

US

HSBC Navigator

The Voice of Business

American business leaders are more optimistic than they were 12 months ago and are less likely to cite a resurgence of COVID-19 as a threat to growth.

In a recent survey conducted by HSBC of 523 business decision-makers in the US, respondents are confident about reaching pre-COVID levels of profitability by September 2022. **72% claim to be more optimistic about future growth than they were a year ago** (compared to 64% of global businesses) and 65% expect to increase revenue by 10% or more. Further, businesses in the region expect annual organic growth of 21.6% on average, almost three points higher than the global average (18.8%).

A lack of concern over COVID-19 may be behind this confidence. Just over **one in three (34%) businesses claimed to be worried about a resurgence of COVID-19** impeding growth, as opposed to 40% of businesses globally. Businesses in the region were also less concerned about supply chain disruptions, with only 20% considering these a threat to growth. Although **28% of US businesses expect international**

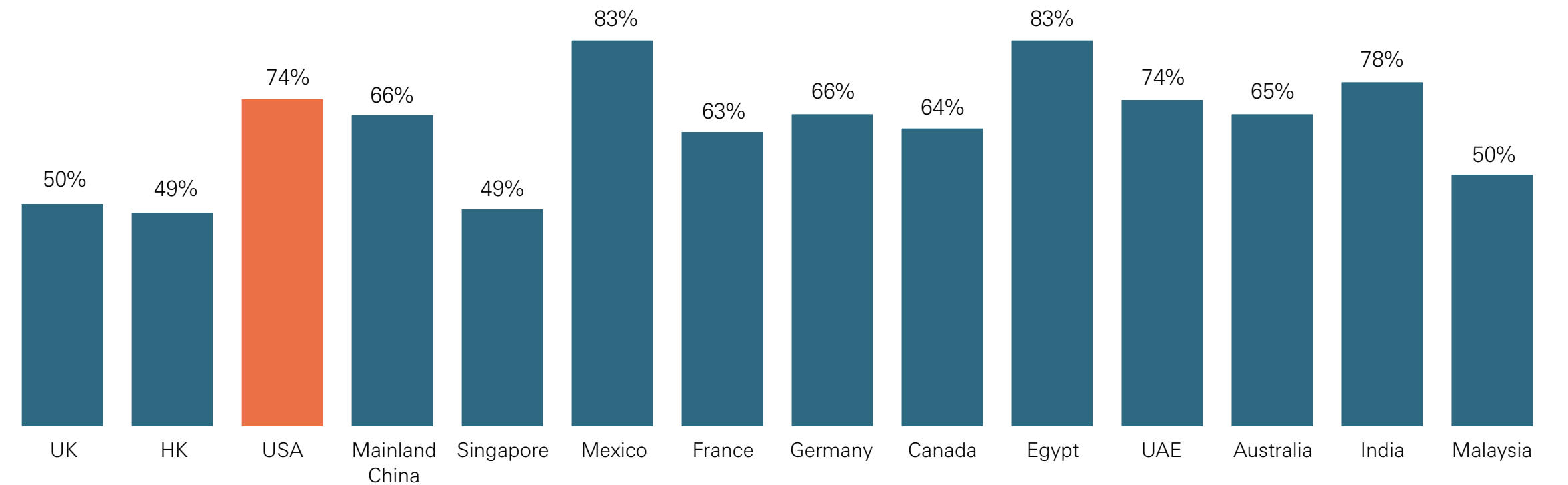
trade to become easier over the next 12 months (compared to the 20% global average), US businesses were **more concerned than their global peers about a labour market skills shortage** (32% vs 28% globally).

American businesses also distinguished themselves in their commitment to sustainability and other ESG factors. Almost half of US businesses have already set diversity targets at the board level (49%) and **over half have set diversity targets at all levels (53% vs. 43% globally)**. 74% also claimed to invest more than 5% of their operating profit on sustainability (five points above the global average) and **62% expect to see those investments result in a 10% or greater increase in revenue**.

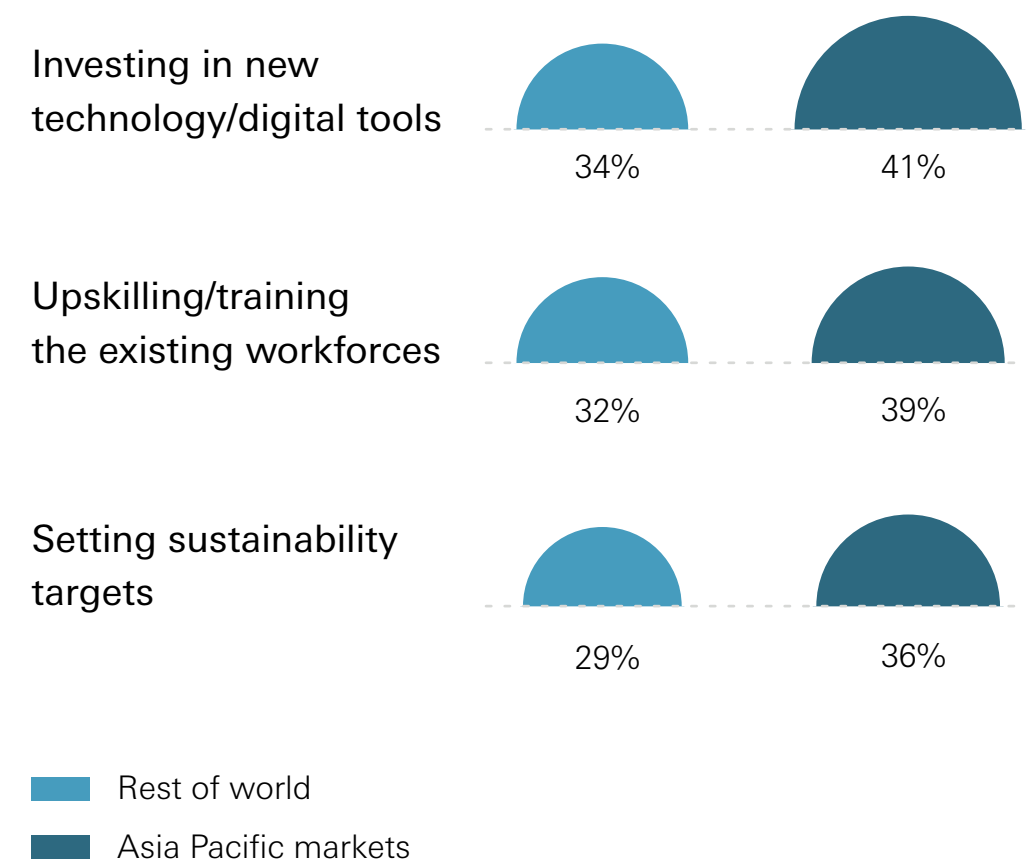
US business leaders are not as worried about COVID-19 and supply chain disruptions as their global peers and are a lot more optimistic than they were this time last year. Prioritising sustainability and other ESG factors, as well as hiring new talent to tackle labour skills shortages, businesses expect to drive revenue.

Businesses are confident about growth prospects

(% of businesses that are more optimistic than they were 12 months ago)

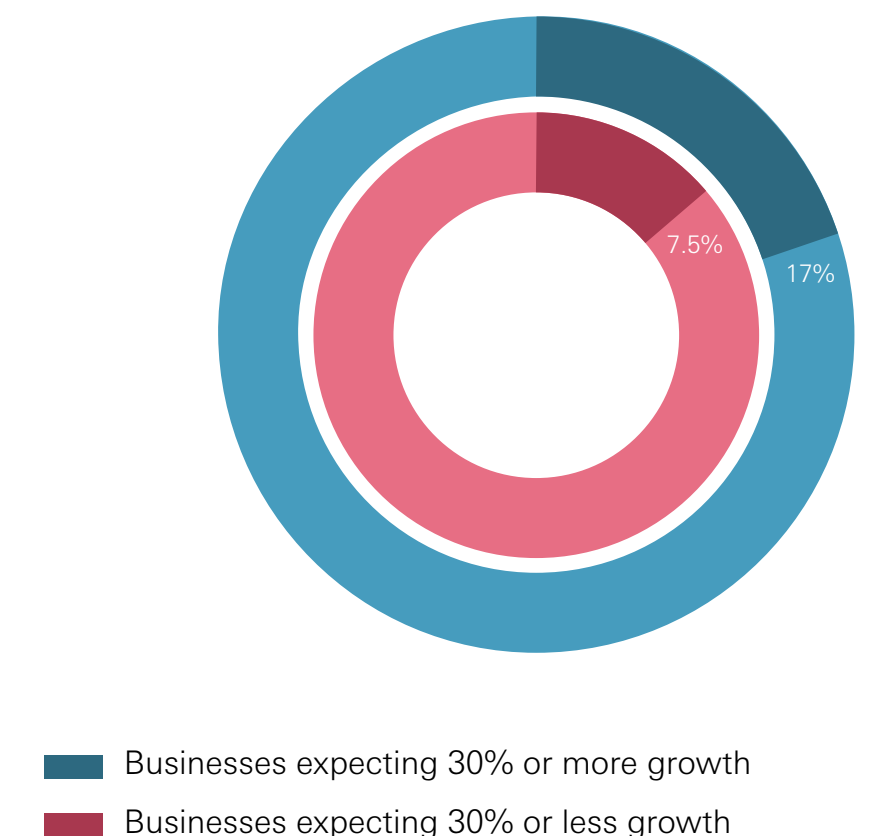


Top 3 measures businesses are taking to build resilience



Anticipated average revenue increase from greater focus on sustainability

(Global figures)



US

Key findings:

- US businesses are much more optimistic about the coming year than they were 12 months ago.
- They are less likely to be concerned about a resurgence of COVID-19 and supply chain disruptions but are more about sourcing skilled labour.
- American business leaders are prioritizing hiring new talent and investing in sustainability in hopes it will drive revenue growth.

A positive outlook

72%

of US businesses claim to be more optimistic than they were 12 months ago.

Embracing diversity

53%

of US businesses have set diversity targets at all levels (compared to 43% of businesses globally).

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Despite headwinds, internationalisation will be the engine of growth over the next 12 months."

Barry O'Byrne
CEO of HSBC Global Commercial Banking