

# CEMA Business Barometer

Public excerpt October 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 continues sideways movement

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## Executive summary of the survey in October

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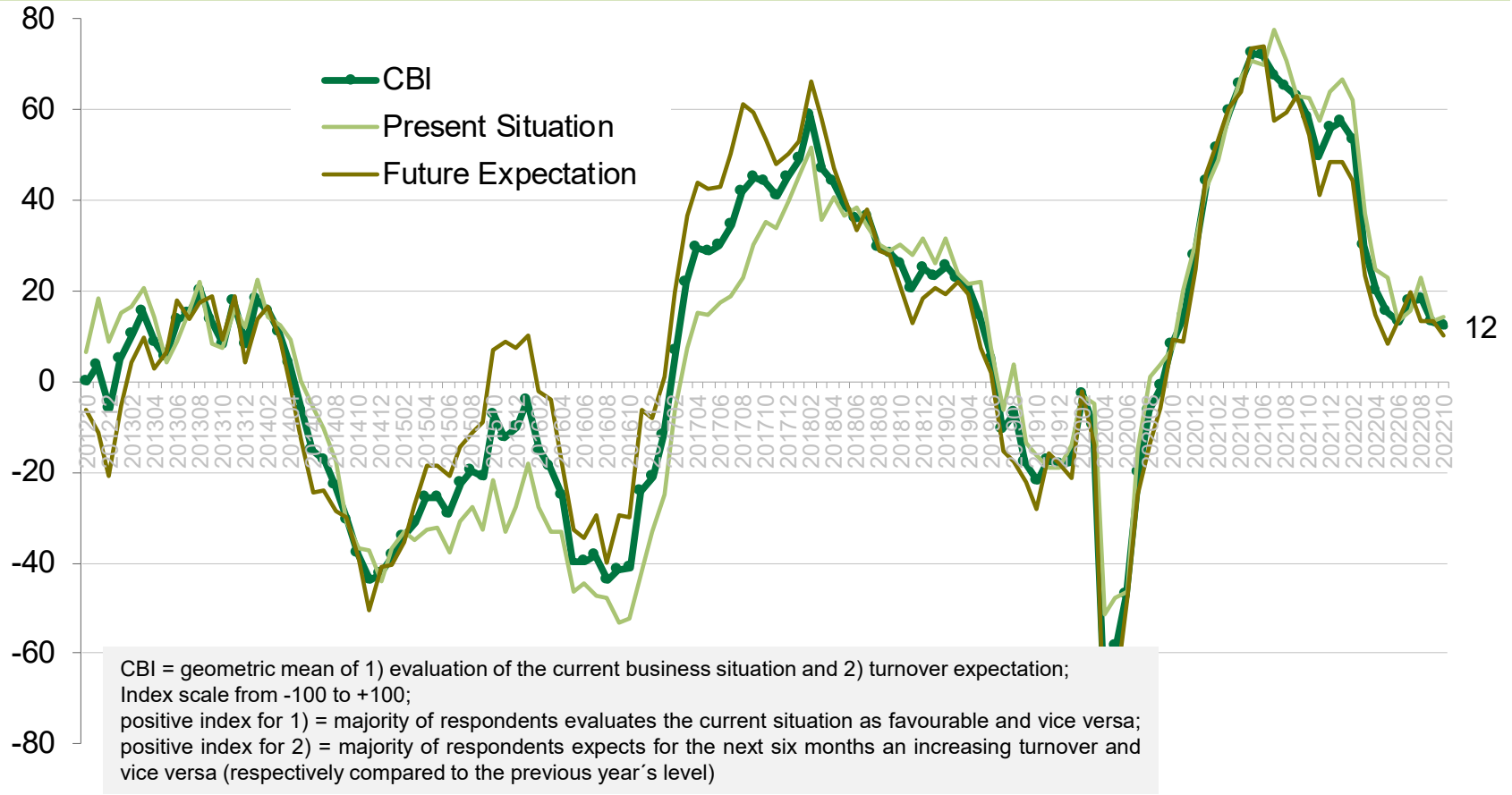
The general business climate index for the agricultural machinery industry in Europe has broadly continued its sideways movement at a positive level after the sharp declines in the course of the Russian war against Ukraine. Current business in particular appears to remain stable, while the share of survey participants with growth expectations has decreased slightly. As a result, in October the index dropped marginally to 12 points (on a scale of -100 to +100).

Price increases and bottlenecks on the supplier side continue to challenge the industry, however some slight easing is observable. Currently, 28% of the companies are planning a temporarily production stop due to shortages in the coming four weeks.

The regional breakdown on the market side indicates that the German market is losing some momentum, but the confidence level for the French market remains strong, in addition, in some markets such as Scandinavia and Switzerland even an upward trend can be observed. Moreover, current dealer stocks of both new and used machinery remain very low across Europe and may still be below optimal levels in most markets.

# Business Climate Index Development

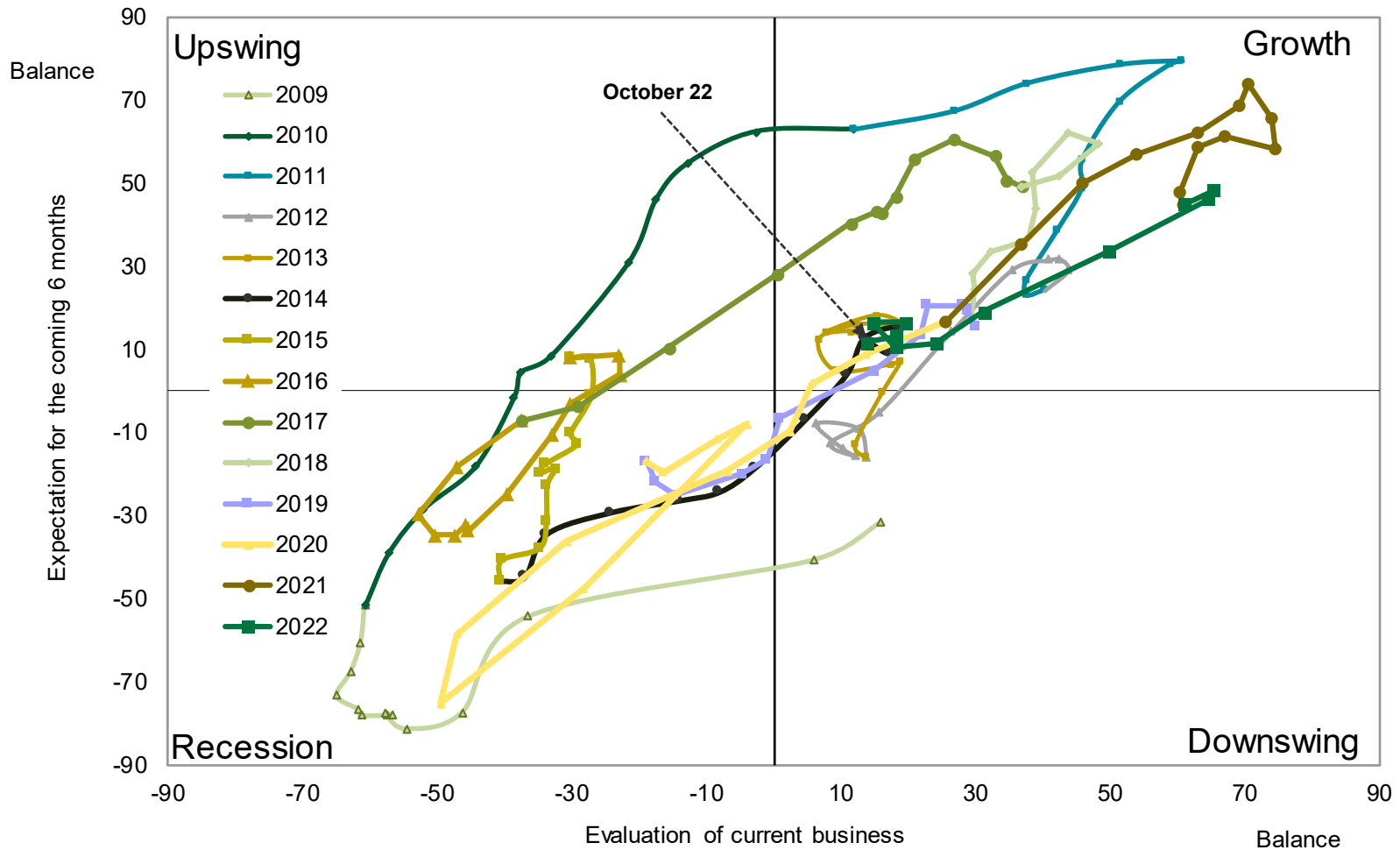
CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

# Business Climate

## Illustration of Business Cycle



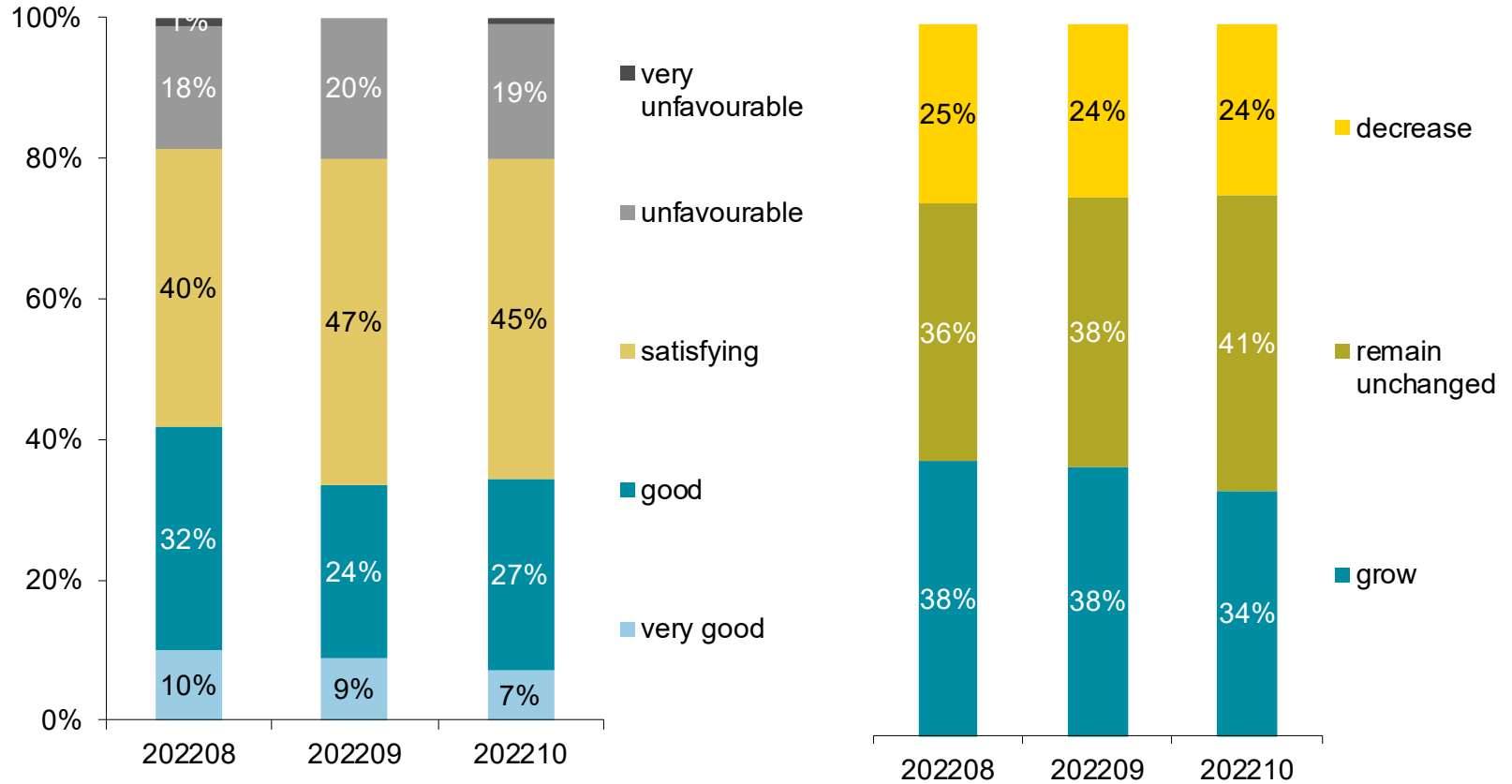
Source: CEMA Business Barometer, each value as an average of the last two months

# 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....

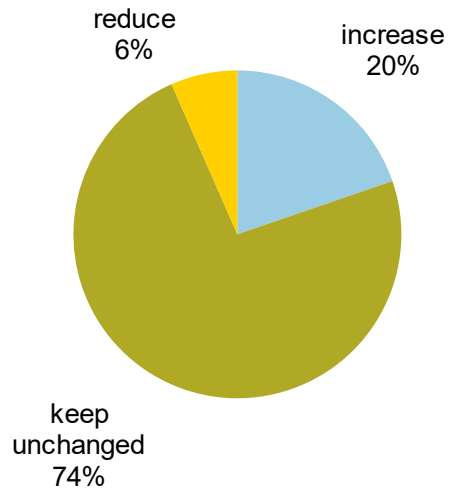


Source: CEMA Business Barometer

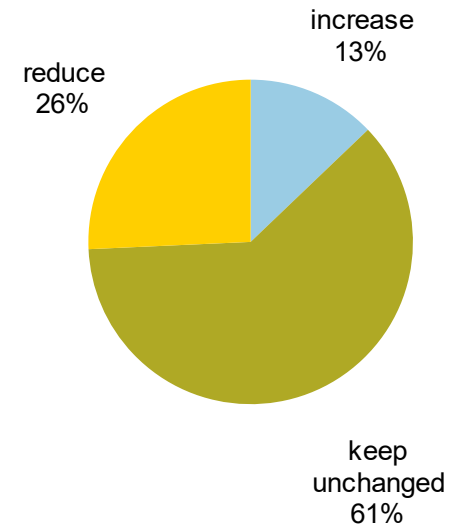
# Employment

Question: Our plans regarding the workforce

## Regular employees



## Temporary employees



Source: CEMA Business Barometer October 2022