

# CEMA Business Barometer

Public excerpt April 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 has further deteriorated

## Executive summary of the survey in April

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The general business climate index for the agricultural machinery industry in Europe has continued to fall after its sharpest drop since the crash in the wake of COVID-19, but is still holding at a positive level. In April, the index decreased from 30 to 20 points (on a scale of -100 to +100).

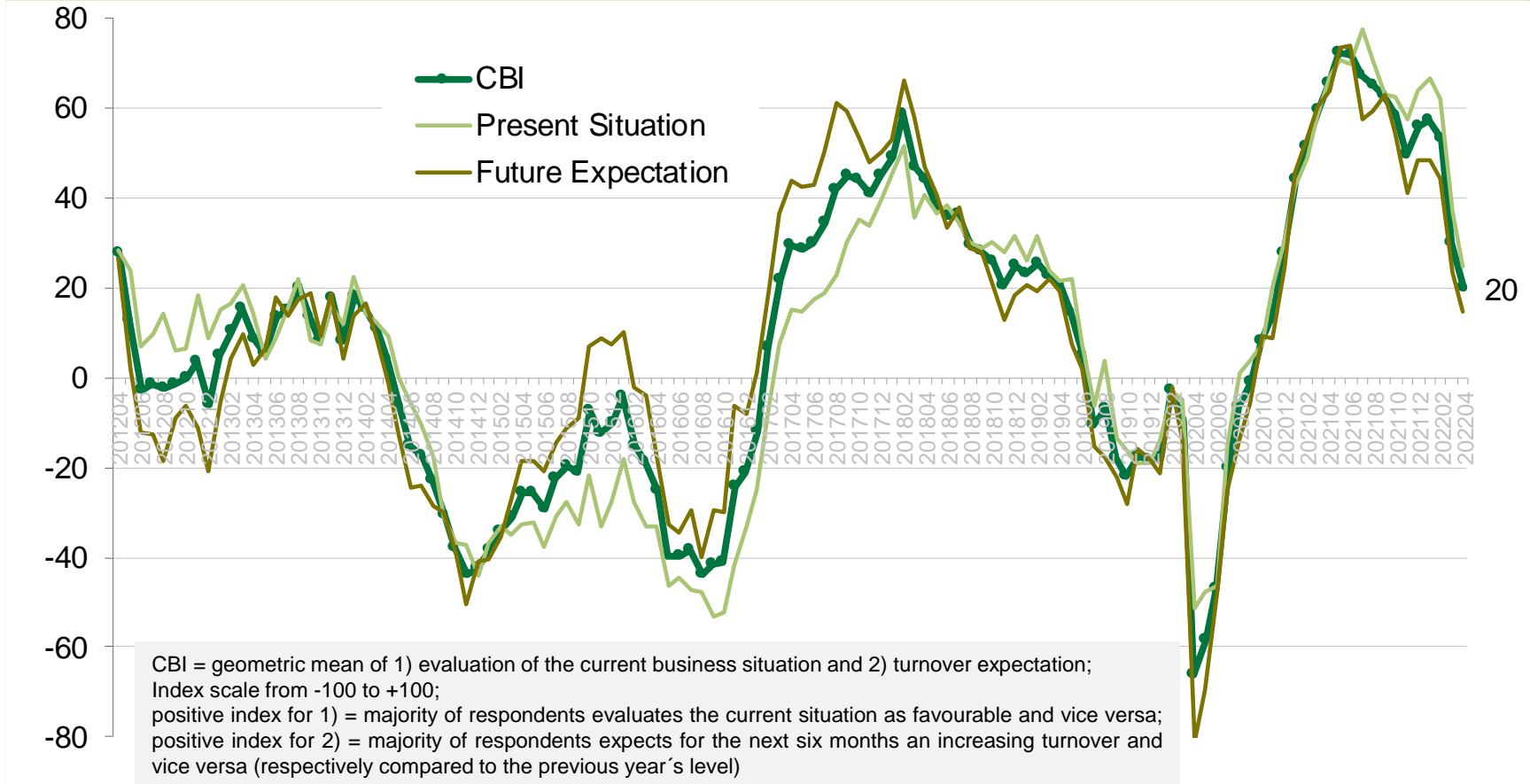
Price increases and shortages on the supplier side continue to challenge the industry heavily. Once again more than half of the companies are planning a temporarily production stop due to a shortage of certain parts in the coming four weeks.

Against this backdrop, dealer stocks with new machines have been significantly reduced over the past months in nearly all markets and likewise the used machinery stock has been generally cleansed. However, while industry representatives could previously assume that dealer stocks had fallen below their optimal level, which would result in further orders, uncertainty is now emerging with regard to several markets. Confidence levels have fallen not only for Eastern Europe, but also for Austria and, except for Romania, for almost all EU-13 countries.

Meanwhile, only 14% of the survey participants expect their company's order intake to increase, while 45% expect it to decrease in the coming six months.

# Business Climate Index Development

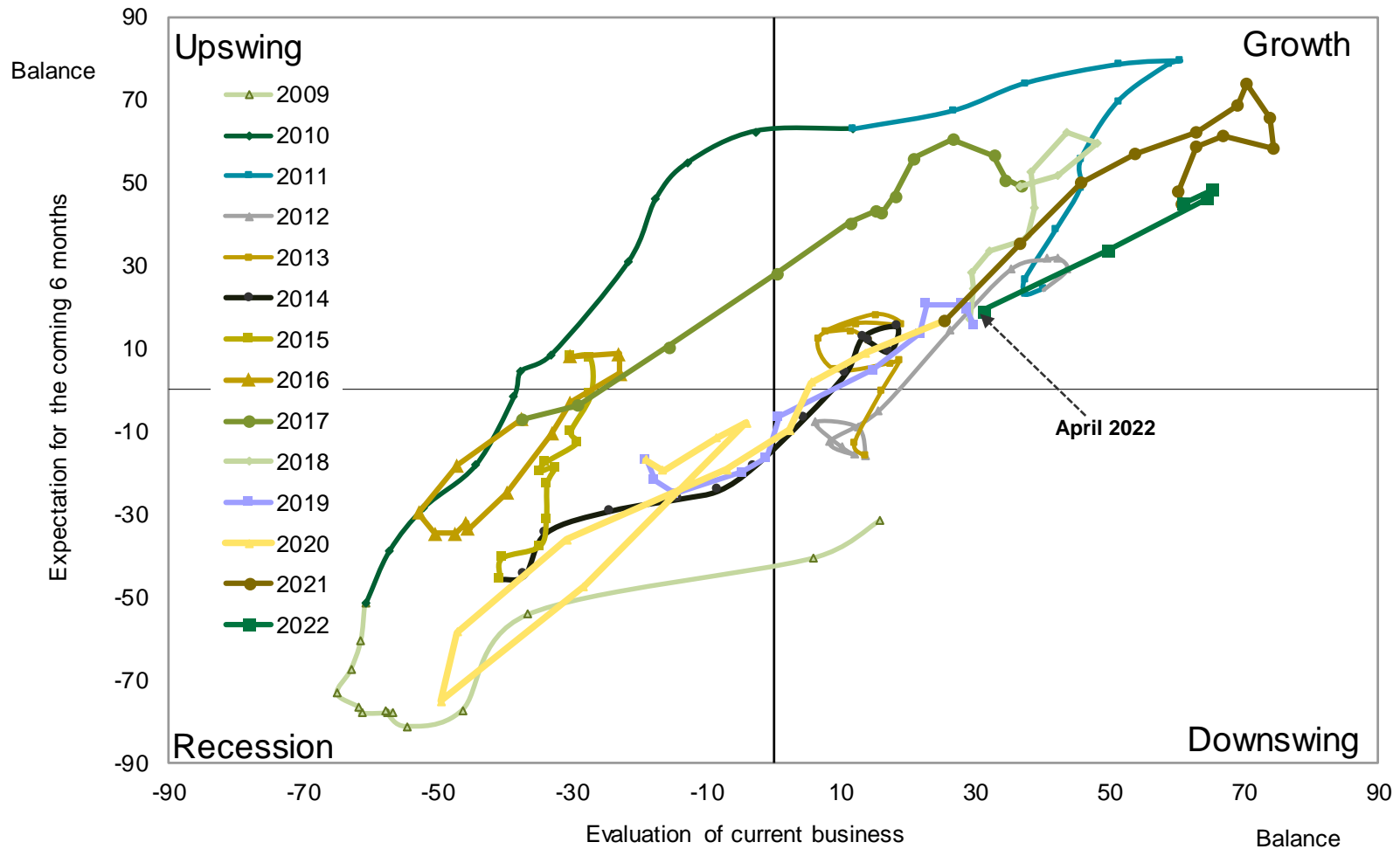
CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

# Business Climate

## Illustration of Business Cycle



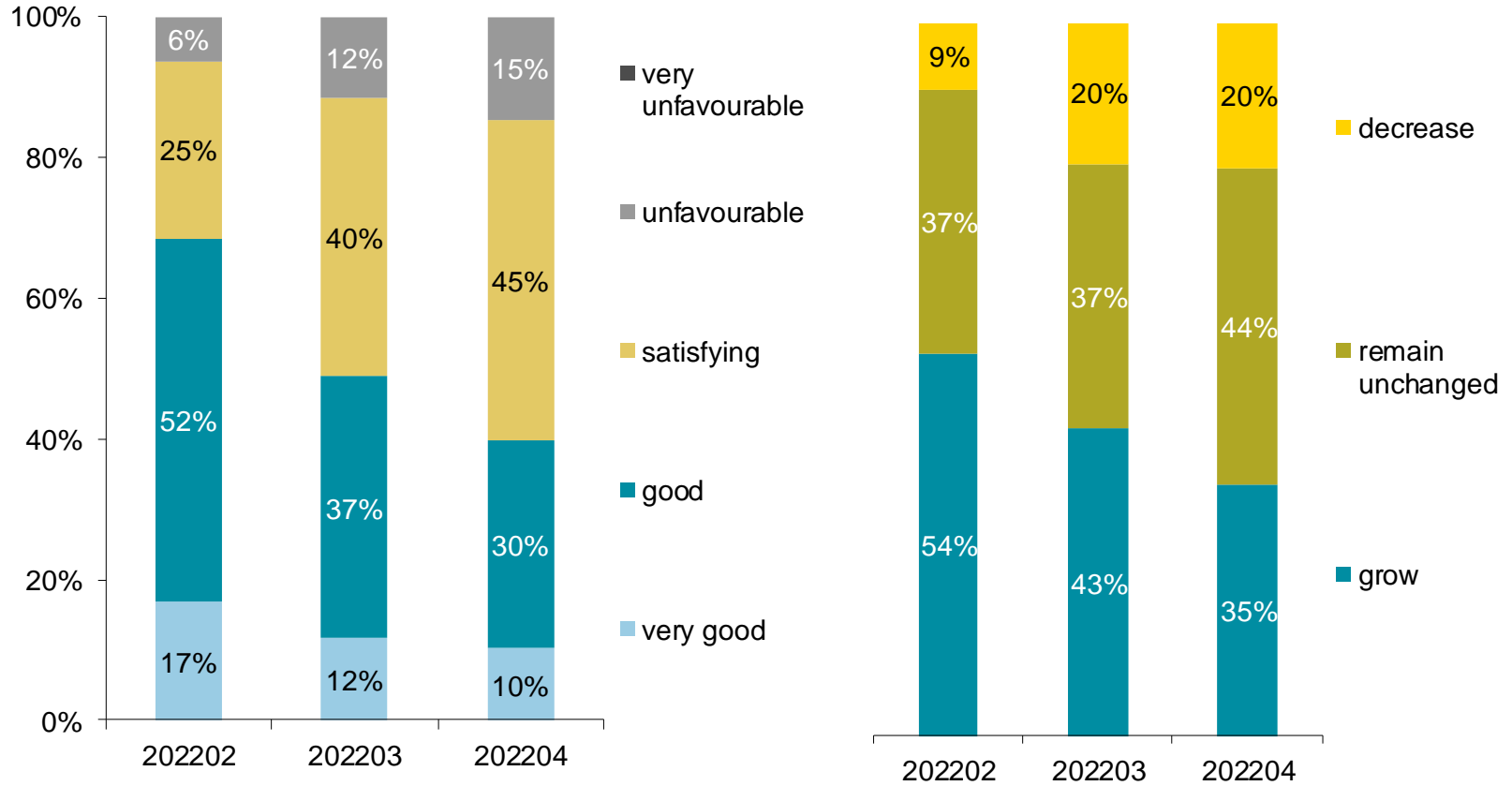
Source: CEMA Business Barometer, each value as an average of the last two months

# 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....

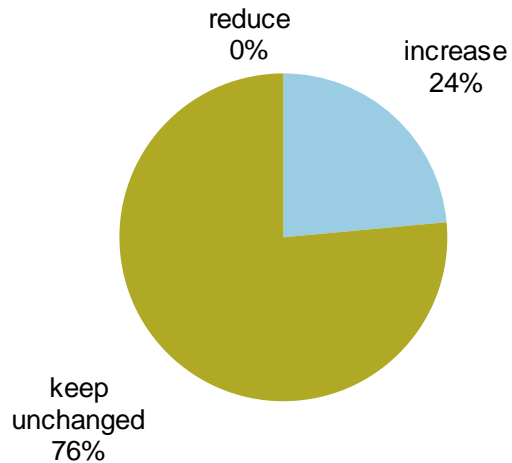


Source: CEMA Business Barometer

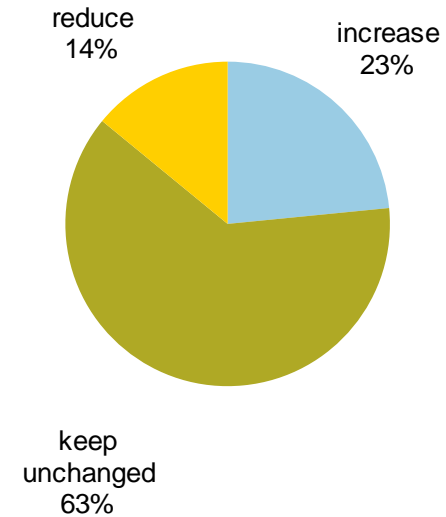
# Employment

Question: Our plans regarding the workforce

## Regular employees



## Temporary employees



Source: CEMA Business Barometer April 2022