Press release

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**Rise in Investment to Continue in Asia Pacific**

*China, Indonesia, US ranked as top investment destinations*

*Urbanisation, rising middle class, infrastructure - potential sources of growth*

*Opportunities in overcoming regulatory, legal, trade barriers*

**BALI, Indonesia, 5 Oct 2013** – Forty two percent of chief executive officers (CEOs) in Asia Pacific are ‘very confident’ of revenue growth over the next 12 months and close to 70% intend to increase their investments in the region, according to a study by PwC.

The study, ‘Towards resilience and growth: Asia Pacific business in transition', surveyed nearly 500 business leaders on their attitudes towards doing business in the region. It was released today at a meeting of the Asia Pacific Economic Cooperation (APEC) in Bali, Indonesia.

The survey found confidence among Asia Pacific-based executives on the rise. Some 42% of executives say they are ‘very confident’ of revenue growth in the coming year, up from 36% last year. Longer term, 52% say they are confident of growth over the next three to five years, about the same as in 2012.

According to the survey, the trend towards urbanisation in many Asia Pacific economies, the emergence of the local middle-class and the need for infrastructure development are the main reasons for driving the increase in confidence.

“Executives in the Asia Pacific region are in the midst of a major transformation taking place within the region driven by a gradual but steady rise in income and economic opportunity for millions of people,” says Dennis M. Nally, Chairman of PricewaterhouseCoopers International Ltd. “While overall confidence in growth in Asia Pacific remains undiminished, APEC economies now also face many of the uncertainties of slower growth, previously limited to the more developed markets."

In the survey, executives were also asked to identify their ‘dark horse’ pick – an Asia Pacific economy that could surprise with more business opportunity than is currently expected. Indonesia was the top pick, followed by Myanmar, China, The Philippines, and Viet Nam. Among the most cited attractive qualities were expanding middle classes, ample natural resources, increasing transparency, infrastructure improvement plans and political stability.

In other findings:

* Nearly 90% of Asia Pacific CEOs say their growth strategies are influenced by the growing market of middle-income consumers. And nearly half of investment increases are focused on new products, services and distribution - growth areas for serving the growing middle class.
* About one in five CEOs is pursuing mobile-enabled products and services such as transactions.
* Developing broadband network and urban transport will bolster economic growth, as will changes in regulatory and legal barriers and trade infrastructure.
* Regulatory consistency across the region could unleash additional investment. A fifth of CEOs say that if rules concerning intellectual property, corporate governance and services are harmonised they are ‘highly likely’ to invest more.
* The multiple trade discussions among APEC economies is welcomed by about 70% of regional CEOs, but 22% also see them leading to more uncertainty and administrative costs.

“Investment prospects are looking positive across Asia Pacific,” says Mr. Nally. “However, if governments use the APEC meeting in Bali to effectively tackle CEOs’ concerns about regulatory and legal barriers, and to speed up progress on trade negotiations, this could unleash an even greater wave of new investment and help secure CEO confidence in the region.”

Notes to editors:

* **About APEC**The Asia-Pacific Economic Cooperation (APEC) forum is the premier economic organisation in the Asia-Pacific region. Established in 1989 by 12 economies, APEC fosters growth and prosperity by facilitating economic cooperation and expanding trade and investment throughout the region. APEC’s 21 member economies today account for 55% of global GDP.

The APEC CEO Summit is the Asia-Pacific's premier business event, drawing thousands of economic and business leaders from around the region and beyond. The 2013 CEO Summit will be held from 5th to 7th October in Bali, Indonesia.
* **Survey Methodology**Carried out by PwC International Survey Unit, the APEC CEO Survey 2013 was conducted between June and August 2013 covering 478 CEOs and industry leaders in all 21 APEC economies. The full survey report can be found here [www.pwc.com/us/apec/2013](http://www.pwc.com/us/apec/2013)
* **About PwC**PwC firms help organisations and individuals create the value they’re looking for. We’re a network of firms in 157 countries with more than 184,000 people who are committed to delivering quality in assurance, tax and advisory services. Tell us what matters to you and find out more by visiting us at [www.pwc.com](http://www.pwc.com/gx).

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