

# CEMA Business Barometer

Public excerpt June 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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# Weaker business, but stable expectations

## Executive summary of the survey in June

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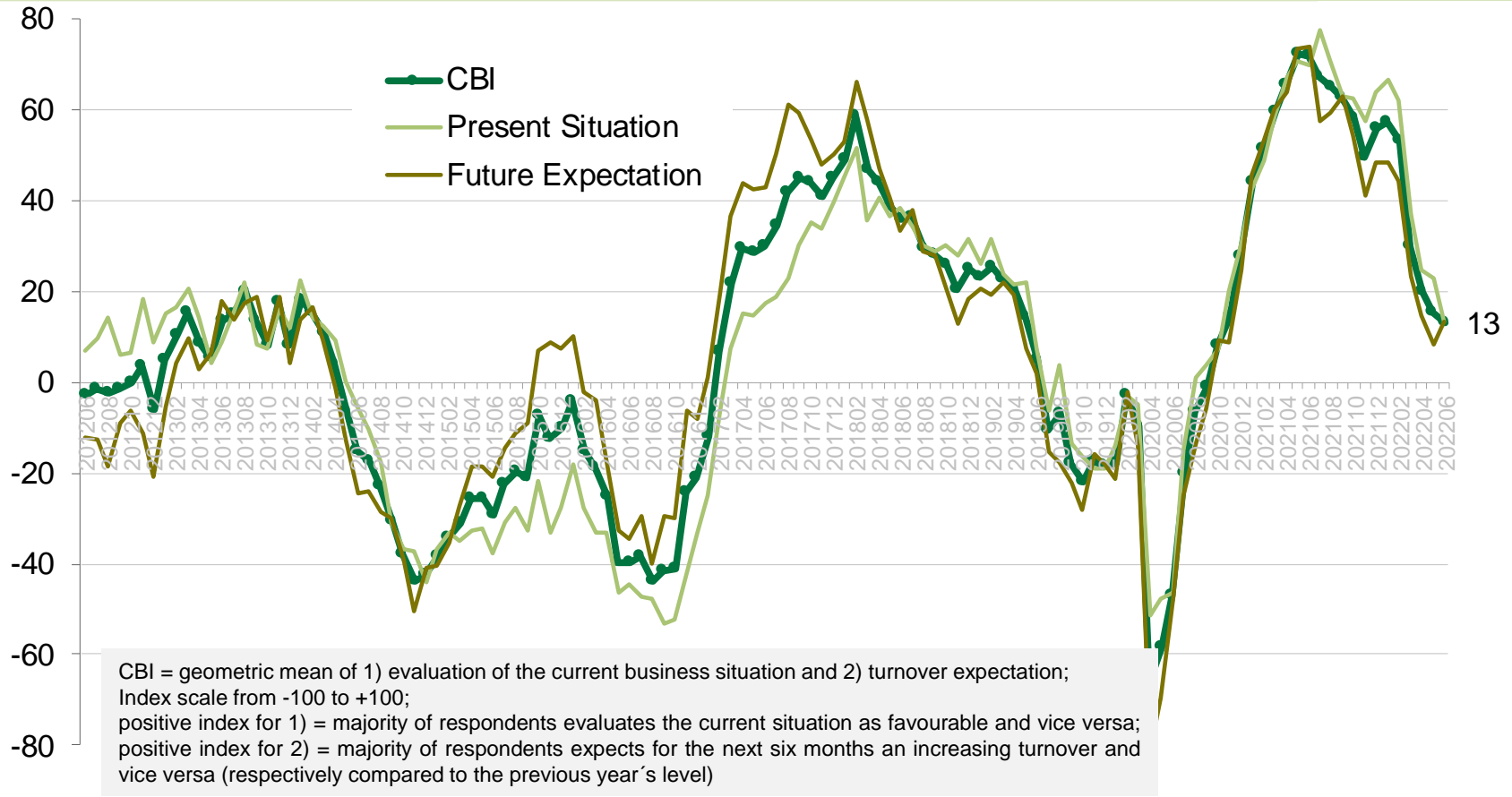
The general business climate index for the agricultural machinery industry in Europe has continued to decrease slightly after its sharpest drop since the crash in the wake of COVID-19, but is in total still holding at a positive level. In June, the index decreased from 16 to 13 points (on a scale of -100 to +100).

Sentiment among livestock equipment manufacturers has turned sharply into negative, while business climate remains much better for components and, to a lesser extent, for arable equipment. Overall, the current business situation has deteriorated noticeably once again compared to the previous month, however, expectations for the coming six months have risen slightly for the first time since the beginning of the year. Also, with regard to the full year of 2022, the European industry representatives still forecast in average a +5% increase in turnover for their company (unchanged compared to March).

Price increases and shortages on the supplier side continue to challenge the industry heavily, but appear to moderate slightly. Meanwhile “only” 40% of the companies are planning a temporarily production stop due to bottlenecks in the coming four weeks. At the same time, the survey participants are no longer entirely optimistic with regard to future turnover from some markets, especially Austria and Poland (apart from Eastern Europe, which continues anyway deeply at the bottom of the confidence ranking), but remain bullish with view to major markets such as Germany and France.

# Business Climate Index Development

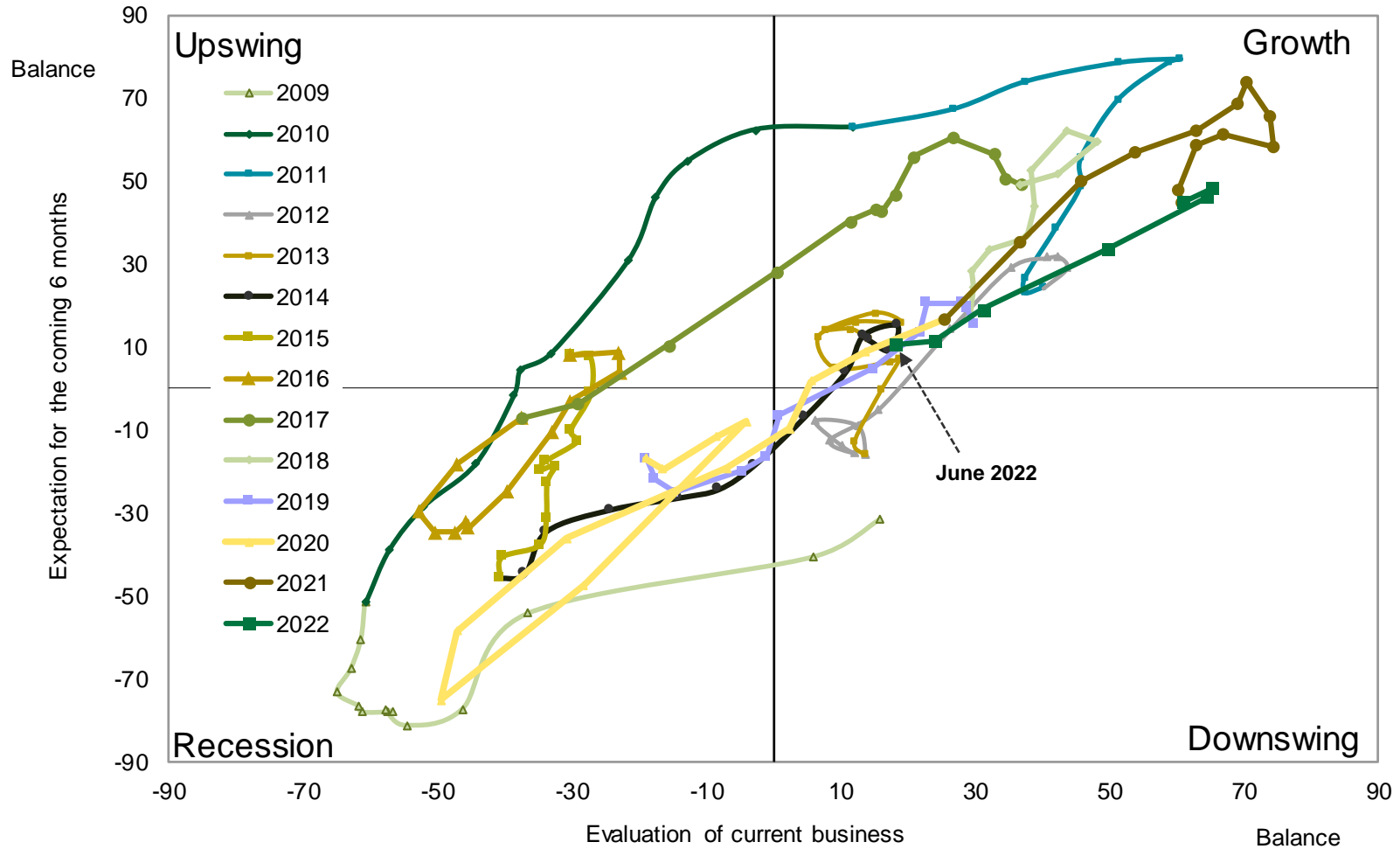
CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

# Business Climate

## Illustration of Business Cycle



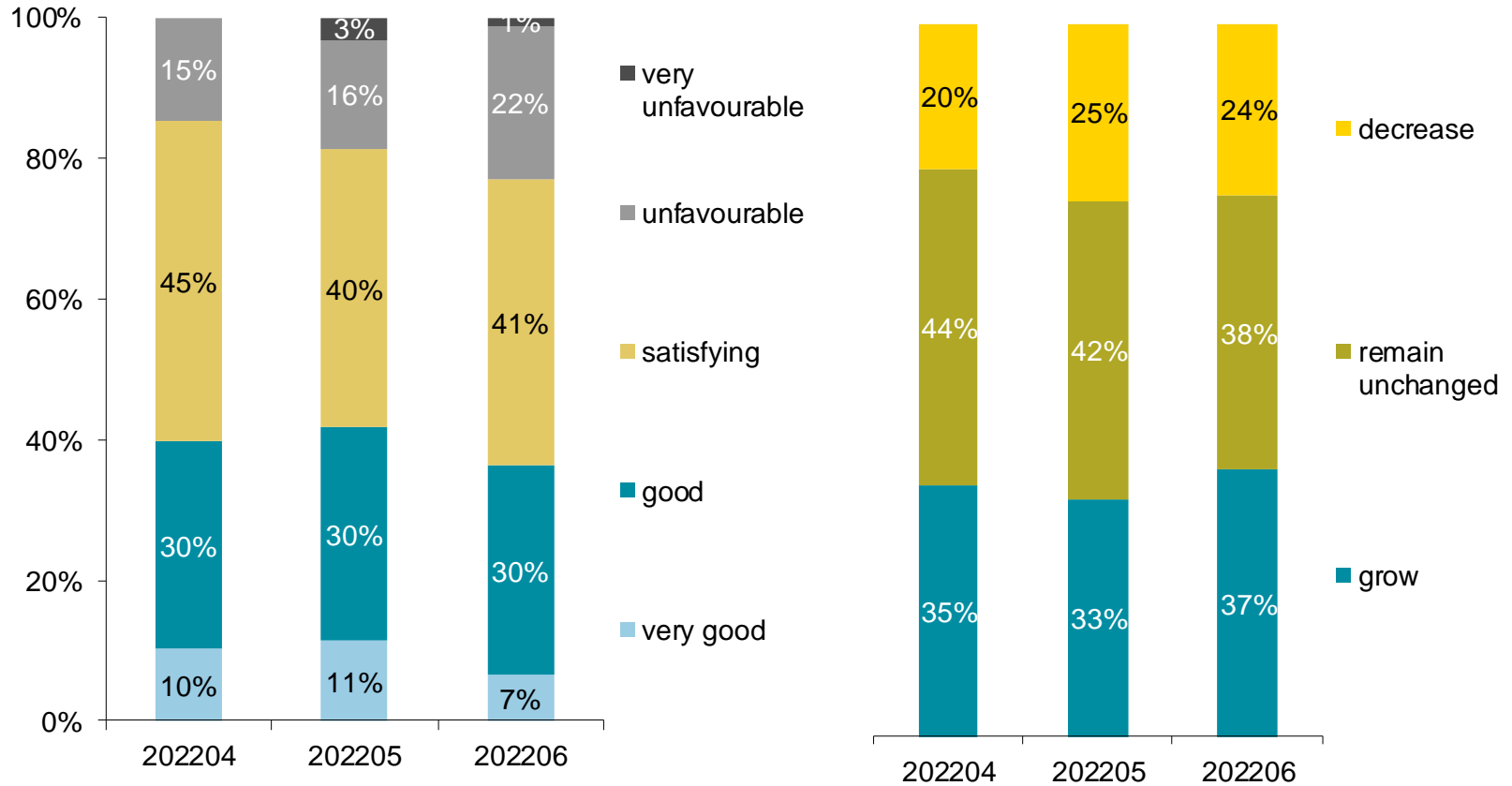
Source: CEMA Business Barometer, each value as an average of the last two months

# 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....

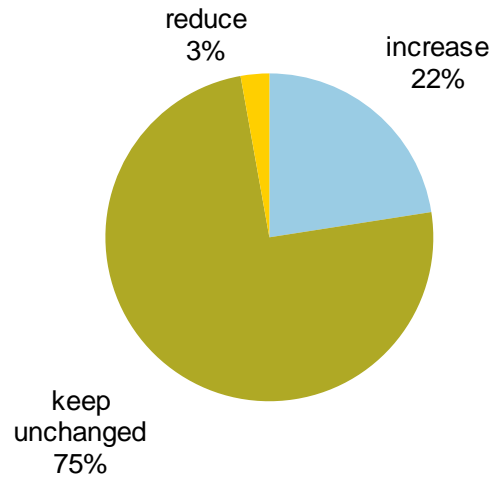


Source: CEMA Business Barometer

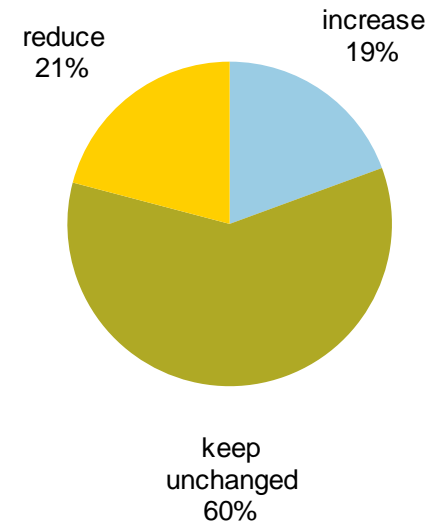
# Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer June 2022