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

14 August 2017
Contact: Philip.Nonnenmacher@vdma.org
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

14 August 2017
Contact: Philip.Nonnenmacher@vdma.org
Business Climate
Current Evaluation and Expectations

Question: We consider our current business to be ….

<table>
<thead>
<tr>
<th>Year</th>
<th>Very Unfavourable</th>
<th>Unfavourable</th>
<th>Satisfying</th>
<th>Good</th>
<th>Very Good</th>
</tr>
</thead>
<tbody>
<tr>
<td>201706</td>
<td>2%</td>
<td>13%</td>
<td>53%</td>
<td>28%</td>
<td>4%</td>
</tr>
<tr>
<td>201707</td>
<td>1%</td>
<td>11%</td>
<td>57%</td>
<td>26%</td>
<td>5%</td>
</tr>
<tr>
<td>201708</td>
<td>1%</td>
<td>14%</td>
<td>48%</td>
<td>31%</td>
<td>6%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Decrease</th>
<th>Remain Unchanged</th>
<th>Grow</th>
</tr>
</thead>
<tbody>
<tr>
<td>201706</td>
<td>9%</td>
<td>39%</td>
<td>52%</td>
</tr>
<tr>
<td>201707</td>
<td>8%</td>
<td>33%</td>
<td>59%</td>
</tr>
<tr>
<td>201708</td>
<td>4%</td>
<td>30%</td>
<td>66%</td>
</tr>
</tbody>
</table>

Source: CEMA Business Barometer
Question: Our plans regarding the workforce

**Regular employees**
- Increase: 19%
- Keep unchanged: 74%
- Reduce: 7%

**Temporary employees**
- Increase: 26%
- Keep unchanged: 61%
- Reduce: 13%

Source: CEMA Business Barometer August 2017