



YPO Releases Quarterly Global Pulse CEO Survey April Results

Optimism rises among U.S. CEOs about 2010 sales and business conditions; expectations for hiring and fixed investment more muted

IRVING, Texas, May 10, 2010 – American CEOs surveyed by the [YPO Global Pulse](#) CEO economic sentiment survey during the first two weeks of April 2010 expressed rising optimism about the outlook for their businesses, driving a 4.1-point increase in the survey's [U.S. CEO Confidence Index](#) to 61.0, up from 56.9 in January. The surveyed CEOs also reported improved actual results for the first quarter of 2010 as compared with both the same period in 2009 and the trailing fourth quarter of 2009.

The results of the electronic quarterly survey were announced today by [YPO \(Young Presidents' Organization\)](#), a global network of 17,000 chief executive officers. The YPO Global Pulse is the only CEO economic sentiment survey that spans the globe on a quarterly basis, capturing responses from more than 1,000 CEOs representing companies of all sizes, including Fortune 500-size corporations. In aggregate, the companies run by YPO members employ more than 15 million people and generate US\$5.4 trillion in annual revenues.

“The YPO survey shows a continuing trend of improving results and rising CEO confidence in the United States and globally,” said Dave Maney, co-founder and chairman of Headwaters MB, member of the YPO Colorado Chapter and former YPO international board member. “CEOs are more bullish about the prospect for higher sales than they are about adding employees or increasing fixed investment, but the trends there are positive as well.”

For [American CEOs' expectations in 12 months](#), more than two-thirds of respondents (69%) expect sales to increase by more than 10%, while 36% expect a corresponding increase in employee counts and 40% in fixed investment. The swing in expectations compared with the January survey was a positive 9 points regarding sales, 7 points as to employee count, and 7 points for fixed investment. Even so, a majority of U.S. CEOs (58%) still expect their employee counts to remain roughly the same over the next 12 months. This represents a slight improvement over the 64% who three months ago said they expected no change.

The survey shows CEOs of U.S. small companies (<100 employees) as slightly more optimistic than medium and large companies (>500 employees) across the board.

Across industries, construction continued to be the hardest-hit sector in the United States, although the picture there improved slightly compared with the January survey. Five times more respondents in the U.S. construction sector expect economic conditions affecting their business to be better in six months than expect conditions to be worse. By comparison, in the production and services sectors, optimists outnumber pessimists by 12 to 1 and nearly 8 to 1, respectively.

U.S. Survey Results

	April 2010			January 2010		
	Increase of 10% or more	No Change	Decrease of 10% or more	Increase of 10% or more	No Change	Decrease of 10% or more
Most recent quarter vs. one yr. ago						
Sales	42%	36%	22%	27%	40%	33%
Employee Count	17%	58%	24%	14%	51%	35%
Fixed Investment	21%	61%	18%	18%	59%	23%
Expected one yr. from now						
Sales	69%	25%	6%	59%	34%	7%
Employee Count	36%	58%	6%	30%	63%	7%
Fixed Investment	40%	55%	5%	32%	60%	8%
Business Conditions	Better	About the Same	Worse	Better	About the Same	Worse
Vs. 6 months ago	63%	24%	13%	52%	29%	19%
Expected in 6 months	64%	28%	8%	62%	31%	7%

Global Results

The YPO Global Pulse CEO survey gathers responses from CEOs around the world. Globally, the YPO Confidence Index rose 3.2 points to 62.0 in the April survey. While the Confidence Index is in optimistic territory in all regions, regional movements were mixed. Six of the nine regions reported rising confidence, but confidence declined in Africa and Canada by 4.5 points and 0.9 point, respectively, with confidence in Australasia remaining roughly the same versus the previous quarter. Asia was the most optimistic region, while the European Union had the lowest Confidence Index and the United States the next lowest.

Areas of the world that expect the most widespread sales growth over the next 12 months are non-E.U. Europe, Latin America, Asia and Middle East-North Africa (MENA). Globally, the majority expects employee counts to remain roughly the same, with the most widespread increases expected in MENA, Africa and Asia.

YPO CEO Confidence Index by Area

	April 2010	January 2010	October 2009	July 2009
Global	62.0	58.8	55.8	51.7
Africa	61.8	66.3	56.9	56.6
Asia	68.3	65.7	68.8	62.2
Australasia	61.1	61.6	59.0	52.7
Canada	61.3	62.2	58.6	52.3
European Union	58.9	52.6	53.4	50.9
Non-EU Europe	63.4	59.1	55.7	55.8
Latin America	64.6	62.5	59.6	55.6
MENA	66.0	58.5	58.7	57.5
United States	61.0	56.9	52.8	49.6

YPO Global Pulse CEO Confidence Index

The YPO Global Pulse CEO confidence index combines CEO responses about expected and most-recent-quarter sales, employee count, fixed investment and business conditions. The Index is centered on 50. An Index reading below 50 indicates a negative outlook – the lower the number, the more negative the outlook. A reading above 50 indicates a positive outlook – the higher the number, the more positive the outlook.

Survey Methodology

The quarterly electronic survey, conducted in the first two weeks of April 2010, had responses from 1,308 chief executive officers across the globe, including 699 from the United States. Globally, 27% of respondents were from large companies (>500 employees), 37% from medium-sized companies (100-500 employees), and 36% from small companies (<100 employees). By business sector, 25% were from the manufacturing industry, 9% from construction, 63% from the services sector, and 3% unspecified. For more information, please go to: <http://www.ypoglobalpulse.org>.

About YPO

YPO (Young Presidents' Organization) is a not-for-profit, global network of young chief executives connected around the shared mission of becoming Better Leaders Through Education and Idea Exchange.™ Founded in 1950, YPO today provides 17,000 peers and their families in more than 100 countries with access to unique experiences, world-class resources, alliances with top learning institutions, and specialized Networks that help them enhance their business, community and personal leadership. Please visit us at www.ypo.org. Also see us on [Facebook](#) and follow us on [Twitter](#).

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