

Australasian companies ready for growth: report

SYDNEY, April 22 (Xinhua) -- About 30 percent of Australasian businesses, double the number in October 2011, believe that the global economy is improving, according to a report released on Monday by Ernst and Young, one of the top four global accounting firms.

Ernst and Young's six monthly Capital Confidence Barometer showed that corporate confidence in the global outlook was moderately improving and Australasian companies were prepared for growth.

The report was based on a survey of 1,500 executives worldwide, including 146 from Australasia, and was undertaken in February and March 2012.

It found that 32 percent of Australasian companies expected to pursue an acquisition in the next 12 months.

Ernst & Young's transaction advisory services leader for Oceania Graeme Browning told the Australian Associated Press (AAP) that Australasian companies were well positioned to pursue growth.

"Local businesses boast strong balance sheets, with debt to capital ratios remaining very low and the vast majority who believe corporate earnings are stable or improving," Browning said.

However, he said despite an improvement in overall confidence, businesses in Australasia and worldwide had not sped up their acquisition plans.

"This caution may be driven by lingering concerns of another false start on the road to global economic growth," he said.

The research found that 89 percent Australasian companies and 46 percent globally saw Asia Pacific as the preferred region for investment.

China, India, Indonesia and Malaysia were the top four countries for investment for Australasian companies.

