

# CEMA Business Barometer

Public excerpt August 2019



# 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 overall repeatedly negative

## Executive summary of the survey in August

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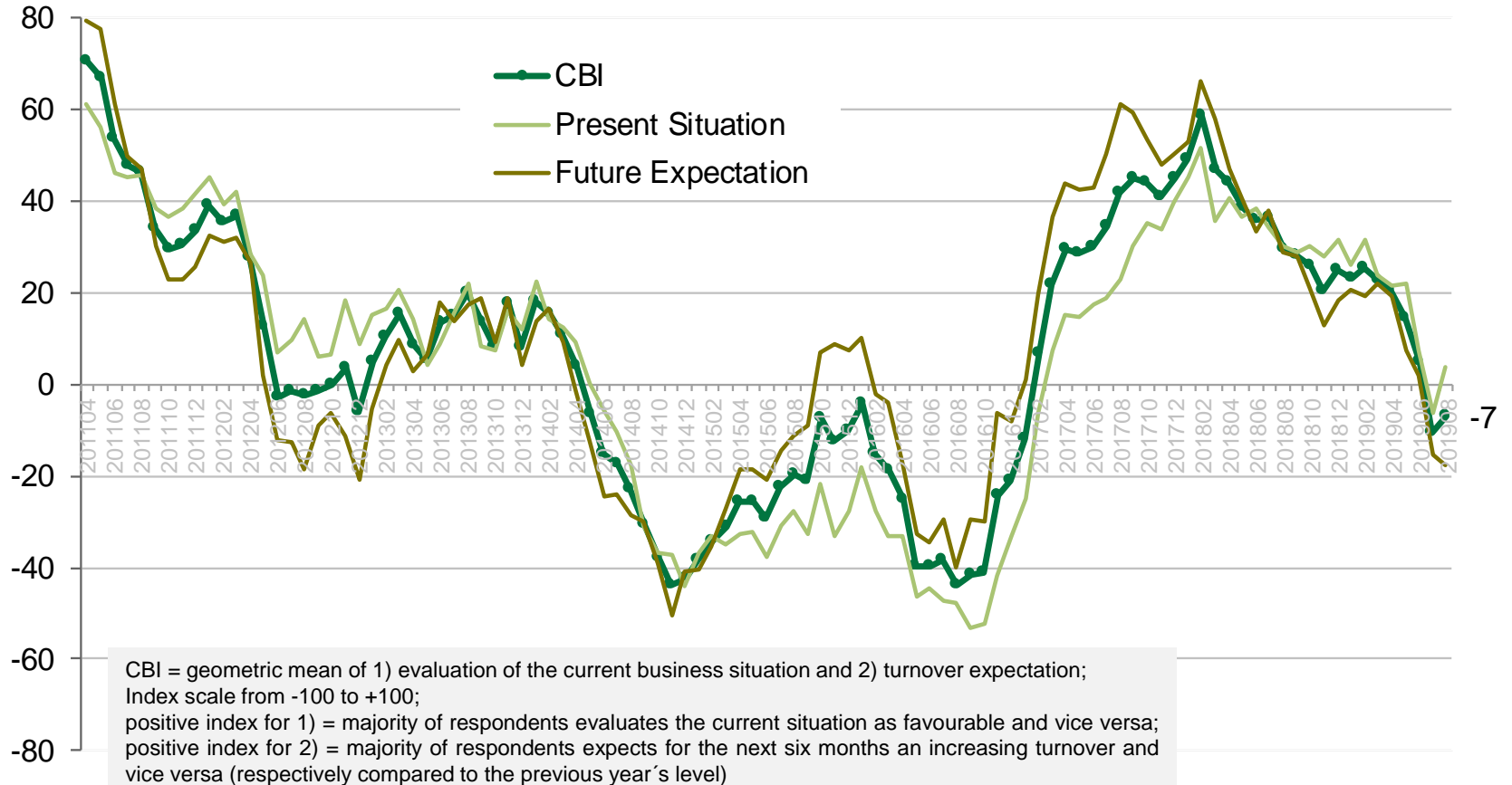
The general business climate index of the agricultural machinery industry in Europe is in negative range for the second time in a row. In July, both the evaluation of the current business and the future expectations, became negative for the first time since 2016. In August, contrary to future expectations, current business stabilized slightly again.

Based on the strong order intake in the past, the volume of orders is still high (corresponding to a production period of 2.9 months). However, a significant slowdown in incoming orders is expected. Only 14% of the companies foresee their order intake to grow within the coming 6 months.

As positive exceptions, from where again still a majority of survey participants expect turnover increases, remain France, Switzerland, Italy and Spain. The further development of the general business climate in Europe might, among others, depend on whether growth rates in these markets can be maintained beyond the next 6 months.

# Business Climate Index Development

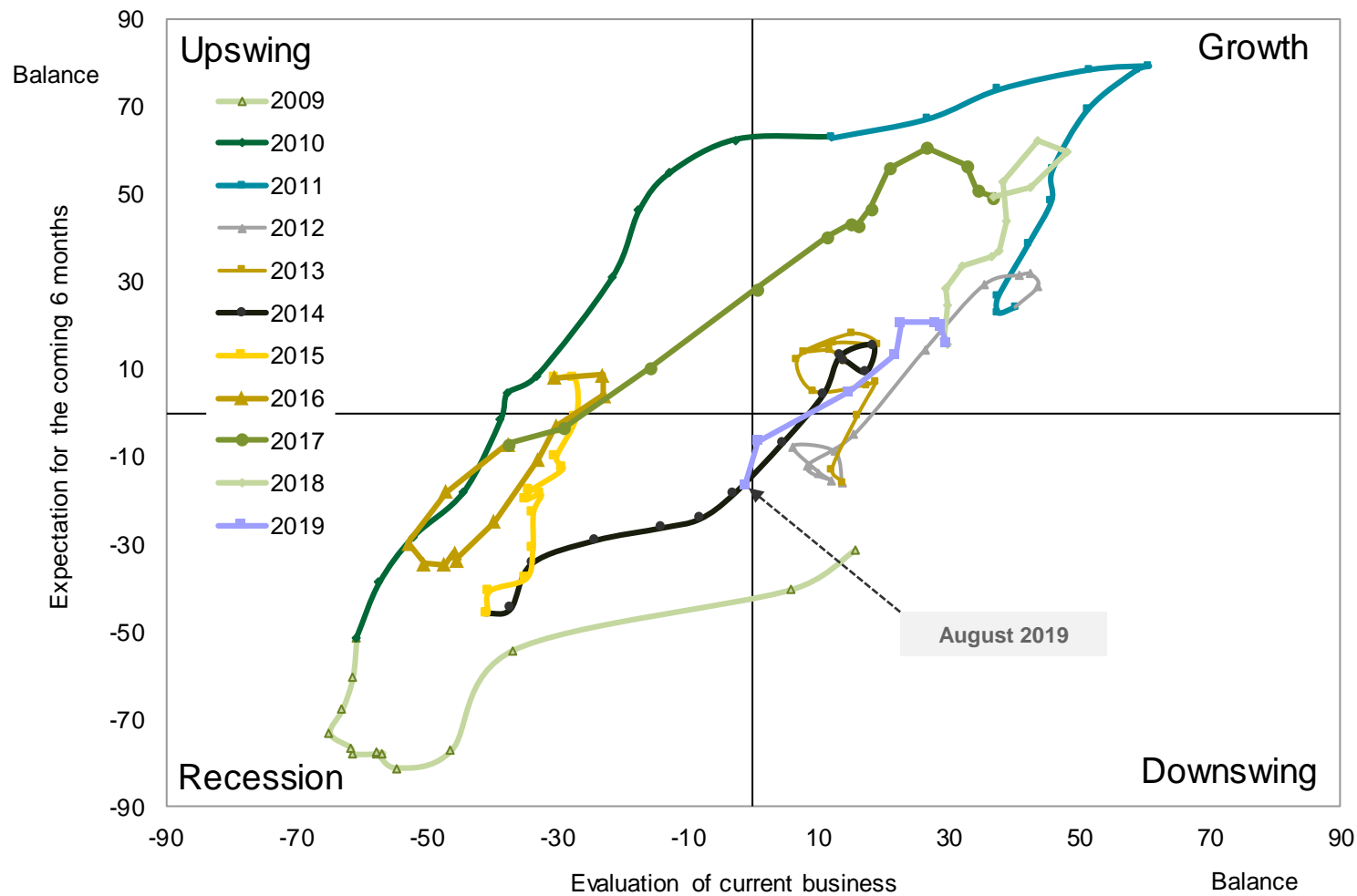
CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

# Business Climate

## Illustration of Business Cycle



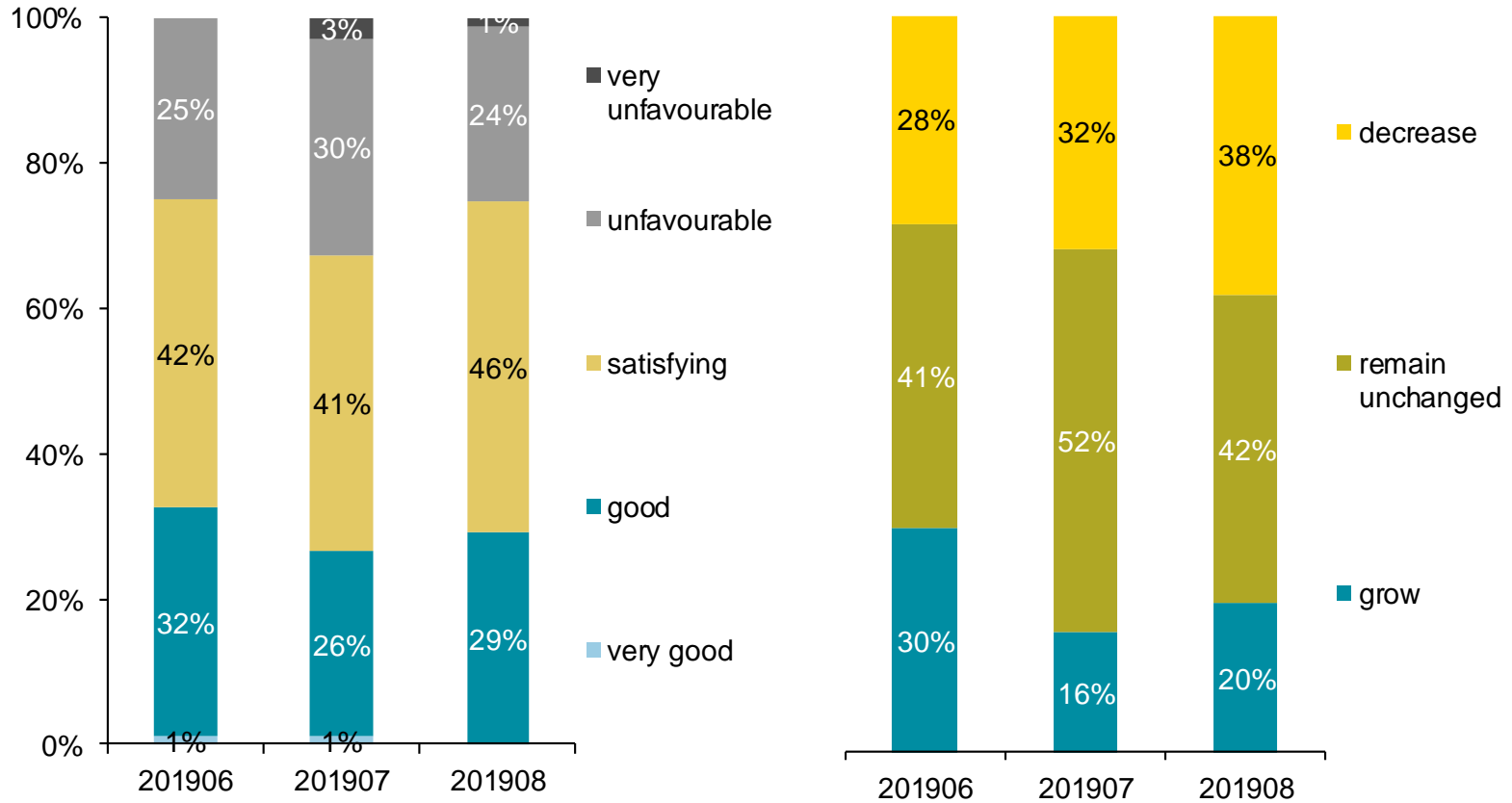
Source: CEMA Business Barometer, each value as an average of the last two months

# 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....

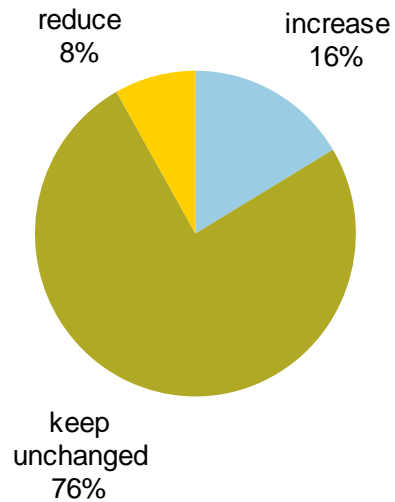


Source: CEMA Business Barometer

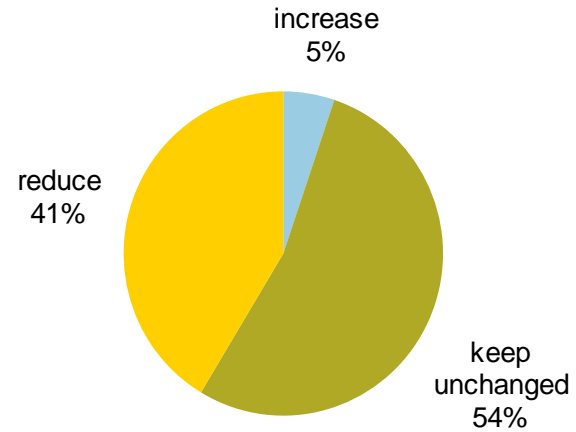
# Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer August 2019