



## YPO Releases Quarterly Global Pulse CEO Survey April Results

*CEO confidence increases in European Union but region still least optimistic globally*

**LONDON, 10 May 2010** – European Union CEOs surveyed by the [YPO Global Pulse](#) CEO economic sentiment survey during the first two weeks of April 2010 expressed rising confidence about the outlook for their businesses. The [YPO Confidence Index in the European Union](#) increased by 6.3 points from the previous quarter to 58.9. Although this is in optimistic territory, the European Union is the least optimistic region in the global sample.

The quarterly survey results 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 answers from more than 1,000 CEOs representing companies of all sizes. In total, the companies run by YPO members employ more than 15 million people and generate £3.5 trillion (€4.1 trillion) in annual revenues.

European Union participants in the April 2010 survey reported more widespread increases in sales compared with the January survey. The percentage of participants indicating sales increases of more than 10% rose by 14 points to 42%. Even so, the reported sales increases in the E.U. were the least widespread compared with the rest of the world.

The largest improvements, compared to the previous quarter, came from the manufacturing sector, which reported the most widespread increases in most-recent-quarter sales, employee numbers and fixed investments.

[Looking out 12 months](#), the majority (59%) of E.U. participants expected sales to increase, with those expecting increases of at least 10% outnumbering those expecting sales to decrease by nearly 6 to 1. Expectations about payrolls were more muted, with 32% expecting to increase employee numbers by 10% or more compared to 11% who expected them to decline. More than half (57%) expect staff numbers to remain largely unchanged over the next year, which is in line with most regions of the world.

The most widespread increases in employee numbers are expected to come from the services sector, where 39% expected to increase staff by at least 10% over the next year, compared to 14% for non-services industries.

Regarding the general business and economic climate, participants were optimistic overall, with 60% saying they expected conditions to improve over the next six months, outnumbering pessimists by 4 to 1. This was less optimistic than the global sample, where optimists outnumbered pessimists 8 to 1. In the E.U., the services sector was slightly more optimistic, with 63% saying they expected the economy to improve over the next six months compared to 57% in non-services industries.

“The YPO survey shows increased confidence among CEOs in the European Union, but the overall mood remains tempered in comparison with the rest of the world,” said Jochen Wermuth, founder and managing partner of Greater Europe Funds and Wermuth Asset Management, and member of the YPO Greater Europe Chapter. “CEOs are more optimistic

about the prospect for higher sales than they are about adding to their payrolls or increasing fixed investment, with the majority expecting their staffing and capital expenditure levels to be unchanged 12 months from now.”

### E.U. 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
<b>Most recent quarter vs. one yr. ago</b>						
Sales	42%	40%	18%	28%	37%	35%
Employee Numbers	19%	54%	27%	5%	52%	43%
Fixed Investment	23%	63%	14%	23%	38%	39%
<b>Expected one yr. from now</b>						
Sales	59%	30%	11%	42%	47%	11%
Employee Numbers	32%	57%	11%	25%	58%	17%
Fixed Investment	38%	52%	10%	28%	55%	17%
<b>Business Conditions</b>	<b>Better</b>	<b>About the Same</b>	<b>Worse</b>	<b>Better</b>	<b>About the Same</b>	<b>Worse</b>
Vs. 6 months ago	50%	28%	22%	45%	36%	19%
Expected in 6 months	60%	25%	15%	46%	32%	22%

### Global Results

The YPO Global Pulse CEO survey gathers replies 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 compared to the previous quarter. Asia was the most optimistic region, while the E.U. had the lowest Confidence Index and the U.S. 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 numbers 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 answers about expected and most-recent-quarter sales, employee numbers, fixed investment and business conditions. The Index is centred 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 replies from 1,308 chief executive officers across the globe, including 122 from the European Union. Globally, 27% of participants 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 specialised Networks that help them enhance their business, community and personal leadership. Please visit us at [www.ypo.org](http://www.ypo.org). Also see us on [Facebook](#) and follow us on [Twitter](#).

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