Most CFOs think the US market is overvalued


According to the latest Global Business Outlook survey (http://www.cfosurvey.org/) jointly conducted by Duke University and CFO magazine, 55% of U.S. companies say they think the stock market is overvalued, while only 6% of them think the stock market is undervalued.

More than 1,200 CFOs, including 510 from the U.S., participated in this recent quarterly survey. The survey questions cover five main parts: Business Optimism, CFO top concerns, Employment and wages, stock market valuation, and risk management concerns. (Click to download: CFOsurveyOverview_20150904_v2.1.http://blog.alphaarchitecture.com/wp-content/uploads/2015/09/CFOsurveyOverview_20150904_v2.1.pdf)
"CFOs are very bearish on the U.S. market," said Fuqua professor Campbell R. Harvey, a founding director of the survey. "Our survey took place during a volatile time where there was a 10 percent market correction. Even after this drawdown, 55 percent of CFOs thought the market was overvalued."

Is the stock market overvalued/undervalued?

I believe that the stock market in my country is:

[Chart showing percentage of respondents indicating overvalued/undervalued stock market]

Global Business Outlook, Duke University, Sept 2015

Here are some stats on various metrics from 510 U.S. firms.

- CFOs' expected earnings growth in next 12 months is 3.0%, down from 11.7% last year.
- CFOs' expected revenue growth in the next 12 months is 3.5%, down from 7.3% last year.

**The survey has been conducted every quarter since July 1996. An archive of past surveys is available under the "Past Results" tab athttp://www.cfosurvey.org.
Not a lot of bulls in CFO land...

The post Most CFOs think the US market is overvalued (http://blog.alpharchitect.com/2015/09/24/55-us-cfos-think-us-market-currently-overvalued/) appeared first on Alpha Architect (http://blog.alpharchitect.com/).

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