CEMA Business Barometer

Public excerpt January 2019



What is the CEMA Business Barometer?

- A monthly survey within the European agricultural machinery industry (started in 2008)
- Coverage of all major sectors – from tractors to municipal equipment
- Target group: 140 senior managers from 9 (CEMA) countries
- Implementation: online survey
- Questionnaire available in five languages
- Executed by VDMA for CEMA
- Subjects of the survey:
  - current and future business situation
  - situation of order intake
  - development of turnover
  - turnover expectation per country
  - production plans
  - employment plans
  - special topics, e.g. delivery times
- Deadlines: starting ca. 5th each month, closure: ca. 13th



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Business Climate maintaining at good level

Executive summary of the survey in January

After a period of losses starting from the record highs at the beginning of last year, the general business climate index is now maintaining with little change at a relatively good level.

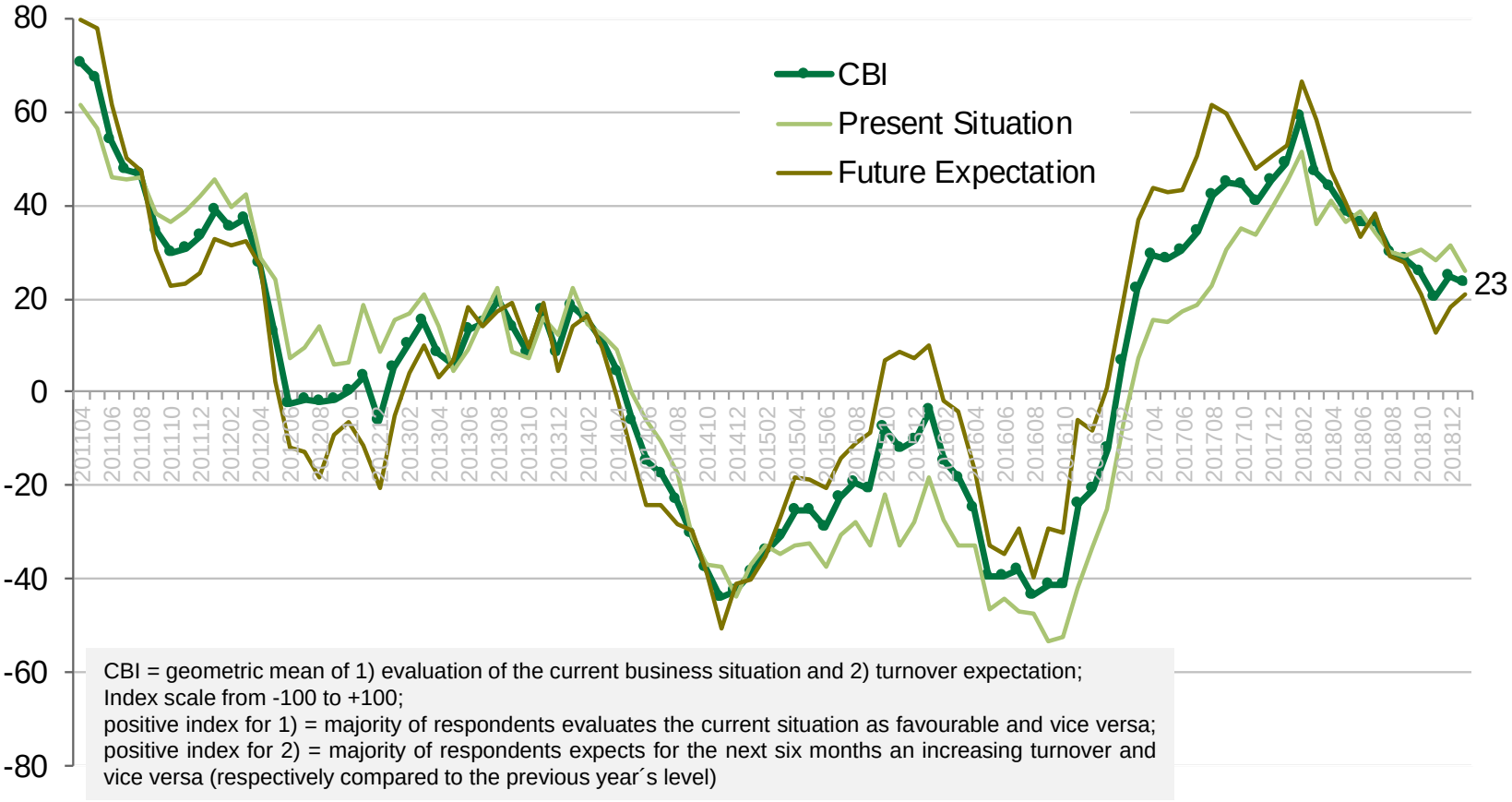
In the largest segment, the tractors, however, uncertainty seems to increase. The strong business climate recovery from last month was canceled out by an even stronger slump in January. Another worrying factor is the sharp slump in the turnover expectations of the component manufacturers.

Meanwhile, with a view to the European market as a whole, the prospects of the industry representatives continue to be mostly positive. While the German market appears to weaken, the upward trend in Spain and in the big market France seems to further solidify.

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Business Climate
Index Development

CEMA Business Climate Index (CBI) -Total

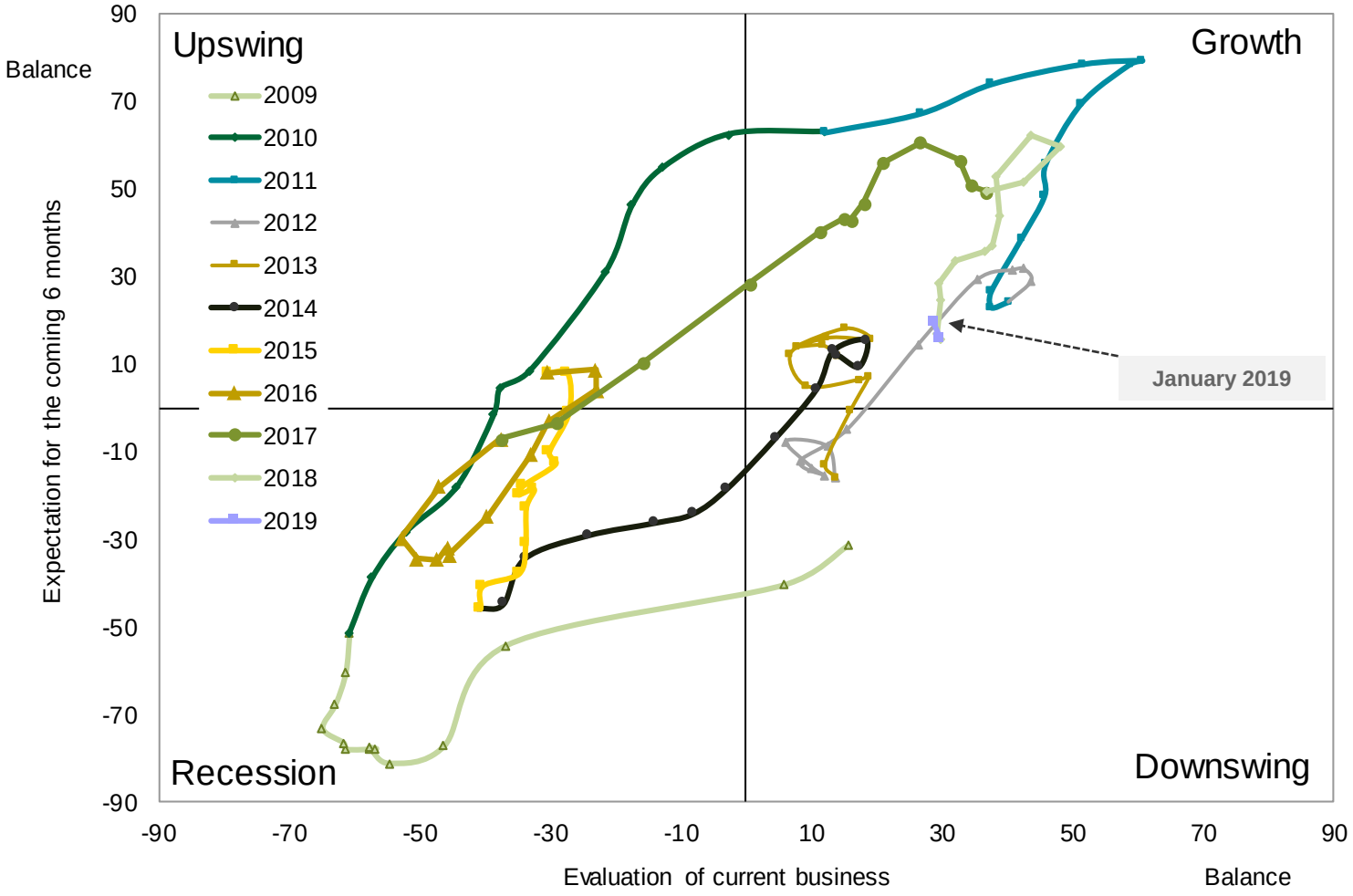


CBI = geometric mean of 1) evaluation of the current business situation and 2) turnover expectation;
Index scale from -100 to +100;
positive index for 1) = majority of respondents evaluates the current situation as favourable and vice versa;
positive index for 2) = majority of respondents expects for the next six months an increasing turnover and vice versa (respectively compared to the previous year´s level)

Source: CEMA Business Barometer

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Business Climate
Illustration of Business Cycle

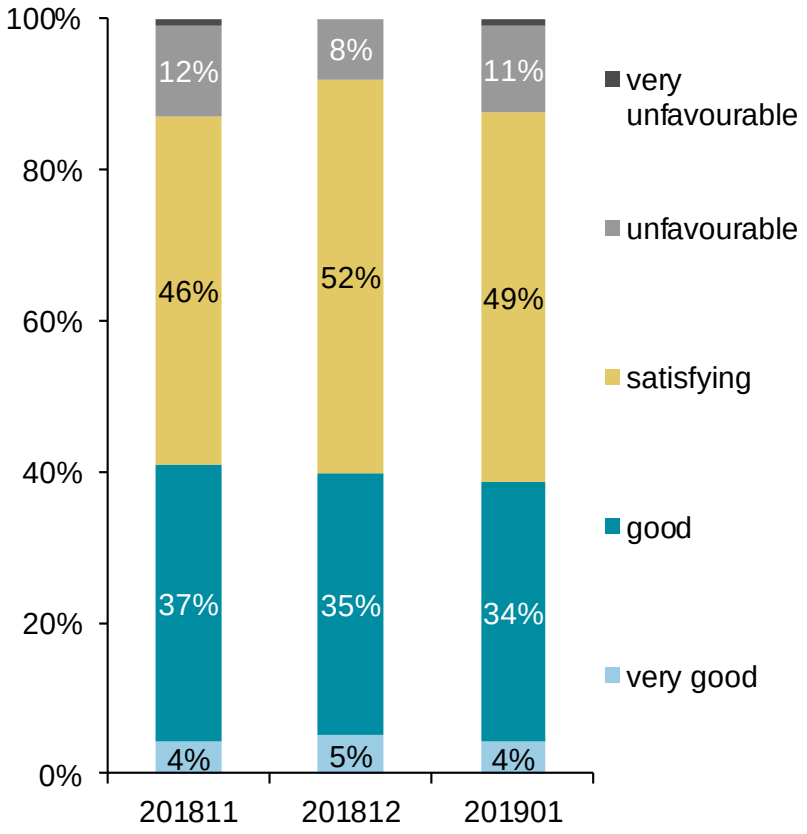


Source: CEMA Business Barometer, each value as an average of the last two months

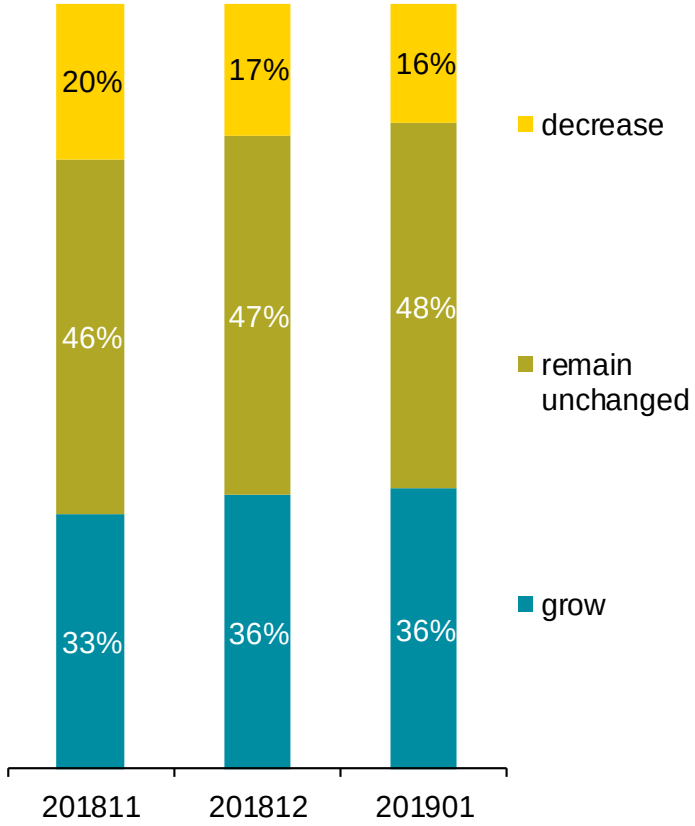
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Business Climate
Current Evaluation and Expectations

Question: We consider our current business to be ….



Question: We expect our overall turnover within the next 6 months to....



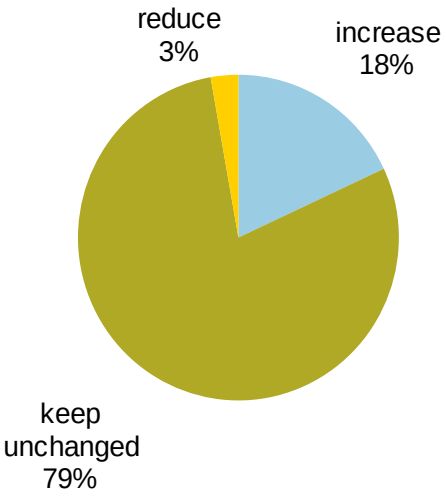
Source: CEMA Business Barometer

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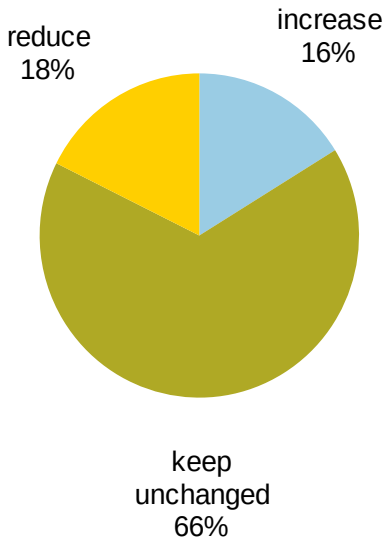
Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer January 2019

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