



Association for  
**FINANCIAL  
PROFESSIONALS**



# CORPORATE CASH PLANNING IN 2025

## ABOUT THE SURVEY

### Survey Objectives

- To evaluate the impact of today's economic uncertainty on corporate cash planning strategies.
- To understand how organizations have managed their cash and short-term investments so far this year, and how they plan to approach the remainder of the year.
- To discover the factors influencing business leaders' decisions in managing cash and short-term investments.

### Methodology

The survey was sent to treasury practitioners at organizations within the U.S. and was conducted from May 27 to June 4, 2025. Responses were received from 130 practitioners, and their feedback forms the basis of this report.

### Overview

As economic conditions rapidly fluctuate, many organizations are prioritizing maintaining their cash and short-term investments, reflecting a mindset of cautious optimism. In Q1, 24% of respondents reported their organizations increased cash balances while in Q2, this figure decreased slightly to 22%. Looking ahead, 25% of organizations anticipate increasing their cash balances in the last six months of 2025.

The top two reasons cited for increased cash balances are an increase in operating cash flow and improved business performance. A third key driver is the strategic accumulation of cash as a defensive measure — a sign that organizations are preparing for potential headwinds.

Fewer organizations are decreasing their cash balances. Those that reported doing so in the first two quarters stated it was due to a decrease in operating cash flow and an increase in capital expenditure. Increased capital expenditures in the first half of the year suggest optimism among business leaders, potentially signaling plans to expand operations. While declining business performance was not a significant factor contributing to a decrease in cash holdings in the first half of the year, it became a growing concern heading into the second half, earning the second-highest impact score (2.93) for Q3 and Q4, just behind inflationary pressures (2.85). As a result, capital expenditures are likely to become a lower priority in the second half of the year.

In Q2, tariffs and domestic regulatory risks had a noticeable impact on businesses' efforts to build their cash reserves, each earning an impact score of 2.46 — the highest for these factors across all other quarters. This uptick was likely influenced by the tariff plan announced by President Trump in early April.

With a 90-day reprieve and uncertainty about tariff implementation, the impact score for tariffs on increasing cash balances decreased to 2.07 in Q3 and Q4, signaling some abatement in concern among business leaders. However, respondents believe that tariffs may contribute to decreased cash balances during the latter part of the year, with an impact score of 2.43.

Respondents emphasized that cash planning remains a priority, especially given the rapidly changing economic environment. Many are focused on maintaining sufficient daily liquidity, with some implementing mild cost-cutting measures. Overall, most organizations are taking a wait-and-see approach, with about 60% maintaining cash reserves at existing levels.

## QUARTER 1 (JANUARY - MARCH 2025)

### Changes in Cash and Short-term Investment Holdings: Quarter 1 (January – March 2025)

(Percentage Distribution of Organizations)

	ALL RESPONSES
Increase	24%
Maintain	58%
Decrease	18%

### Reasons for Increase in Cash and Short-term Investment Holdings in Quarter 1

(Weighted Impact Score where 5 is Significant impact and 1 is Least impact)

	WEIGHTED IMPACT SCORE
Increased operating cash flow	3.53
Improved business performance	3.2
Strategically accumulated cash as a defensive measure	2.67
Domestic political/regulatory risks	2.30
Global geopolitical risks	2.03
Tariffs	2.03
Decreased capital expenditures	1.80

### Reasons for Decrease in Cash and Short-term Investment Holdings in Quarter 1

(Weighted Impact Score where 5 is Significant impact and 1 is Least impact)

	WEIGHTED IMPACT SCORE
Decreased operating cash flow	3.62
Increased capital expenditure	2.76
Inflationary impacts	2.37
Deterioration in business performance	2.33
Strategically deploying cash to grow business	2.16
Debt repayment	2.15
Increased share repurchases and dividends	2.10
Domestic political/regulatory risks	1.95
Tariffs	1.75
Global geopolitical risks	1.60
Supply chain issues	1.33

## QUARTER 2 (APRIL - JUNE 2025)

### Changes in Cash and Short-term Investment Holdings: Quarter 2 (April - June 2025)

(Percentage Distribution of Organizations)

	ALL RESPONSES
Increase	22%
Maintain	62%
Decrease	16%

### Reasons for Increase in Cash and Short-term Investment Holdings in Quarter 2

(Weighted Impact Score where 5 is Significant impact and 1 is Least impact)

	WEIGHTED IMPACT SCORE
Increased operating cash flow	3.36
Improved business performance	3.04
Strategically accumulated cash as a defensive measure	2.64
Domestic political/regulatory risks	2.46
Tariffs	2.46
Global geopolitical risks	2.33
Decreased capital expenditures	2.04

### Reasons for Decrease in Cash and Short-term Investment Holdings in Quarter 2

(Weighted Impact Score where 5 is Significant impact and 1 is Least impact)

	WEIGHTED IMPACT SCORE
Decreased operating cash flow	3.00
Increased capital expenditure	2.65
Strategically deploying cash to grow business	2.33
Debt repayment	2.00
Inflationary impacts	2.00
Deterioration in business performance	1.79
Domestic political/regulatory risks	1.68
Increased share repurchases and dividends	1.53
Global geopolitical risks	1.47
Tariffs	1.42
Supply chain issues	1.16

## LOOKING AHEAD: QUARTER 3 AND QUARTER 4 (JULY – DECEMBER 2025)

### Anticipated Changes in Cash and Short-term Investment Holdings: Quarter 3 and Quarter 4 (July – December 2025)

(Percentage Distribution of Organizations)

	ALL RESPONSES
Increase	25%
Maintain	63%
Decrease	12%

### Reasons for Anticipated Increase in Cash and Short-term Investment Holdings in Quarter 3 and Quarter 4

(Weighted Impact Score where 5 is Significant impact and 1 is Least impact)

	WEIGHTED IMPACT SCORE
Increased operating cash flow	3.65
Improved business performance	3.47
Strategically accumulated cash as a defensive measure	2.47
Tariffs	2.07
Decreased capital expenditures	2.07
Domestic political/regulatory risks	2.00
Global geopolitical risks	1.97

### Reasons for Anticipated Decrease in Cash and Short-term Investment Holdings in Quarter 3 and Quarter 4

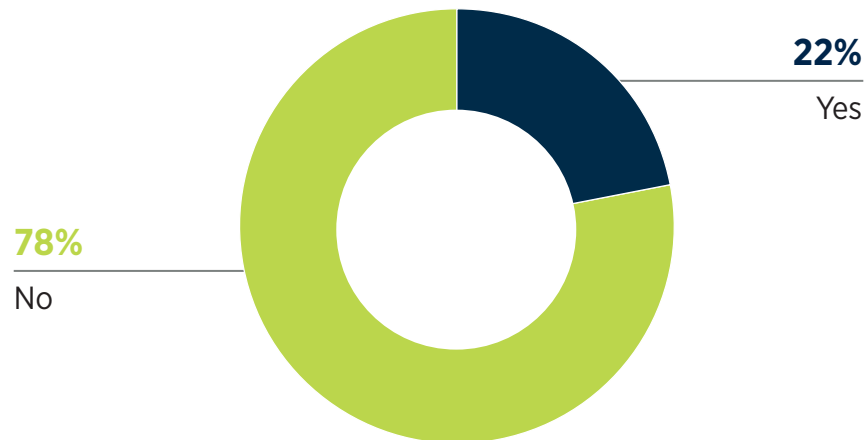
(Weighted Impact Score where 5 is Significant impact and 1 is Least impact)

	WEIGHTED IMPACT SCORE
Decreased operating cash flow	3.36
Deterioration in business performance	2.93
Inflationary impacts	2.85
Increased capital expenditure	2.62
Domestic political/regulatory risks	2.54
Tariffs	2.43
Strategically deploying cash to grow business	2.38
Increased share repurchases and dividends	2.38
Global geopolitical risks	2.36
Debt repayment	2.00
Supply chain issues	1.93

# LOOKING AHEAD: QUARTER 3 AND QUARTER 4 (JULY – DECEMBER 2025)

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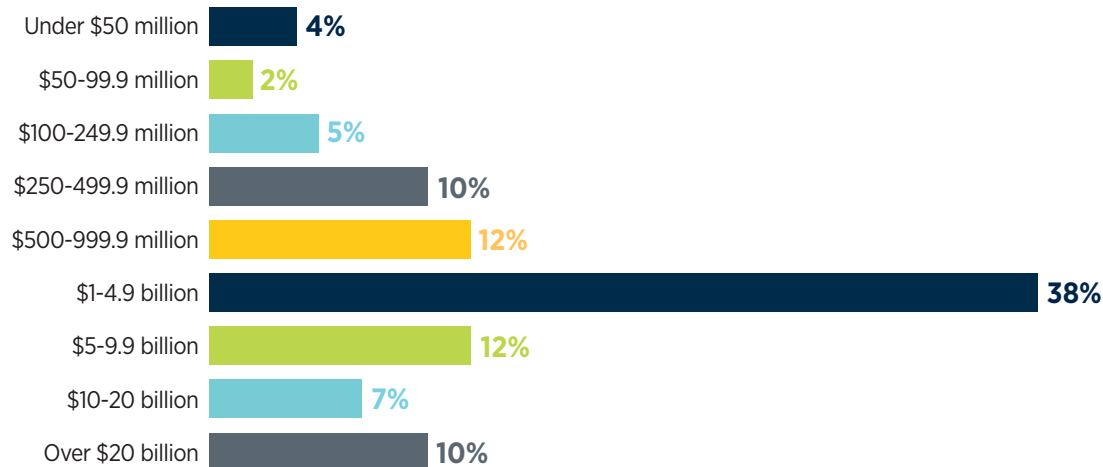
## Anticipated Change in Organizations' Allocations of Cash and Short-term Investments in the Next 3-6 months



## DEMOGRAPHICS

### Annual Revenue (USD)

(Percentage Distribution of Organizations)



### Organization's Ownership Type

(Percentage Distribution of Organizations)

