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## News release

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### **CEO optimism hits 10-year high – three-quarters expect a stronger global economy in 2022: PwC Global CEO Survey**

- Cyber and health risks rank as top global threats followed closely by macroeconomic volatility
- Net-zero commitments are lagging for many – fewer than a quarter of CEOs said their companies have made commitments

**20 January 2022** – More than three-quarters of CEOs, 77%, predict the global economy will improve, while only 15% expect worsening conditions. CEO optimism for 2022 is a tick higher than the 76% optimism level from a year ago and fully 54 points higher than 2020, when more than half (53%) of CEOs predicted a declining economy. These are findings from [PwC's 25th Annual Global CEO Survey](#), which polled **4,446 CEOs in 89 countries and territories** between October and November 2021.

More than half of CEOs also report high levels of confidence about their *own* prospects for revenue growth over the next 12 months. Among the CEOs expressing a more tepid outlook are those in the automotive sector (46%), grappling with semiconductor shortages, and in the hospitality and leisure sectors (44%), impacted by the lingering effects of the pandemic on travel.

While there is general optimism among CEOs for economic growth in 2022, the perspective varies widely across individual countries and territories. Among the largest territories, optimism is highest in India, where 94% of CEOs anticipate global growth in the coming year, up from 88% last year. Optimism is also trending up solidly among CEOs in Japan (plus 16 points to 83%, from 67% last year), and is modestly higher in the UK (up five points to 82%).

At the other end of the spectrum, CEO optimism about the global economy declined most notably in the US, down 18 points to 70%, and was also slightly down in Brazil (dropping seven points to 77%), China (down nine points to 62%) and Germany (down four points to 76%), perhaps as inflation and supply chain constraints became more of an issue.

While US CEOs may be less sanguine on the global economy, they are comparatively confident about their own companies' growth prospects, with 40% extremely confident about achieving revenue growth in 2022. India CEOs are similarly confident in their companies' outlook.

**Arthur Wightman, Territory leader, PwC Bermuda, said:** "The chief executives who responded to our [25th Annual Global CEO Survey](#) display optimism about continued economic resilience, but they are also well aware of potential threats that could impact their



organisations over the coming 12 months, including macroeconomic volatility, cyber and health risks. CEOs in financial services, in particular, are concerned about cyber threats.

“While threats such as climate change and social inequality are further down the list, it is critical not to lose focus on these more long-term issues as they will define what sort of world we live in and hand down to the next generation. Environmental, financial and societal pressures are converging and today’s leaders must solve a new equation.

“Most upbeat of all for the coming year are CEOs of private equity firms – 67% of whom are highly confident about their company’s growth, and also technology firms (64%) and insurers (63%). Optimism in the insurance industry reflects better expected financial performance from continued rate hardening and global economic recovery. The insurance and reinsurance sector’s resilience has been a bright light in Bermuda’s economy. The continuing hard market and investor appetite for reinsurance is supporting further capital inflows in 2022. The life reinsurance, captives, ILS and legacy sectors are all showing buoyancy.”

**Wightman noted:** “Unsurprisingly, CEOs in the hospitality and leisure sector are the least optimistic about the coming year as they continue to grapple with the devastating effects of the pandemic. As a tourism dependent economy Bermuda has faced an unprecedented shock emphasizing the importance of mitigating the socio-economic impacts on the lives this sector sustains. Innovative tourism strategies are required to rebound as the pandemic moves to endemic status and competing jurisdictions throw open their doors. Similarly, the country needs more economic diversification to better weather such shocks in the future.”

**Bob Moritz, Global Chairman, PwC** said: “While the ongoing pandemic and emergence of new variants cast a shadow over the year, the high level of CEO optimism we found speaks to the strength and resilience of the global economy and the ability of CEOs to manage through uncertainty. There is nothing “normal” about the world we are working in, but we are getting used to it. We are seeing differences in confidence among countries, and there is no shortage of challenges to navigate, but it is encouraging that CEOs we spoke with on the whole feel positive about 2022.”

### **Cyber and health risks top CEOs’ concerns**

Similar to last year, cyber and health risks rank as the leading global threats, identified by 49% and 48% of CEOs, respectively. Not far behind is macroeconomic volatility, with 43% of CEOs either very or extremely concerned about the potential impact of inflation, fluctuations in GDP and labour market issues in the coming year. Another major underlying concern is the ability to attract and retain talent - 69% of CEOs concerned about social inequality risks cite this as an impact, as do 62% of CEOs concerned about health risks.

From an industry perspective, cyber risks are top of mind for financial services CEOs, 59% of whom cited cyber as a key threat. Notably, manufacturing (40%) and consumer (39%) CEOs displayed lower concern levels about cyber, despite those sectors’ high volume of cyber attacks. It bears watching to see if this relative level of complacency reverses itself over the coming year.

Understandably, a high percentage of hospitality and leisure CEOs (75%) are concerned about the impact of health risks on their business. And 49% of energy, utility and resource CEOs see climate change as a key threat in the coming year, 15 points higher than the percentage across all industries.

Concern over the ability to attract and retain talent is strongly linked in CEOs’ minds with health risks and social inequality. 59% of Insurance CEOs and 76% of Hospitality CEOs think Social



Inequality will inhibit their company's ability to attract and retain key skills and talent over the next 12 months.

**Bob Moritz** concluded: "Through 25 years of the Global CEO Survey, we've seen CEOs tackle challenges from the bursting of the dot-com bubble to the global financial crisis. Today, new challenges with the global pandemic and climate change are testing CEOs like never before. Yet, no matter the issue or year, one constant we see is the fundamental importance of establishing trust. This year, trust appears linked to everything from CEOs' confidence in growing revenues to whether their organisation has made a net-zero commitment. Looking ahead, while there will certainly be unpredictable circumstances and challenges over the next 25 years, we believe companies built on a strong foundation of trust will be fortified and their CEOs best positioned to deliver sustained outcomes that contribute to long-term success."

## Ends

### Notes to editors

#### About the [survey](#)

PwC surveyed 4,446 CEOs in 89 countries and territories in October and November of 2021. The global and regional figures in this report are weighted proportionally to country or regional nominal GDP to ensure that CEOs' views are representative across all major regions. The industry- and country-level figures are based on unweighted data from the full sample of 4,446 CEOs. Further details by region, country and industry are available on request. Ninety-four percent of the interviews were conducted online and 6% by post, by telephone or face-to-face. All quantitative interviews were conducted on a confidential basis. We also conducted in-depth interviews with CEOs from five global regions (North America, Latin America, Western Europe, Asia-Pacific and Africa). Some of these interviews are quoted in this report; in most cases, the full interviews can be found at [strategy-business.com/mindoftheceo](https://strategy-business.com/mindoftheceo).

#### About PwC

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