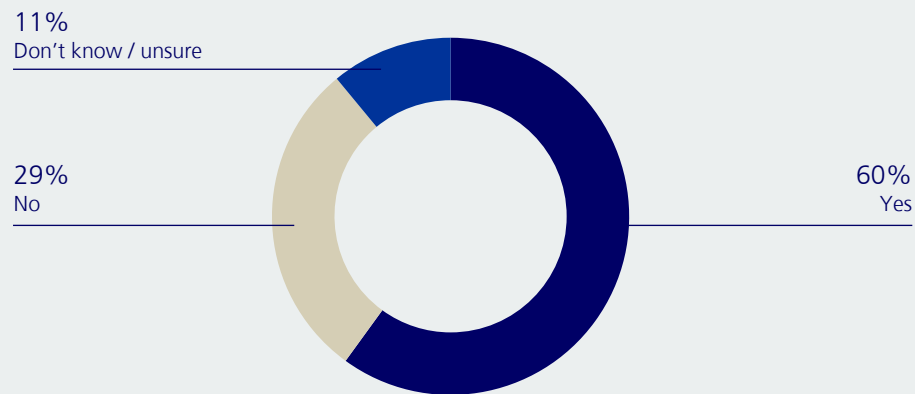
Numbers may not add due to rounding.

\*Difference in means or proportions was statistically significant at the 5% level.



# Impact of recent changes to the U.S. tax code

Q7: Does your company anticipate tax savings as a result of recent changes to the U.S. tax code?

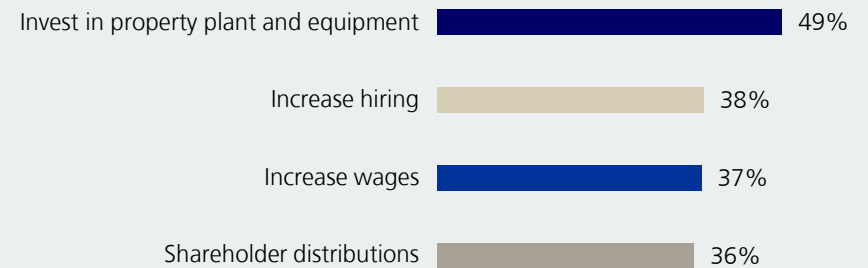


75% of companies in the U.S. said they anticipated tax savings compared to 56% of non U.S. companies

Numbers may not add due to rounding.

n = 491

[If Q7 = Yes] Q8: How will your company utilize tax savings as a result of changes to the U.S. tax code? Please select all that apply.



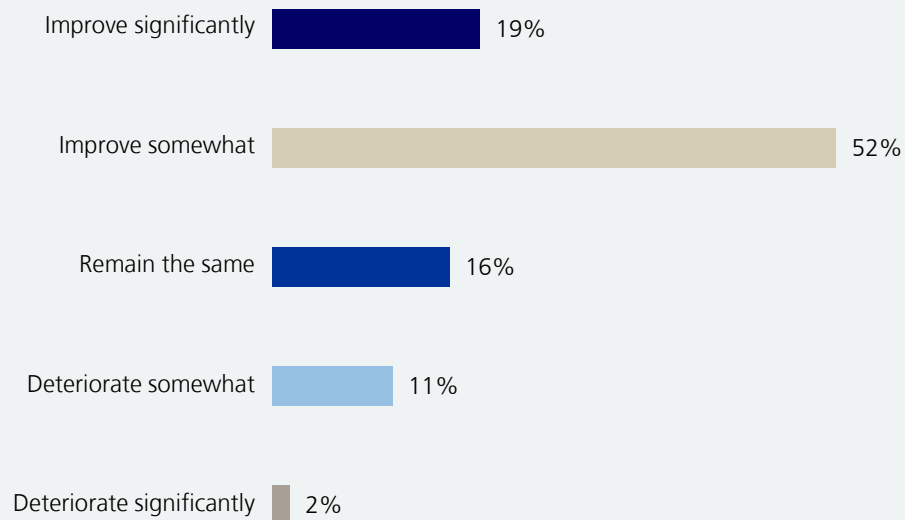
Nearly half of the companies who were anticipating tax savings said that they would use them to invest in property plant and equipment

Multiple Responses Allowed.

n = 289

# Most respondents expect the overall business environment in the United States to improve in the next 1-3 years

Q9: How do you expect the overall business environment in the United States will change in the next 1-3 years? Do you expect it to...?



n = 489

## Notes

71% of CFOs reported that the overall business environment in the United States would either “improve somewhat” or “improve significantly” in the next 1-3 years.\*

32% of the companies headquartered in the U.S. thought the U.S. business environment would improve significantly compared to 16% of companies not headquartered in the U.S.

9% of CFOs of companies headquartered in Asia chose “improve significantly” while 29% of North American CFOs chose “improve significantly”.\*

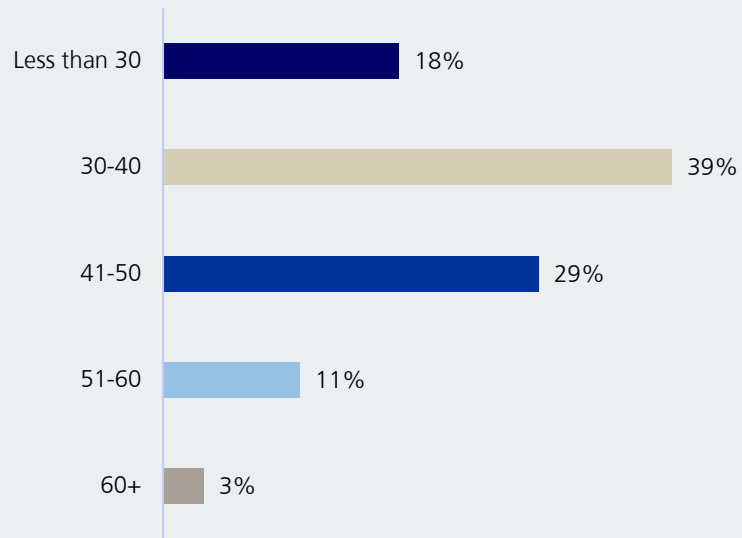
Numbers may not add due to rounding.

\*Difference in means or proportions was statistically significant at the 5% level.

# Demographics

# Age and company size

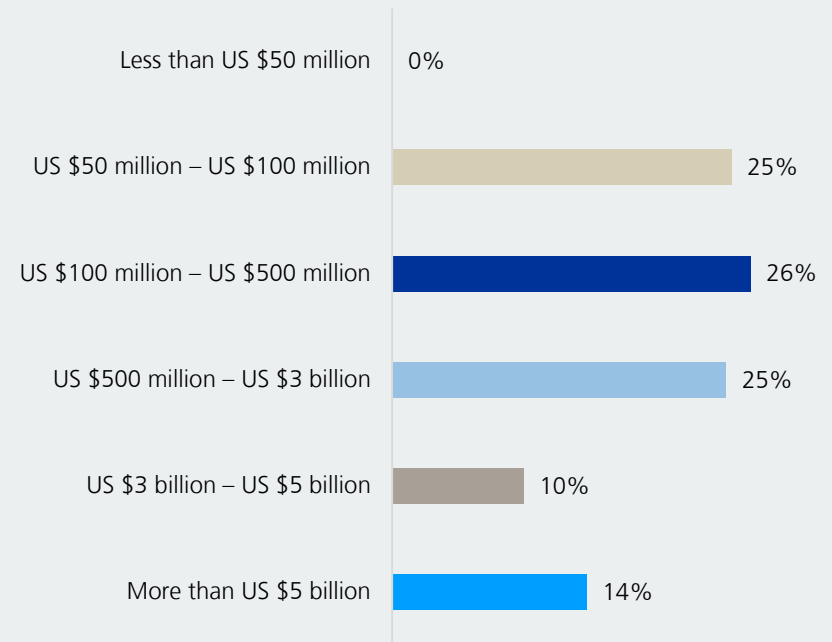
## S0A: What is your age?



All respondents in the survey were full-time employees in CFO positions.

n = 418

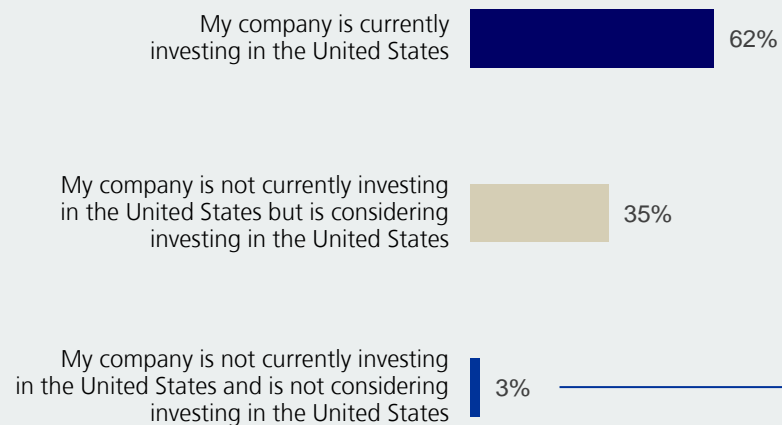
## S3: What is your company's total annual revenue for your last fiscal year?



n = 497

# US investment

S5: Is your company either currently investing in or considering investing in the United States?



n = 394

S6: What is the primary reason your company is not currently investing and not currently investing in the United States?

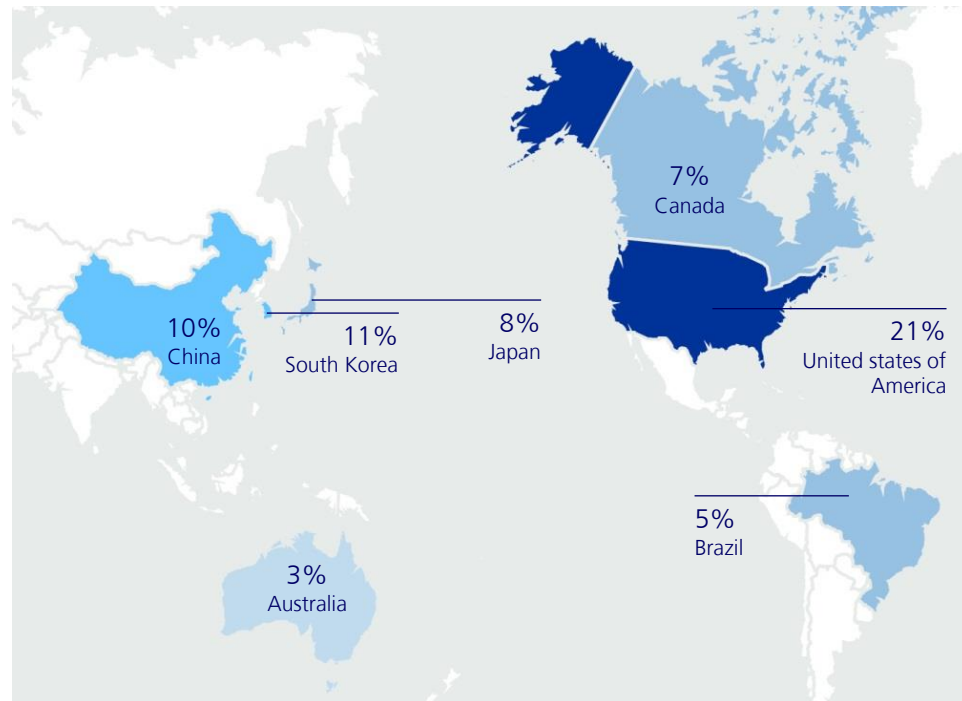


n = 10

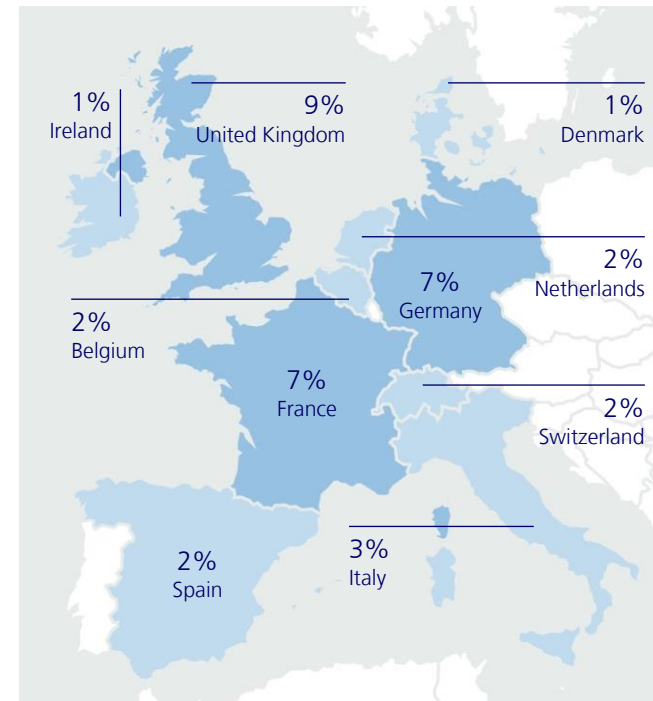
# Headquarter locations

S1: In which country is your parent company headquartered?

## Non-Europe



## Europe



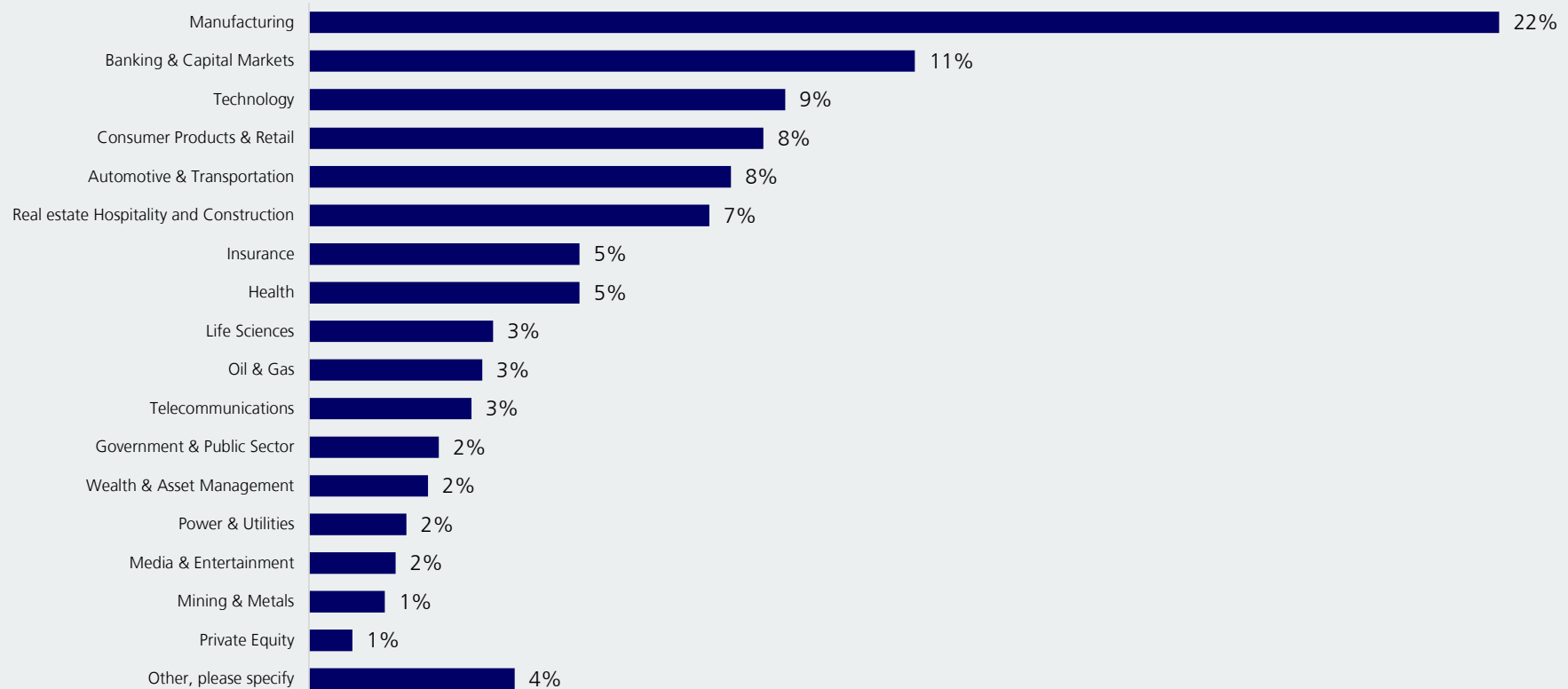
Countries	Counts
Australia	13
Belgium	8
Brazil	25
Canada	36
China	49
Denmark	4
France	35
Germany	34
Ireland	3
Italy	16
Japan	39
Mexico	17
Netherlands	12
South Korea	28
Spain	11
Sweden	2
Switzerland	9
United Kingdom	43
U.S.	103

Countries with only 1 respondent are not included in the map.

n = 497

# Industry

## S4: What is the main industry area of your company's business?



n = 497

Numbers may not add due to rounding.

# Survey Methodology



# About the CFO Geopolitical Survey

The CFO Geopolitical Survey was fielded during February and March 2018. 497 Chief Financial Officers (CFOs) with parent companies headquartered around the world were surveyed.

CFOs qualified for the survey if their company's total annual revenue was at least \$50M and if they indicated that their company was either:

- Currently investing in the United States.
- Not currently investing in the United States but considering investing in the United States.
- Not currently investing in the United States and not considering investing in the United States given concerns regarding the current U.S. political climate or concerns regarding barriers to entry/the regulatory environment.

418 CFOs were sourced through an online panel with the remaining 79 CFOs coming from the Organization for International Investment's (OFII's) membership. Responses were received from CFOs from companies with parent headquarters in 29 different countries representing 17 different industries.

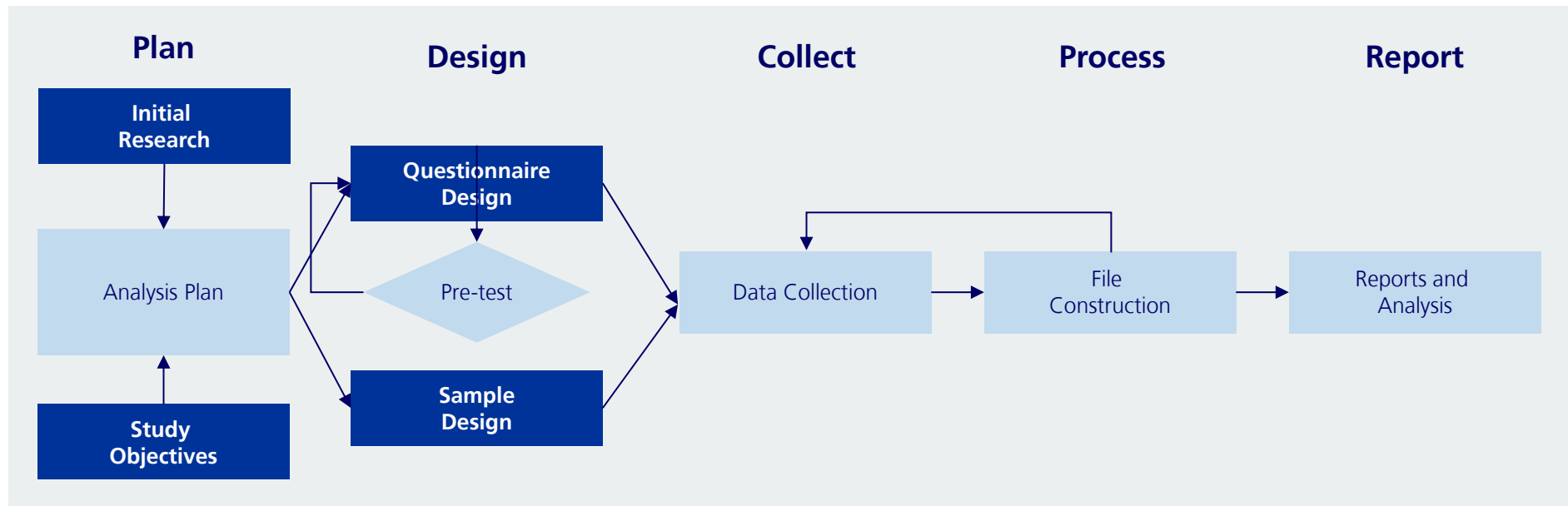
# Survey Quality

We consider two main types of error in survey research; variable and systematic errors. **Variable errors** are the cumulative effect of the total error for a particular observation, either positive or negative. When the frequency of variable error is high, the data are often referred to as 'noisy', since variable error limits our ability to understand what the data are telling us. **Systematic errors** arise from faults in the measurement process; these errors lead to bias.

Variable errors are unavoidable, but can be reduced using appropriate techniques of statistical inference. Systematic errors can be reduced by making improvements to the survey process – these errors are the chief focus of our survey quality process.

Survey error can also be classified by its two main sources – sampling error and non-sampling error. Sampling error arises from basing an estimate for the population value on a sample rather than the entire population. In general, sampling error contributes to increased variability in the data. It is measurable and often can be reduced by increasing the sample size or using more sophisticated sample designs.

Non-sampling errors are those arising from sources other than sampling. They tend to contribute to the systematic errors which can be mitigated through good survey practice. On the next page, we describe the steps we have taken to mitigate survey error at each of the five survey stages outlined in the figure below.



# Steps taken to mitigate survey error

## Steps taken at each stage to mitigate survey error

### Plan

- Conduct initial research.
- Refine study objectives.
- Conduct kickoff meeting with all project stakeholders to align on objectives for the survey.

### Design

- Determine sample design and screening criteria for all survey respondents.
- Iterate on survey questionnaire following leading survey design practices.
- Involve subject matter professionals in questionnaire design.

### Collect

- Liaise with panel vendor during data collection.
- Monitor completion rates.
- Set quotas for key demographic categories such as region, company size, etc.

### Process

Review results to determine need for:

- Verification.
- Follow-up.
- Imputation.
- Weighting.

### Report

- Calculate descriptive statistics.
- Performed crosstab analysis.
- Segmented data along key demographic categories.
- Used appropriate data visualization techniques.
- Performed chi-square tests to assess statistical significance of differences.

# Appendix

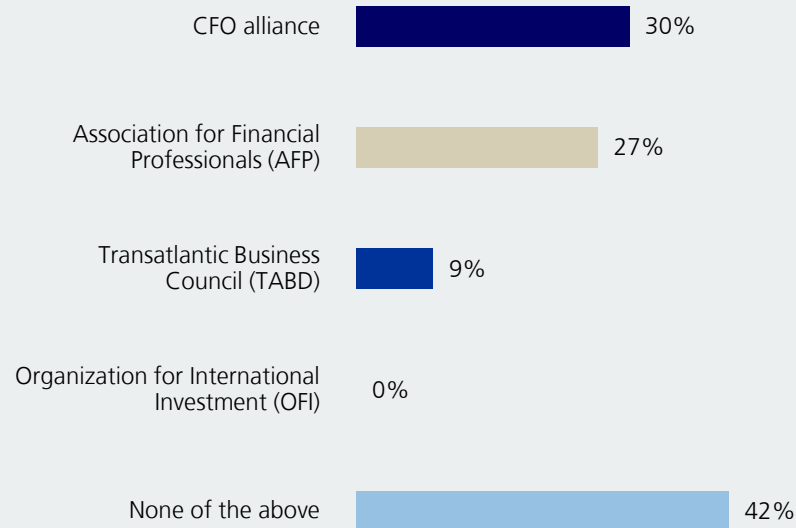
# Appendix 1: Explanation of likelihood calculation

<b>Q4: How would you expect each of these factors to evolve over the next 1-3 years?</b>	<b>Measure that indicates likelihood</b>	<b>Q 5: Please rate each factor in terms of how it would change your company's decision to invest in the United States.</b>
The growth of U.S. protectionism	% who said more/significantly more prevalent	The growth of U.S. protectionism
Increased influence of the WTO appeal process	% who said more/significantly more prevalent	Increased influence of the WTO appeal process
Unfair trade and IP practices outside the United States	% who said more/significantly more prevalent	Increase in unfair trade and IP practices outside the United States
U.S. economic inequality	% who said more/significantly more prevalent	Increased levels of U.S. economic inequality
Use of restrictive immigration policies in the United States	% who said more/significantly more prevalent	More restrictive immigration policies in the United States
Overall levels of overseas U.S. military engagement	% who said more/significantly more prevalent	Increased levels of overseas U.S. military engagement
Economic threats to the U.S. posed by hostile entities	% who said more/significantly more prevalent	Increased economic threats to the United States posed by hostile entities
Cyber threats to the U.S. posed by hostile entities	% who said more/significantly more prevalent	Increased cyber threats to the United States posed by hostile entities
U.S. economic growth	% who said less/significantly less prevalent	Declining levels of U.S. economic growth
Change in U.S. exports	% who said less/significantly less prevalent	Decline in U.S. exports
Innovation in countries other than the United States	% who said more/significantly more prevalent	Increased levels of innovation in countries other than the United States
Global political influence of the United States	% who said less/significantly less prevalent	Decline in global political influence of the United States
The overall number of democratic governments worldwide	% who said less/significantly less prevalent	Decline in overall number of democratic governments
Reputational risk of using a foreign brand in a U.S. market	% who said more/significantly more prevalent	Increased reputational risk of using a foreign brand in a U.S. market
U.S. scrutiny of cross-border mergers and acquisitions	% who said more/significantly more prevalent	Increased U.S. scrutiny of cross-border mergers and acquisitions

Question 4 answer options: Will become significantly more prevalent; Will become more prevalent; Will stay the same; Will become less prevalent; Will become significantly less prevalent.

## A2. Differences between OFII members and others

S7: Are you or your company a member of any of these organizations? Please select all that apply.



n = 418

### OFII members were:

- More likely to expect growth of U.S. protectionism and use of restrictive immigration policies by the U.S.\*
- More likely to expect U.S. scrutiny of cross-border mergers and acquisitions to become more prevalent.\*
- Less likely to expect increases in U.S. employment in the next 6 months.\*
- Nearly 90% of OFII members expected that the growth of U.S. protectionism would become either "more or significantly more prevalent" in the next 1-3 years. 81% believed U.S. scrutiny of cross-border mergers and acquisitions would become more or significantly more prevalent - 80% believed that cyber threats to the U.S. posed by hostile entities would.
- OFII members reported that declining levels of U.S. economic growth, the growth of U.S. protectionism, and increased U.S. scrutiny of cross-border mergers and acquisitions were most likely to lead them to reduce their investment in the U.S.
- Less likely to think that the U.S. business environment would improve significantly in the next 1-3 years and more likely to think that it would deteriorate somewhat.\*
- Less likely to say that the U.S. business environment was getting better.\*

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- Global reach

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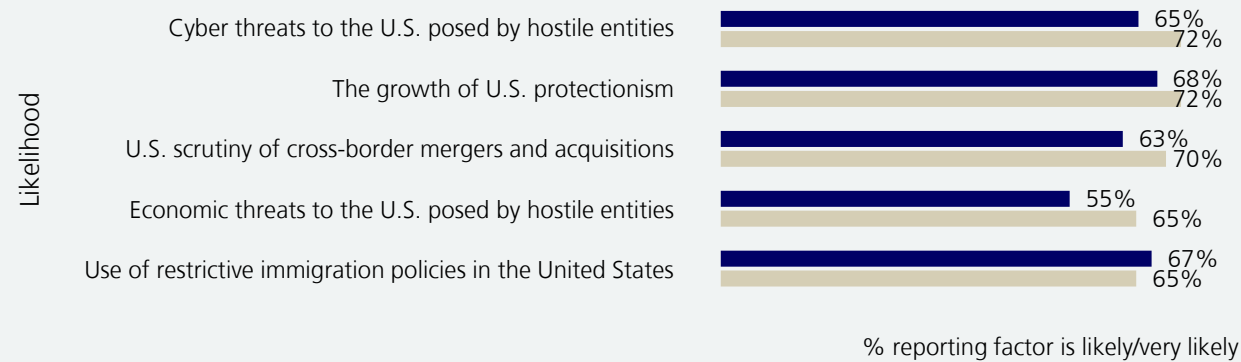
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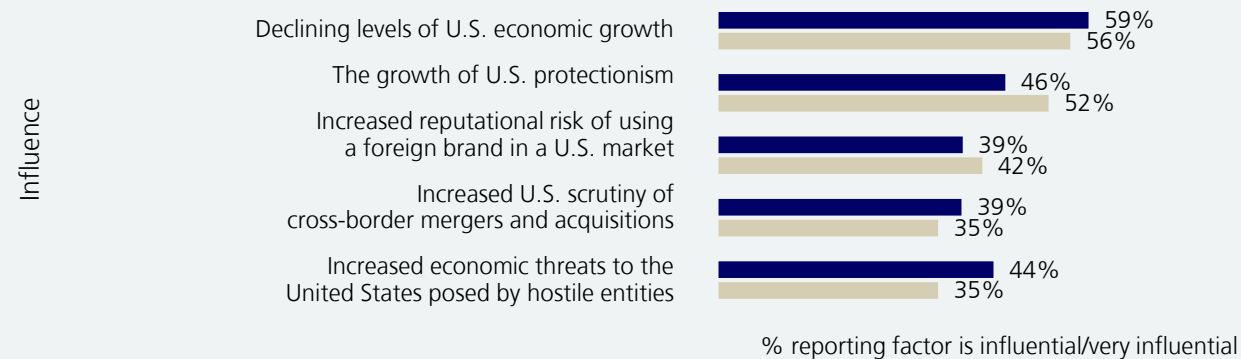
# Doing business in the US: Perception of the CFOs of U.K-headquartered companies

U.K. based CFOs expect U.S. business climate to improve over time, less likely to use tax savings to increase hiring

## 5 most likely factors



## 5 most influential factors on U.S. investment



## Views on U.S. economic environment

**37%** Say U.S. business climate improving  
**71%** Expect it to improve over next 3 years  
**56%** Expect their U.S. hiring to increase

## Tax Reform

**59%** Expecting savings from tax reform  
**% planning to use benefits for:**  
 Increased hiring 15%  
 Increased wages 30%  
 Investing in plant/equipment 44%

Confidence in investing in the U.S. on a scale of 1-25 where 1="Not confident at all" and 25="Extremely confident"

**17.3**