



# CEMA Business Barometer

Public excerpt February 2018

# 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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# Volume of orders achieved best level since 2009

## Executive summary of the survey in February

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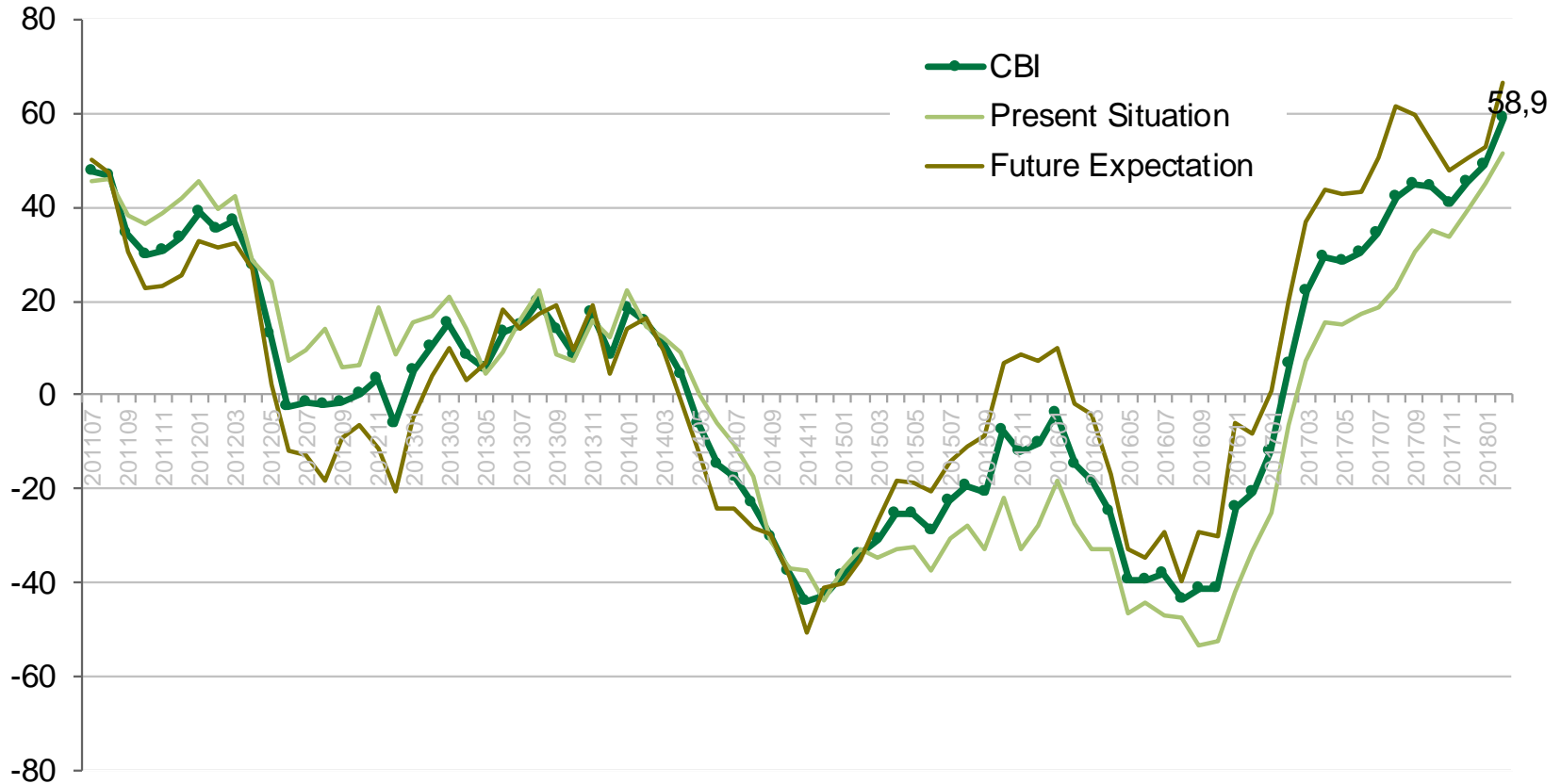
The general business climate index of the agricultural machinery industry in Europe is on growth path again. Total agricultural machinery volume of orders achieved to correspond to a production period of more than 3 months. This is the highest level since 2009.

The business improvement occurred across all segments. The manufacturers seem still little worried about any prospects for lower milk prices and an appreciating Euro. Also, despite pull-forward registration effect in the EU, business climate for tractors has recovered, however, especially the current business evaluation remains still quite below the industry average.

The regional breakdown shows once again for each single European market a majority of survey participants expecting turnover increases in the next six months. In 4 major European markets (Germany, Poland, France and Italy) the recovery is further solidifying. For the Netherlands and the UK, on the other hand, the outlook is somewhat less clear. Local dealers in the UK, expect further growth based on their strong order intake in December and January, while the European manufacturers are more skeptical about that market. The Scandinavian and the CIS countries, have already reached the top of the upswing. At the bottom of the country ranking ends up again Spain, together with Switzerland.

# Business Climate Index Development

## CEMA Business Climate Index (CBI) -Total

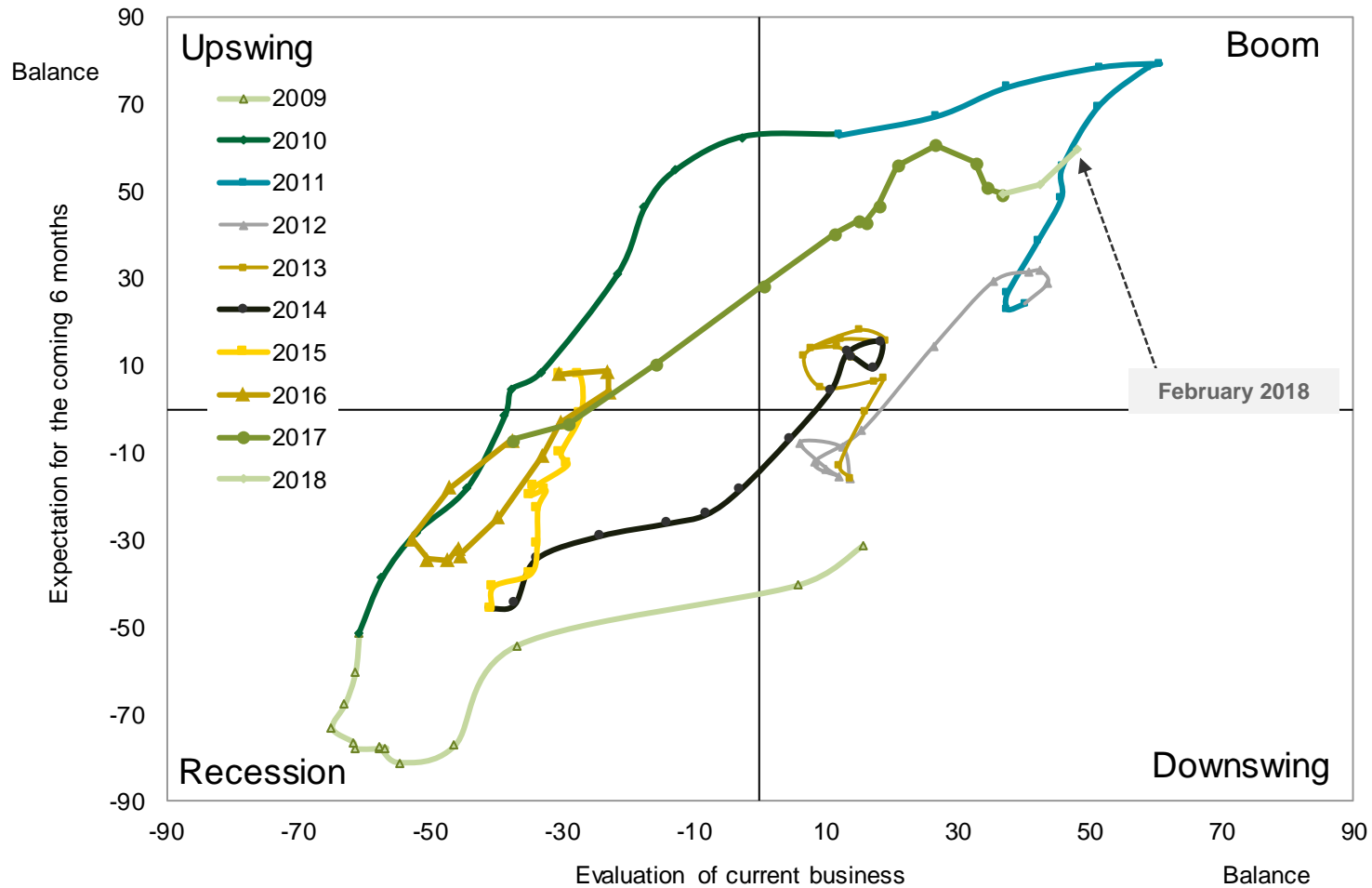


Source: CEMA Business Barometer

CBI = geometric mean of 1) evaluation of the current business situation and 2) turnover expectation, scale from -100 to +100

# Business Climate

## Illustration of Business Cycle



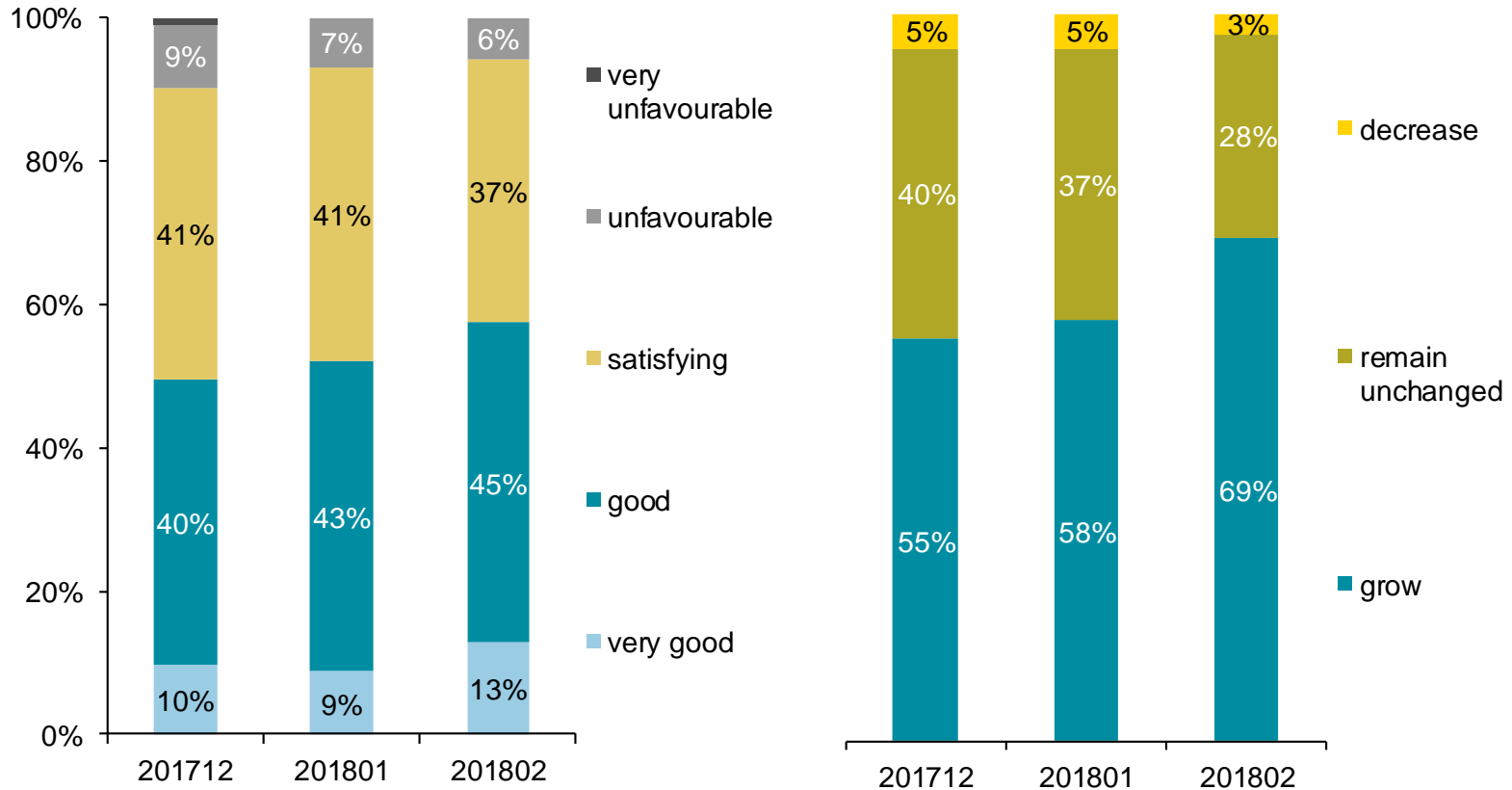
Source: CEMA Business Barometer, each value as an average of the last two months

# 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....

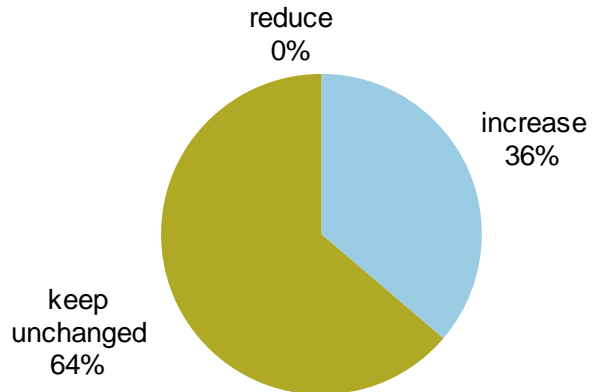


Source: CEMA Business Barometer

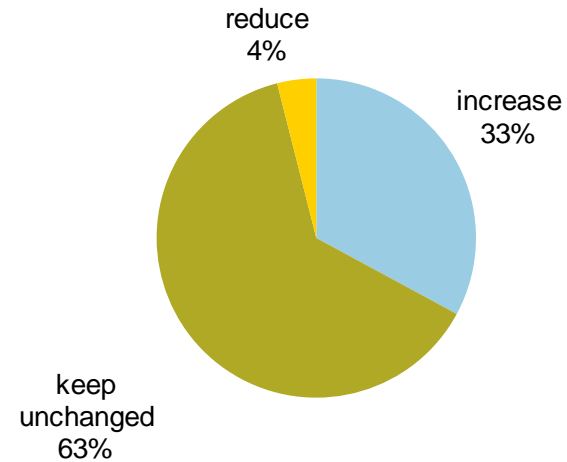
# Employment

Question: Our plans regarding the workforce

## Regular employees



## Temporary employees



Source: CEMA Business Barometer February 2018