MODEST DROP IN GLOBAL ECONOMIC CONFIDENCE_MASKS REGIONAL DIVERGENCES

- The YPO Global Pulse Confidence Index fell 0.5 point to 59.2 in 3Q 2016. While this represents a small overall decline, wide divergences in economic confidence were recorded among the world’s largest economies.

- Economic confidence in the United States fell 0.4 point in 3Q 2016 to 60.4, coinciding with reduction of GDP growth forecasts from 3.0 to nearly 2.0 percent.

- The European Union Confidence Index rose 2.2 points after reporting a significant decline of 3.1 points the previous quarter, following the British vote to leave the EU.

- In Asia, economic confidence declined by 2.9 points in 3Q 2016 to 60.0, dragged down by a 7.9 point drop in confidence to 52.6 among ASEAN countries. The YPO Global Pulse Confidence Index in India fell 2.0 points in 3Q 2016 to 66.0 while China’s confidence remained relatively steady at 61.4. In Japan, economic confidence rose 1.1 points to 55.1 in 3Q 2016, far below the 60.0 overall index for Asia.

- Confidence in Latin America continued to climb, up 1.5 points to 55.9, bolstered by a 7.7-point jump in Brazil to 56.6.

- After a significant rebound last quarter of 5.4 points, business leaders in Canada reported lower levels of confidence in 3Q 2016 with a 3.1-point drop to 56.8.

- MENA CEO economic confidence fell to 53.9, its lowest level in the history of the survey, as oil-producing countries in the region – Saudi Arabia in particular – continue to be affected by the drop in oil prices.

- In contrast, the YPO Global Pulse Confidence Index in the United Arab Emirates rose 3.4 points in 3Q 2016 from 54.8 to 58.2, the highest reading among the oil-exporting countries in the region.