CEMA Business Barometer

Public excerpt July 2022



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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Short-term expectations improving again

Executive summary of the survey in July

The general business climate index for the agricultural machinery industry in Europe has risen slightly for the first time since its sharp decline in the course of the Russian war against Ukraine. In particular, expectations for the coming six months have improved again.

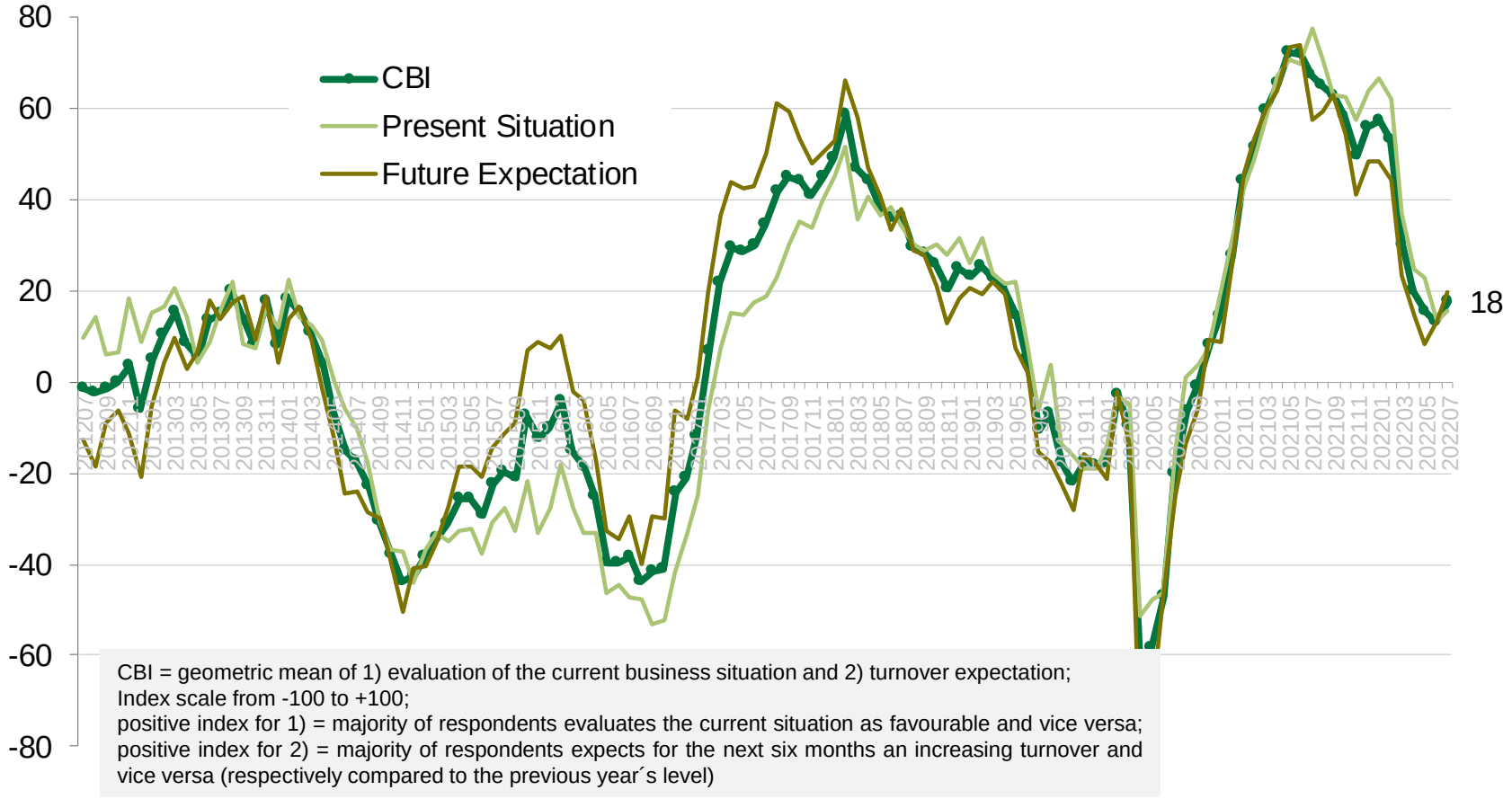
Price increases and bottlenecks on the supplier side continue to challenge the industry, but seem to ease further. Meanwhile “only” 35% of the companies are planning a temporarily production stop due to shortages in the coming four weeks.

In addition, the market side as a whole appears still solid from the manufacturers' perspective. The regional breakdown continues to show for each single European market (except for Eastern Europe) a majority of survey participants expecting turnover increases in the next six months, with the large markets France and Germany at the top of the country ranking. According to the survey, moreover, current dealer stocks of both new and used machinery remain very low across Europe and may even have fallen below optimal levels in most markets.

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Business Climate
Index Development

CEMA Business Climate Index (CBI) -Total



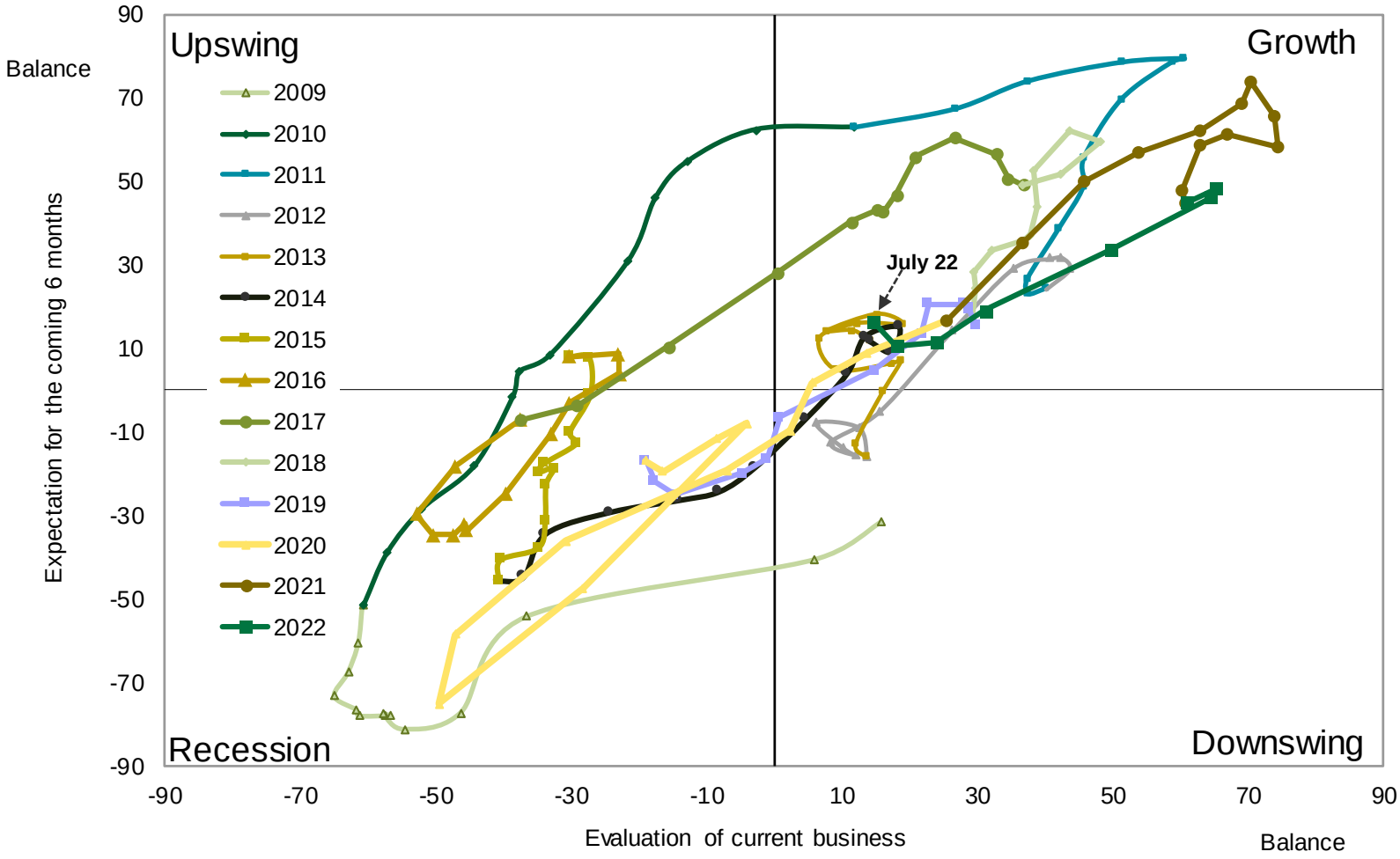
CBI = geometric mean of 1) evaluation of the current business situation and 2) turnover expectation;
Index scale from -100 to +100;
positive index for 1) = majority of respondents evaluates the current situation as favourable and vice versa;
positive index for 2) = majority of respondents expects for 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

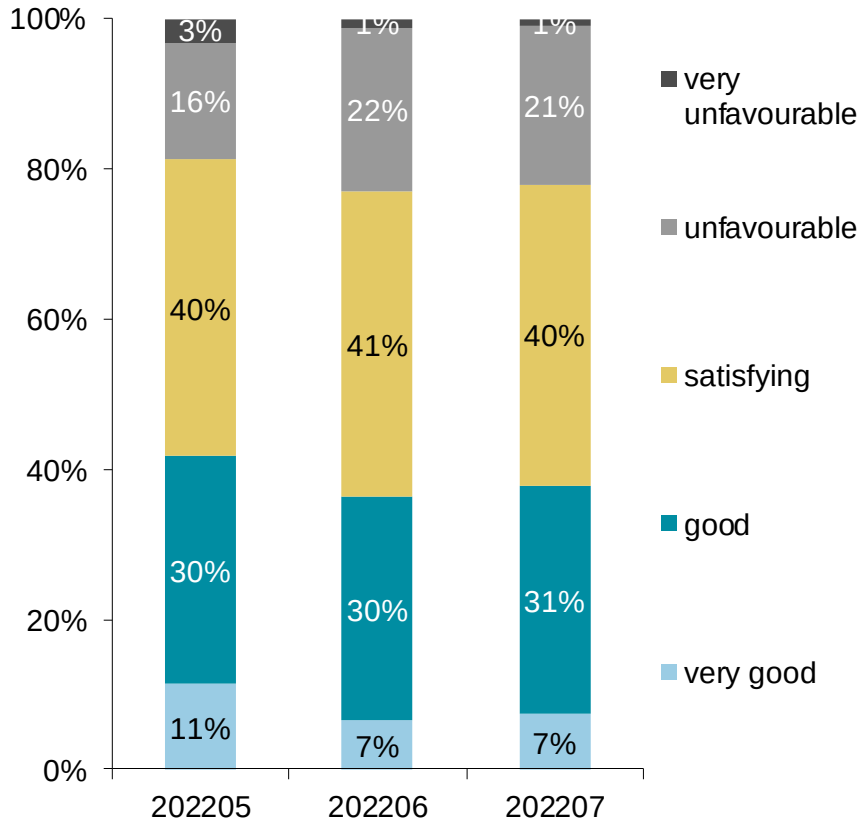


Source: CEMA Business Barometer, each value as an average of the last two months

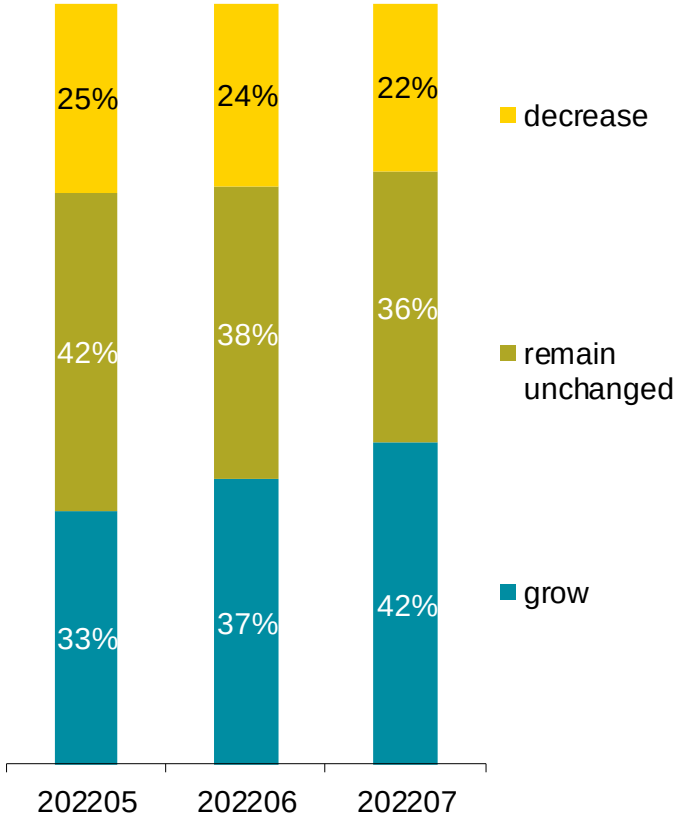
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Business Climate
Current Evaluation and Expectations

Question: We consider our current business to be ….



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



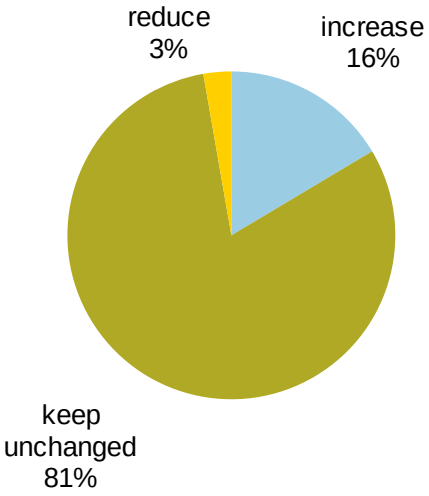
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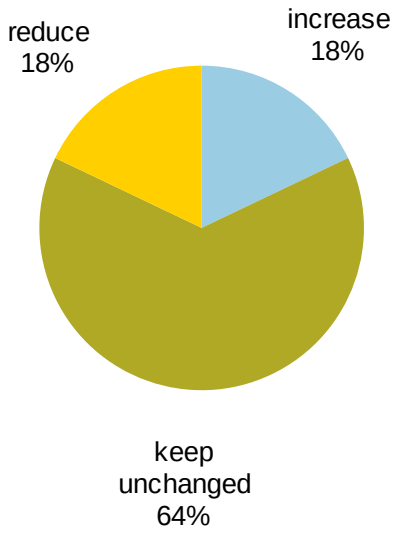
Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer July 2022

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