

CEMA Business Barometer

Public excerpt August 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



Still no end to the index low in August

Executive summary of the survey in August

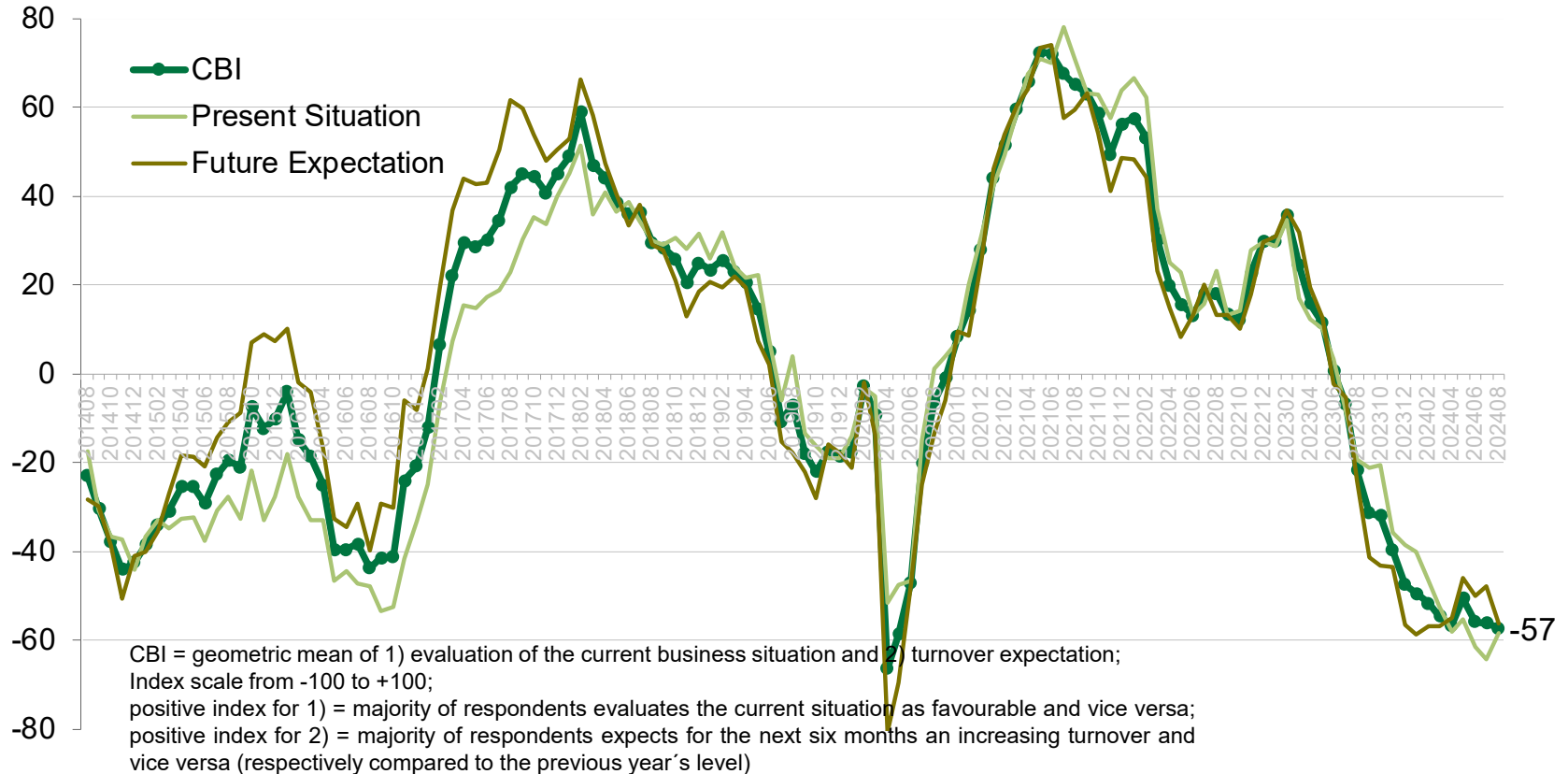
The CEMA Business Barometer not only remains deep in recession, but also falls by a further point to -57 (on a scale of -100 to +100). The current situation and the outlook for the next 6 months are rated similarly poorly by the respondents. The tractor market in particular (-88) experienced a further significant downturn compared to the previous month. A similar drop was recorded for harvesting Equipment in July and is now stagnating there (-64).

The slump affects Europe as a whole. Cautiously more optimistic trends can only be seen in Spain and France. The current business situation in BeNeLux is also assessed as relatively better. First signals of moderately rising expectations for new orders are based on the assumption that dealer stocks are slowly being sold off. The persistence of the economic downturn is nevertheless having a significant impact on production facilities. The use of temporary workers is being significantly reduced (say 61% of the companies) and 21% are also planning to reduce the number of regular employees. The instrument of short-time working is being used by a third of companies. Despite this slowdown in production, the average production period has once again fallen significantly to 2.8 months.

Business Climate

Index Development

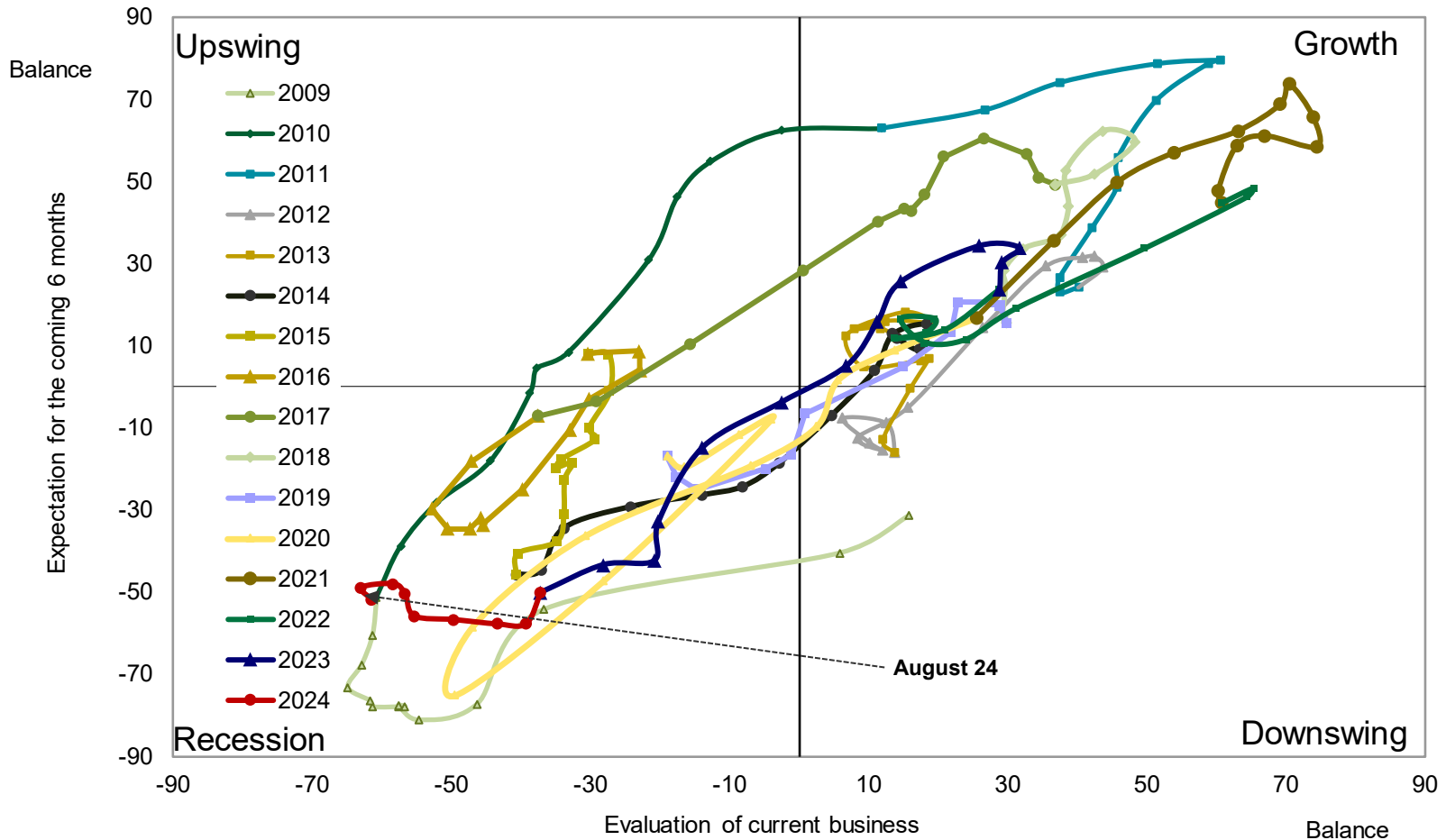
CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

Business Climate

Illustration of Business Cycle

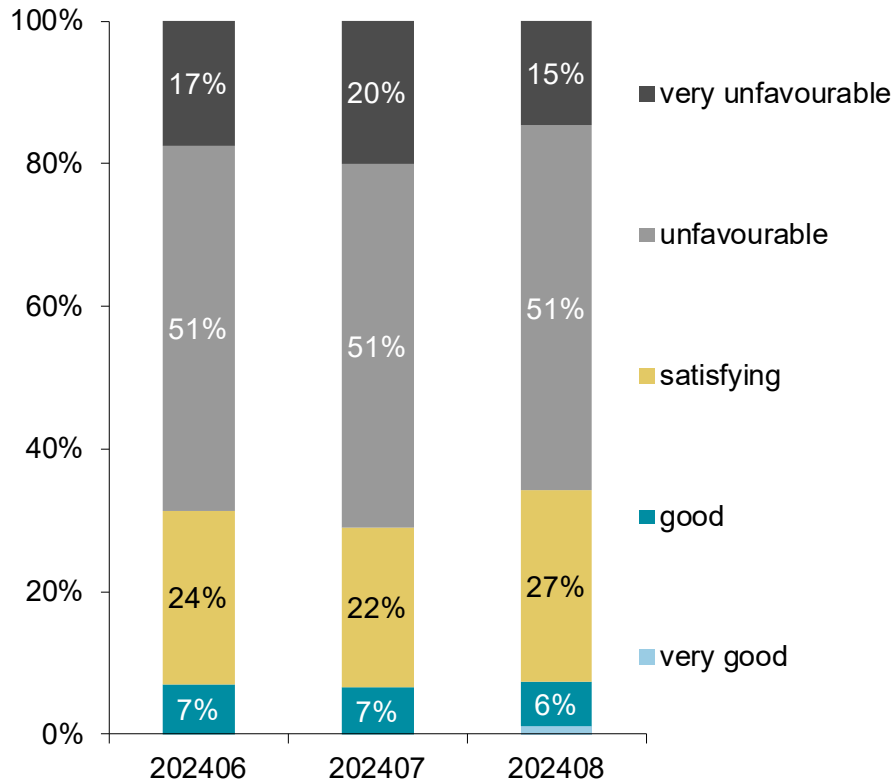


Source: CEMA Business Barometer, each value as an average of the last two months

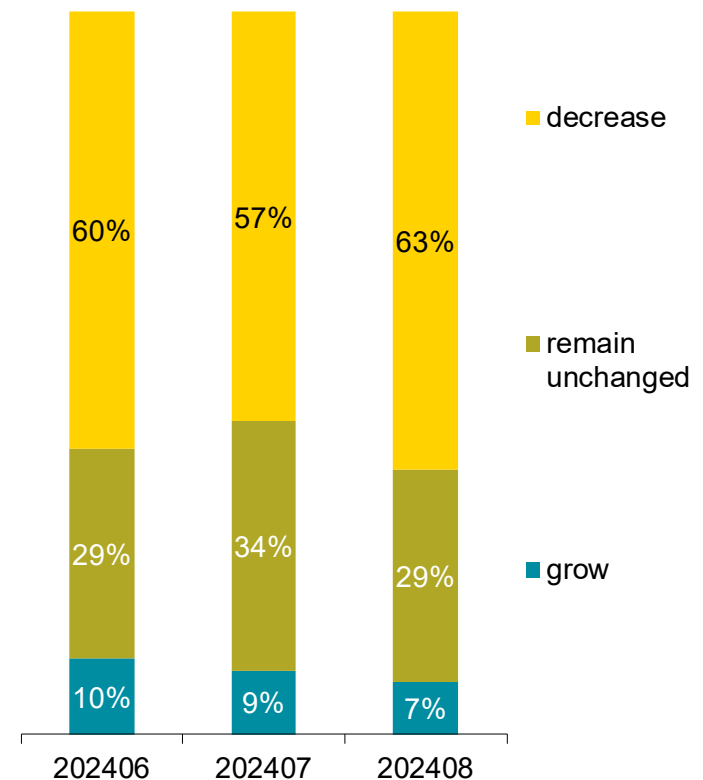
Business Climate

Current Evaluation and Expectations

Question: We consider our current business to be
....



Question: We expect our overall turnover within the
next 6 months to....

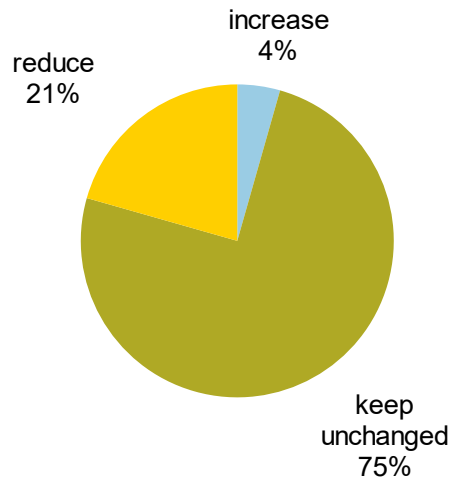


Source: CEMA Business Barometer

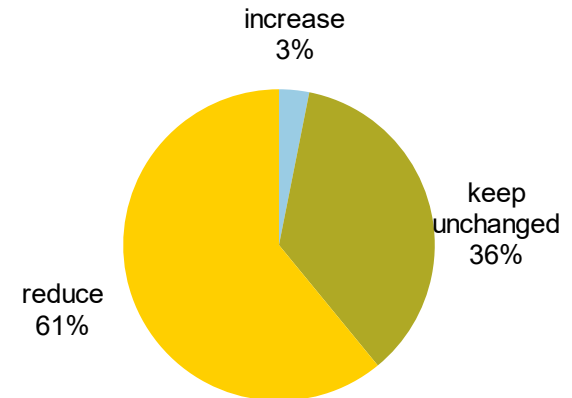
Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer August 2024