CEMA Business Barometer

Public excerpt November 2022



CEMA

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



Contact: Philip.Nonnenmacher@vdma.org

Business climate improving again

Executive summary of the survey in November

The general business climate index for the agricultural machinery industry in Europe has shown its strongest improvement since the sharp declines in the course of the Russian war against Ukraine. In November, the index increased from 12 to 23 points (on a scale of -100 to +100).

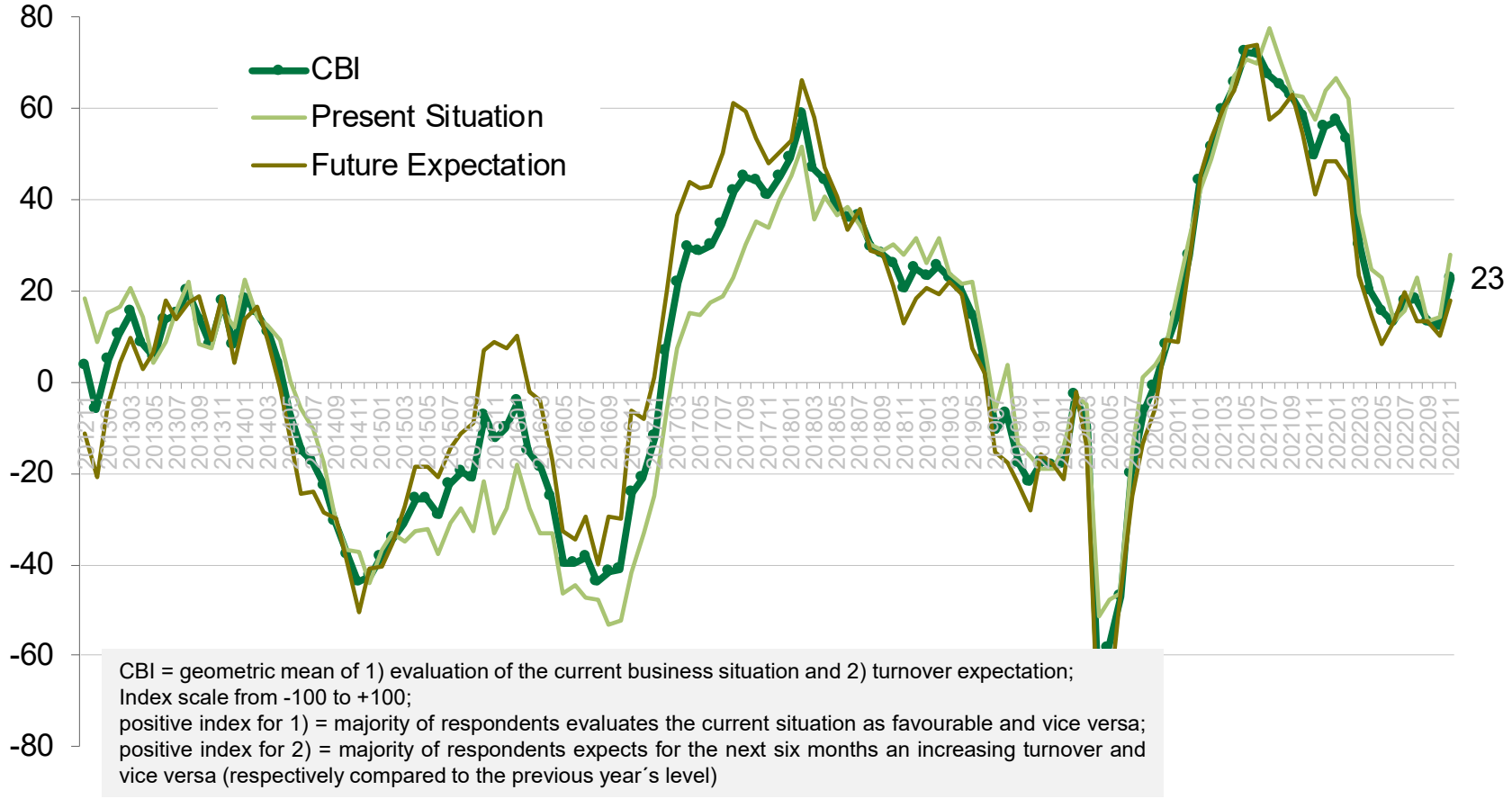
The volume of orders corresponds currently to a production period of 6.8 months, which is another all-time high ever recorded within this survey. Despite order books at record levels, manufacturers have been still faced with a dynamic order intake, especially in September. At the same time, price increases and bottlenecks on the supplier side continue to challenge the industry, but some slight easing is observable, so that manufacturers are increasingly able to realize their orders.

The manufacturers' turnover is therefore expected to remain at a high level for the coming six months at least. With regard to expectations for the coming order intake (an indicator which does not feed into the general Business Climate Index), by contrast, skepticism has solidified among industry representatives.

Contact: Philip.Nonnenmacher@vdma.org

Business Climate
Index Development

CEMA Business Climate Index (CBI) -Total

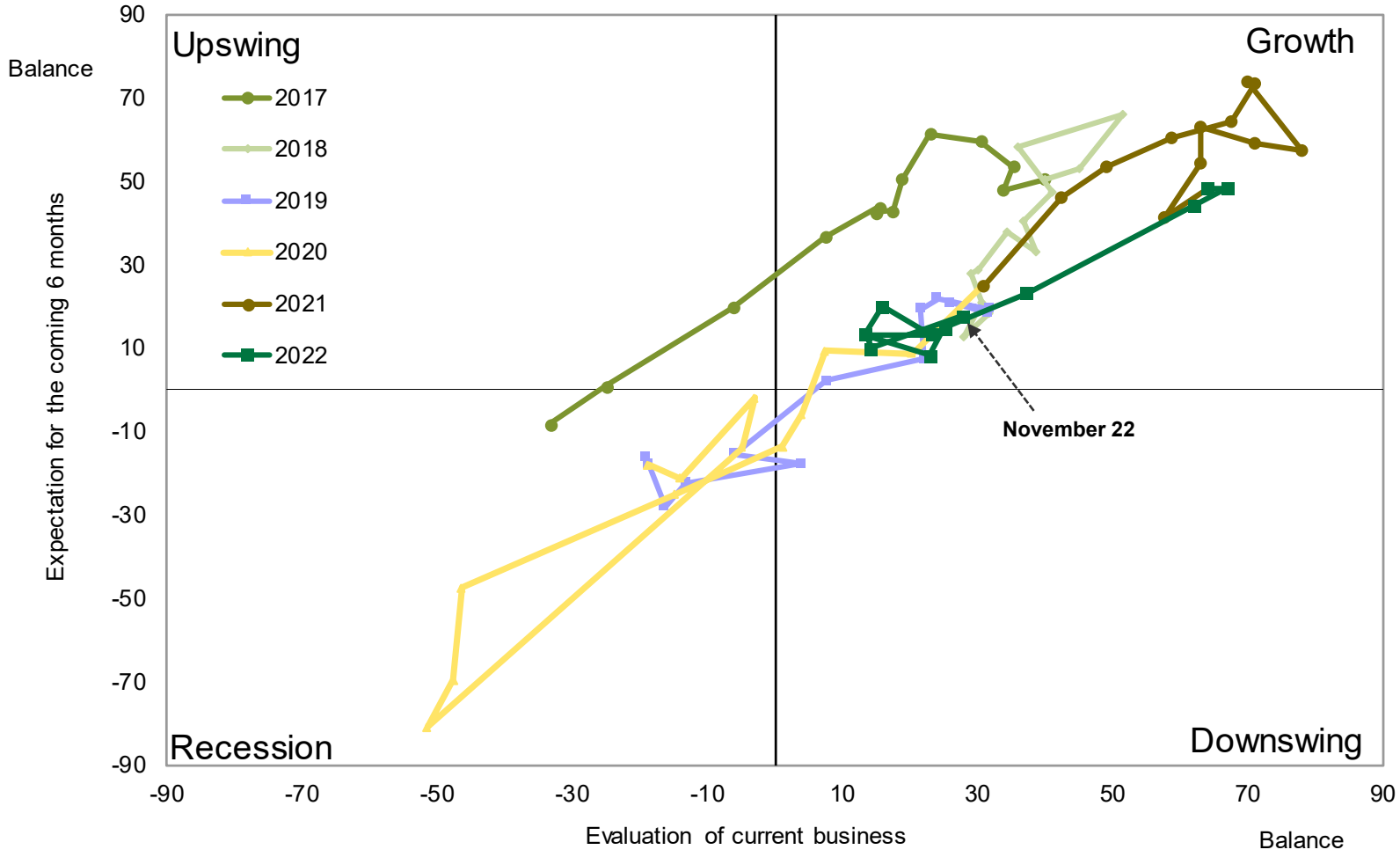


CBI = geometric mean of 1) evaluation of the current business situation and 2) turnover expectation;
Index scale from -100 to +100;
positive index for 1) = majority of respondents evaluates the current situation as favourable and vice versa;
positive index for 2) = majority of respondents expects for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

Source: CEMA Business Barometer

Contact: Philip.Nonnenmacher@vdma.org

Business Climate
Illustration of Business Cycle

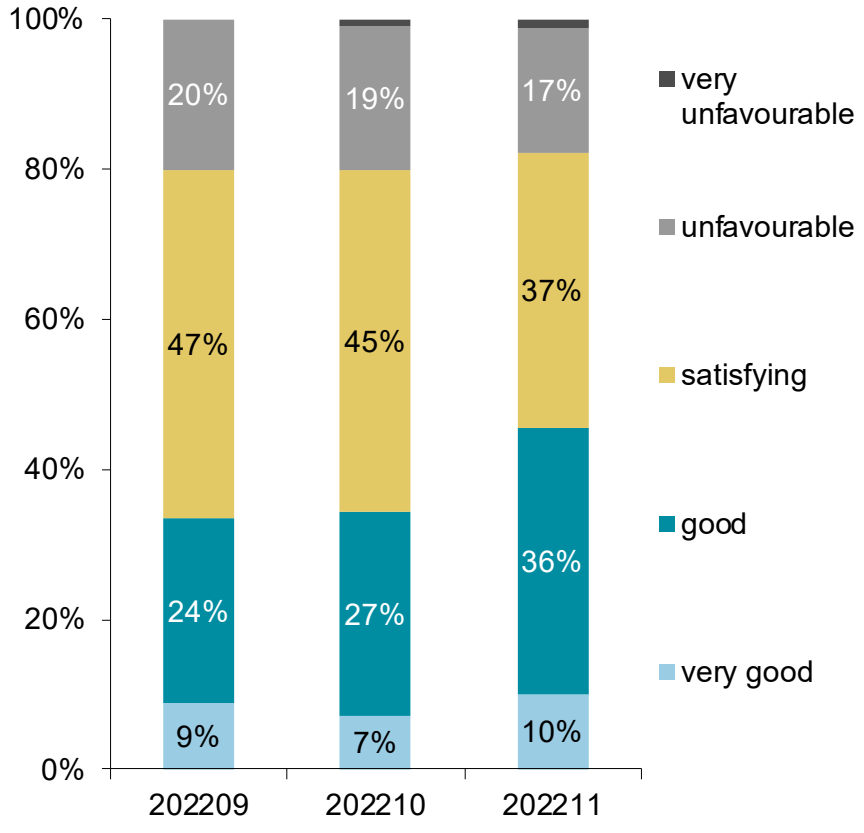


Source: CEMA Business Barometer

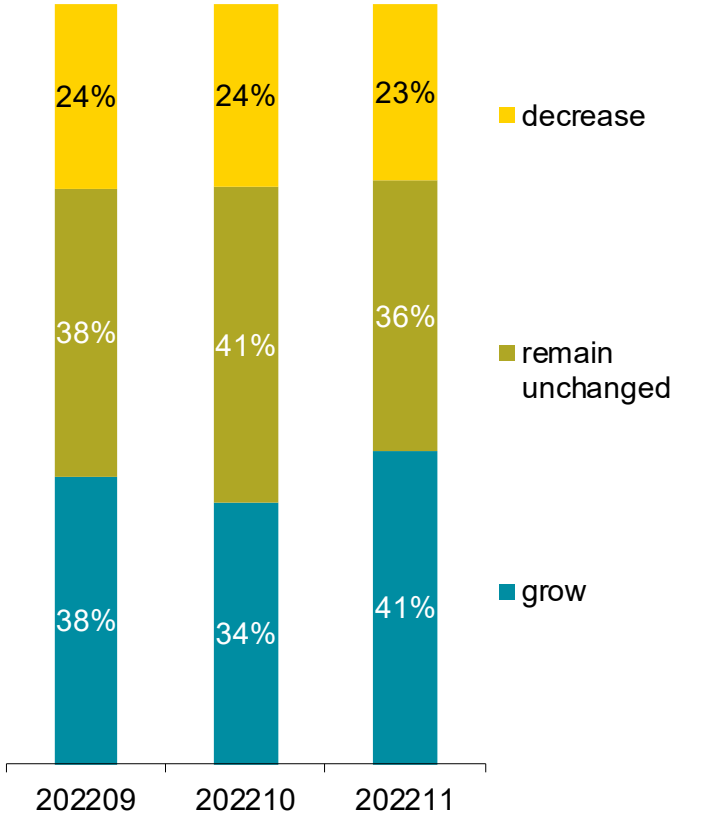
Contact: Philip.Nonnenmacher@vdma.org

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....



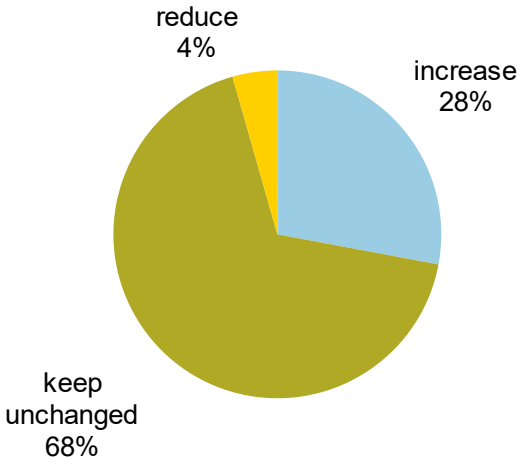
Source: CEMA Business Barometer

Contact: Philip.Nonnenmacher@vdma.org

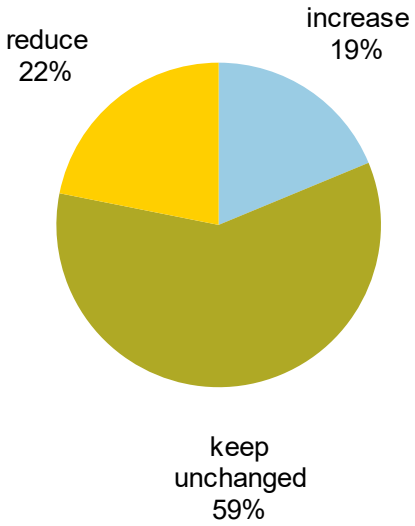
Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer November 2022

Contact: Philip.Nonnenmacher@vdma.org