

CEMA Business Barometer

Public excerpt September 2024



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



Current business negative, expectations better

Executive summary of the survey in September

The general business climate index for the agricultural machinery industry in Europe has improved slightly but continues deep in negative territory. In September, the index increased from -57 point to -54 points (on a scale of -100 to +100).

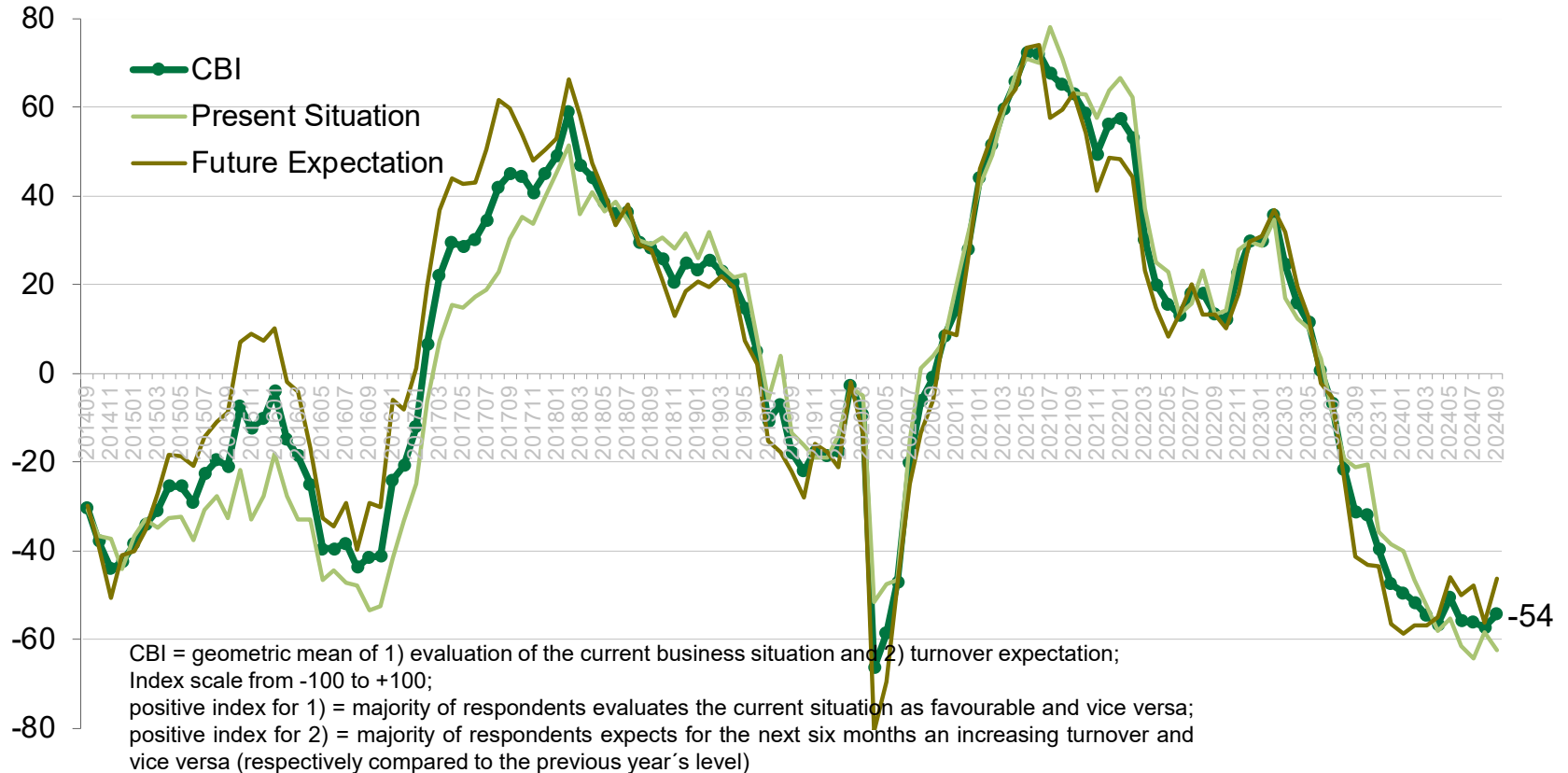
The slight improvement in the business climate is solely due to less negative expectations for the coming six months, while current business continues to be evaluated almost at record low level. A similar picture can be seen for the order intake, for which future expectations have improved slightly in recent months, while current incoming orders from both Europe and outside Europe remained negative.

With a view to the European end customer markets, the survey participants continue to see low investment needs across all countries. Accordingly, despite slight improvements, there is still not one single European market with positive confidence levels.

In terms of total annual turnover, the industry representatives expect for their company an average decline of 10% in 2024 and forecast a flat trend for the coming year, implying that the bottom would have been reached by 2025 at the latest.

Business Climate Index Development

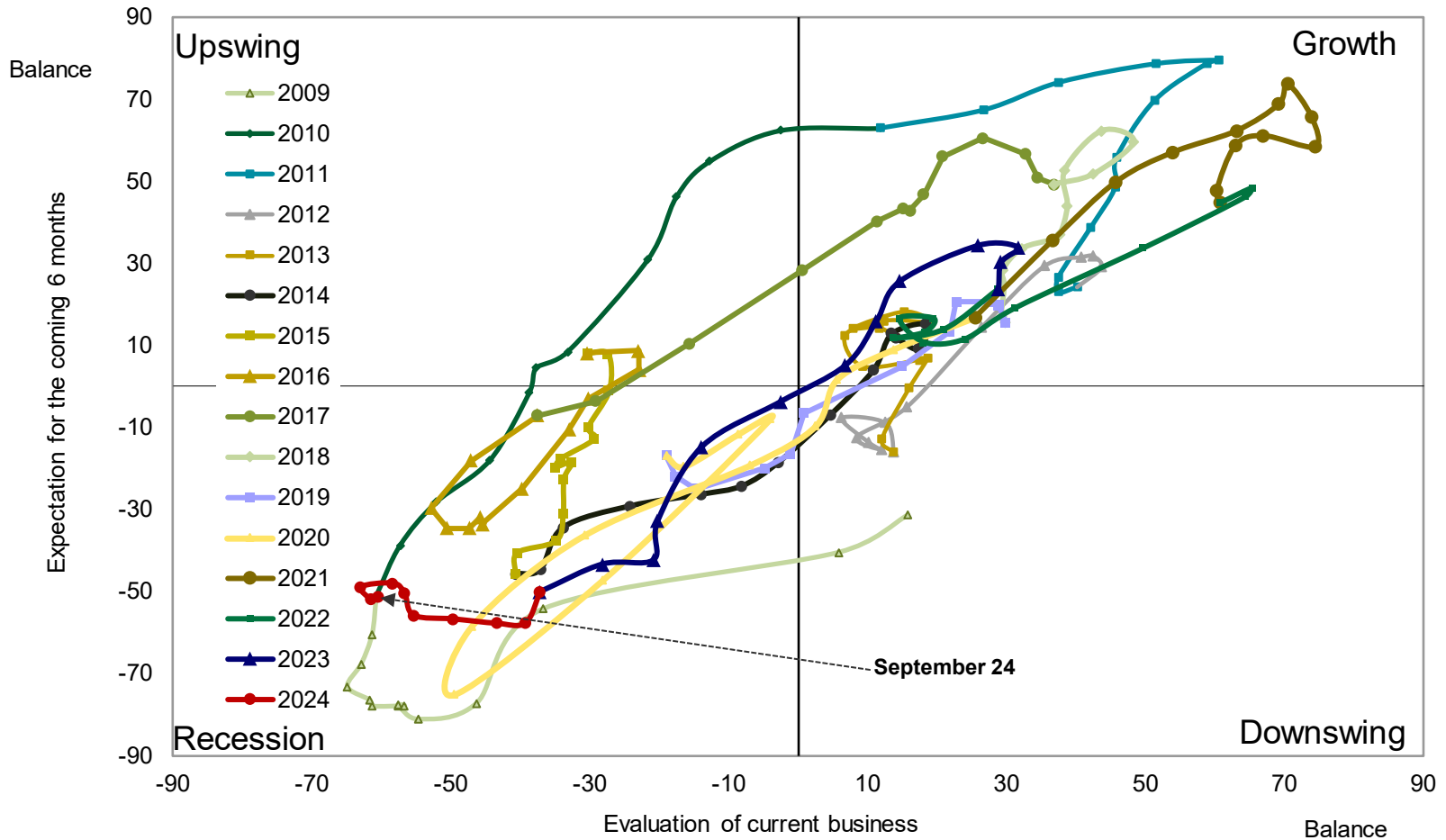
CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

Business Climate

Illustration of Business Cycle



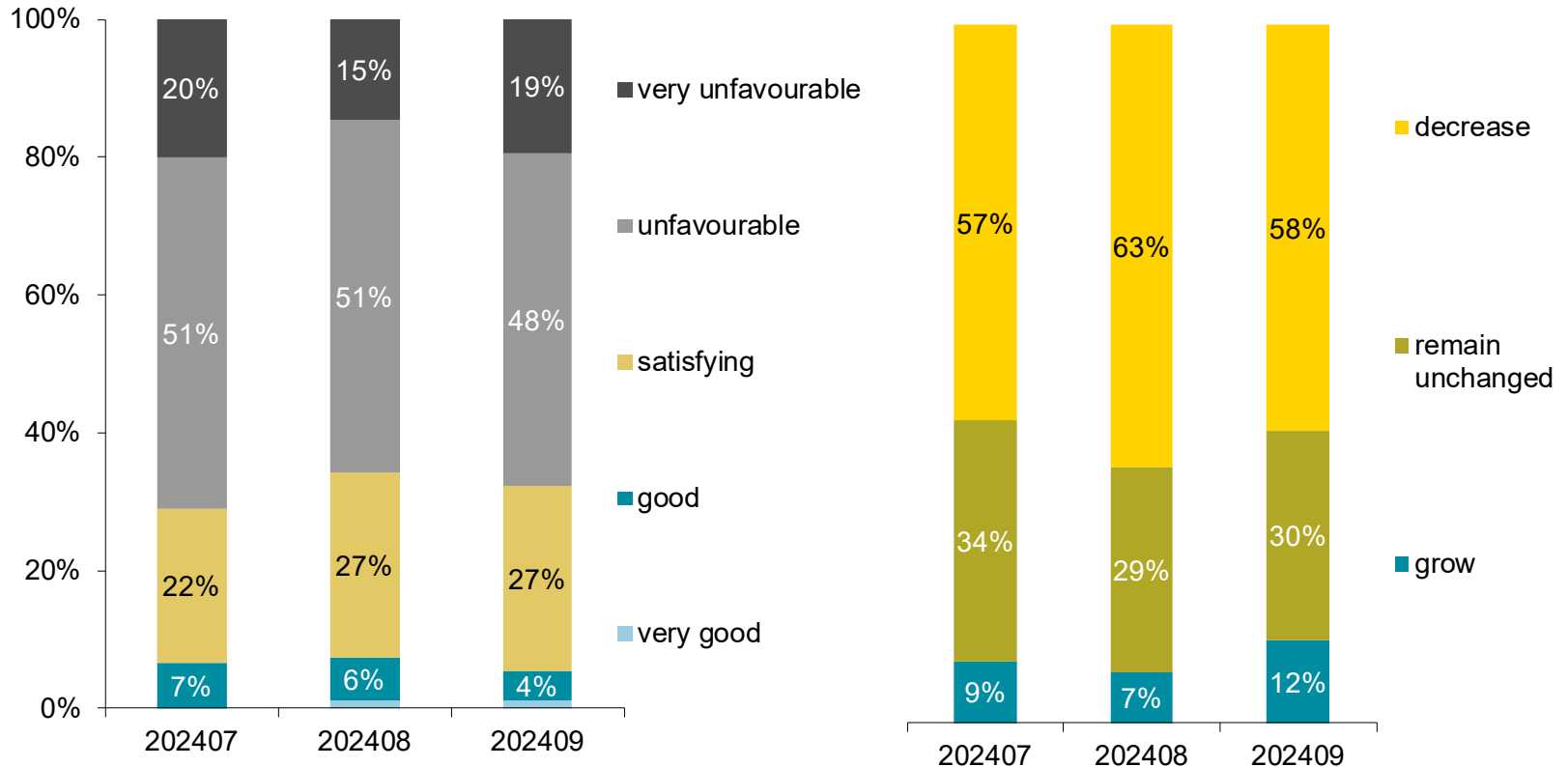
Source: CEMA Business Barometer, each value as an average of the last two months

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....

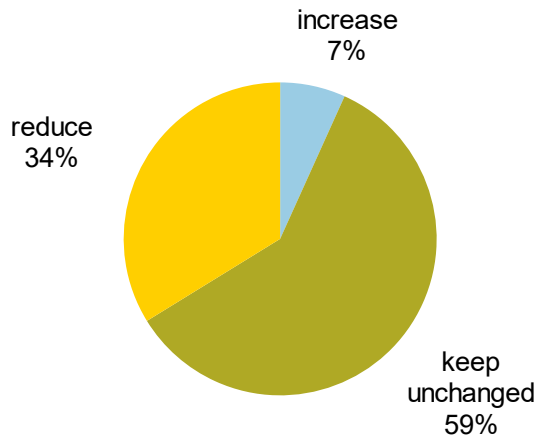


Source: CEMA Business Barometer

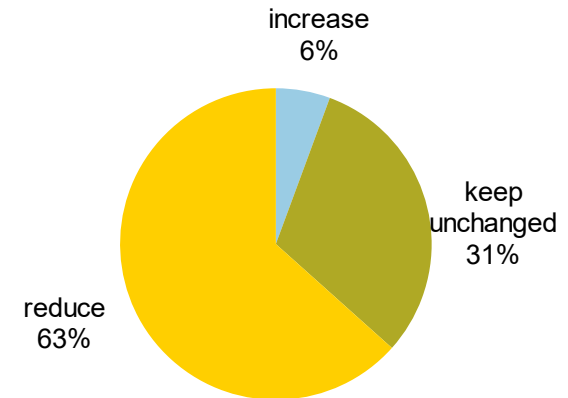
Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer September 2024