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on technology, facilities and mergers & acquisitions

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A new national survey from TD Bank, America's Most Convenient Bank, reveals that both middle-market and corporate CFOs are optimistic for macroeconomic and business growth at a level unseen since the height of the Great Recession.

Nearly half (46%) of finance managers polled said they are more optimistic about U.S. economic growth over the next year compared to 2012. Further, 57% of respondents are more optimistic for their own companies' performance over the next year.

According to the survey, most middle-market and corporate financial decision-makers say their companies have accumulated at least a modest stockpile of cash and are optimistic for revenue increases in 2013.

In tandem with expectations for increased cash flow and a positive business outlook, almost half (48%) of all executives polled expect their capital expenditures to increase over the next 12 months.

"Business executives have grown more willing to invest, albeit cautiously, over the last year and our survey results support this trend continuing through 2013," said Greg Braca, Head of Corporate & Specialty Banking at TD Bank. "Despite remaining policy and regulatory concerns at the macro level, CFOs seem poised to drive expansion and investment with capital accumulated since the downturn."

The increase in corporate cash reserves has been much discussed over the last few years and TD's survey results support that trend. Two thirds (66%) of respondents state they have at least a modest stockpile of corporate cash saved. Of those accumulating reserves, over a quarter (26%) report they are prepared to spend from

technology. Other top areas of expected capital deployment include:

- Improvements to existing facilities (34%) Hiring (26%) Construction of new facilities (24%) Office equipment (20%) Expansion via merger/acquisition (18%)

Notably, 24% of respondents from companies with revenues over $500 million responded they may likely use cash reserves for expansion via merger and acquisition.

"The climb to a sustained corporate recovery has been a long one, but our survey results and recent work with customers indicate the environment is progressing," said Fred Graziano, Head of Regional Commercial, Government and Small Business Banking, and U.S. Treasury Management Services, at TD Bank. "The cautious optimism hinted at in last year's survey has begun to take hold within our footprint, and we're seeing customers capitalize on the low interest rates through M&A and self-investment, positioning themselves for a recovery in the market."

Though more optimistic, finance executives continue to be affected by the unstable economy and the duties of their position. In reporting the most challenging aspect of the job as a financial decision-maker, 25% cited the ability to forecast results, with managing and training staff (16%) and acting as a strategic advisor to their CEO (14%) as other significant challenges.

Aside from the U.S. economic climate, about which executives are largely optimistic, respondents are concerned about the government's potentially negative impact on their company finances. Thirty percent of those polled cited political gridlock over the U.S. budget deficit and tax policy, and 24% cited government regulation, as substantial sources of anxiety. While overall uncertainty regarding the global economy remains an issue for 15% of respondents, the sovereign debt crises in Europe are less of a concern, cited by only 3% of those surveyed.

TD Bank polled finance executives, including CFOs, comptrollers, treasurers and