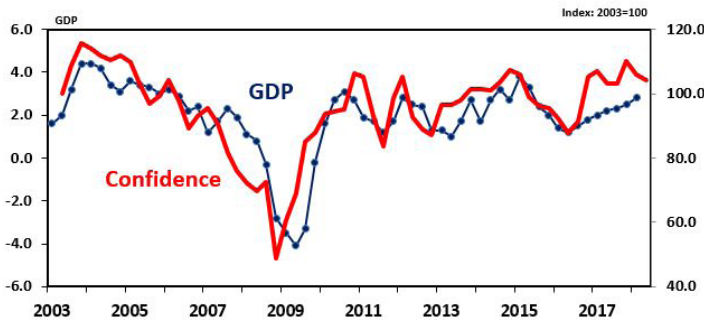


CEO optimism slips from recent peaks; confidence remains at favorable levels.

The overall trend in CEO optimism has remained largely unchanged, maintaining favorable levels over the past year. In Q2 2018, the Vistage CEO Confidence Index was 104.1, between the prior quarter's 105.8 and last year's 103.1. The only quarter that was significantly higher in the past year was Q4 2017, which was elevated due to the expected passage of the tax reform legislation (with the details of the tax reform largely unspecified).

Vistage CEO Confidence Index and Year-to-Year Changes In GDP



Vistage CEO Confidence Index



In Q2 2018 the Vistage CEO Confidence Index was 104.1, between the prior quarter's 105.8 and last year's 103.1.

The minor decline in confidence in Q2 was due to slight falloff from last quarter in investment and hiring intentions as well as projected revenue and profit growth. Importantly, all of these factors were at least as favorable as a year ago.

Of some concern is that CEOs anticipate slowing growth in the national economy during the year ahead. In contrast, many observers now anticipated a stronger pace of economic growth in 2018, with a modest slowdown in 2019. If the 2nd quarter GDP comes in close to the 4% as now expected, CEOs may well change their outlook for the economy. In any event, trends in the Vistage CEO Confidence Index are a bit above the actual pace of GDP growth. Wages, commodities and interest costs will continue to edge upward during the year ahead, putting the emphasis on lowering costs as well as increasing prices.

– Analysis provided by Dr. Richard Curtin, University of Michigan



Q2 2018 Vistage CEO Confidence Index Survey
Wisconsin

Wisconsin Survey Highlights

27% of CEOs expect the economy to improve in the year ahead (vs. **32%** nationally)

41% of CEOs expect to increase investments in the year ahead (vs. **48%** nationally)

71% of CEOs expect to increase revenue in the year ahead (vs. **78%** nationally)

55% of CEOs plan to expand their workforce in the next year (vs. **61%** nationally)

64% of CEOs thought the national economy had improved in the past year (vs. **64%** nationally)

54% of CEOs expect rising profits in the year ahead (vs. **62%** nationally)

National Economic Outlook by Industry

% of CEOs who expect the economy to improve in the year ahead (includes industries with at least 25 responses). Response count in parentheses.

Other Services	49% (41)
Transportation & Warehousing	39% (41)
Retail Trade	38% (48)
Consulting Services	37% (49)
Finance and Insurance	35% (69)
Health Care	33% (43)
Manufacturing	32% (293)
Construction	31% (217)
Wholesale Trade	31% (103)
Other	31% (140)
Architectural, Engineering, and Related Services	30% (44)
Other Professional Services	29% (48)
Advertising & PR	27% (26)
Computer Systems Design and Related Services	26% (50)
Real Estate and Rental and Leasing	22% (37)

National Employment Outlook by Industry

% of CEOs who plan to expand their workforce in the next year (includes industries with at least 25 responses). Response count in parentheses.

Health Care	74% (43)
Computer Systems Design and Related Services	74% (50)
Consulting Services	73% (49)
Architectural, Engineering, and Related Services	73% (44)
Other Professional Services	69% (48)
Other Services	68% (41)
Other	64% (140)
Advertising & PR	64% (25)
Construction	64% (215)
Finance and Insurance	62% (69)
Real Estate and Rental and Leasing	62% (37)
Transportation & Warehousing	61% (41)
Manufacturing	52% (291)
Wholesale Trade	50% (101)
Retail Trade	45% (47)



Q2 2018 Vistage CEO Confidence Index Survey
Wisconsin

Number of respondents in (blue)

	Wisconsin	National
1 Compared with a year ago, have overall economic conditions in the United States improved, remained the same, or worsened?	Improved	64% (946)
	Remained about the same	30% (437)
	Worsened	5% (77)
	Don't know/No opinion	0% (7)
2 During the next 12 months, do you expect the overall economic conditions in the U.S. will be better, about the same, or worse than now?	Better	32% (467)
	About the same	50% (728)
	Worse	17% (246)
	Don't know/No opinion	2% (26)
3 Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?	Increase	48% (710)
	Remain the same	43% (625)
	Decrease	8% (122)
	Don't know/No opinion	1% (10)
3.1 When do you plan to increase your investment expenditures over the next 12 months?	Q3 2018	26% (180)
	Q4 2018	16% (113)
	Q1 2019	6% (42)
	Q2 2019	2% (12)
	Steadily throughout the next 12 months	50% (352)
	Increase	78% (1,143)
4 Do you anticipate that your firm's sales revenues will increase, remain about the same, or decrease during the next 12 months?	Increase	17% (251)
	Remain the same	5% (69)
	Decrease	0% (4)
	Don't know/No opinion	0% (4)
5 Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?	Improve	62% (907)
	Remain the same	29% (425)
	Worsen	9% (130)
	Don't know/No opinion	0% (5)
6 Do you expect prices for your product or service to increase, remain about the same, or decrease during the next 12 months?	Increase	56% (816)
	About the same	41% (599)
	Decrease	3% (49)
	Don't know/No opinion	0% (3)
7 Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?	Increase	61% (890)
	Remain the same	34% (492)
	Decrease	5% (69)
	Don't know/No opinion	0% (7)
7.1 When do you plan to increase your firm's total number of employees over the next 12 months?	Q3 2018	29% (261)
	Q4 2018	10% (93)
	Q1 2019	6% (52)
	Q2 2019	2% (21)
	Steadily throughout the next 12 months.	52% (463)
	Increase	52% (463)

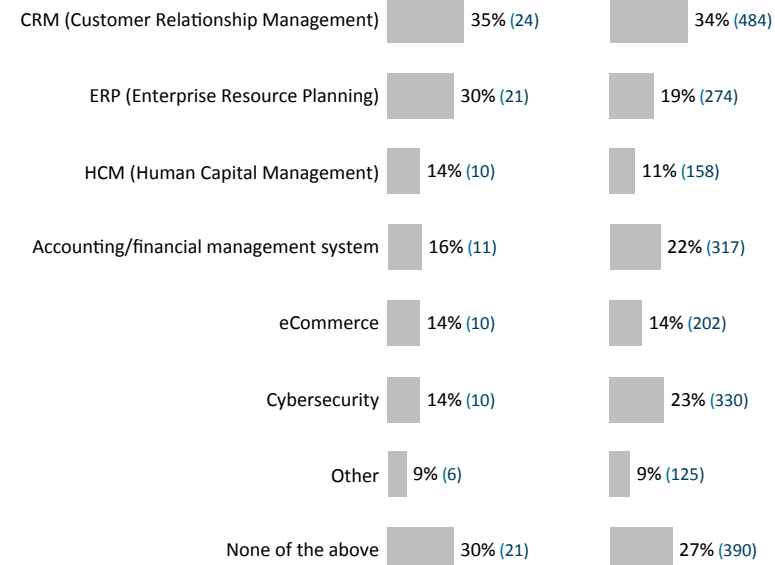


Q2 2018 Vistage CEO Confidence Index Survey
Wisconsin

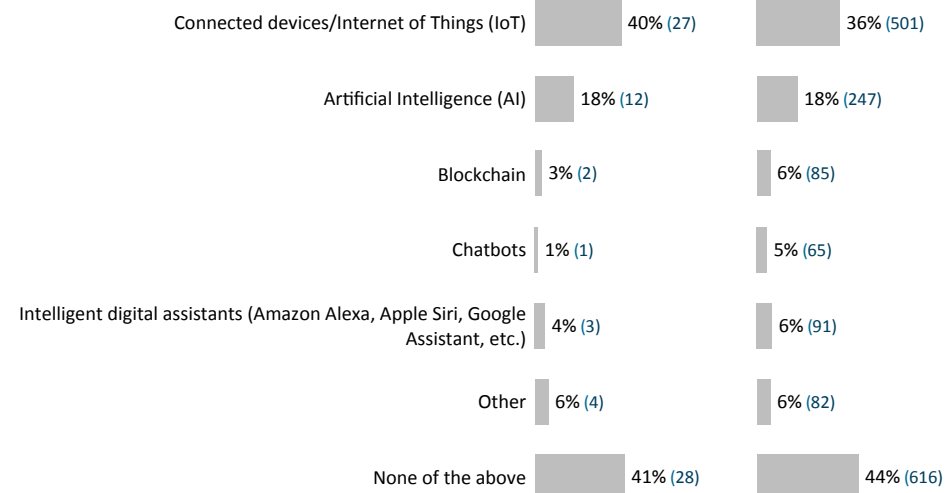
Number of respondents in (blue)

Wisconsin National

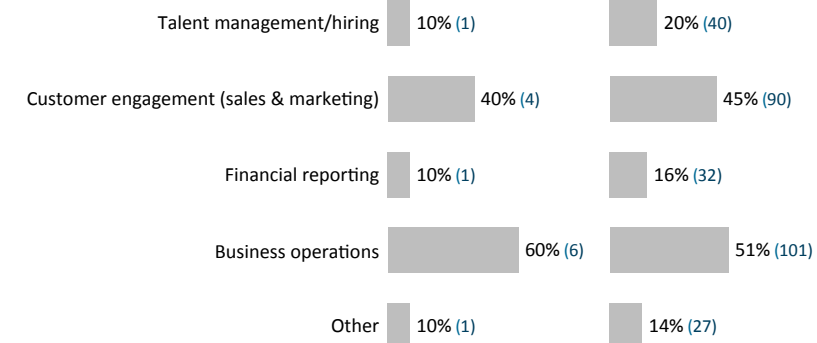
16 Which business software/application(s) do you expect to invest in over the next 12 months? (select all that apply)



18 Which of the following technologies do you feel will have the most impact on your business in the next 12 months? (Select all that apply)



20 In which areas are you currently leveraging AI in your business? (select all that apply)

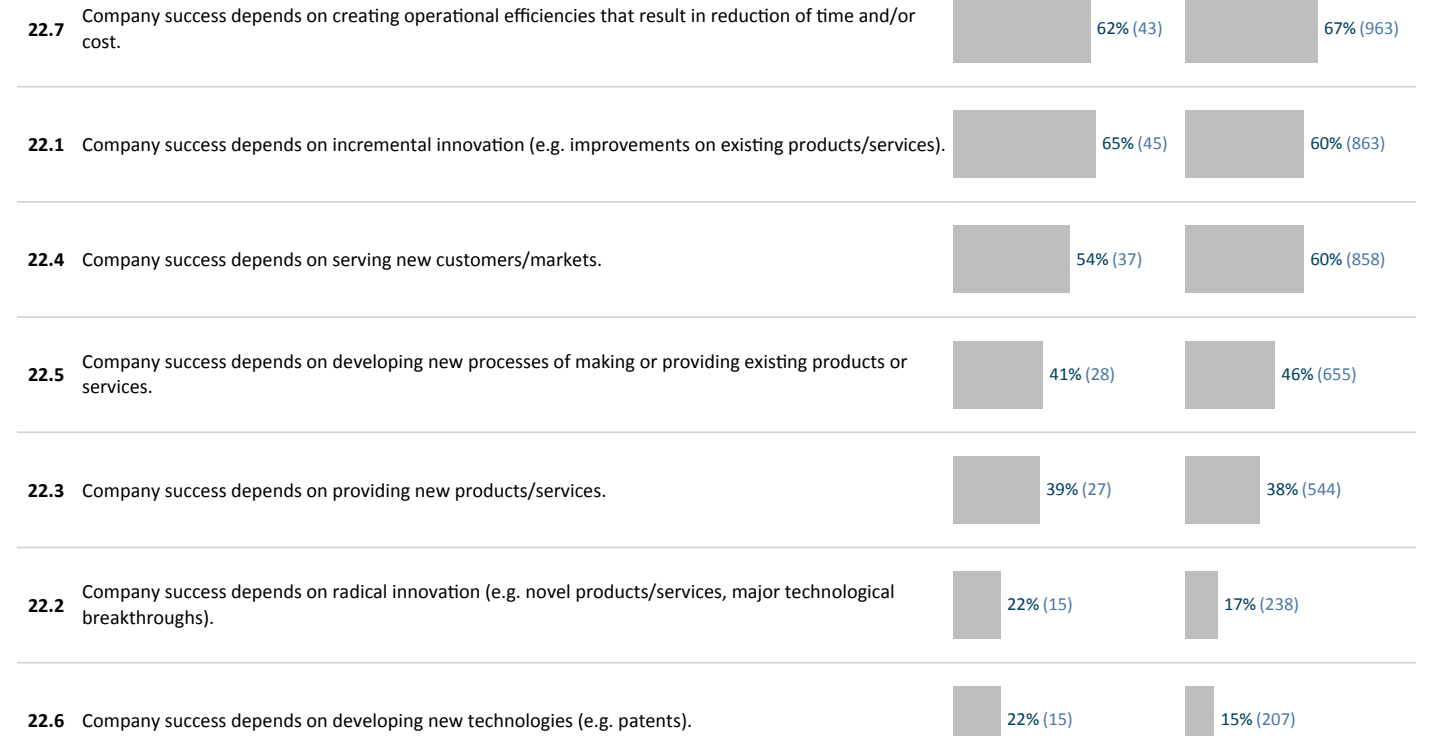


Q2 2018 Vistage CEO Confidence Index Survey
Wisconsin

Number of respondents in (blue)

Wisconsin National

Ranking areas related to company success:





Q2 2018 Vistage CEO Confidence Index Survey
Wisconsin

Number of respondents in (blue)

	Wisconsin	National
27 During your company's last fiscal year, what were its total revenues?	Less than 500k 3% (2)	2% (31)
	500-999k 1% (1)	2% (25)
	1-4 Million 16% (11)	18% (257)
	5-9 Million 11% (8)	16% (232)
	10-20 Million 16% (11)	19% (283)
	21-49 Million 20% (14)	20% (294)
	50-99 Million 16% (11)	12% (170)
	100-249 Million 11% (8)	8% (111)
	250-499 Million 4% (3)	3% (40)
	500-999 Million 0% (0)	1% (14)
	1+ Billion 1% (1)	1% (10)
28 During your company's last fiscal year, what was its total employment?	1-9 employees 11% (8)	8% (120)
	10-19 employees 9% (6)	12% (174)
	20-49 employees 11% (8)	24% (356)
	50-99 employees 16% (11)	19% (282)
	100-499 employees 36% (25)	29% (428)
	500-999 employees 13% (9)	4% (59)
	1000-4999 employees 3% (2)	3% (39)
	5000-9999 employees 0% (0)	0% (4)
	10000+ employees 1% (1)	0% (2)
	None 0% (0)	0% (3)



Surveying CEOs of small to mid-sized businesses since 2003