



# International Business Report

Second Quarter 2024

Grant Thornton Argentina



# Introduction

Grant Thornton's **International Business Report (IBR)** is the world's leading survey of middle-market companies. It was first launched in 1992 in nine European countries, and now interviews around **10,000 senior executives in more than 150 economies** each year, providing information on organizational health and the issues affecting both private and listed companies.

The data analysis is carried out by **Oxford Economics** and the results tell us the perception of companies about general economic optimism, salaries, key market drivers, and growth limitations in the next 12 months.

The surveys are carried out **periodically** to obtain a better measurement of the **expectations of middle market companies and to understand the evolution of the sector's panorama**. The questionnaires are translated into the local languages of the member firms of the Grant Thornton network.

Fieldwork is conducted through online and telephone interviews with CEOs, presidents, or other senior executives from various industries. This document contains data collected during the **second quarter of 2024**.

In Argentina, **75 companies** were surveyed. We present its comparison with regional and global indices.

For more information about this report, contact us at **conectados@ar.gt.com**.



# Business Optimism Index

The **optimism** index, defined as the percentage of respondents who positively perceive the prospects for their economies over the next 12 months, is analyzed based on a series of trends consulted with mid-market executives.

The variables considered are detailed below:

Future Business growth expectations	Future Business investment intentions	Limitations to Business growth	Expected Business salary changes
<ul style="list-style-type: none"> <li>Income</li> <li>Sales Prices</li> <li>Exports</li> <li>Employment</li> <li>Profitability</li> <li>Income from foreign markets</li> <li>Number of countries estimated to sell to</li> <li>Number of employees focused in a foreign market</li> <li>Use of foreign suppliers and subcontractors</li> </ul>	<ul style="list-style-type: none"> <li>Investment in new facilities</li> <li>Investment in plants and machinery</li> <li>Investment in the brand (*)</li> <li>Investment in staff skills</li> <li>Research and development</li> <li>Technology</li> <li>Investment in sustainable initiatives (*)</li> <li>Lead-times and costs of shipping/ delivery of goods (*)</li> <li>Availability and cost of raw materials and other inputs for production process (*)</li> </ul>	<ul style="list-style-type: none"> <li>Funding shortage</li> <li>Regulation and bureaucracy</li> <li>Availability of qualified workers</li> <li>Labor cost</li> <li>Shortage of orders</li> <li>Transport infrastructure</li> <li>Economic uncertainty</li> <li>Energy costs</li> <li>Size of the market (*)</li> <li>Competition/ Competitors (*)</li> <li>Environmental constraints/ scarcity of natural resources (*)</li> <li>Expected future shortage of orders/ demand (*)</li> <li>Geopolitical disruption (*)</li> <li>Supply chain and complex procurement systems (*)</li> <li>Cyber security/ digital risk</li> </ul>	<ul style="list-style-type: none"> <li>Real increases in wages</li> <li>Wage increase</li> </ul>

(\*) These variables are being measured and considered to be part of the indices included in the International Business Report since 2024.

When these trends in growth and investment expectations are positive, companies' **optimism** grows; since these metrics influence **the index directly**. When the expectation of limitations and scarcity of resources increases or salary increases increase in relation to other variables, the optimism index decreases.

Below, we explore the second quarter 2024 results for Argentina, the Latin American region and global indices.

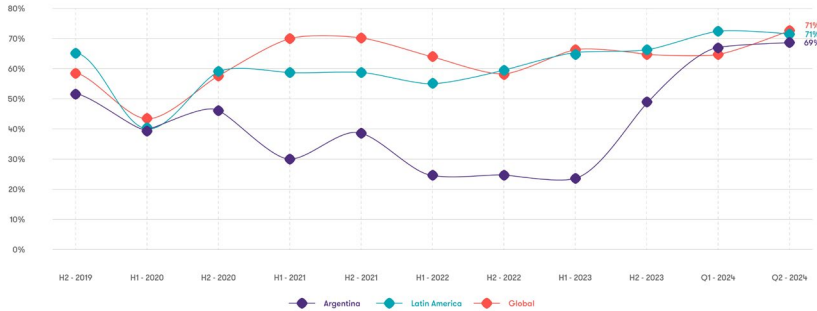


# Indices 2024

## Second Quarter

### Optimism

Percentage of optimism about the prospects for their economies in the next 12 months.



The Optimism index in Argentina rose 2 points, up to 69%.

The global Optimism index rose 5 points to 71% and in the Latin American region, it fell 1 point to 71%.

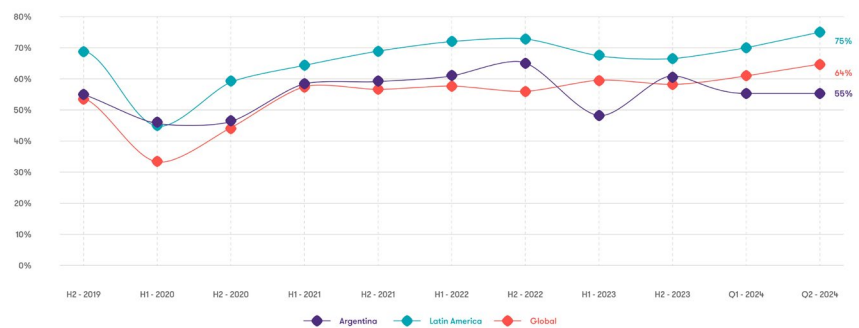
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	52%	41%	47%	30%	39%	25%	25%	24%	48%	67%	69%	↑
<b>Latin America</b>	65%	40%	59%	59%	59%	55%	60%	65%	66%	72%	71%	↓
<b>Global</b>	59%	44%	58%	70%	71%	64%	59%	67%	65%	66%	71%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

The Income expectation index remained at 55% in Argentina during the second quarter of 2024.

At a global level, this index rose to 64% and in Latin America, it rose 5 points to reach 75%.

### Income

Expectation of an increase in income over the next 12 months.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	55%	46%	47%	58%	60%	61%	65%	49%	60%	55%	55%	=
<b>Latin America</b>	69%	45%	60%	65%	69%	72%	73%	68%	67%	70%	75%	↑
<b>Global</b>	54%	34%	46%	58%	57%	58%	56%	60%	59%	61%	64%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

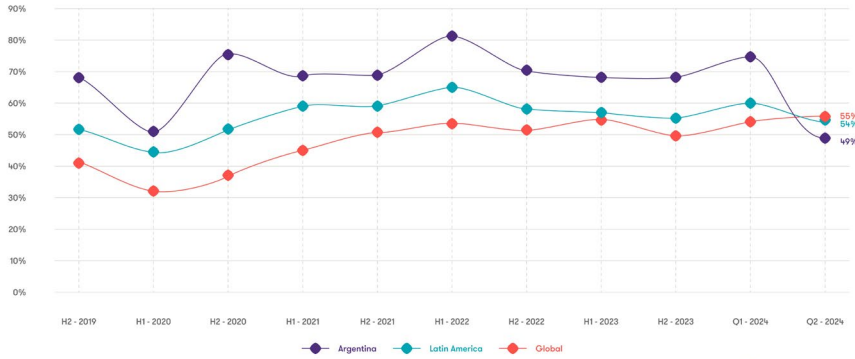


# Indices 2024

## Second Quarter

### Sales Price

Expectation of an increase in selling prices in the next 12 months.



The Sales Price Expectation Index dropped to 49% in Argentina.

Globally, it rose 2 points to 55% and in Latin America, it fell 6 points to 54%.

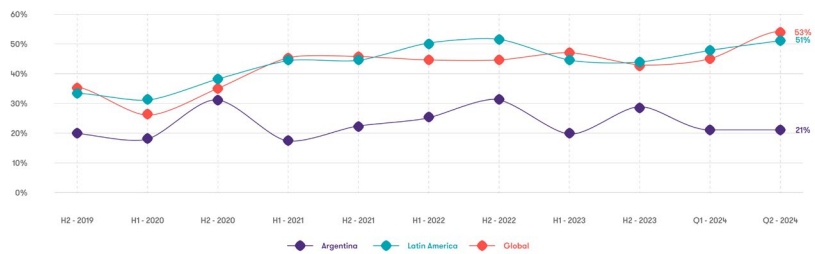
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	68%	51%	75%	68%	69%	82%	70%	68%	68%	74%	49%	↓
<b>Latin America</b>	52%	44%	51%	59%	59%	65%	58%	57%	55%	60%	54%	↓
<b>Global</b>	41%	32%	37%	45%	51%	53%	51%	55%	50%	53%	55%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

The Export expectation index remained at 21% in Argentina.

At a global level, it rose 7 points to 53% and in the Latin American region it rose 3 points to 51%.

### Exports

Expectation of an increase in exports over the next 12 months.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	20%	18%	31%	17%	22%	25%	31%	20%	29%	21%	21%	=
<b>Latin America</b>	33%	31%	38%	44%	44%	51%	52%	45%	44%	48%	51%	↑
<b>Global</b>	36%	26%	35%	46%	46%	44%	45%	47%	43%	46%	53%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	



# Indices 2024

## Second Quarter

### Employment

Expectation of an increase in employment in the next 12 months.



The index of expectation of increase in Employment grew in Argentina from 29% to 35%.

In Latin America the index fell to 58% and globally, it rose to 55%.

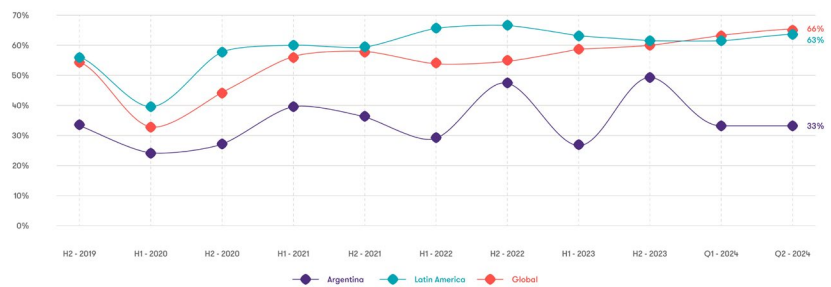
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	37%	27%	23%	33%	40%	32%	43%	29%	43%	29%	35%	↑
<b>Latin America</b>	54%	37%	53%	62%	61%	59%	62%	58%	61%	60%	58%	↓
<b>Global</b>	45%	29%	38%	49%	53%	50%	48%	50%	51%	49%	55%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

The Profitability Expectation Index remained at 33% in Argentina.

At a global level, it rose to 66% and in Latin America, the regional index rose to 63%.

### Profitability

Expectation of an increase in profitability in the next 12 months.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	33%	24%	27%	39%	36%	29%	48%	28%	49%	33%	33%	=
<b>Latin America</b>	56%	39%	58%	60%	59%	65%	66%	63%	61%	61%	63%	↑
<b>Global</b>	54%	33%	45%	57%	58%	54%	55%	59%	60%	62%	66%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

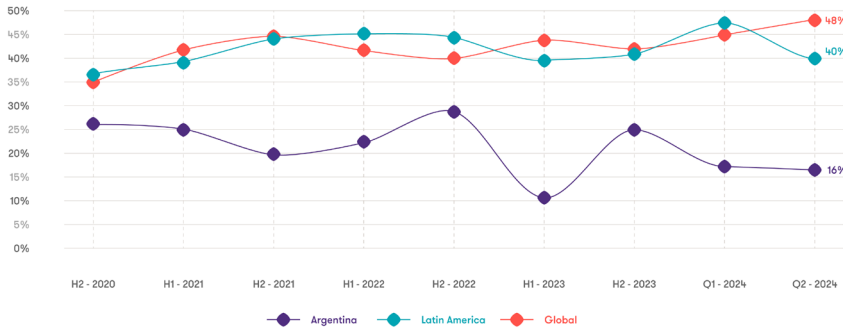


# Indices 2024

## Second Quarter

### Income from foreign markets

Expectation of an increase in revenue from foreign markets over the next 12 months.



The expectation index for Income from foreign markets for 2024 decreased in Argentina to 16%.

At the global level, the index rose to 48% and at the regional level it fell to 40%.

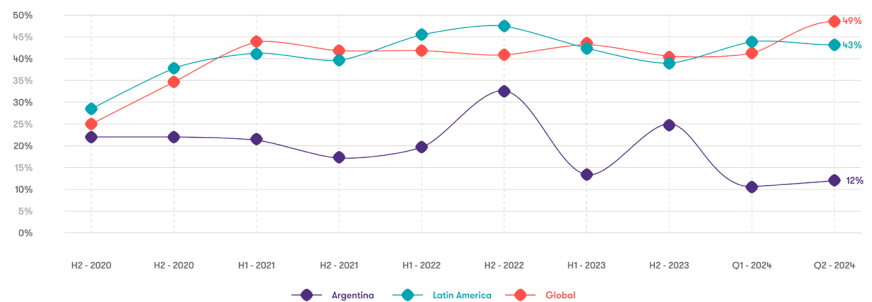
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>		24%	26%	25%	19%	22%	29%	11%	25%	17%	16%	↓
<b>Latin America</b>		32%	37%	39%	44%	45%	44%	40%	42%	47%	40%	↓
<b>Global</b>		26%	35%	42%	45%	42%	40%	44%	42%	45%	48%	↑
<b>Sample ARG</b>		79	77	76	77	76	80	75	75	76	75	

The expectation index of the increase in countries to which it is estimated to sell rose to 12% in Argentina.

At the global level, the index rose to 49% and at the regional level, it fell 1 point to reach 43%.

### Number of countries estimated to sell to

Percentage of companies expecting an increase in number of countries sold to over next 12 months.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>		22%	22%	21%	17%	20%	33%	13%	25%	11%	12%	↑
<b>Latin America</b>		29%	38%	41%	40%	45%	47%	42%	39%	44%	43%	↓
<b>Global</b>		25%	35%	44%	42%	42%	41%	43%	40%	42%	49%	↑
<b>Sample ARG</b>		79	77	76	77	76	80	75	75	76	75	

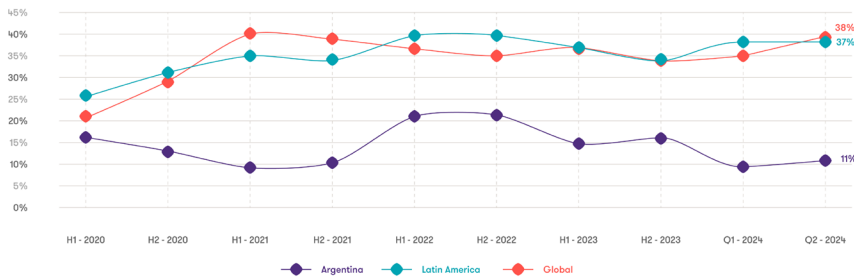


# Indices 2024

## Second Quarter

### Number of employees focused on foreign markets

Expectation of an increase in the number of employees focused on foreign markets over the next 12 months.



The expectation index for the proportion of employees who will work in foreign markets in Argentina rose 3 percentage points to 11%.

At a global level, it rose to 38% and at a regional level, it remained at 37%.

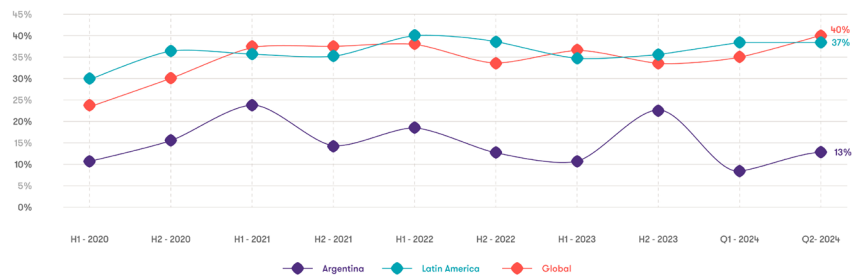
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>		16%	13%	9%	10%	21%	21%	15%	16%	8%	11%	↑
<b>Latin America</b>		26%	31%	35%	34%	40%	40%	37%	34%	37%	37%	=
<b>Global</b>		21%	29%	40%	39%	37%	35%	37%	34%	35%	38%	↑
<b>Sample ARG</b>		79	77	76	77	76	80	75	75	76	75	

The expectation index for the increase in foreign suppliers and subcontractors, in Argentina, rose from 8% to 13%.

At a global level, the index rose to 40% and in Latin America, this figure remained at 37%.

### Use of foreign suppliers and subcontractors

Expectation of an increase in the use of foreign suppliers and subcontractors over the next 12 months.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>		10%	16%	24%	14%	18%	13%	11%	23%	8%	13%	↑
<b>Latin America</b>		30%	36%	36%	35%	40%	38%	35%	36%	37%	37%	=
<b>Global</b>		23%	30%	37%	37%	38%	34%	37%	34%	35%	40%	↑
<b>Sample ARG</b>		79	77	76	77	76	80	75	75	76	75	



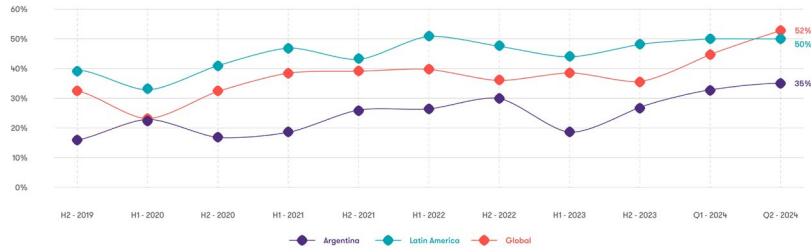


# Indices 2024

## Second Quarter

### Investment in new facilities

Expectation of an increase in investment in new facilities in the next 12 months.



The expectation index for investment in real estate and facilities, in Argentina, rose from 33% to 35%.

At a global level it rose to 52% and in Latin America, it remained at 50%.

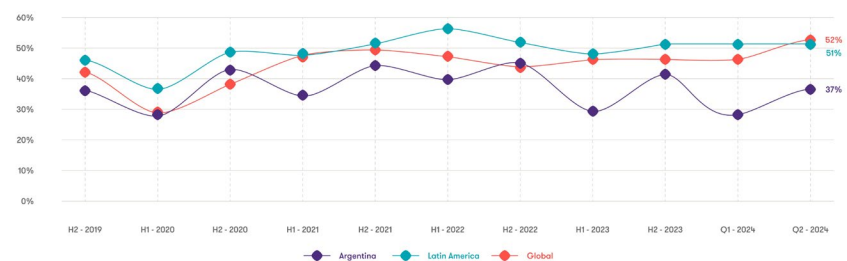
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	16%	23%	17%	18%	26%	26%	30%	19%	27%	33%	35%	↑
<b>Latin America</b>	39%	33%	41%	47%	43%	51%	48%	44%	48%	50%	50%	=
<b>Global</b>	33%	23%	32%	38%	39%	40%	36%	38%	36%	45%	52%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

The expectation index for increased investment in plants and machinery in Argentina rose from 29% to 37%.

At the global level, the index rose 1 point to 52% and at the regional level it remained at 51%.

### Investment in plants and machinery

Expectation of increased investment in plants and machinery over the next 12 months.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	36%	28%	43%	34%	44%	39%	45%	29%	41%	29%	37%	↑
<b>Latin America</b>	46%	37%	49%	47%	51%	56%	52%	48%	51%	51%	51%	=
<b>Global</b>	42%	29%	38%	47%	49%	47%	44%	46%	46%	46%	52%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

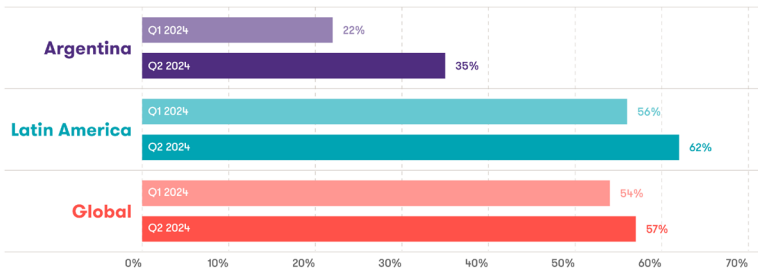


# Indices 2024

## Second Quarter

### Investment in the brand

Percentage expecting an increase investment in the brand over next 12 months.



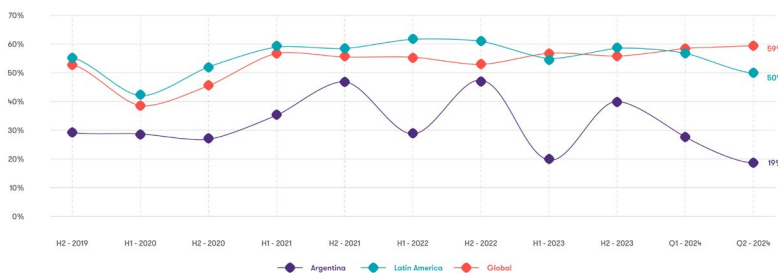
The Investment expectation index in the business brand begins to be included in the IBR starting in 2024.

In Argentina it rose to 35%. At the global and regional level it rose to 57% and 62% respectively.

	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina										22%	35%	↑
Latin America										56%	62%	↑
Global										54%	57%	↑
Sample ARG										76	75	

### Investment in staff skills

Expectation of an increase in investment in personnel skills in the next 12 months.



The expectation index for Investment in personnel skills in Argentina fell from 28% to 19%.

At the global level, the index rose one point to 59% and at the regional level, it fell to 50%.

	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina	29%	29%	27%	36%	47%	29%	48%	20%	40%	28%	19%	↓
Latin America	55%	42%	52%	59%	58%	62%	61%	55%	58%	57%	50%	↓
Global	52%	38%	46%	57%	55%	55%	53%	57%	56%	58%	59%	↑
Sample ARG	75	79	77	76	77	76	80	75	75	76	75	



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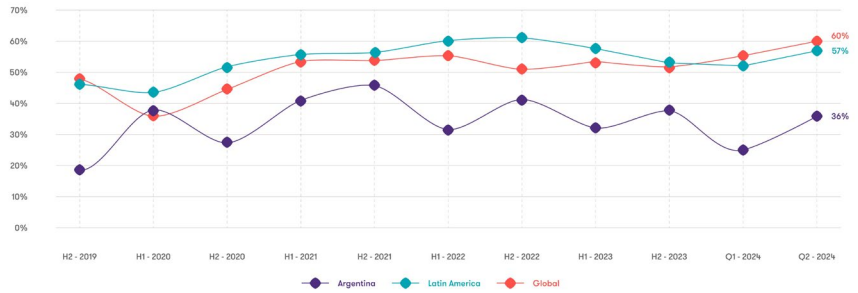
## Second Quarter

The expectation index for increased investment in R&D rose to 36% in Argentina.

At a global level, this index rose to 60% and at a regional level, 57%.

### Research and development

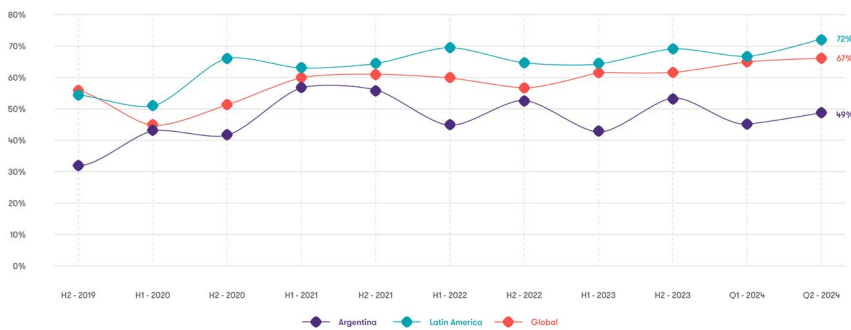
Expectation of an increase in investment in research and development in the next 12 months.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	19%	38%	27%	41%	45%	32%	41%	32%	37%	25%	36%	↑
<b>Latin America</b>	46%	44%	52%	56%	56%	60%	61%	58%	53%	52%	57%	↑
<b>Global</b>	48%	36%	45%	54%	54%	55%	51%	54%	52%	55%	60%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

### Technology

Expectation of an increase in investment in technology in the next 12 months.



The expectation index for investment in technology in Argentina rose from 45% to 49%.

At the global level, the index rose to 67% and at the regional level, it rose 5 percentage points to 72%.

	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	32%	43%	42%	57%	56%	45%	53%	43%	53%	45%	49%	↑
<b>Latin America</b>	55%	51%	66%	63%	64%	69%	65%	64%	69%	67%	72%	↑
<b>Global</b>	55%	45%	51%	60%	61%	60%	57%	61%	61%	66%	67%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

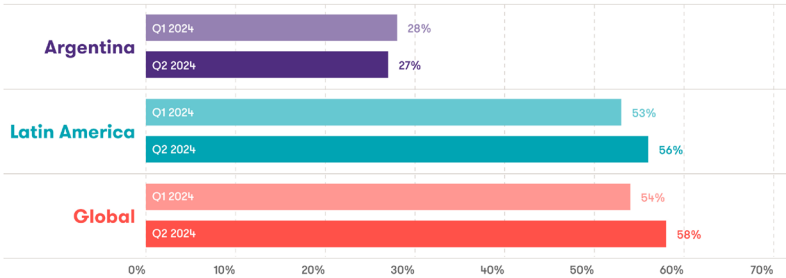


# Indices 2024

## Second Quarter

### Investment in sustainable initiatives

Percentage expecting an increase investment in sustainable initiatives over next 12 months.



The expectation index for Investment in sustainable initiatives begins to be included in the IBR starting in 2024.

In Argentina it decreased 1 point to 27%. At the global and regional level it rose to 58% and 56% respectively.

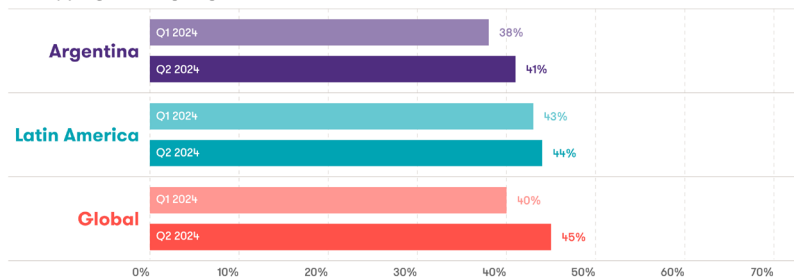
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina										28%	27%	↓
Latin America										53%	56%	↑
Global										54%	58%	↑
Sample ARG										76	75	

The expectation index for delivery times and cost of shipping and delivery of goods begins to be included in the IBR as of 2024.

In Argentina it rose to 41%. At the global and regional level it rose to 45% and 44%, respectively.

### Lead-times and costs of shipping/delivery of goods

Percentage expecting an increase lead-times and costs of shipping/delivery of goods over next 12 months.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina										38%	41%	↑
Latin America										43%	44%	↑
Global										40%	45%	↑
Sample ARG										76	75	

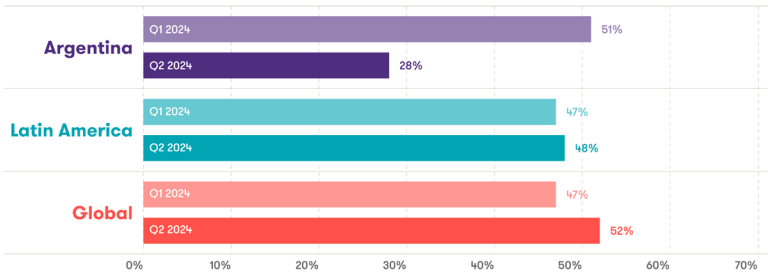


# Indices 2024

## Second Quarter

### Availability and cost of raw materials and other inputs to your production process

Percentage expecting an increase availability and cost of raw materials and other inputs to your production process over next 12 months.



The expected availability and cost index of raw materials and other inputs for production is included in the IBR from 2024.

In Argentina it fell to 28%. At the global and regional level it rose to 52% and 48%, respectively.

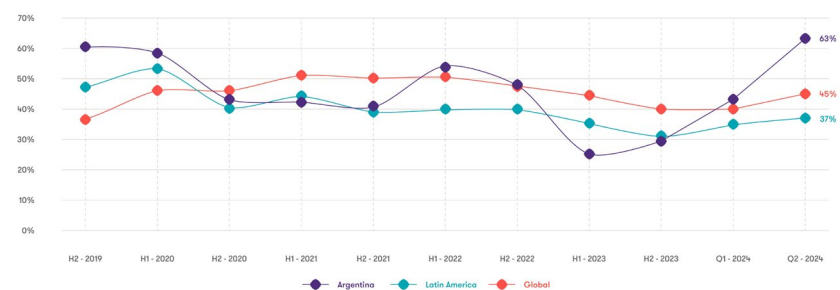
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina										51%	28%	↓
Latin America										47%	48%	↑
Global										47%	52%	↑
Sample ARG										76	75	

The financing shortage expectation index shows an increase in Argentina from 42% to 63%.

At the global level the index rose to 45% and at the regional level it rose 2 percentage points to 37%.

### Funding shortage

Percentage that identifies funding shortages as a key constraint.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina	60%	58%	43%	42%	40%	54%	48%	25%	29%	42%	63%	↑
Latin America	47%	53%	41%	44%	39%	40%	40%	35%	31%	35%	37%	↑
Global	37%	46%	46%	51%	50%	50%	47%	44%	40%	40%	45%	↑
Sample ARG	75	79	77	76	77	76	80	75	75	76	75	

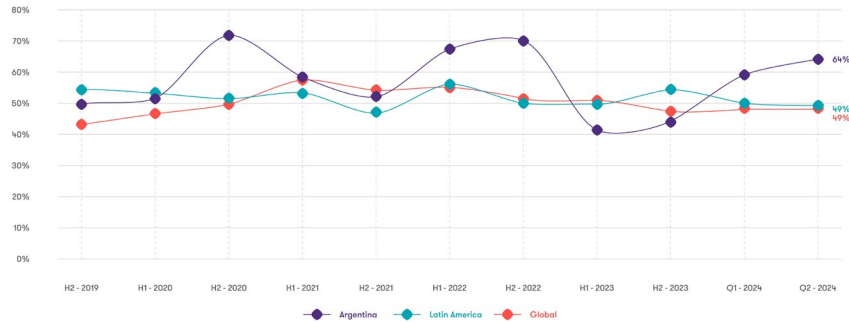


# Indices 2024

## Second Quarter

### Regulation and bureaucracy

Percentage that identifies regulation and bureaucracy as a key constraint.



The index that identifies bureaucratic obligations and procedures as a key limitation rose to 64% in Argentina.

At the global level it remained at 49% and at the regional level it fell 1 point to 49%.

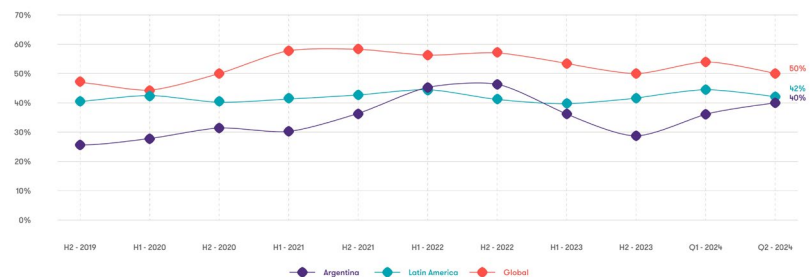
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	49%	52%	71%	58%	52%	67%	70%	41%	44%	59%	64%	↑
<b>Latin America</b>	54%	53%	51%	53%	47%	56%	50%	50%	54%	50%	49%	↓
<b>Global</b>	43%	46%	50%	58%	54%	55%	51%	51%	47%	49%	49%	=
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

The index that identifies the availability of qualified workers as a key limitation rose to 40% in Argentina.

Globally, it dropped to 50%. At the regional level it fell 2 percentage points to 42%.

### Availability of qualified workers

Percentage that identifies the availability of qualified workers as a key constraint.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	25%	28%	31%	30%	36%	45%	46%	36%	29%	36%	40%	↑
<b>Latin America</b>	40%	42%	40%	41%	43%	44%	41%	39%	41%	44%	42%	↓
<b>Global</b>	46%	44%	50%	57%	58%	56%	57%	53%	50%	53%	50%	↓
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	



# Indices 2024

## Second Quarter

### Labor cost

Percentage identifying labor costs as a key constraint.



The index that identifies labor costs as a key limitation rose to 35% in Argentina.

At the global level, it fell to 51% and at the regional level, it fell to 35%.

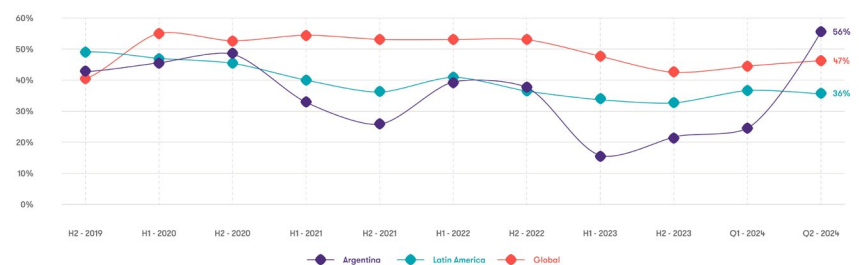
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	37%	35%	42%	37%	36%	37%	44%	23%	27%	34%	35%	↑
<b>Latin America</b>	41%	43%	40%	41%	36%	39%	37%	32%	38%	39%	35%	↓
<b>Global</b>	47%	50%	50%	56%	59%	57%	55%	53%	51%	53%	51%	↓
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

The index that identifies the shortage of orders (low demand) as a key limitation rose to 56% (32pp) in Argentina.

At a global level, it rose to 47% (3pp) and at a regional level, it fell to 36% (1pp).

### Shortage of orders

Percentage that identifies order shortages as a key constraint.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	43%	46%	48%	33%	26%	39%	38%	16%	21%	24%	56%	↑
<b>Latin America</b>	49%	47%	45%	40%	36%	41%	37%	34%	33%	37%	36%	↓
<b>Global</b>	41%	55%	52%	54%	53%	53%	53%	48%	43%	44%	47%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

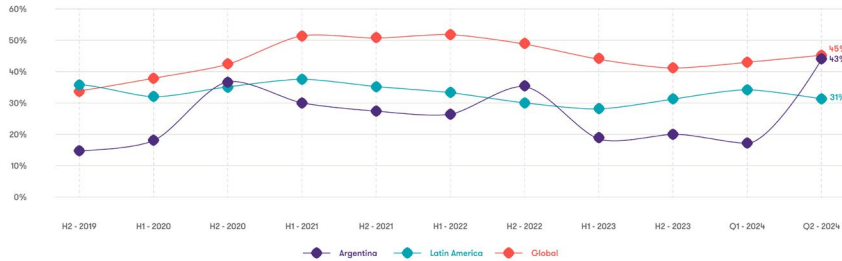


# Indices 2024

## Second Quarter

### Transport infrastructure

Percentage that identifies transportation infrastructure as a key constraint.



The index that identifies transportation infrastructure as a key limitation rose in Argentina from 17% to 43%.

At a global level, it rose to 45% and at a regional level, it fell to 31%.

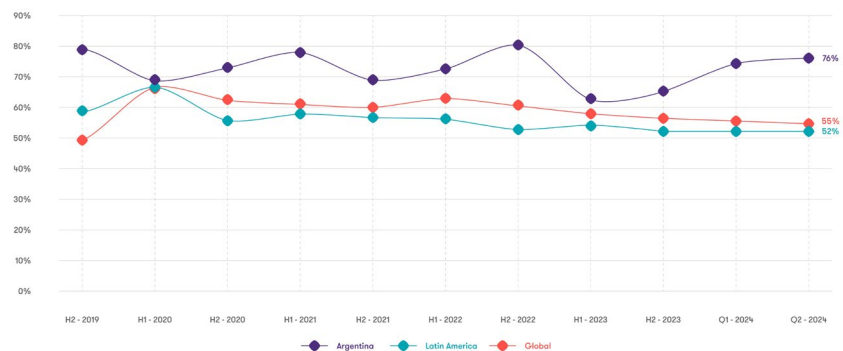
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	15%	18%	36%	30%	27%	26%	35%	19%	20%	17%	43%	↑
<b>Latin America</b>	36%	32%	36%	37%	35%	33%	30%	28%	31%	34%	31%	↓
<b>Global</b>	34%	38%	42%	51%	51%	52%	49%	44%	41%	42%	45%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

The index that identifies the recognition of economic uncertainty as a fundamental limitation rose to 76% (2pp) in Argentina.

At the global level the index fell to 55% (1pp) and at the regional level it remained at 52%.

### Economic uncertainty

Percentage that identifies economic uncertainty as a key limitation.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	79%	68%	73%	78%	69%	72%	80%	63%	65%	74%	76%	↑
<b>Latin America</b>	58%	66%	56%	58%	57%	56%	53%	54%	52%	52%	52%	=
<b>Global</b>	49%	66%	62%	61%	60%	63%	60%	58%	57%	56%	55%	↓
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	



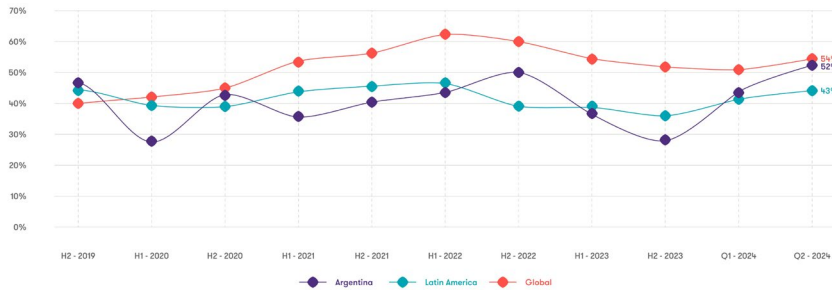


# Indices 2024

## Second Quarter

### Energy costs

Percentage that identifies energy costs as a key constraint.



The index that identifies energy costs as a key limitation rose to 52% (9pp) in Argentina.

At the regional level, it rose to 43% (2pp) and at the global level, it rose to 54% (3pp).

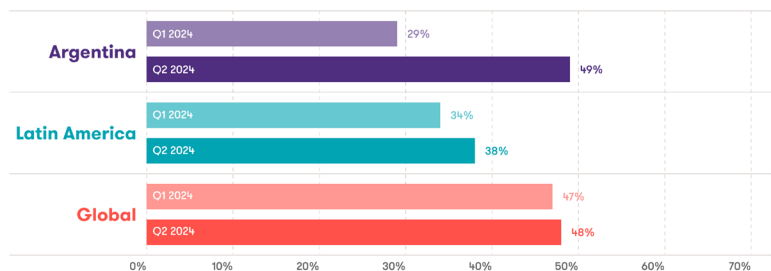
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	47%	28%	43%	36%	40%	43%	50%	37%	29%	43%	52%	↑
<b>Latin America</b>	44%	39%	39%	43%	45%	46%	39%	38%	36%	41%	43%	↑
<b>Global</b>	40%	42%	45%	54%	56%	62%	60%	54%	52%	51%	54%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

The market size expectation index is included in the IBR from 2024. In Argentina, the expectation rose to 49% (20pp).

At the global and regional level it rose to 48% and 38%, respectively.

### Size of the market

Percentage identifying size of the market as a key constraint.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>										29%	49%	↑
<b>Latin America</b>										34%	38%	↑
<b>Global</b>										47%	48%	↑
<b>Sample ARG</b>										76	75	

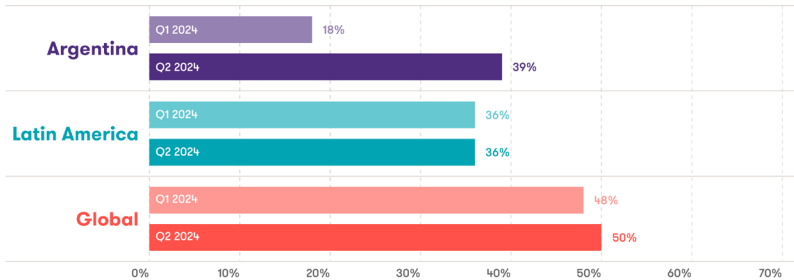


# Indices 2024

## Second Quarter

### Competition / Competitors

Percentage identifying competition/competitors as a key constraint.



The competitor expectation index as a key limitation is included in the IBR from 2024. In Argentina, it rose to 39% (21pp).

At the regional level it remained at 36% and at the global level it rose to 50% (2pp).

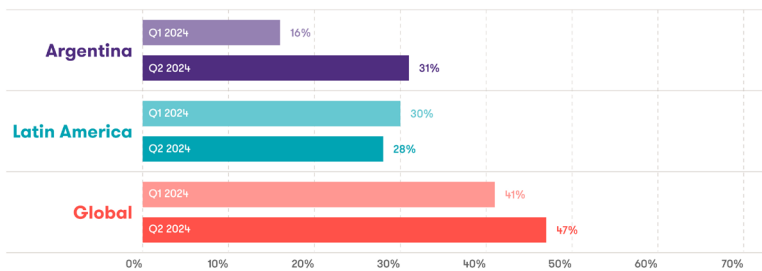
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina										18%	39%	↑
Latin America										36%	36%	=
Global										48%	50%	↑
Sample ARG										76	75	

The expected environmental constraints/natural resource scarcity index is included in the IBR from 2024.

In Argentina, it rose to 31% (15pp). At the regional level it fell to 28% and at the global level it rose to 47%.

### Environmental constraints/scarcity of natural resources

Percentage identifying environmental constraints/scarcity of natural resources as a key constraint.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina										16%	31%	↑
Latin America										30%	28%	↓
Global										41%	47%	↑
Sample ARG										76	75	

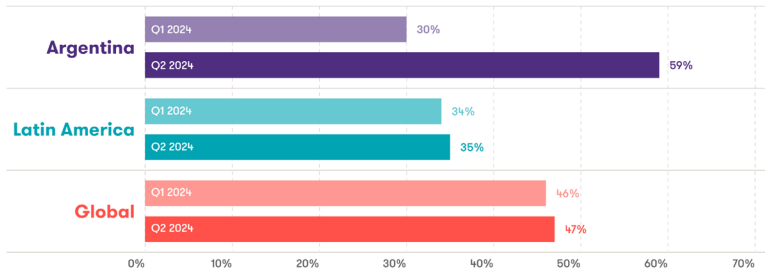


# Indices 2024

## Second Quarter

### Expected future shortage of orders / demand

Percentage identifying expected future shortage of orders/demand as a key constraint.



The index of expectation of future demand shortages is included in the IBR from 2024.

In Argentina, it rose to 59% (29pp). At the global and regional level it rose to 47% (1pp) and 35% (1pp) respectively.

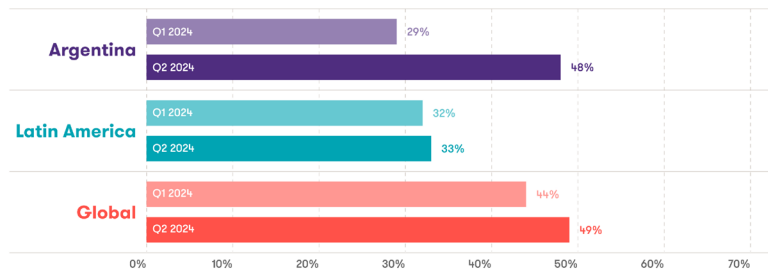
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina										30%	59%	↑
Latin America										34%	35%	↑
Global										46%	47%	↑
Sample ARG										76	75	

The Geopolitical Disruption Expectation Index has been included in the IBR since 2024. In Argentina, it rose to 48% (19pp).

At the global and regional level it rose to 49% (5pp) and 33% (1pp), respectively.

### Geopolitical disruption

Percentage identifying geopolitical disruption as a key constraint.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina										29%	48%	↑
Latin America										32%	33%	↑
Global										44%	49%	↑
Sample ARG										76	75	

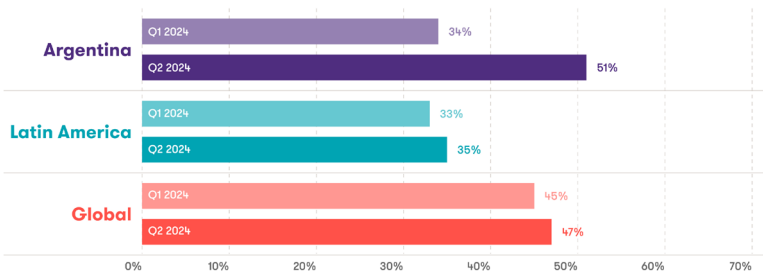


# Indices 2024

## Second Quarter

### Supply chains and complex procurement systems

Percentage identifying supply chains and complex procurement systems as a key constraint.



The index that identifies supply chains and procurement systems as a possible limitation is included in the IBR from 2024.

In Argentina, the expectation rose to 51% (17pp). At the global and regional levels it rose to 47% (2pp) and 35% (2pp).

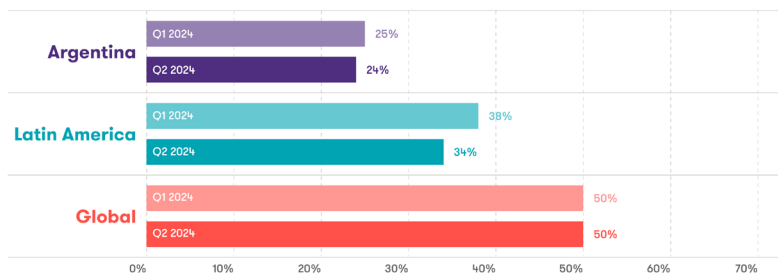
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina										34%	51%	↑
Latin America										33%	35%	↑
Global										45%	47%	↑
Sample ARG										76	75	

The digital or cybersecurity risk expectation index has been included in the IBR since this 2024.

In Argentina, the expectation (25%) is lower than in the Latin American region (38%) and globally (50%).

### Cyber security / digital risk

Percentage identifying cyber security/digital risk as a key constraint.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
Argentina										25%	24%	↓
Latin America										38%	34%	↓
Global										50%	50%	=
Sample ARG										76	75	

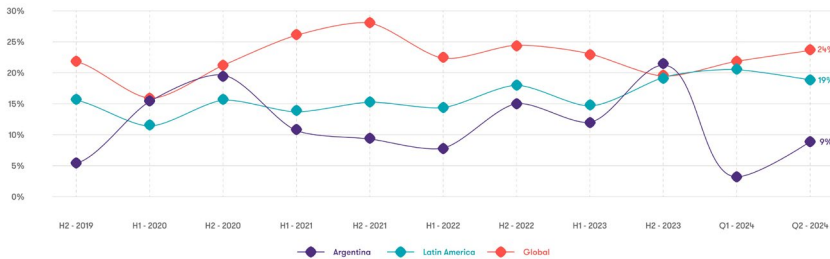


# Indices 2024

## Second Quarter

### Real increases in wages

Expectation of making real increases in salaries in the next 12 months.



The index of expectation of making real increases in salaries rose to 9% (6 pp) in Argentina.

At a global level it rose 1 percentage point to 24% and in Latin America it fell to 19% (2 pp).

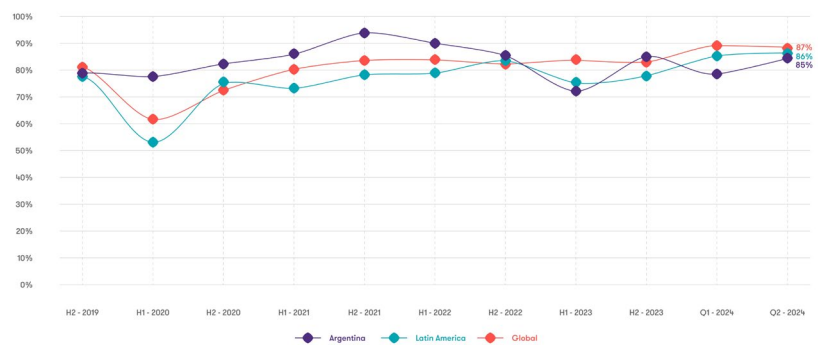
	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	5%	15%	19%	11%	9%	8%	15%	12%	21%	3%	9%	↑
<b>Latin America</b>	15%	12%	15%	14%	15%	14%	18%	15%	19%	21%	19%	↓
<b>Global</b>	22%	16%	21%	26%	28%	22%	24%	23%	19%	23%	24%	↑
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	

The index of expectation of nominal increases in salaries rose to 85% (6 pp) in Argentina.

At a global level, the expectation dropped to 87% and in Latin America it rose to 86%.

### Wage increase

Expectation to increase wages in the next 12 months.



	2019 H2	2020 H1	2020 H2	2021 H1	2021 H2	2022 H1	2022 H2	2023 H1	2023 H2	2024 Q1	2024 Q2	Trend
<b>Argentina</b>	79%	77%	82%	86%	94%	89%	85%	72%	84%	79%	85%	↑
<b>Latin America</b>	77%	54%	75%	74%	79%	79%	84%	76%	78%	85%	86%	↑
<b>Global</b>	81%	61%	72%	80%	83%	83%	82%	83%	83%	89%	87%	↓
<b>Sample ARG</b>	75	79	77	76	77	76	80	75	75	76	75	



# Indices 2024

## Second Quarter

### Survey for Argentine companies

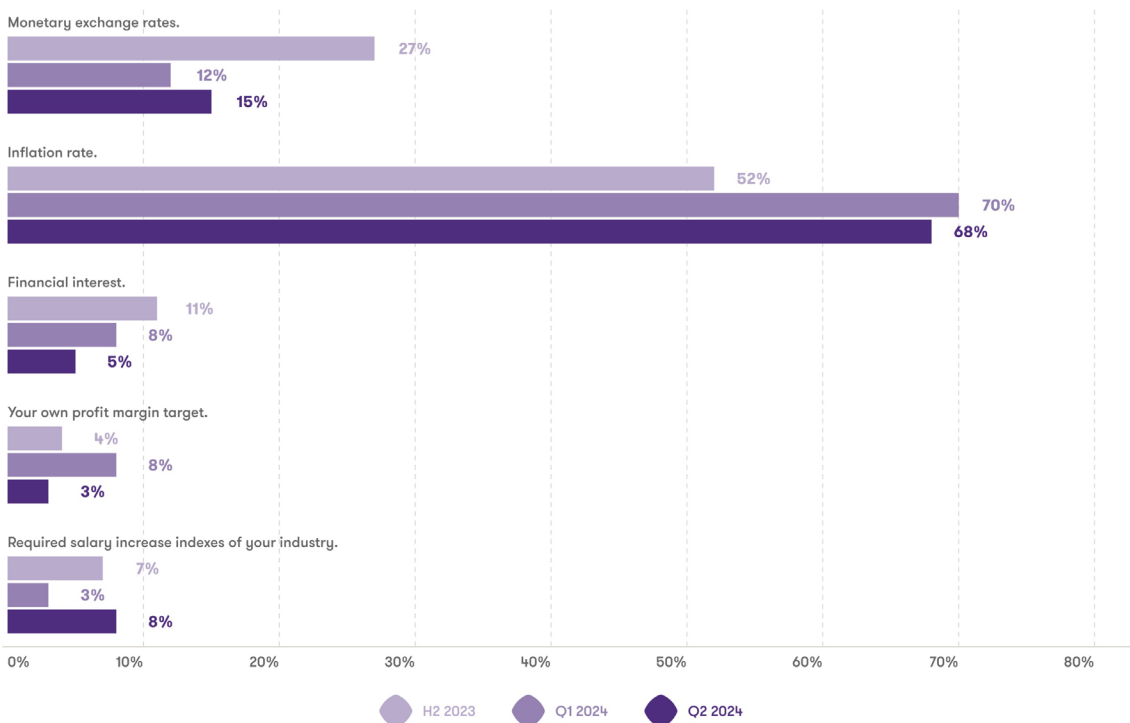
Since the second half of 2023, in addition to the questions asked of all respondents in more than 150 economies, the International Business Report includes three questions asked only to the executives consulted in Argentina.

These questions refer to issues specific to our context. The first of them asks what factors are most relevant when making executive decisions; the second aims to investigate the main strategies of companies to attract and retain their collaborators; and the third question is related to the communication that companies reinforce in their teams in contexts of uncertainty.

Below are the variations in the answers to these questions from March to June 2024.

### Decision making - Argentina

In this current context of economic uncertainty, which of these economic factors impacts significantly on your decision making?





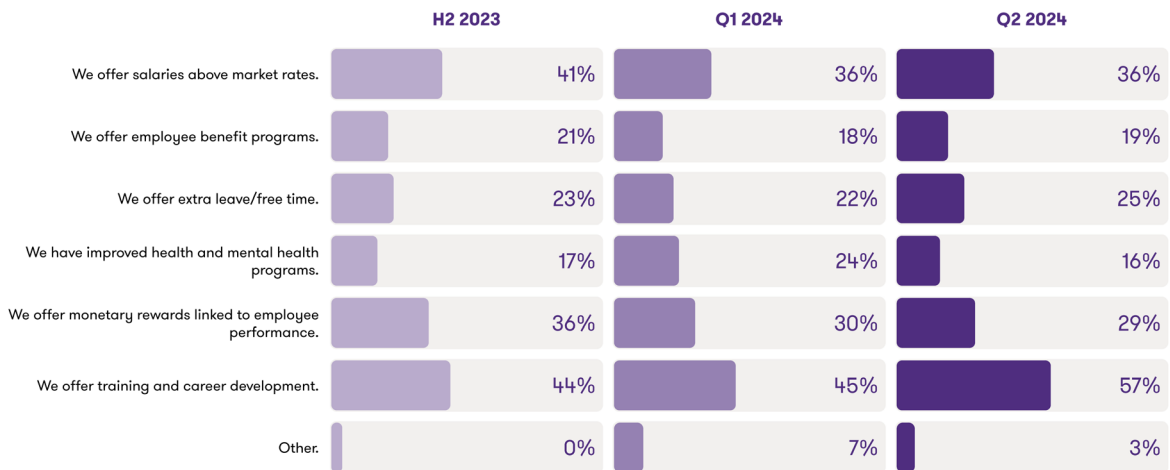
# Indices 2024

## Second Quarter

### Survey for Argentine companies

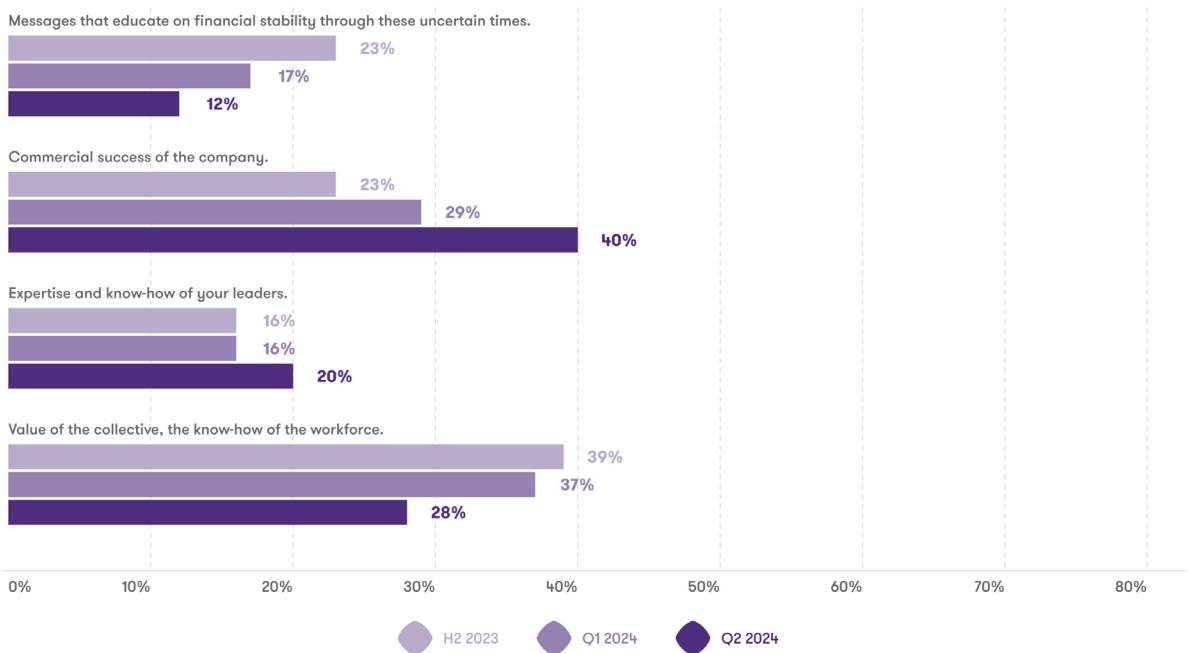
#### Labour force - Argentina

Thinking about labour force, which of these strategies are you currently using to attract and retain talent?



#### Economic uncertainty - Argentina

In this current context of economic uncertainty, what is the most relevant corporate message you are passing to your collaborators and clients to keep them motivated and uplifted?





# Conclusions

When comparing trends during the two semesters of 2023, wide differences are noted in national metrics with respect to variations in regional and global indices. Business optimism doubled in our country, going from 24% to 48%.

In the first quarter of 2024, optimism in Argentina continued its growth, reaching 67%. In the second quarter it rose another two percentage points, reaching 69%.

## Future business growth expectations

When considering the variables that influence this index, it is worth mentioning that, since the previous quarter, in Argentina some indices maintained their level and others had slight variations. The expectation of an increase in sales prices decreased 25 percentage points, presenting the greatest variation of this period.

Below are the expected growth rates, from highest to lowest, in the second quarter of 2024:

## Future business growth expectations







## Expectation of future business investment intentions

On the other hand, the variables that measure the expectation of future business investment intentions had slight or moderate increases in Argentina except for the expectation of investment in plants and machinery. This index fell 23 percentage points to reach 28%.

Business optimism was also influenced by new indices from this group that began to be considered as part of the IBR as of the first quarter of 2024, and that account for aspects that became relevant in recent years and currently affect optimism in companies. . They are the expectations of investment in the brand, in sustainable initiatives; delivery times and costs of shipping or delivering goods; and the availability of raw materials and other inputs for production.

Below are the investment expectation indices, from highest to lowest, in the first quarter of 2024:

### Future business investment intentions





## Limitations to business growth

With respect to the variables that measure the expectation of limitations to business growth, it is worth noting that, in Argentina, all the indices of this group rose - (6 of them with variations of 20 percentage points or more) -, except for the expectation of limitations from cybersecurity risks.

This group also has new variables that were incorporated into the International Business Report as of January 2024, including expectations of limitations to growth due to market size, the presence of competitors, environmental limitations or scarcity of natural resources, the expected future order (demand) shortages, geopolitical disruption scenarios, the need for complex supply chains and procurement systems, and digital and cybersecurity risks.

Below are the expectation indices of growth limitations, from highest to lowest, in the first quarter of 2024:

### Limitations to business growth





## Expected business salary changes

With respect to the variables that measure salary expectations in Argentina, the expectation of real salary increases increased from 3% to 9%, reversing the trend of the previous period that had observed a decrease from 21% to 3%.

The trajectory of the expected increase in wages in nominal terms is similar. The rate went from 84% at the end of 2023 to 79% with the passage of the first quarter of 2024. The latest measurement relocates this index to 85%.

Below are the expected salary change indices, from highest to lowest, in the first quarter of 2024:

## Expected business salary changes

- 1 Wage increase
- 2 Real increases in wages



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