



# CEMA Business Barometer

Public excerpt May 2017

# 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 index with highest value since 2012

## Executive summary of the survey in May

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The general business climate index of the agricultural machinery industry in Europe is remaining on high level (highest value since 2012).

Although, at the same time, the divergence between future expectations and current business evaluation is persisting, the order intake strongly suggests that the growth trend is sustainable.

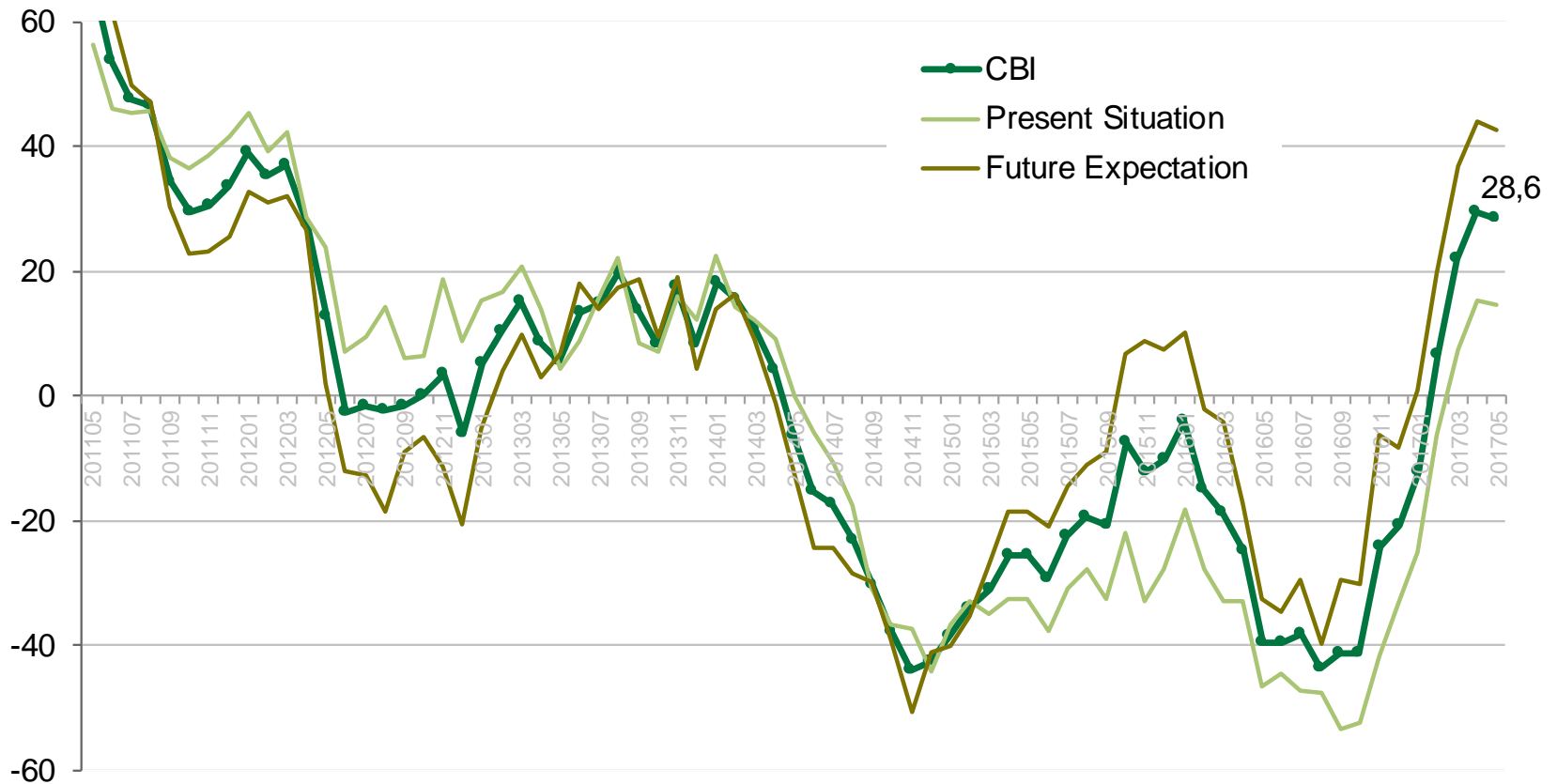
Corresponding to a production period of 2.7 months on average, the volume of orders of the total industry is again as high as during the last boom phase in 2012/13; - and this is an absolute value, so basis effects do not distort.

Accordingly, in May, 57% of the survey participants expect an increasing turnover for the next six months.

In the meanwhile, the upward trend includes undoubtedly Poland and Italy, but also France, even though still 30% of the French manufacturers see themselves in an unfavorable condition. Probably just due to slightly worse weather conditions in the north of Spain, growth perspectives for the Spanish market are a bit less euphoric (especially among companies located in the country), while in the CIS region the extremely dynamic development seems to continue.

# Business Climate Index Development

## CEMA Business Climate Index (CBI)

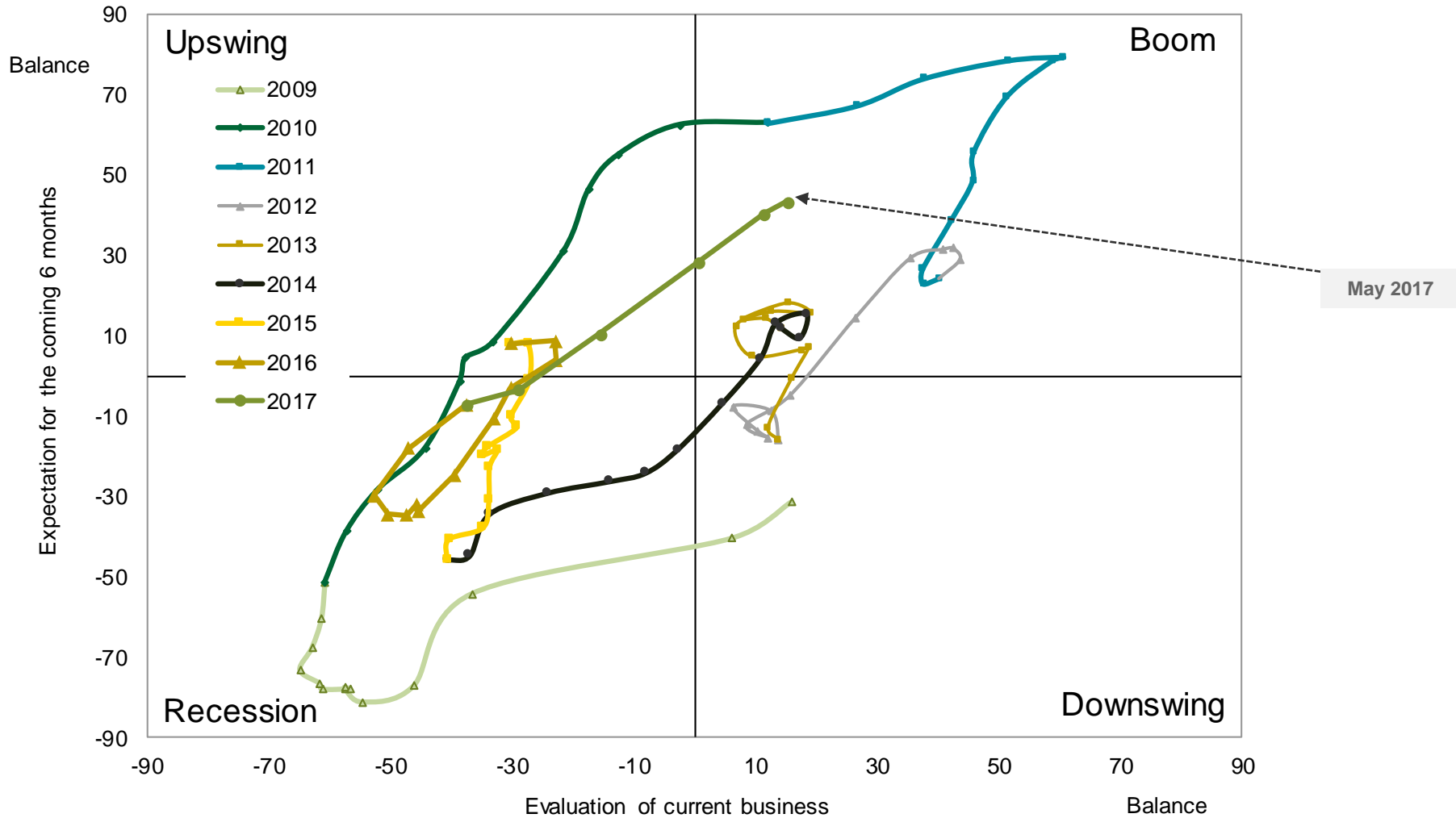


Source: CEMA Business Barometer

Index = sum of 1) evaluation of the current business situation and 2) turnover expectation, scale from -100 to +100

# Business Climate

## Illustration of Business Cycle

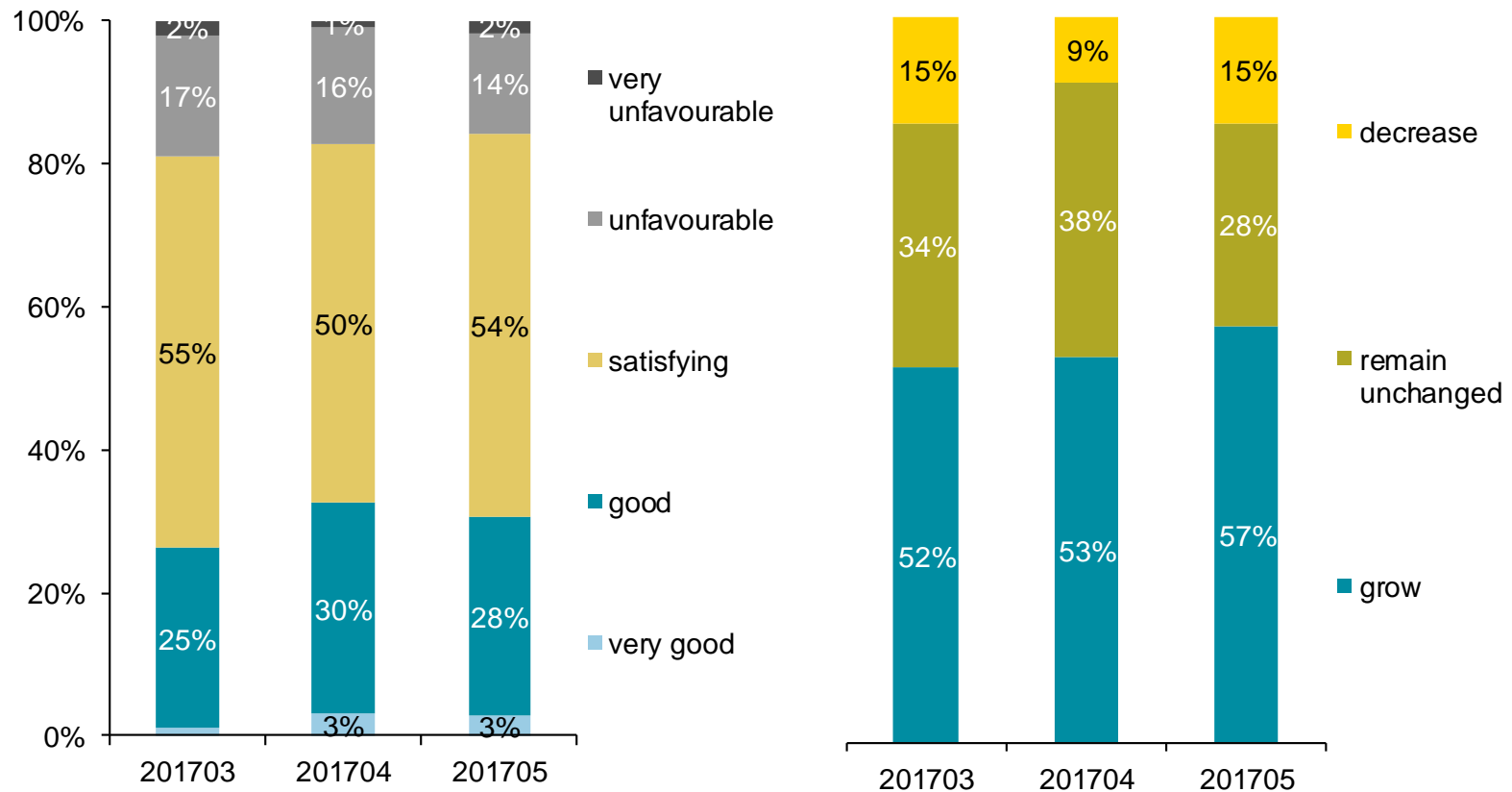


# Business Climate

## Current Evaluation and Expectations

Question: We consider our current business to be ....

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

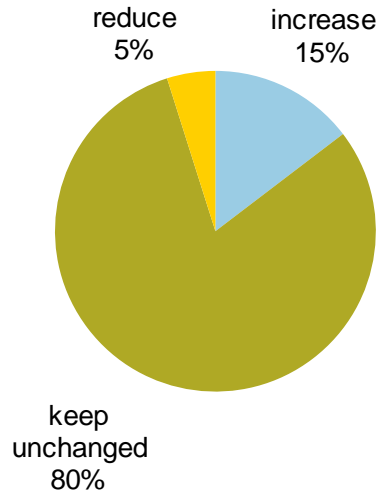


Source: CEMA Business Barometer

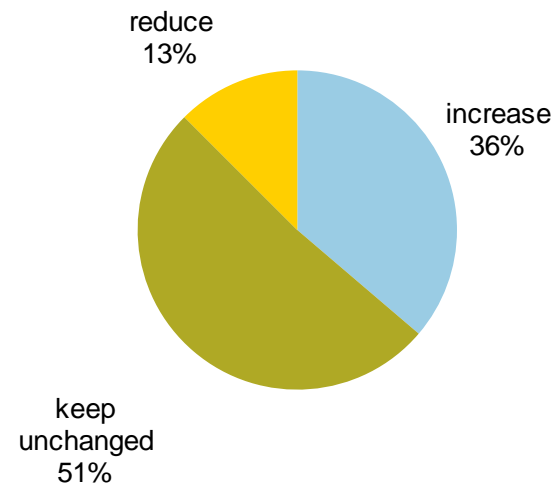
# Employment

Question: Our plans regarding the workforce

## Regular employees



## Temporary employees



Source: CEMA Business Barometer May 2017