

# CEMA Business Barometer

Public excerpt April 2018



# 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 may have already reached its peak

## Executive summary of the survey in April

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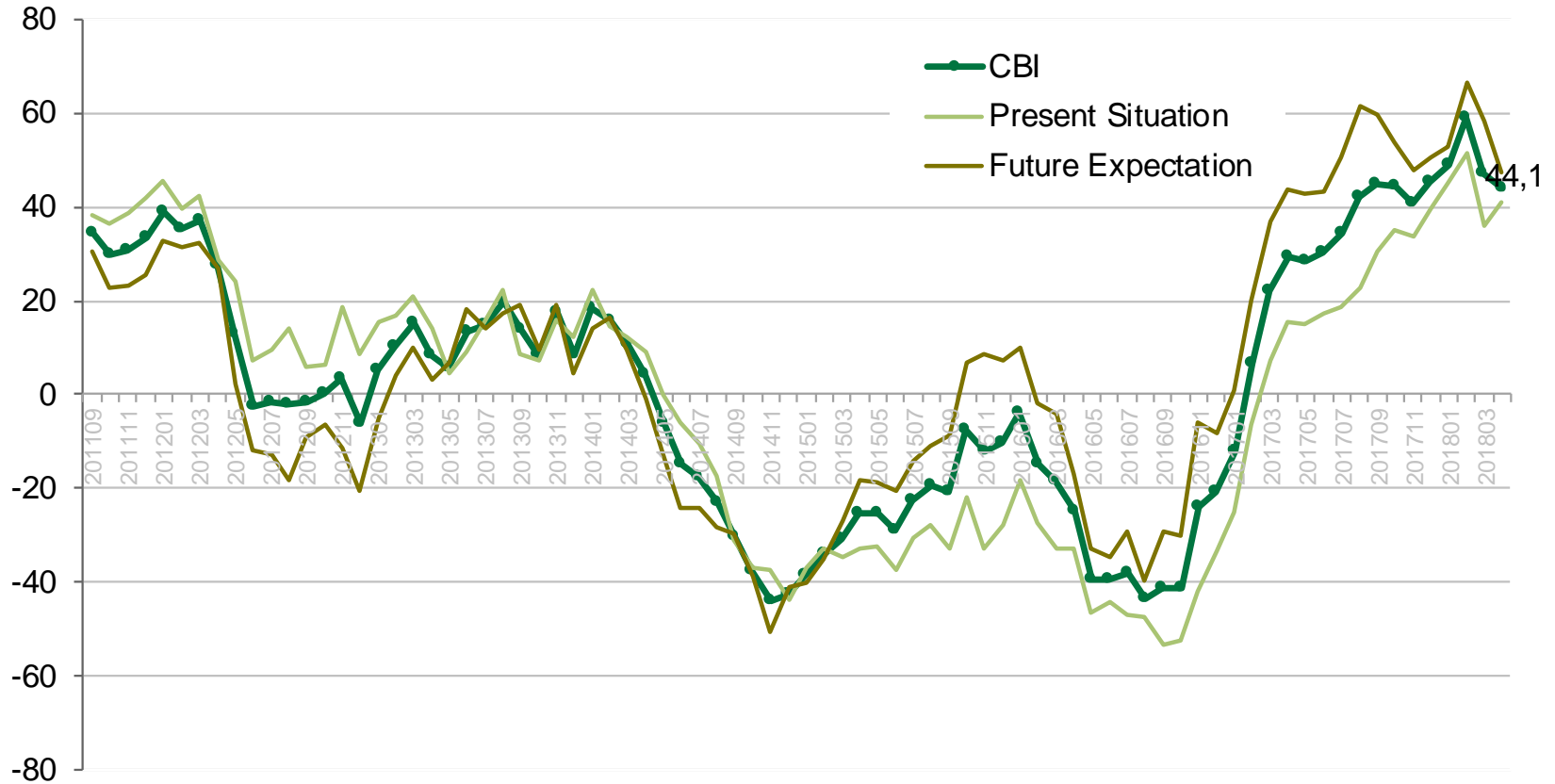
The general business climate index of the agricultural machinery industry in Europe seems to have reached its peak (but remains on a high level). Especially future expectations have become somewhat more cautious. Incoming orders from both Europe and outside of Europe have lost considerable momentum.

Compared to all segments, the business climate for arable equipment has deteriorated the most. Both turnover expectations and current business evaluations within that segment are now quite below the industry average. In the face of falling milk prices, the manufacturers of livestock equipment and transportation equipment also have lost some confidence, but current business is still running well.

The regional breakdown shows once again for each single European market a majority of survey participants expecting a turnover increase. However, important markets such as Italy and the UK seem to cool down, together with the markets in the Scandinavian, the CIS and most Eastern European countries,. Poland and Germany remain stable at the top of the country ranking, but these markets also might have already reached their peak.

# Business Climate Index Development

CEMA Business Climate Index (CBI) - Total

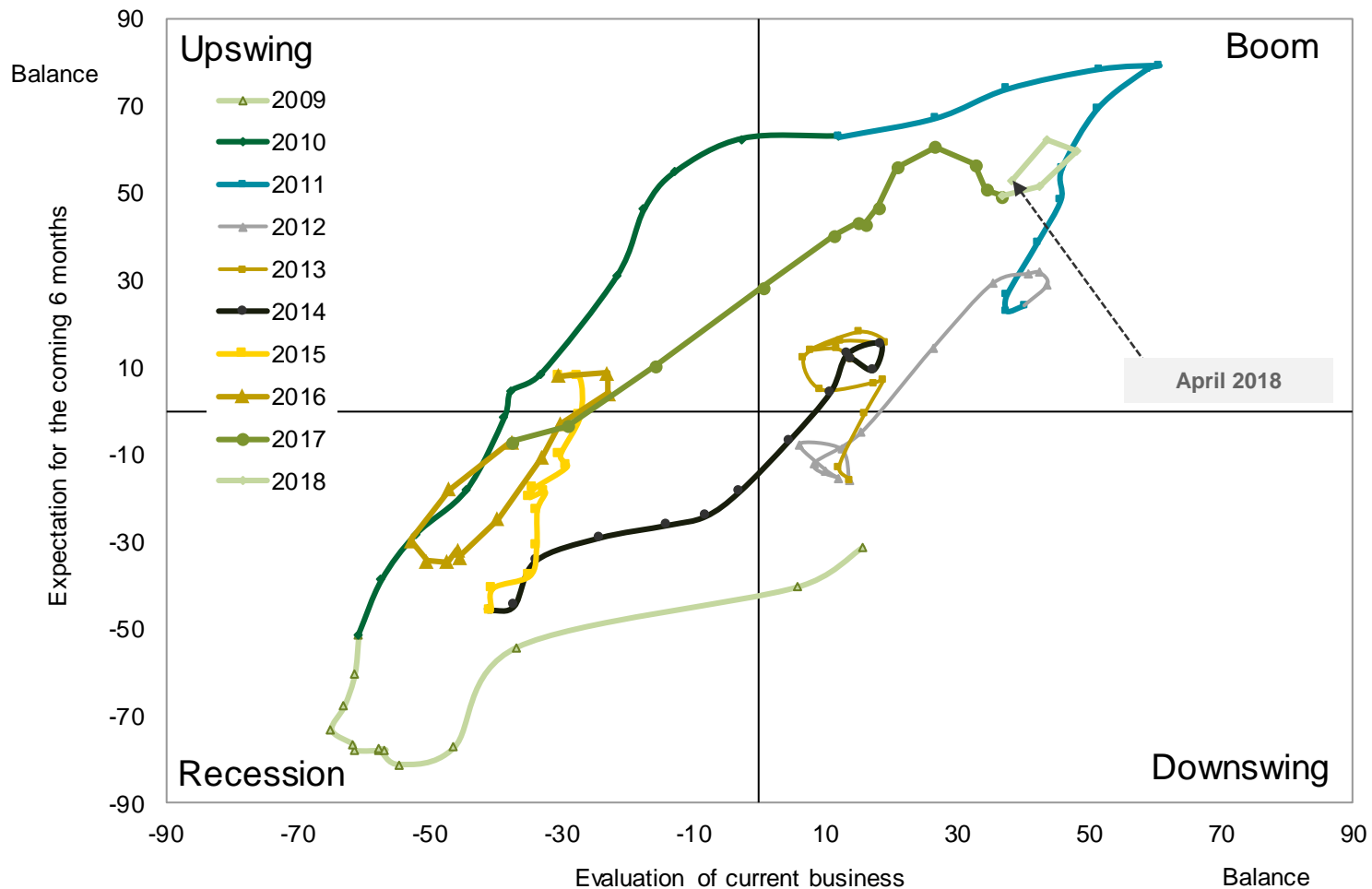


Source: CEMA Business Barometer

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

# Business Climate

## Illustration of Business Cycle



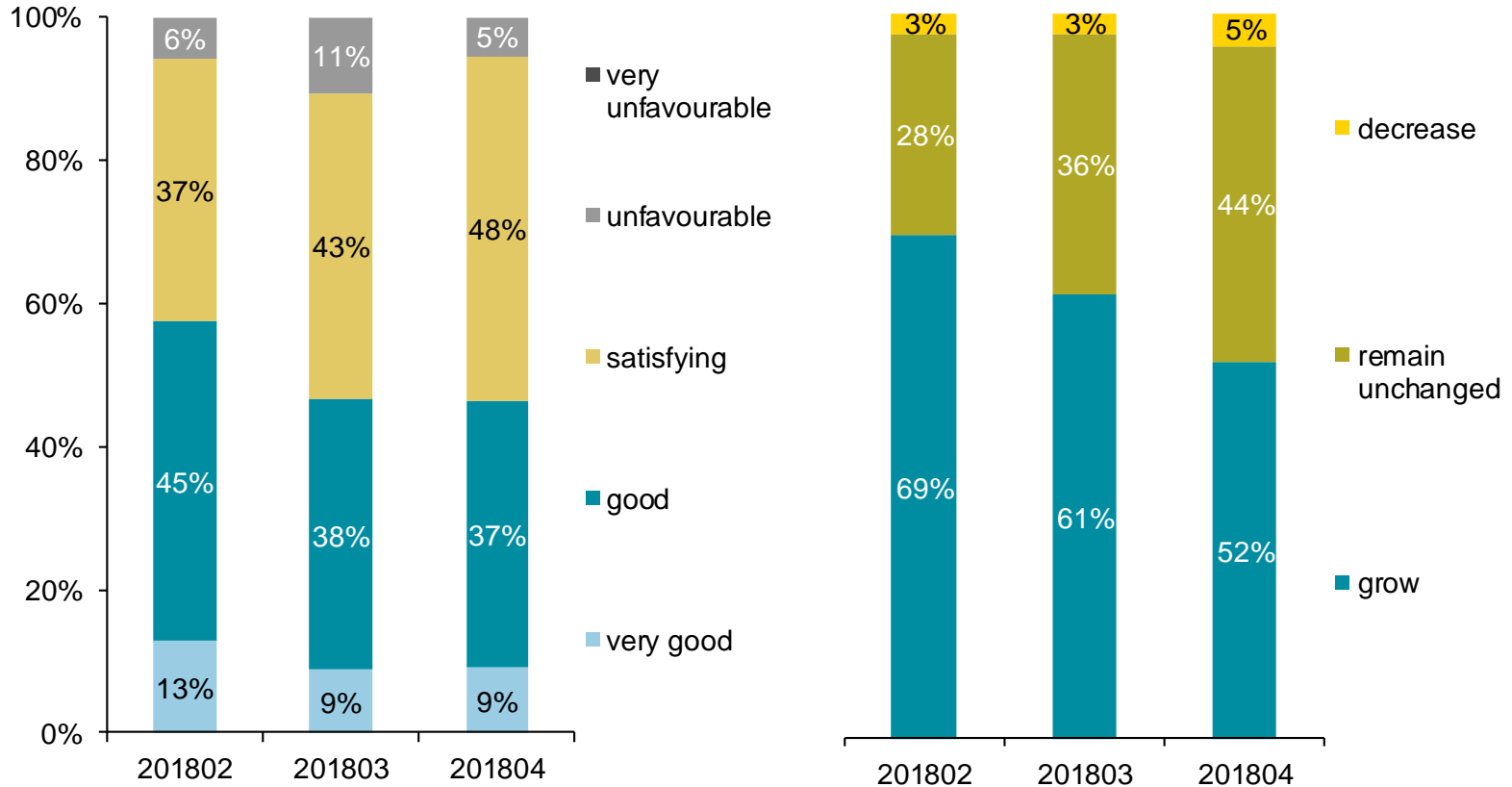
Source: CEMA Business Barometer, each value as an average of the last two months

# 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....

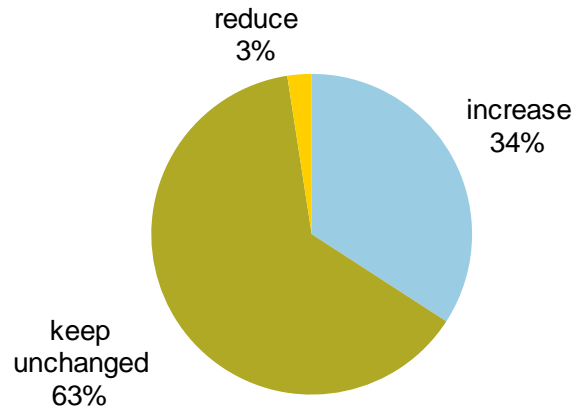


Source: CEMA Business Barometer

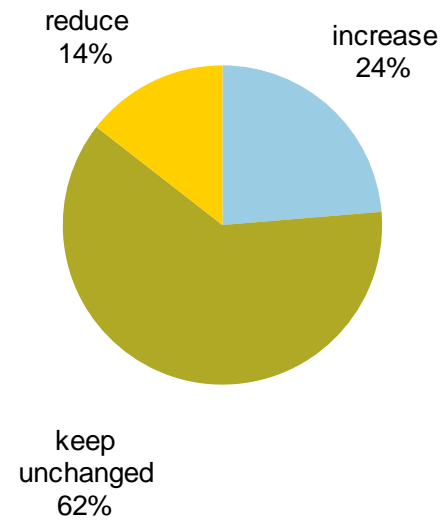
# Employment

Question: Our plans regarding the workforce

## Regular employees



## Temporary employees



Source: CEMA Business Barometer April 2018