

**PRESS RELEASE**

## **Strong demand for agricultural machines continues, as clouds gather on the horizon**

*Mixed outlook in Europe, as top markets show signs of a slowdown*

**Brussels, 4 June 2014** – Demand for farm equipment in Europe in 2014 remains strong, yet the overall mood is somewhat less positive than last year. According to a CEMA trend analysis for the six main types of agricultural machinery (tractors, combine harvesters, forage harvesters, balers and sprayers), the total number of machinery sold is expected to fall slightly across Europe in 2014.

Demand for agricultural machinery remains stable in most European markets. Whereas it is generally high in most of them, demand remains at comparatively low levels in Spain and Italy. The overall decrease in 2014 is largely the result of lower sales in the two single biggest European markets: Germany and France. In addition, a considerably lower demand is expected in Poland and Ukraine.

Commenting on the market dynamics in France, Elodie Dessart, economic analyst of AXEMA said: *“In 2014, the French market could fall by up to 10% - but this contraction must be seen in the context of the two record-breaking years we have just experienced.”*

Commenting on the current market expectations for Germany, Gerd Wiesendorfer from VDMA said: *“At this stage, we expect a moderate 5% decline in the German market – a development which would still amount to EUR 5.4 bn of total sales in 2014.”*

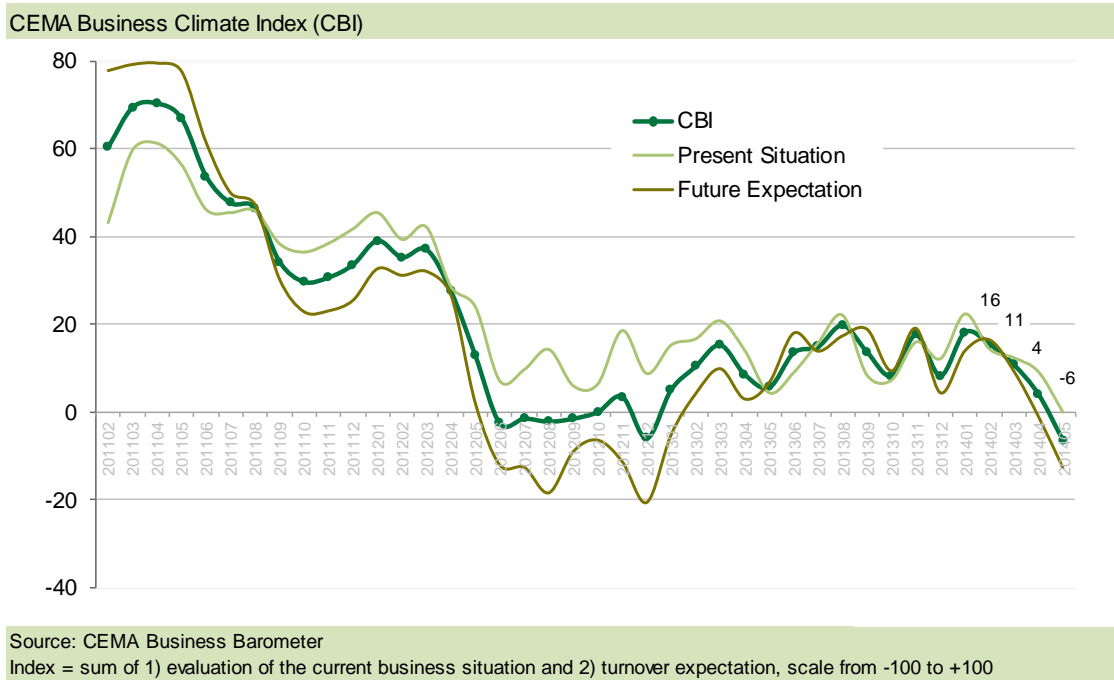
**Tractor** registrations have fallen by around 1% during the first quarter of 2014 (compared to Q1/2013) – a trend that is expected to continue throughout the remainder of the year. While tractor sales remain stable or may even rise in some European countries this year, sales in Germany and France are set to slow down following the record year of 2013.

Lower sales are also being reported for **combine harvesters**, even if the overall sales levels remain high. The same is true for **forage harvesters and balers** where a small decrease in demand is expected. For both these product groups, a decline in demand in France is the main reason for the expected lower overall sales figure in Europe in 2014.

Similarly, overall demand for **sprayers and mowers** is expected to remain stable in 2014, with the notable exception of the UK where significantly higher sales are predicted.

The cautious mood in the industry for 2014 is confirmed by the latest edition of the **CEMA Business Barometer** published in May. For the first time since December 2012, the indicator dropped below the line (see graph below).

**May: CEMA Business Barometer drops below the line**



As a monthly survey that is sent to the European agricultural machinery industry and covers all the major product categories, the CEMA Business Barometer provides a regular overview of the business mood based on current business sentiment and the expected turnover in the next 6 months.

--ENDS--

For further information, please contact:  
 Ulrich Adam – Secretary General  
[sg@cema-agri.org](mailto:sg@cema-agri.org)

*CEMA is the European association representing the agricultural machinery industry. The industry represented by CEMA includes 4,500 manufacturers of agricultural equipment employing directly 135,000 persons and indirectly in the distribution and service network another 125,000 persons. The companies are mainly small and medium-sized manufacturers according to the EU definition and in 2011 had a total turnover of 26 billion euro.*