CEMA Business Barometer

Public excerpt August 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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Business climate stabilized at positive level

Executive summary of the survey in August

The general business climate index for the agricultural machinery industry in Europe has stabilized at a positive level after its sharp declines in the course of the Russian war against Ukraine. In August, the index continues at 18 points (on a scale of -100 to +100).

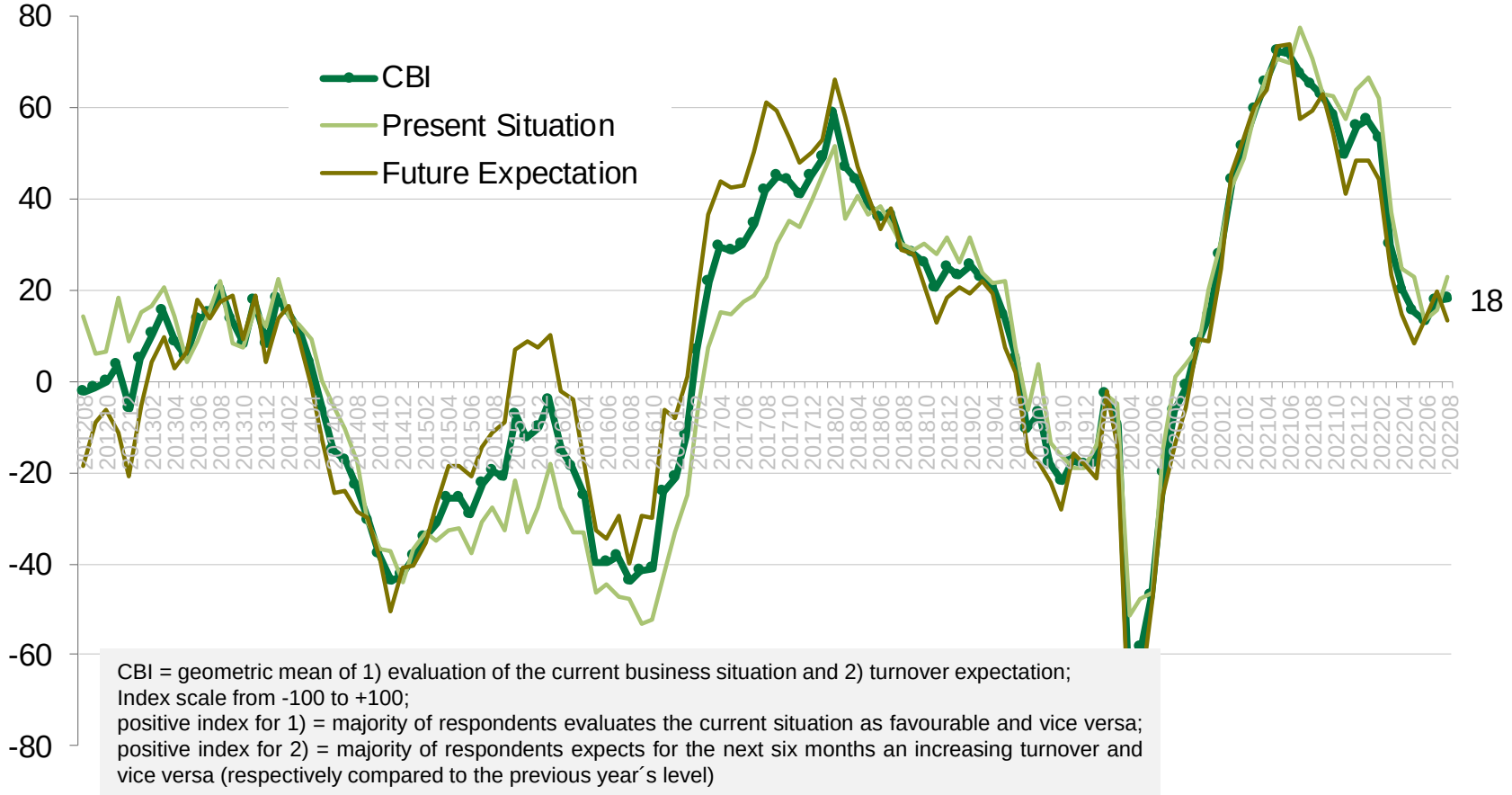
The volume of orders still corresponds to a production period of 5.9 months, which is just slightly below the all-time high ever recorded within this survey. While the order intake has cooled down noticeably in recent months (from a very high level), price increases and bottlenecks on the supplier side continue to challenge the industry, although some easing is observable. Currently, 34% of the companies are planning a temporarily production stop due to shortages in the coming four weeks.

The regional breakdown shows decreasing confidence levels for some European markets, especially for Spain. However, the overall market outlook remains robust for the time being, particularly for the two large markets of Germany and France.

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Business Climate
Index Development

CEMA Business Climate Index (CBI) -Total



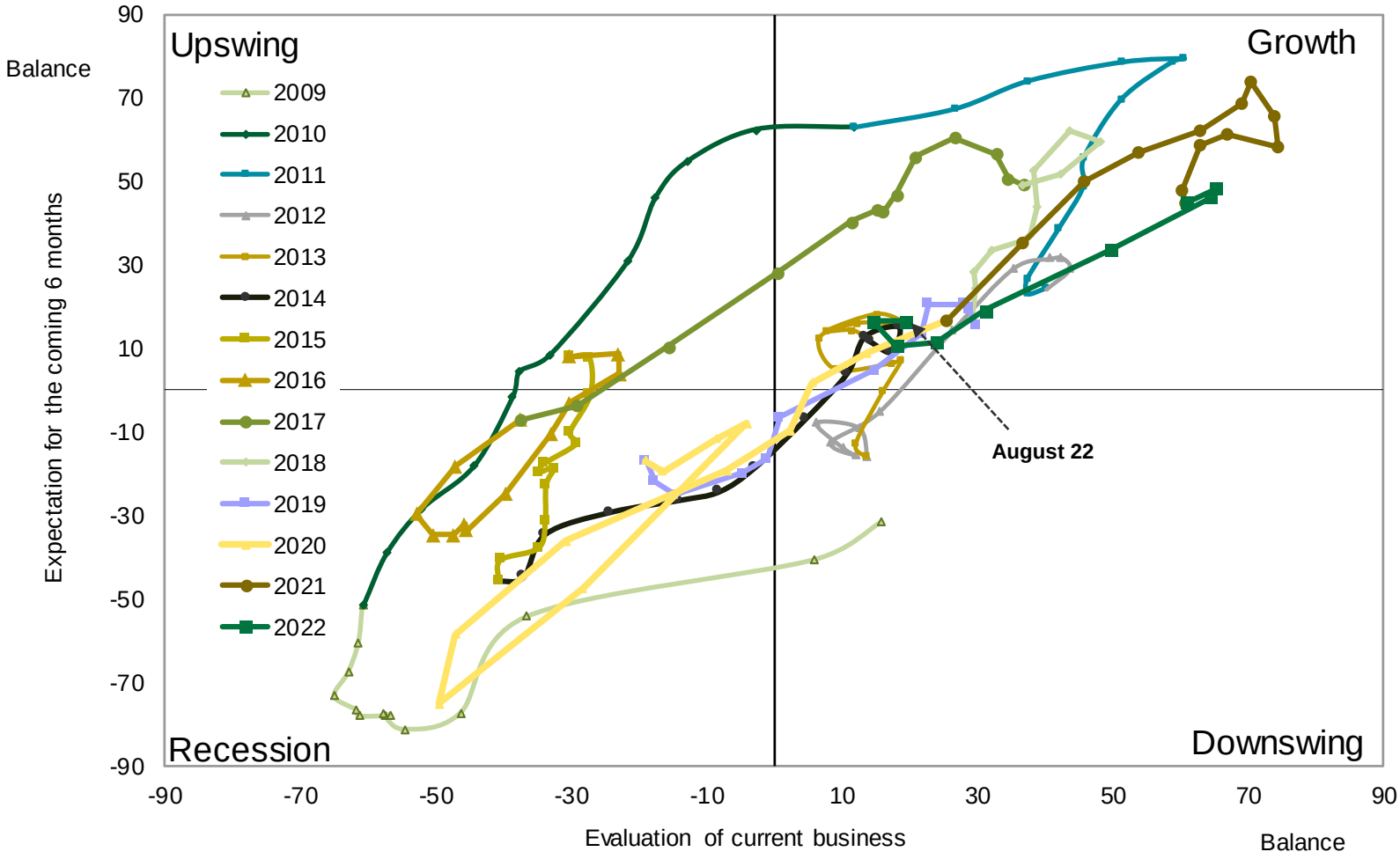
CBI = geometric mean of 1) evaluation of the current business situation and 2) turnover expectation;
Index scale from -100 to +100;
positive index for 1) = majority of respondents evaluates the current situation as favourable and vice versa;
positive index for 2) = majority of respondents expects for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

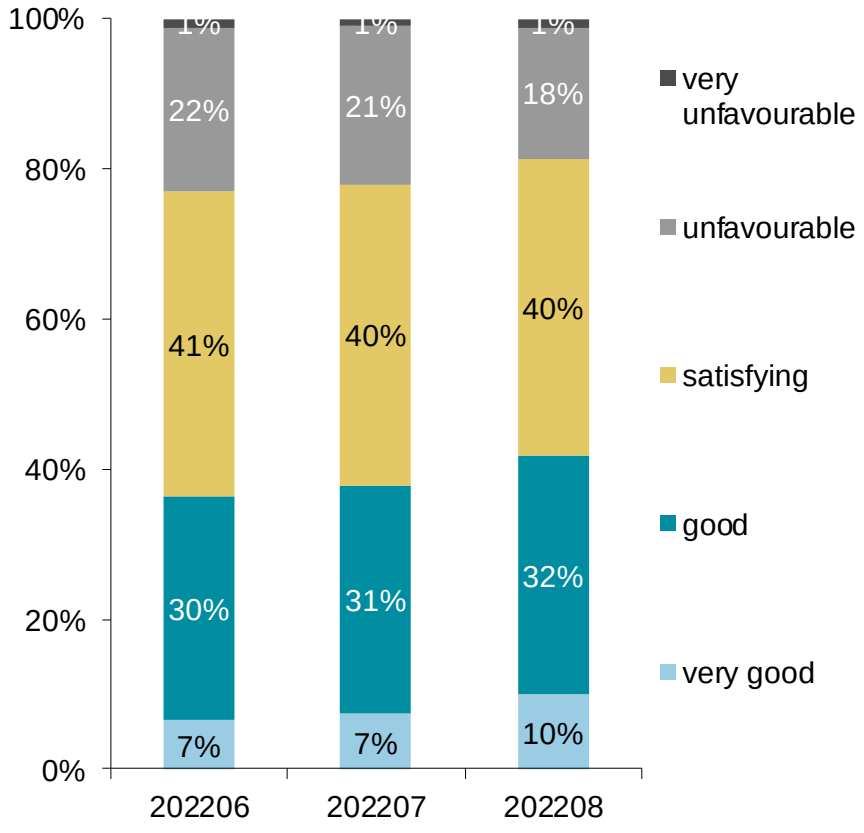


Source: CEMA Business Barometer, each value as an average of the last two months

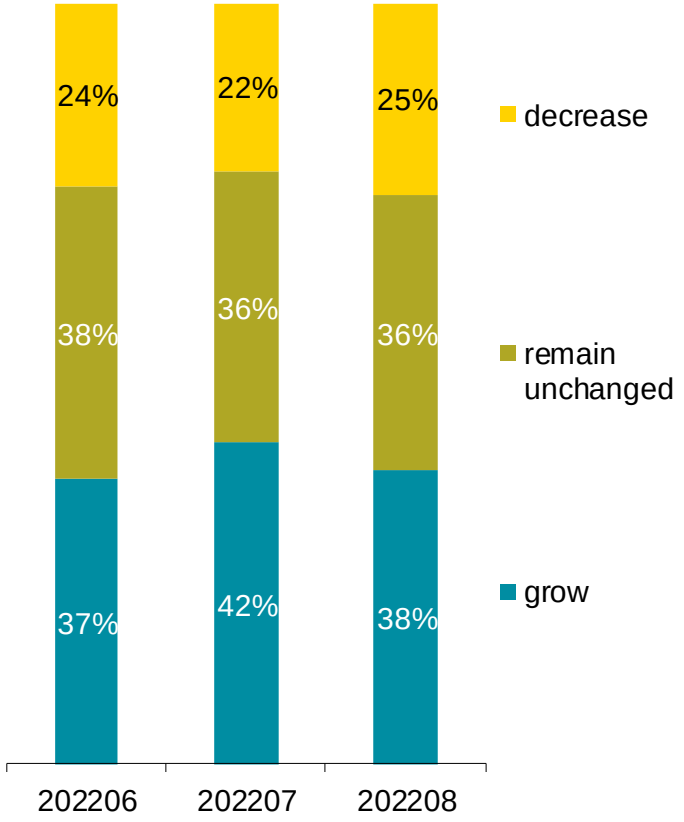
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Business Climate
Current Evaluation and Expectations

Question: We consider our current business to be ….



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



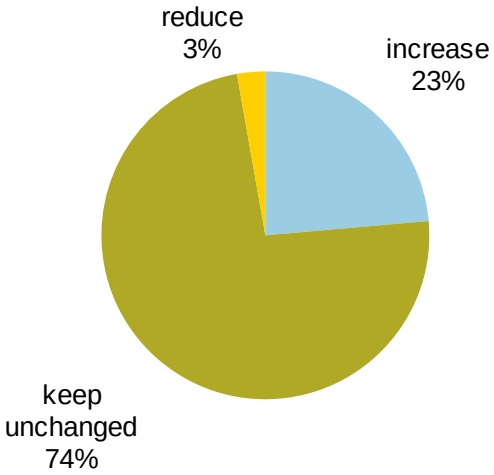
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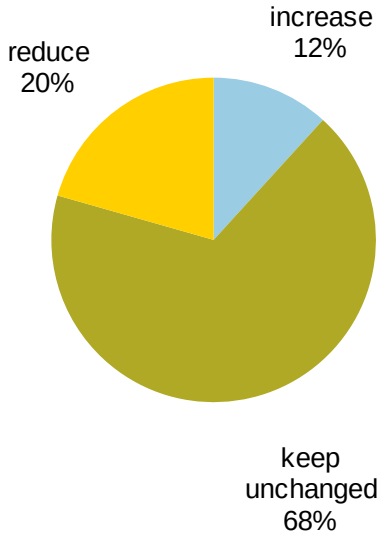
Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer August 2022

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