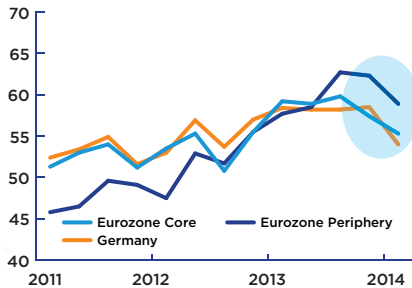
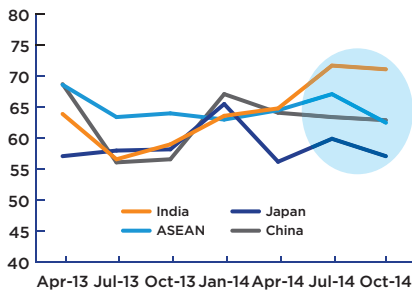


SPOTLIGHT

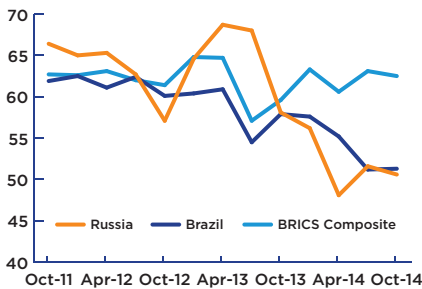
Concerns over Germany's economy weigh on EU sentiment, but CEOs still cautiously optimistic



Confidence in China and India hold steady, while Japan and ASEAN economies dip slightly



The Russian and Brazilian indices languish lower than the rest of the BRICS



YPO and WPO Members:

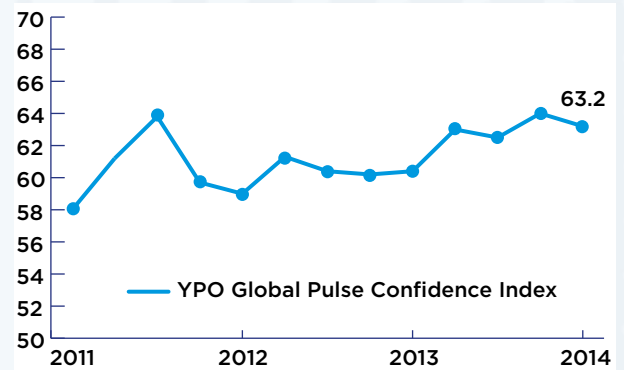
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CEOs SHRUG OFF MARKET VOLATILITY

- A number of developments in the third quarter of 2014, including stock market turbulence, economic sanctions against Russia, escalating conflict in Iraq and Syria, unrest in Hong Kong and an emerging Ebola scare, managed to make a dent in CEO economic confidence around the world, although mostly for the short term. Outlooks for 12 months hence were not as affected.



- At 65.9, **Canada** is the world's most upbeat region, even though it is off 0.7 from last quarter. Strong economic news from the United States, oil prices still in profitable territory (albeit lower), and expected budgetary surpluses starting next year are giving members there plenty of room for optimism.
- The **Middle East and North Africa** region is the second-most optimistic region in the world with a reading of 65.8. Buttressed by an economic tailwind of infrastructure spending and government investment commitments, YPO and WPO members in the region are maintaining optimism in hopes the current tension in the region and the drop in oil prices will not be long-lived.
- Confidence in **Asia** declined 1.8 points to a still-lofty 65.5. While optimism in China and India was little changed versus the July survey, business sentiment suffered somewhat elsewhere in the region, including in Japan as the government reiterated plans to further increase the consumption tax next year, and in Hong Kong amidst civil protests.
- With continued strong economic signals in the **United States**, business confidence in the world's biggest economy stayed buoyed, edging down 0.6 point to 64.2.
- After a nine-month run at its highest level in the five-year history of the Global Pulse survey, CEO sentiment in the **European Union** dipped 2.5 points to 60.0. Confidence in Germany, the region's biggest economy, fell 4.5 points to 54.0 as economic sanctions against Russia began to weigh on the thousands of German companies doing business there.
- Elsewhere, the confidence index for **Africa** stayed put in the third quarter at 61.9, 1.3 points below the global reading. Sentiment in **Australasia** (Australia plus New Zealand) dipped 1.5 points to 60.1, erasing most of its gains in the second quarter. **Latin America** was one of the few regions where sentiment improved over the third quarter, but at 57.3, it is the world's least optimistic region for the sixth consecutive quarter.

YPO CONFIDENCE INDEX BY AREA

Arrows indicate directional change versus previous quarter

63.2 ↓	61.9 ↔	65.5 ↓	60.1 ↓	65.9 ↓	60.0 ↓	58.0 ↓	57.3 ↑	65.8 ↑	64.2 ↓
Global	Africa	Asia	Australasia	Canada	European Union	Europe Non-EU	Latin America	MENA	United States