CFO confidence rebounds as growth, deals, and AI opportunities move up the agenda

Contents

Overview

Finance leaders have become more optimistic about their businesses and the economy since our Spring 2026 U.S. Bank CFO Insights Report. Today, 68% report a positive three-year outlook on the U.S. economy, compared with 58% in the spring.

They are also finding opportunities amid uncertainty while remaining attentive to risks, particularly geopolitical tensions and conflict, borrowing costs, and persistent inflation. To manage cost pressures, many are investing in technology to boost productivity and efficiency, rather than reducing headcount.

This report also offers insight into how economy-wide investment in AI is affecting businesses. More than two-thirds of finance leaders say that the rapid growth in AI investment across the economy is creating meaningful commercial opportunities for their business. Yet many must contend with a related challenge: 51% say their firm's spending on AI tools and platforms exceeded budget over the past year.

These findings come from a U.S. Bank survey of 1,000 senior finance leaders at large and midsize U.S. firms with annual revenue ranging from $100 million to more than $5 billion. The survey was conducted between August 5 and 26, 2026. U.S. Bank has tracked chief financial officer (CFO) sentiment, priorities, and risks since 2021.

“Since our spring CFO survey, we’ve seen a shift in how finance leaders view the current environment. The underlying risks remain largely the same, but optimism has improved and priorities are adjusting. Finance leaders remain focused on cutting costs, yet they're also placing greater emphasis on revenue growth and pursuing M&A opportunities,” says Stephen Philipson, U.S. Bank vice chair and head, Wealth, Corporate, Commercial and Institutional Banking. “Taken together, the findings as well as our client conversations suggest companies are increasingly willing to act rather than allowing uncertainty to delay important strategic decisions.”

Key findings from our research

1. **Economic sentiment has improved:** Finance leaders feel more optimistic about the economy and their business's financial prospects. Some 68% report a positive three-year outlook on the U.S. economy, up from 58% in the spring.

2. **Growth is closing the gap with cost cutting:** Driving revenue growth is a close second to cutting costs and improving efficiency, at 35% and 37%, respectively. Meanwhile, evaluating mergers and acquisitions (M&A), divestiture, and partnership opportunities rose from the fifth-highest priority in the spring to the third-highest in August.

3. **Deal appetite continues to rise:** 57% say their business is more likely to make acquisitions over the next 12 months than it was a year earlier, up from 49% in the spring. Bolt-on acquisitions remain the most popular expected deal structure.

4. **Geopolitics, borrowing costs and inflation are still top risks:** Geopolitical tension and war remain finance leaders' greatest concern (38%), followed by high borrowing costs (35%) and high inflation (34%). At the same time, 71% say geopolitical uncertainty creates opportunities as well as risks for their businesses.

5. **Economy-wide AI investment is creating new opportunities:** 69% say the rapid growth of AI investment across the economy is creating meaningful commercial opportunities for their business. Separately, 67% say increased investment in AI technologies and infrastructure across the economy has positively affected their business in the past 12 months, with the largest companies reporting the greatest impact.

6. **But AI also creates new cost pressures:** 51% say their organization's spending on AI tools and platforms has exceeded budget in the past 12 months.

About the research

The research findings in this report are based on a survey conducted between August 5 and 26, 2026, of 1,000 senior finance leaders who work for U.S. businesses across multiple sectors.

Nearly half of the survey participants are company, regional, or divisional CFOs. The remainder are senior managers within the finance function. Every finance leader surveyed works for a business that generates at least $100 million in annual revenue, and 30% work for a business that generates at least $2 billion.

Previous editions of our research include:

CFOs focus on growth, deals and tech modernization while balancing risk (April 2026)

Leading the return to growth (2024)

Leading the transformation (2023)

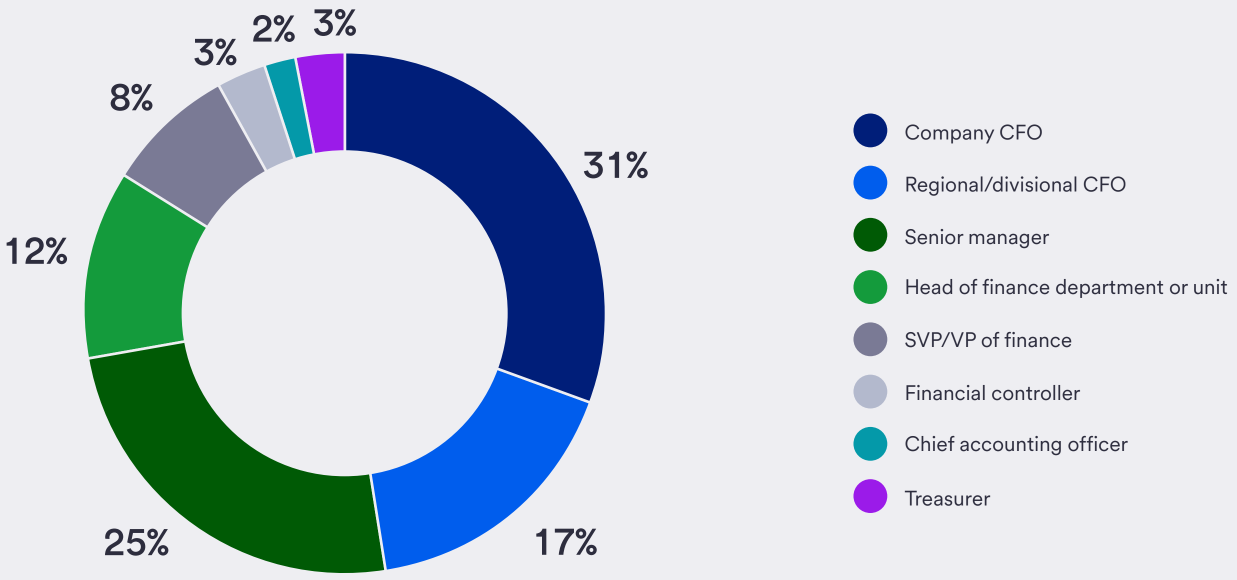
Leading through uncertainty (2022)

Leading the recovery (2021)

We repeated several of the questions this year to allow for an accurate assessment of how sentiment has changed.

Breakdown of respondent numbers by job title

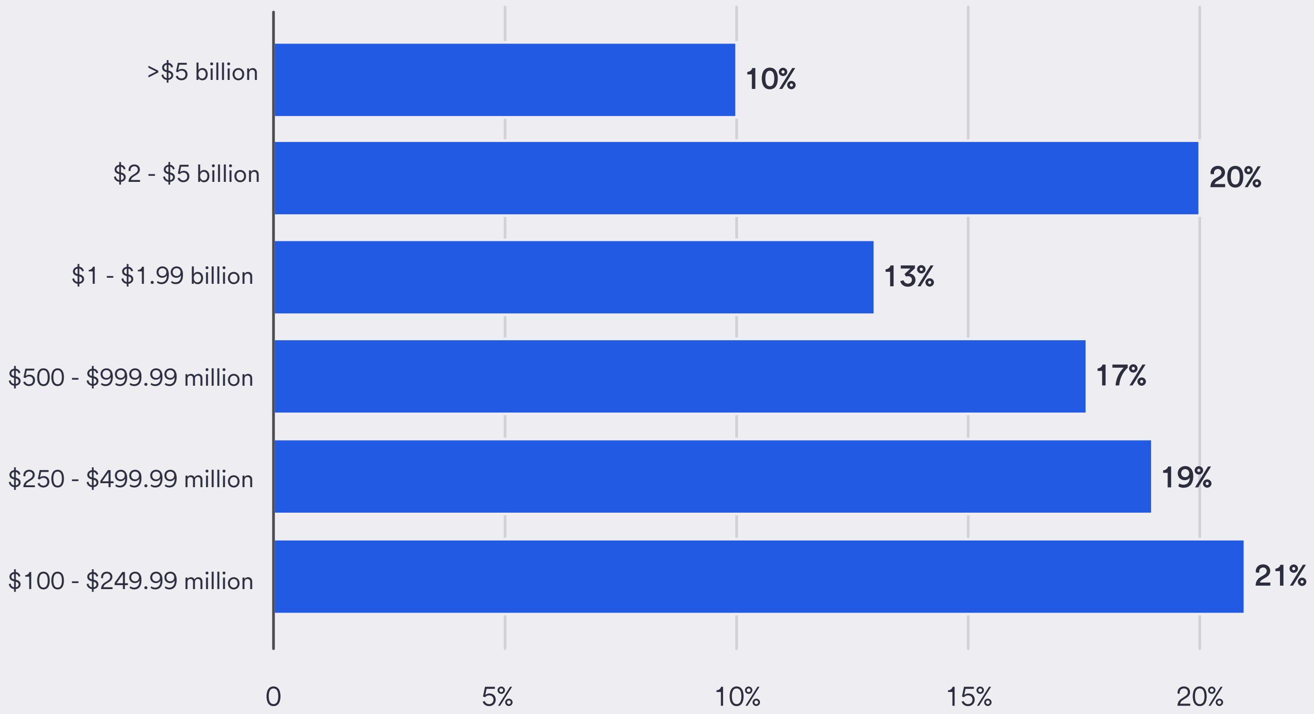
Which of the following best describes your job title?



Note: The percentages add up to more than 100% due to rounding.

Breakdown of respondents' companies by annual revenue

What was your organization's annual revenue in the last financial year?



1

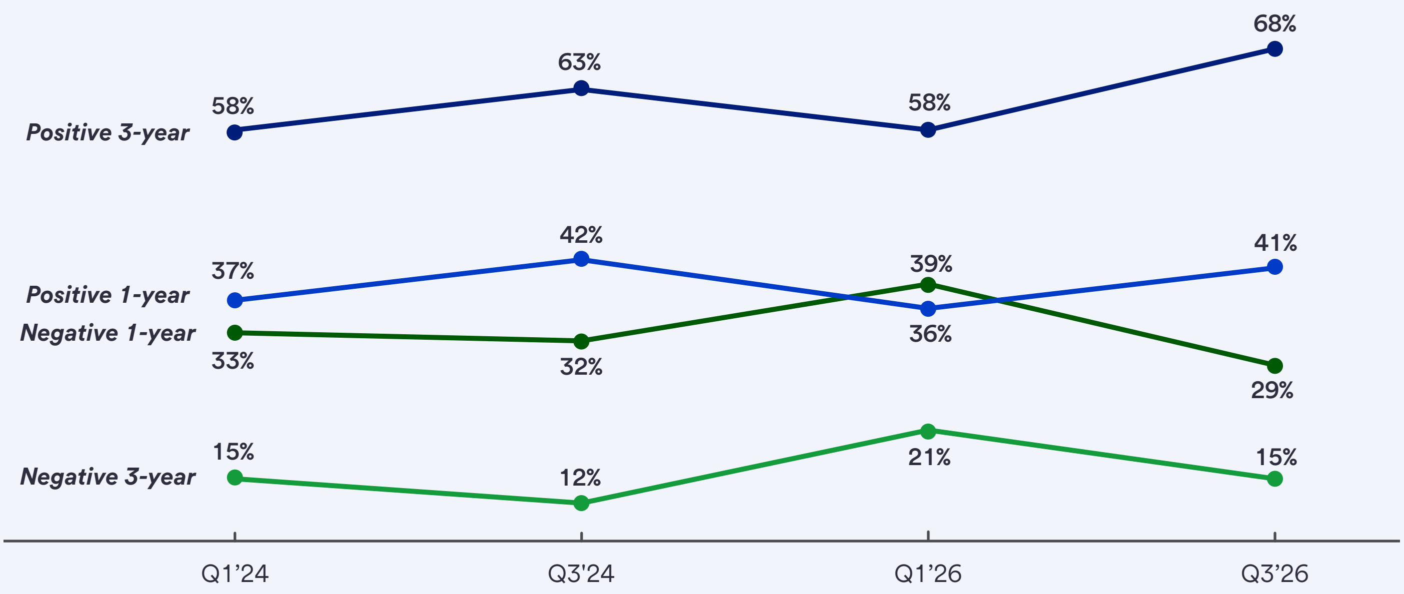
Confidence is rebounding

CFOs and other senior finance leaders at U.S. businesses reported growing optimism about the economy. Some 68% rate their three-year outlook as positive, compared with 58% of those surveyed in March and April of 2026. Shorter-term confidence climbed, too: 41% rate their 12-month outlook as positive, a 5-percentage-point increase since the spring.

“The increase in optimism aligns with what we’re hearing in conversations with clients across industries. CFOs remain mindful of inflation, borrowing costs, and geopolitical uncertainty, but they are increasingly confident in their ability to navigate those challenges. There’s a growing willingness to move forward despite an uncertain backdrop,” says Steve Gibson, head of Specialized Industries with the U.S. Bank Institutional Client Group.

CFOs are more positive about the U.S. economy

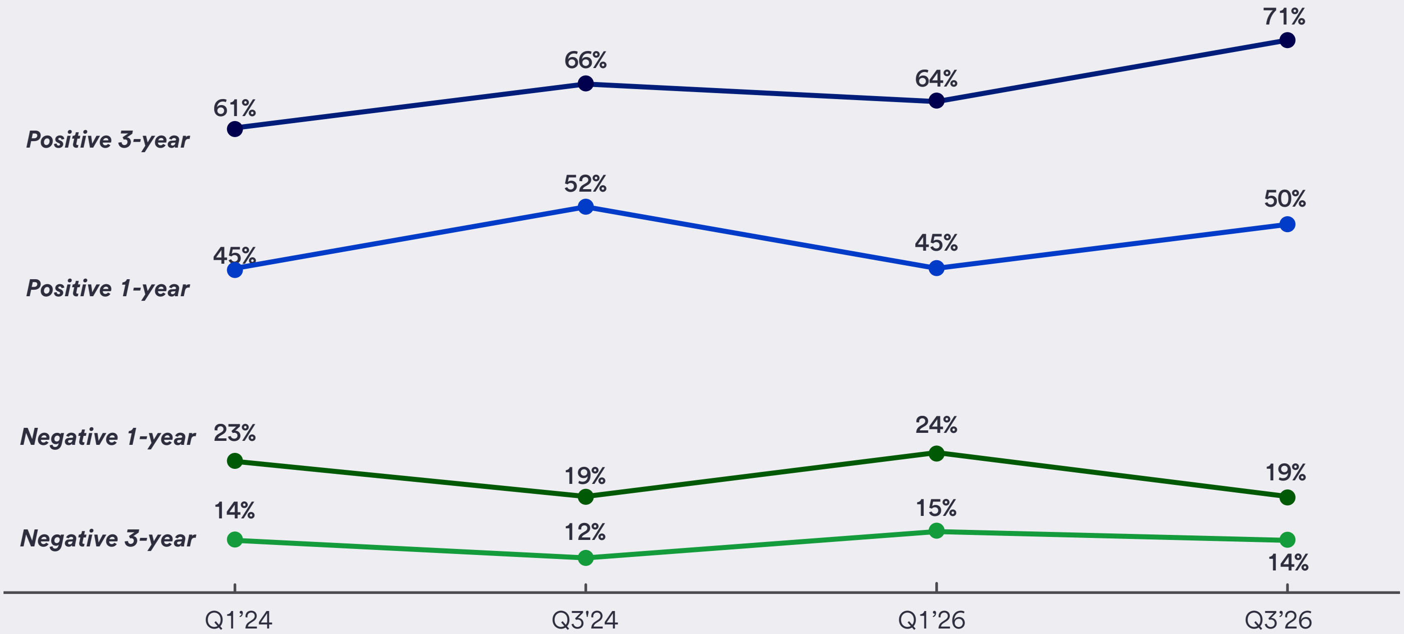
What is your outlook for the U.S. economy during the next 12 months and three years?



CFOs and finance leaders also remained more confident in their companies' prospects than the broader economy's. Some 71% say they have a positive outlook on their business's financial prospects over the next three years, up from 64% in the spring. Half report a positive 12-month outlook, up from 45%.

CFOs are also more optimistic about their business's prospects

What is your outlook for your business's financial prospects during the next 12 months and three years?



Finance leaders in several sectors report far more confidence in their sectors than in the economy as a whole. In oil and gas, the figures are 30% and 60%, respectively.

Broken down by company size, large-company finance leaders are more optimistic than their middle-market counterparts. Large-company finance leaders are more optimistic than their middle-market peers, particularly about the next 12 months. They lead by 15 percentage points in their positive outlook on the economy (50% versus 35%) and by 11 points on their business's financial prospects (56% versus 45%). Over three years, those gaps narrow to 10 points for the economy (74% versus 64%) and six points for their business (75% versus 69%).

71%

have a positive outlook on their businesses' financial prospects over the next three years.

2

Growth is closing the gap with cost cutting

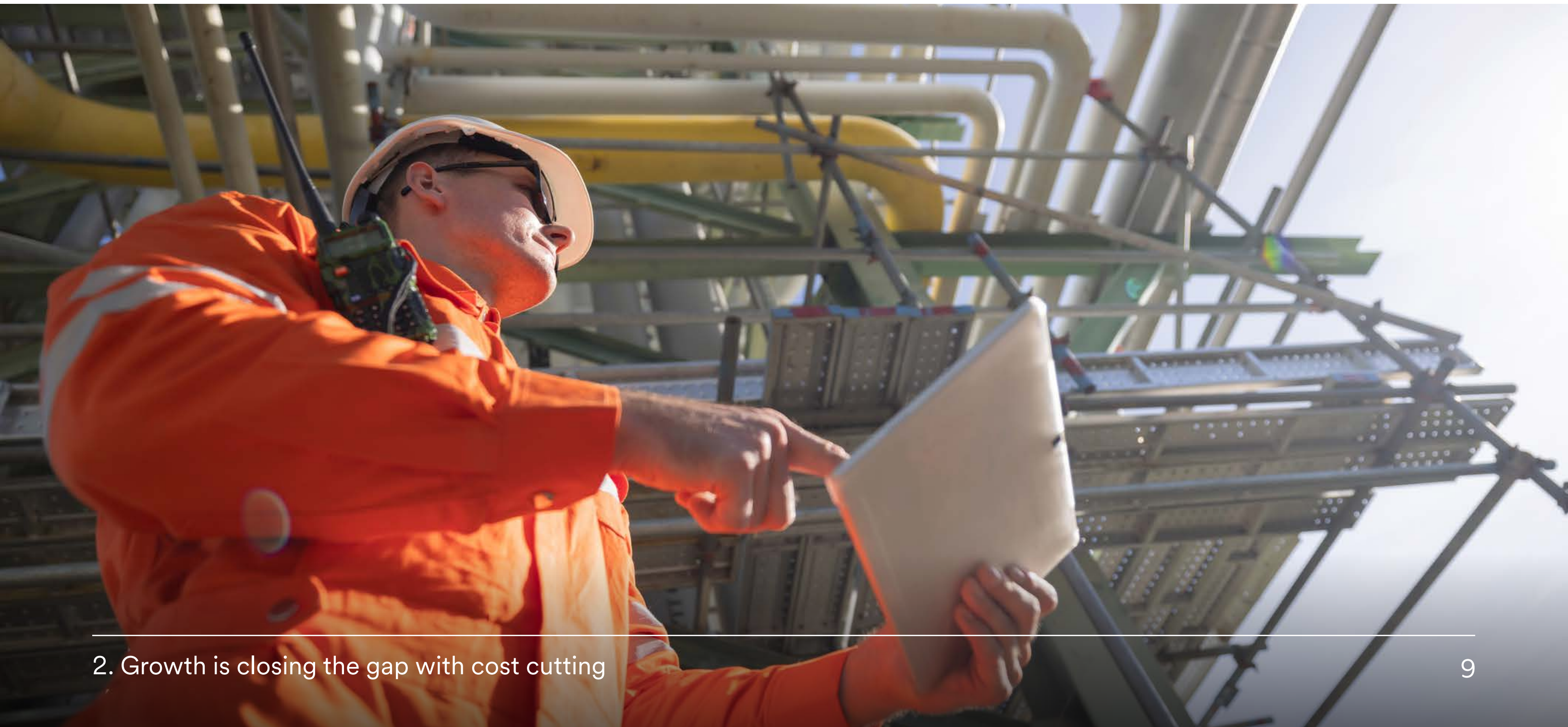
Over the past five years, finance leaders have consistently identified “cutting costs and driving efficiencies across the company” as a top priority. Today, 37% name it as a top priority, but “driving revenue growth” is close behind, with 35% identifying it as their top focus (up from 31% in Spring 2026).

Priorities vary considerably by sector.

Finance leaders in industrial products and manufacturing, transportation and logistics, oil and gas, and power and utilities are most likely to prioritize cutting costs and driving efficiencies across the company. In contrast, those in investment management, automotive, private equity, and professional services are more likely to prioritize driving revenue growth.

37%

of finance leaders say that cutting costs and driving efficiencies across the company is a top priority.



CFOs say revenue growth is a top priority

What are your finance function's greatest priorities for the next 12 months?

M&A momentum is building.

“Evaluating M&A, divestiture, and partnership opportunities” rose from the fifth-highest priority in the spring to the third-highest in August. Dealmaking expectations also increased: 59% of finance leaders say M&A activity in their sector is likely to rise over the next 12 months, up from 46% in the spring. Meanwhile, 57% say their business is more likely to make acquisitions over the next 12 months than it was a year earlier, up from 49% in the spring.

59% OF FINANCE LEADERS

expect M&A activity in their sector to rise over the next 12 months.

Dealmaking expectations are particularly strong in the industrial products and manufacturing sector. Some 78% of finance leaders anticipate a rise in M&A activity in their sector, while 66% say their business is more likely to make acquisitions over the next 12 months than it was a year earlier.

“Manufacturers are looking beyond near-term uncertainty and making strategic decisions about where they need greater capacity, new capabilities, or additional scale. Acquisitions can accelerate those plans when the strategic fit and valuation are right,” said Katie Simpson, Midwest regional executive, U.S. Bank Institutional Client Group.

As in the spring, August respondents expect bolt-on acquisitions to be the most popular deal structure, followed closely by transformational acquisitions and divestments or spin-offs. Respondents expect whole-company sales to remain rare, with 53% saying there is no chance of such transactions occurring.

Raising equity capital is also a focus for public companies. Among finance leaders at public companies, 34% say their business is likely to raise equity capital over the next year. Those in technology, aerospace and defense, transportation and logistics, and commercial real estate are among the most likely to expect their companies to raise equity capital.

“The finding points to a selective but active equity issuance environment. Companies are weighing market conditions, valuation, and their capital needs carefully, and those with a clear use of proceeds and a compelling growth story may be well positioned to access the market,” says Anton LeRoy, CEO of U.S. Bancorp | BTIG.

3

Risks remain, but CFOs see opportunity

Geopolitical tensions continue to be the top concern.

Geopolitical tensions remain the leading risk that August respondents report. Some 38% cite geopolitical tensions and war as a top-three concern, up from 35% in the spring.

At the same time, 71% say geopolitical uncertainty creates opportunities for their business as well as risks, up from 61% in the spring.

71%

of finance leaders say geopolitical uncertainty created opportunities for their business as well as risks.

Geopolitical tension still poses the biggest risk to business

Which risks are currently top of the agenda for your business?

Finance leaders are improving productivity to manage inflation.

Finance leaders are more concerned about high borrowing costs than they were earlier in the year: 35% cite this as a top risk, up from 31% in Spring 2026 and second only to geopolitical tension and war. High inflation followed closely at 34%, unchanged since the spring survey.

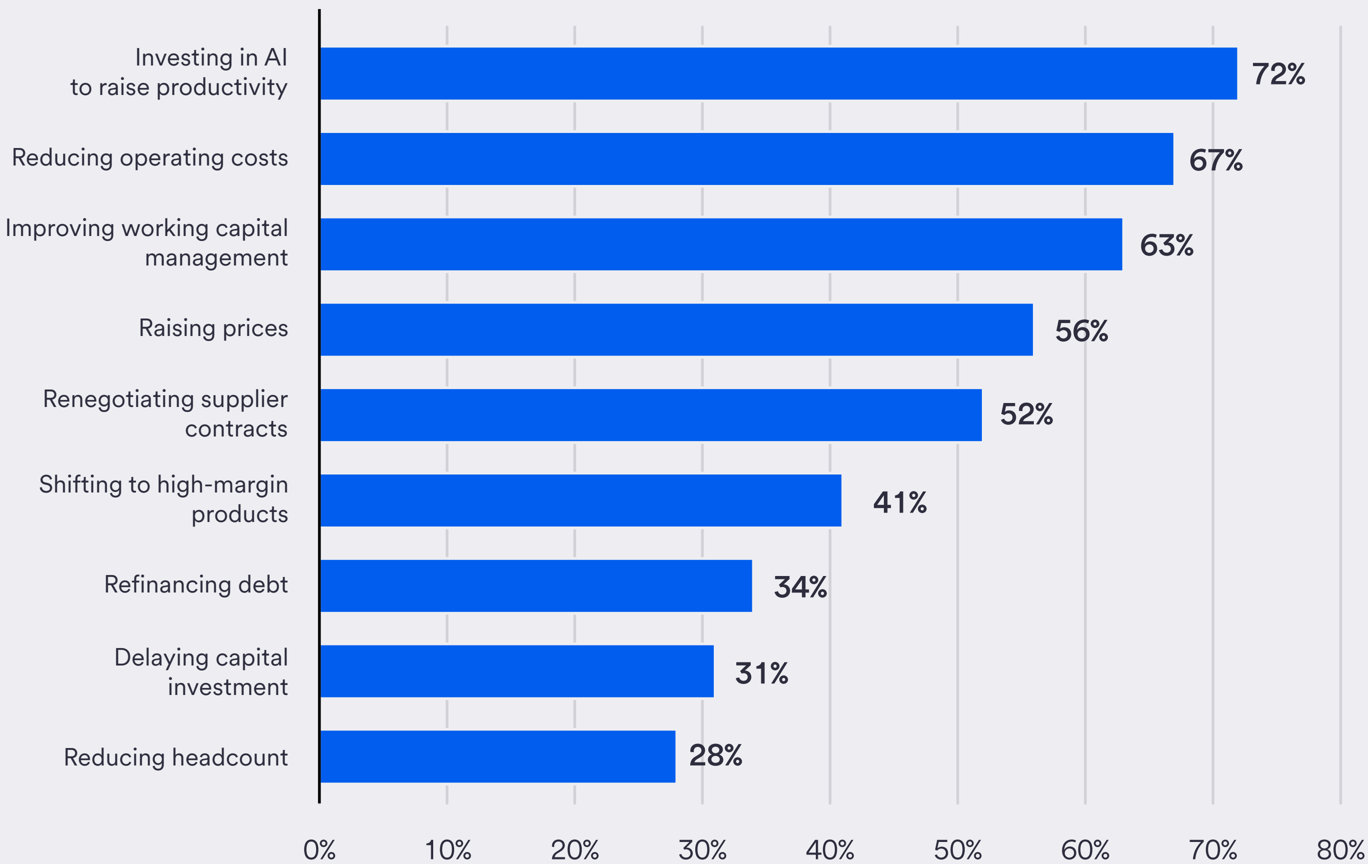
Many businesses also remain exposed to cost pressures: 54% of finance leaders say their business is underhedged against commodity price risks, while 59% report higher business costs over the past 12 months, and 65% expect those costs to continue rising over the next year.

At the same time, finance leaders say passing costs on to customers is becoming more difficult. More than half of August respondents (54%) agree with this statement, up from 49% in the spring. Even so, 56% say they are raising prices in response to inflation and expect to pass on an average of 51% of cost increases in the next 12 months, up from 49% over the past year.

At most organizations, finance leaders say they are responding to inflationary pressure by investing in productivity rather than reducing headcount. Almost three-quarters (72%) report making productivity investments, including through AI and automation, while just 28% report reducing headcount. These findings suggest that businesses perceive new technologies as a way to improve productivity and efficiency, relieving some of the cost pressures that could otherwise lead to workforce reduction.

CFOs are responding to inflation by improving productivity

Which of the following is your organization doing to respond to rising inflationary pressure?



4

Economy-wide AI investments deliver value, but costs for AI tools a challenge

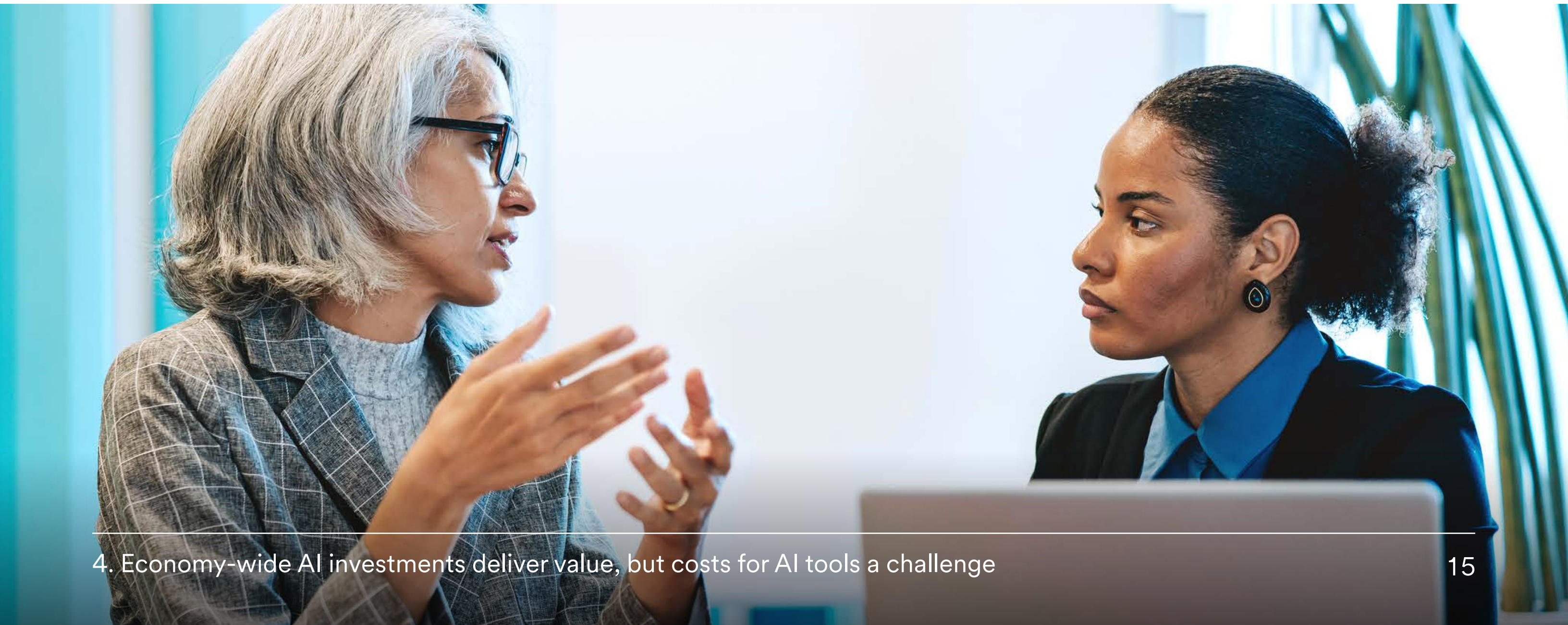
A wide range of firms say they are seeing benefits from industrywide AI buildout.

Most (69%) finance leaders say the rapid growth of AI investment across the economy is creating meaningful commercial opportunities for their business. Respondents from the banking and technology sectors are particularly likely to have experienced this, with 78% and 84% agreeing, respectively.

More than two-thirds (67%) say increased investment in AI technologies and infrastructure across the economy has positively affected their business in the past 12 months. Finance leaders at larger organizations are most likely to report benefits. Some 81% of those at companies generating more than $5 billion in annual revenue report a positive impact, compared with 52% at companies with revenue between $100 million and $249.99 million.

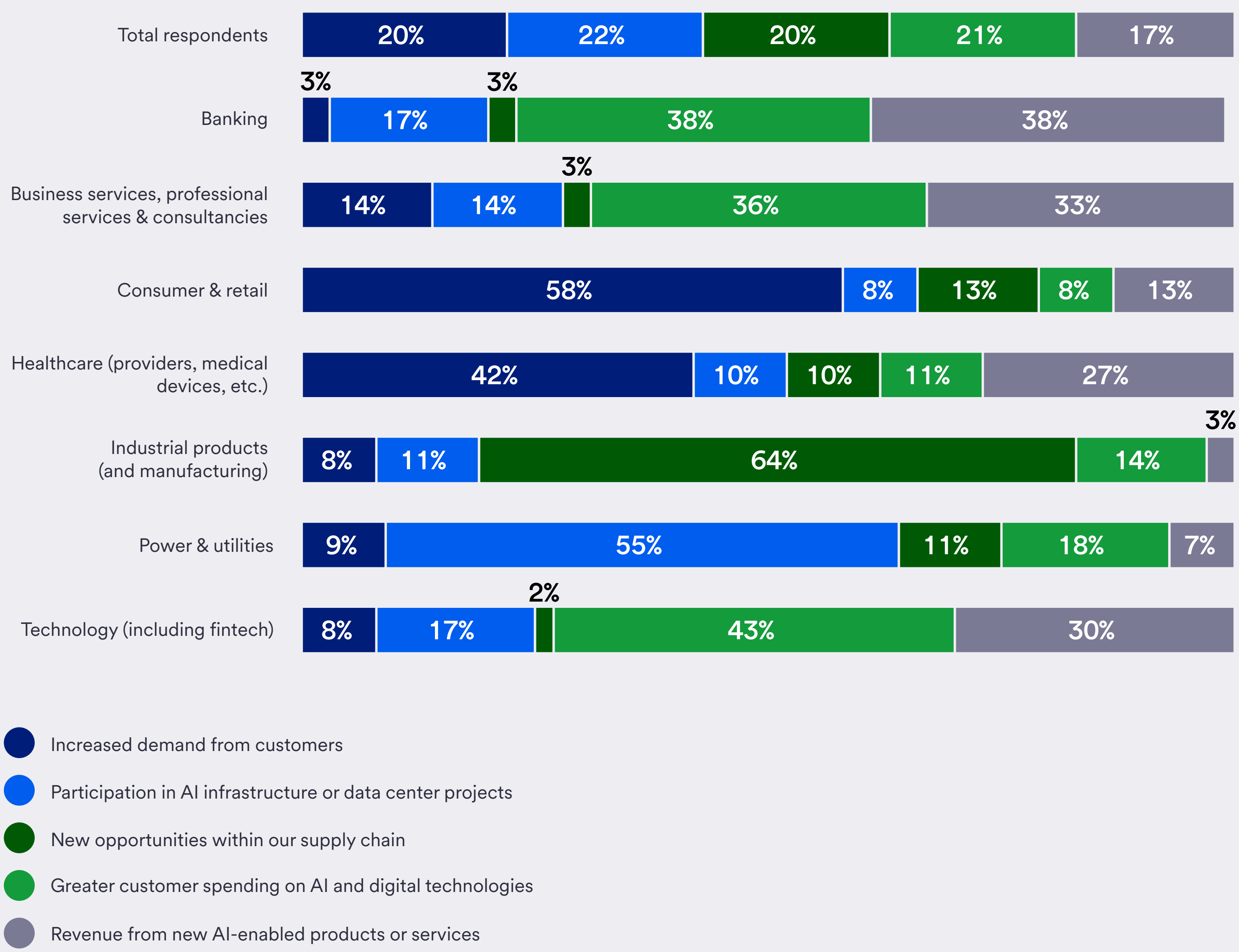
69%

say the rapid growth of AI investment across the economy was creating meaningful commercial opportunities for their business.



Sources of AI investment benefits vary by sector

You indicated that increased investment in AI technologies and AI infrastructure across the U.S. economy has had a positive impact on your business in the past 12 months. What has been the primary source of this benefit?

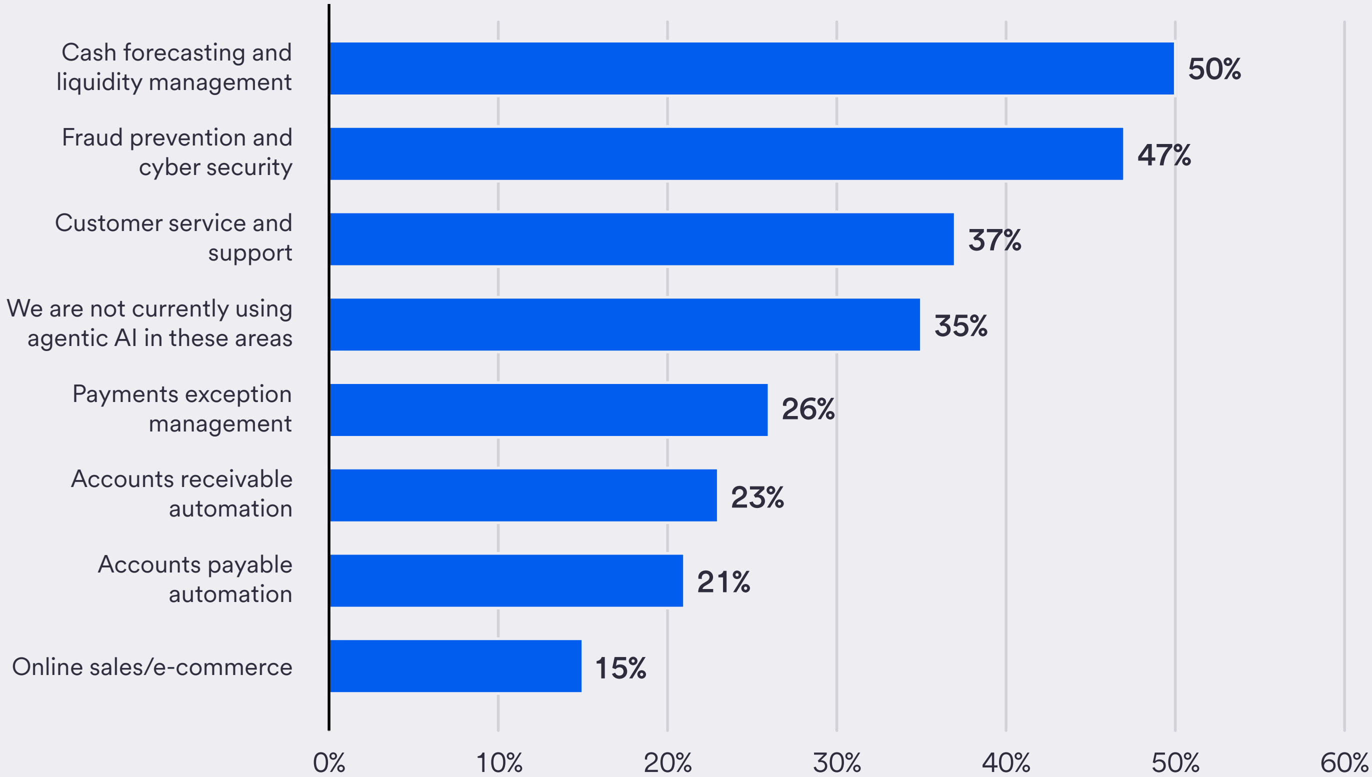


The sources of these benefits vary by sector. Among finance leaders reporting a positive impact, those in banking are most likely to cite revenue from AI-enabled products and services and greater customer spending on AI and digital technologies, while those in industrial products and manufacturing point to new supply chain opportunities. Finance leaders in power and utilities are most likely to benefit from participation in AI infrastructure or data center projects.

At the same time, 51% say their AI-related costs exceeded budget over the past year, creating growing governance and cost-management challenges.

Agentic AI has supported cash forecasting and fraud detection

How is your organization using agentic AI within your treasury management or payments functions today?



Agentic AI is gaining traction in treasury and payments.

Deploying technology within the finance function fell from the fourth-highest priority in the spring to the sixth-highest in August. Still, finance leaders report growing adoption of agentic AI in treasury and payments, especially in cash forecasting, liquidity management, fraud prevention, and cyber security.

Adoption is particularly high among companies with more than $5 billion in annual revenue. Some 74% of finance leaders at those organizations report using agentic AI for cash forecasting and liquidity management, compared with 23% at companies with annual revenue between $100 million and $249.99 million.

“Companies are finding practical ways to apply AI across treasury and payments operations, especially in functions that depend on rapidly identifying patterns and anomalies. Fraud prevention is a strong example: AI can help identify unusual activity earlier, improve exception handling, and give treasury teams better information before funds move,” says Peter Geronimo, executive vice president and head of PMI Sales Distribution at U.S. Bank.