

# CEMA Business Barometer

Public excerpt April 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



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# Current business 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 again deteriorated slightly following the sharp downturn of the previous months. In April, the index decreased from -55 to -57 points (on a scale of -100 to +100).

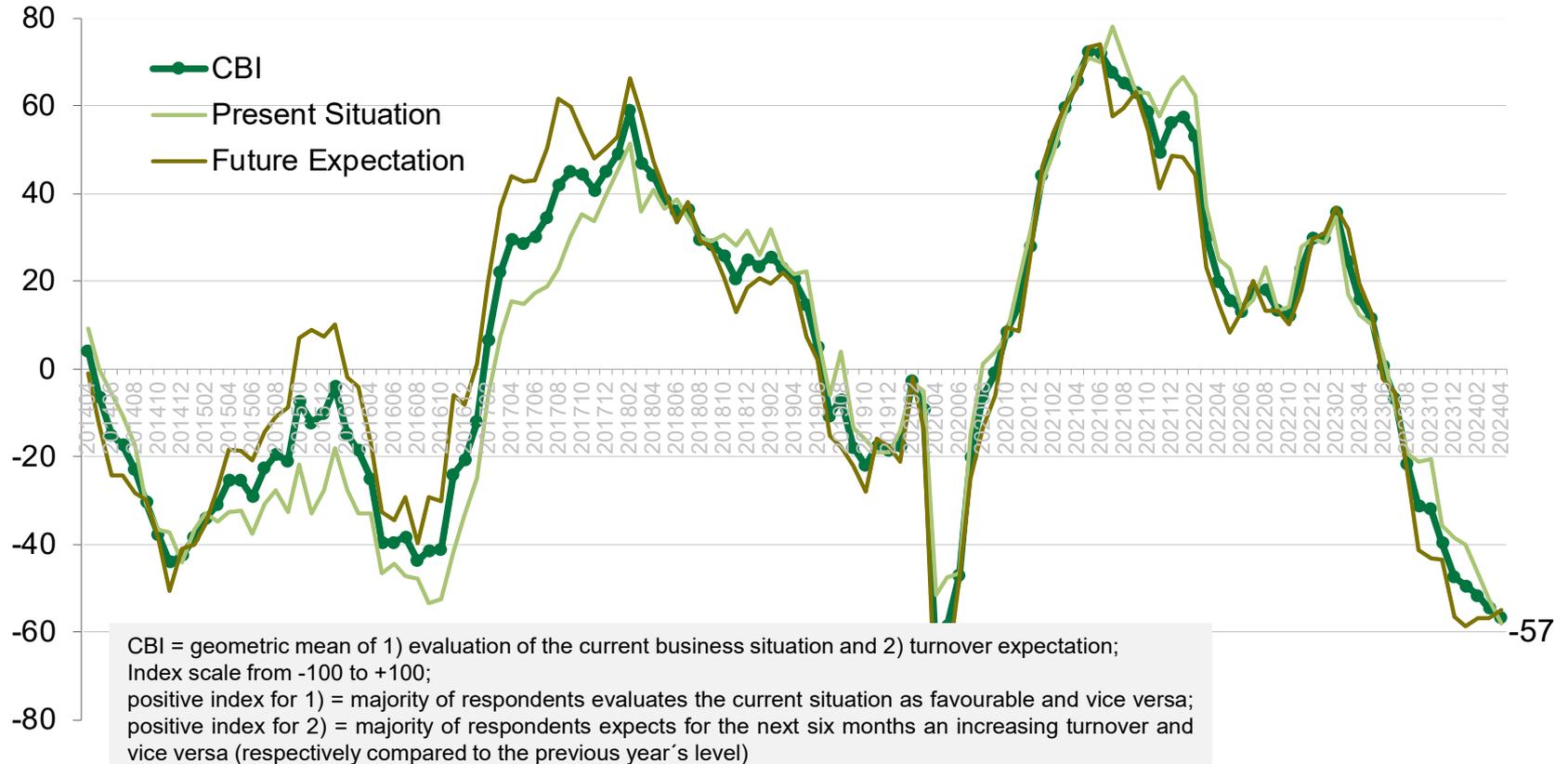
The survey confirms again that the direct customers of the manufacturers, the dealers, are not able to pass on their numerous orders from the past to the end customers. According to the survey, the dealer stocks are in most European markets significantly higher than in the year 2019, which went down in history due to high dealer stock levels.

The renewed deterioration in the business climate is for the second month in a row solely due to the fact that current business evaluations have followed the already lower expectations downwards. According to the survey participants, current business is worse than it has been for more than 7 years. Only 5% of industry representatives consider the current business situation to be favorable.

On the other hand, future expectations have stabilized at a low level. Still, two thirds of survey participants expect their turnover to decline in the coming six months. However, a further and meanwhile significant improvement can be seen in expectations for the coming order intake (an indicator that is not included in the calculation of the overall barometer index).

# Business Climate Index Development

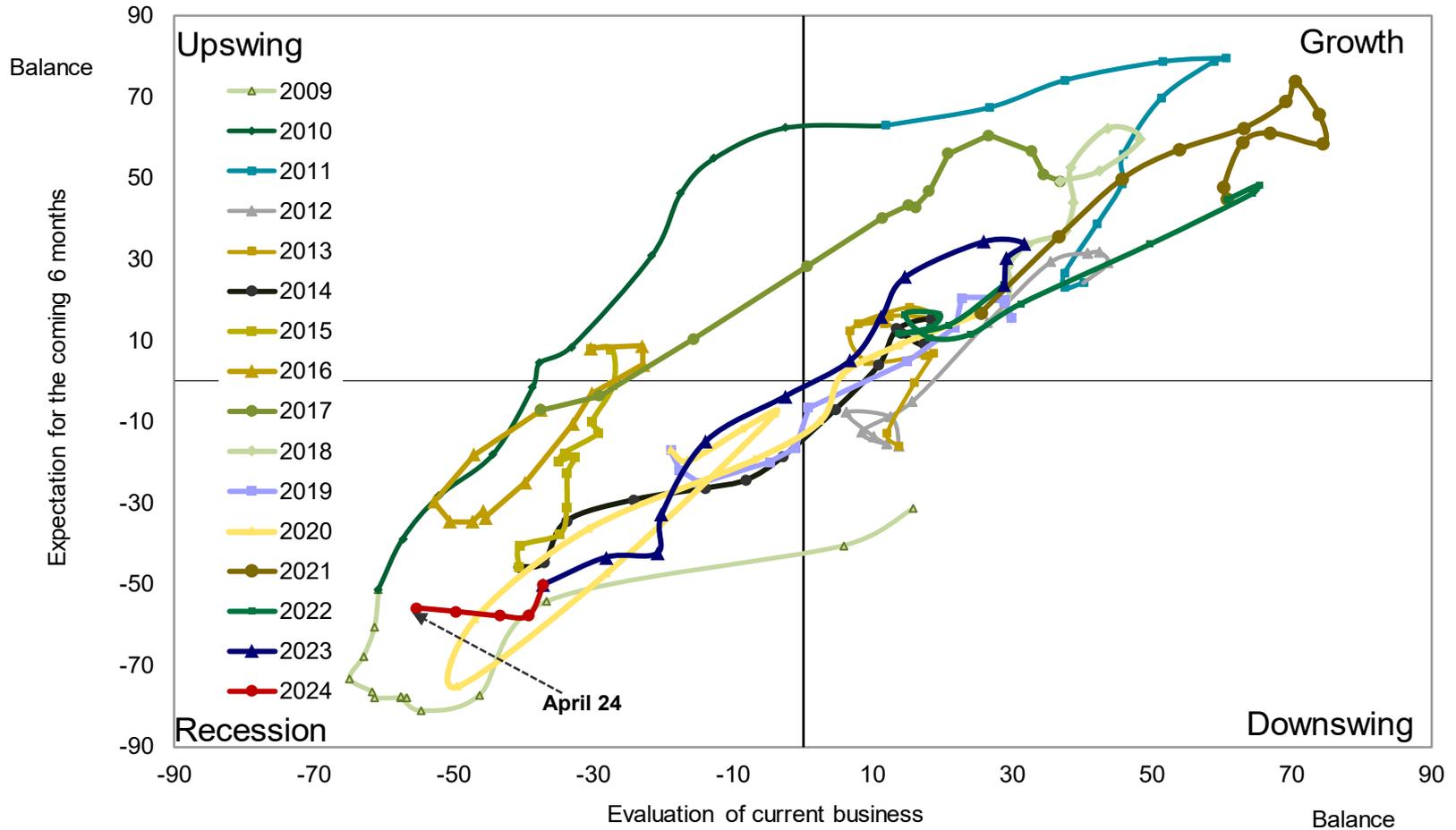
CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

# Business Climate

## Illustration of Business Cycle



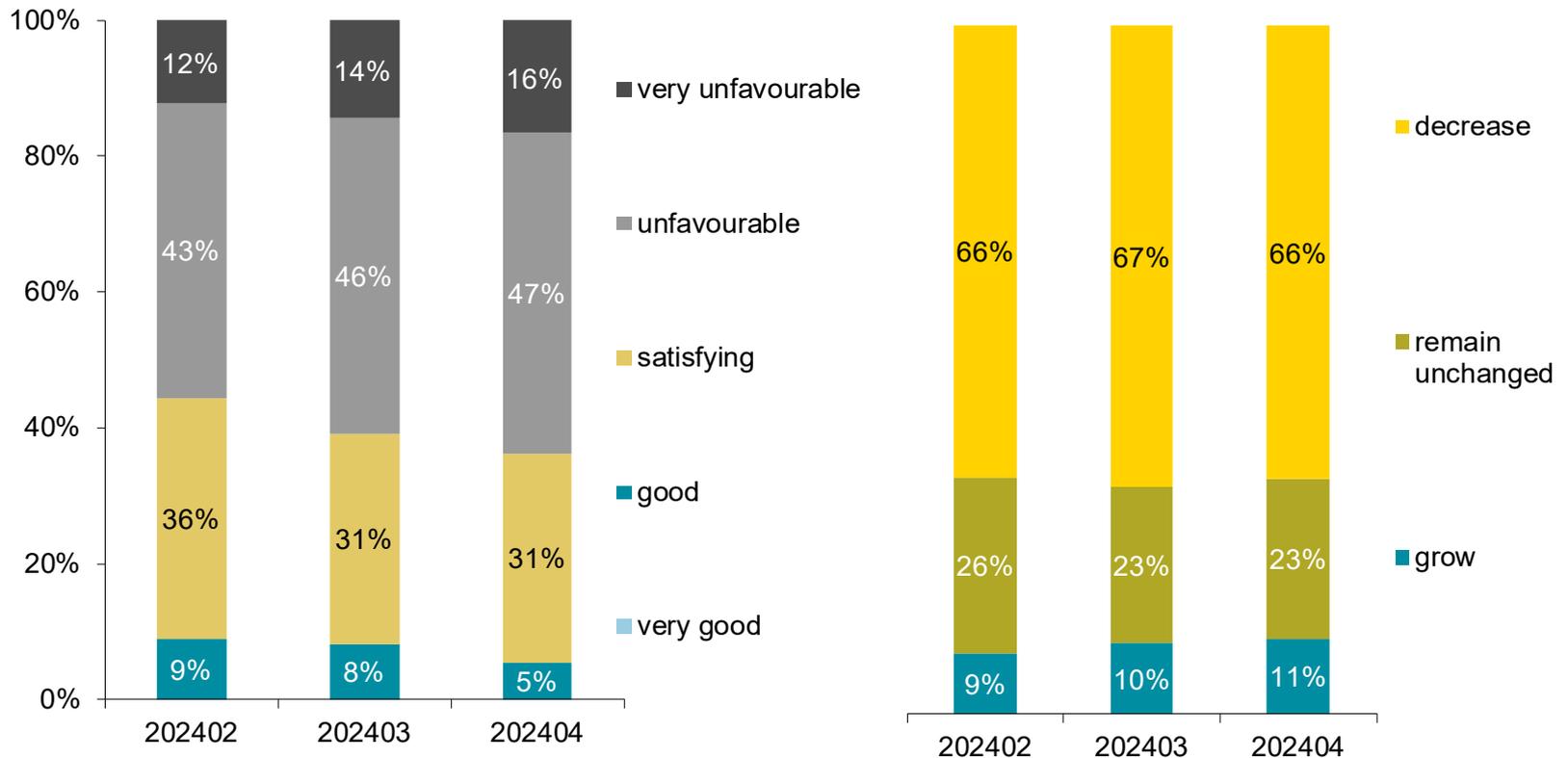
Source: CEMA Business Barometer, each value as an average of the last two months

# 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....

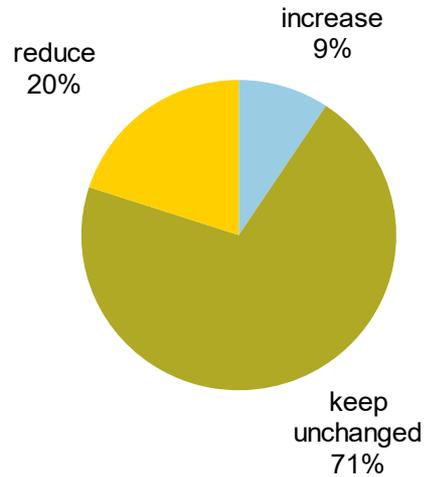


Source: CEMA Business Barometer

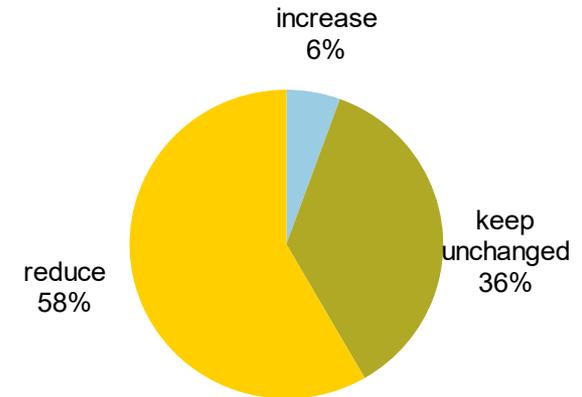
# Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer April 2024