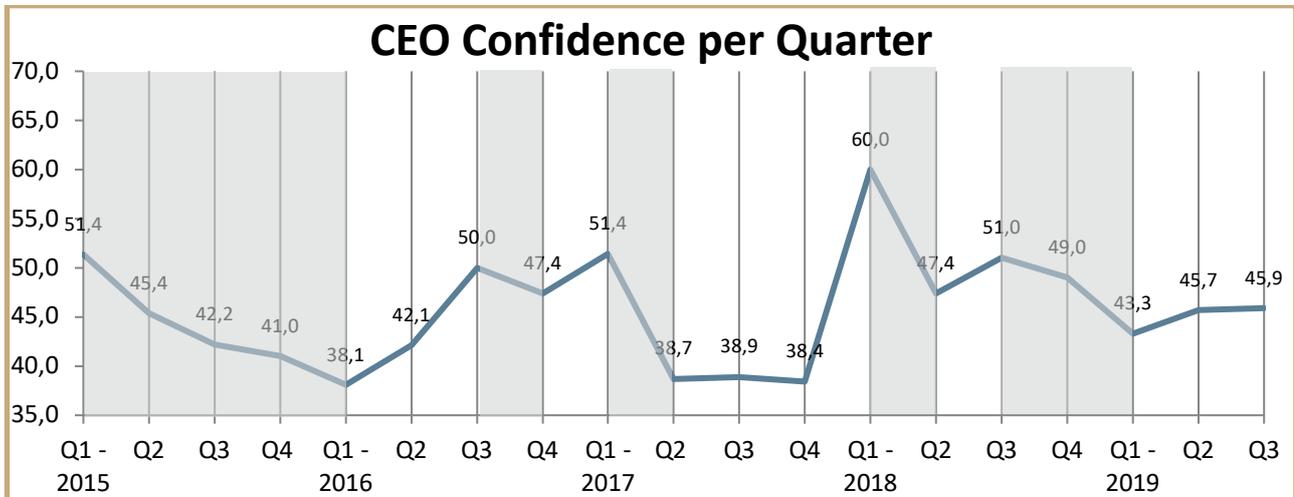


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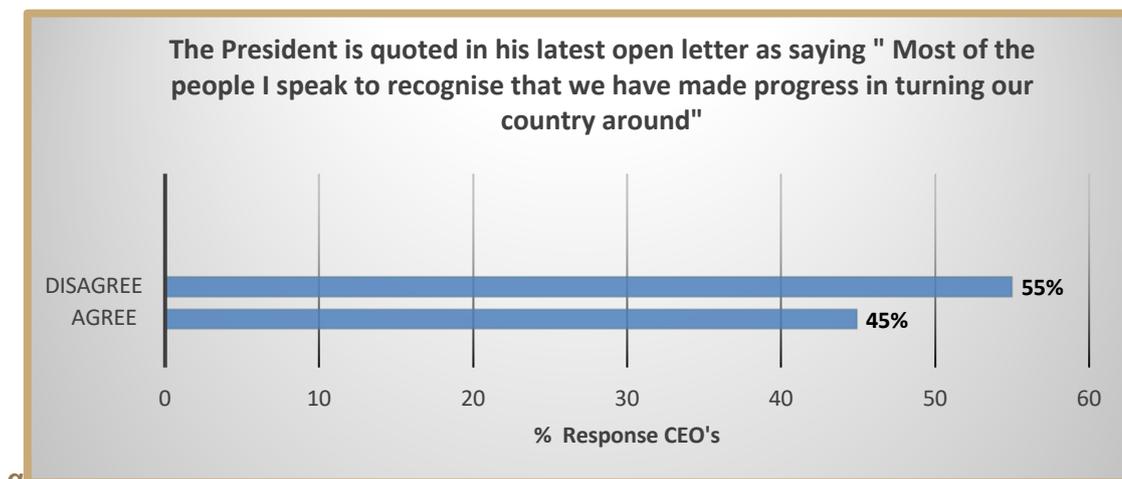
Less talk more action say CEO's

The **Merchantec CEO Confidence Index** recorded a 0.33% increase in CEO confidence in Q3 of 2019 to a score of 45.9, which is below the neutral score line of 50 points. The index remains for the most part unchanged. The contributor this slight movement was the consumer goods sector, who seem a little more optimistic as we head into Q4.

CEO's are calling for decisive action regarding corruption. Load-shedding is back in the spot light. CEO's are extremely concerned about Eskom's debt and its inability to foresee issues with regard to its production and government not taking a hard line with respect to non-payment for electricity. CEO's further stress that there is too much talk and not enough concrete steps to make tough decisions. SARS shortfall on revenue is also a concern. CEO's are perturbed over the "brain drain" and the fact that this contributes to the SARS shortfall.



55% of CEO's indicated that they disagree with the Presidents statement that **most of the people he speaks to recognise that we have made progress in turning our country around.**



Basic Resources went down in confidence to a score of 30.00 points, a 45.5% decrease.

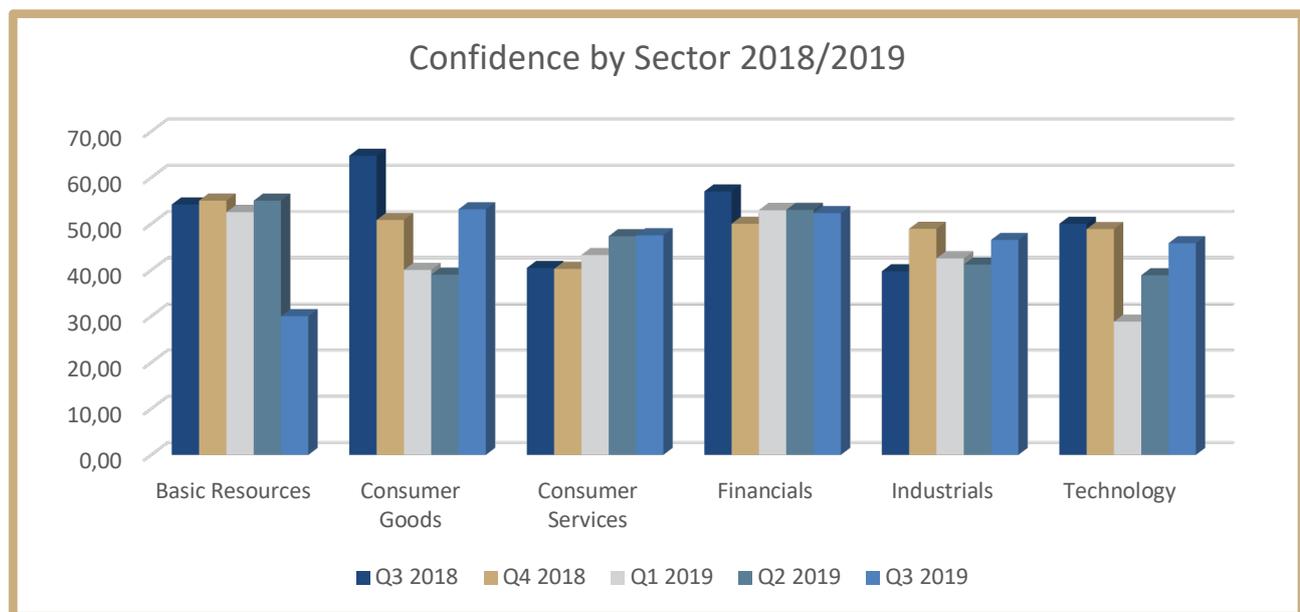
Consumer Goods showed the largest increase of 36.25%, moving to a score of 53.13. The increase in overall confidence was primarily driven by the economic conditions.

Consumer Services increased to 47.50 a 0.4% increase.

Financials decreased by 1.3%, practically no change in this sector sentiment.

Industrials increase by 12.9%, moving to a score of 46.50. The decrease in overall confidence was primarily driven by economic conditions.

Technology recorded an increase of 17.9%, this was driven predominantly by the ability to secure debt.



To view all previous quarterly reports, please visit [Merchantec CEO Confidence Index](#).

More about the Merchantec CEO Confidence Index

The Merchantec CEO Confidence Index, which consists of five components, collates views from CEOs of top South African companies and therefore provides a leading indicator into how business leaders perceive local market conditions and the economy going forward.

The Merchantec CEO Confidence Index is a copyright report prepared quarterly by Merchantec Capital. The survey collates responses from over 1 000 top CEOs, from the listed and non-listed environment.

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2nd Quarter 2019

we also offer corporate governance and secretarial services, as well as some of the most widely respected research reports in the industry. We will help you grow your business.



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