

# CEMA Business Barometer

Public excerpt March 2019



# 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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# Business Climate keeping on high level

## Executive summary of the survey in March

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After a period of losses starting from the record highs at the beginning of last year, the general business climate index is maintaining on high level with little changes over the last months. Based on previous order intakes, the turnover expectations for the coming months remain positive. However, incoming orders are meanwhile flattening noticeably.

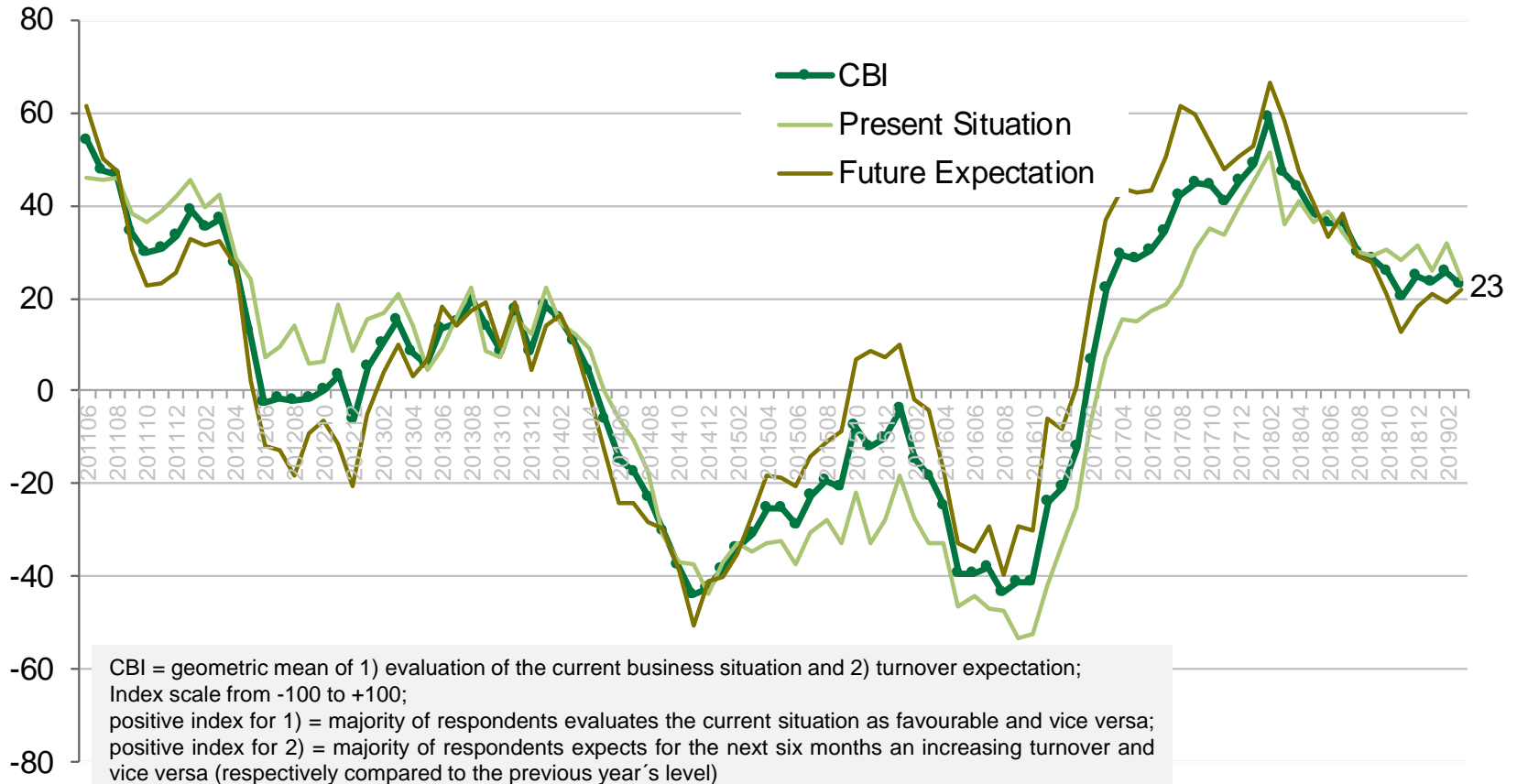
Correspondingly, the companies continue to expect on average their turnover to grow by 3% in 2019. The survey participants forecast that the markets in Oceania, North America and the Far East will tend to slow the growth rate, while the European market is expected to make an above-average contribution to growth once again in 2019.

The companies consider France, Spain and Italy as well as Austria and Switzerland as top growth markets within Europe. The survey participants' confidence for Germany and Poland, on the other hand, seems to weaken. For Romania, Belgium and the Netherlands, there is even a majority of participants expecting turnover decreases.

These short-term trends are not necessarily always in line with actual investment needs. According to the participants, Germany is indeed one of the countries where the investment need is the lowest, and France is one of the countries where it is the highest. However, despite currently rather subdued outlooks, the very highest need is seen in Romania, followed by Poland.

# Business Climate Index Development

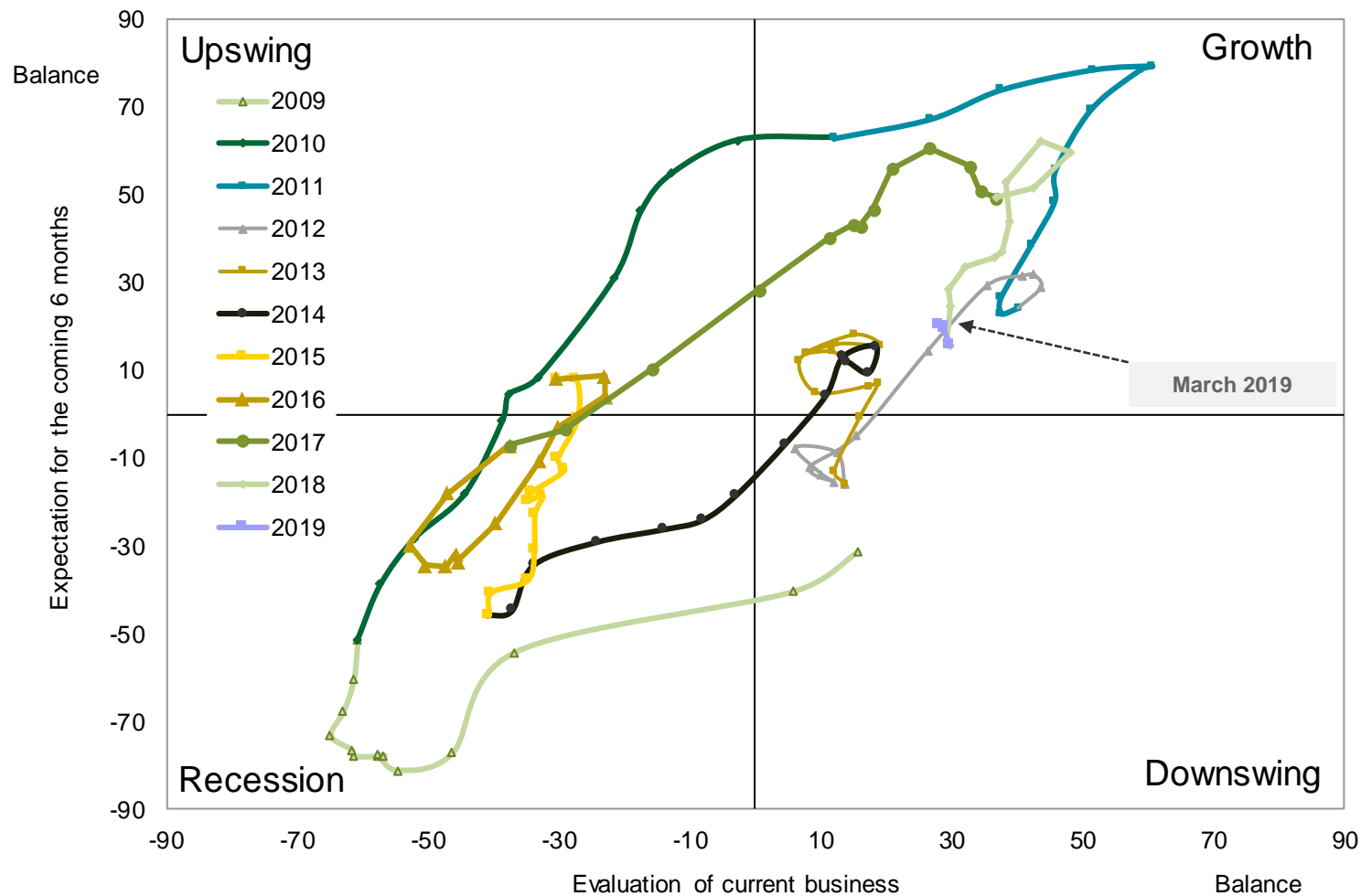
## CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

# Business Climate

## Illustration of Business Cycle



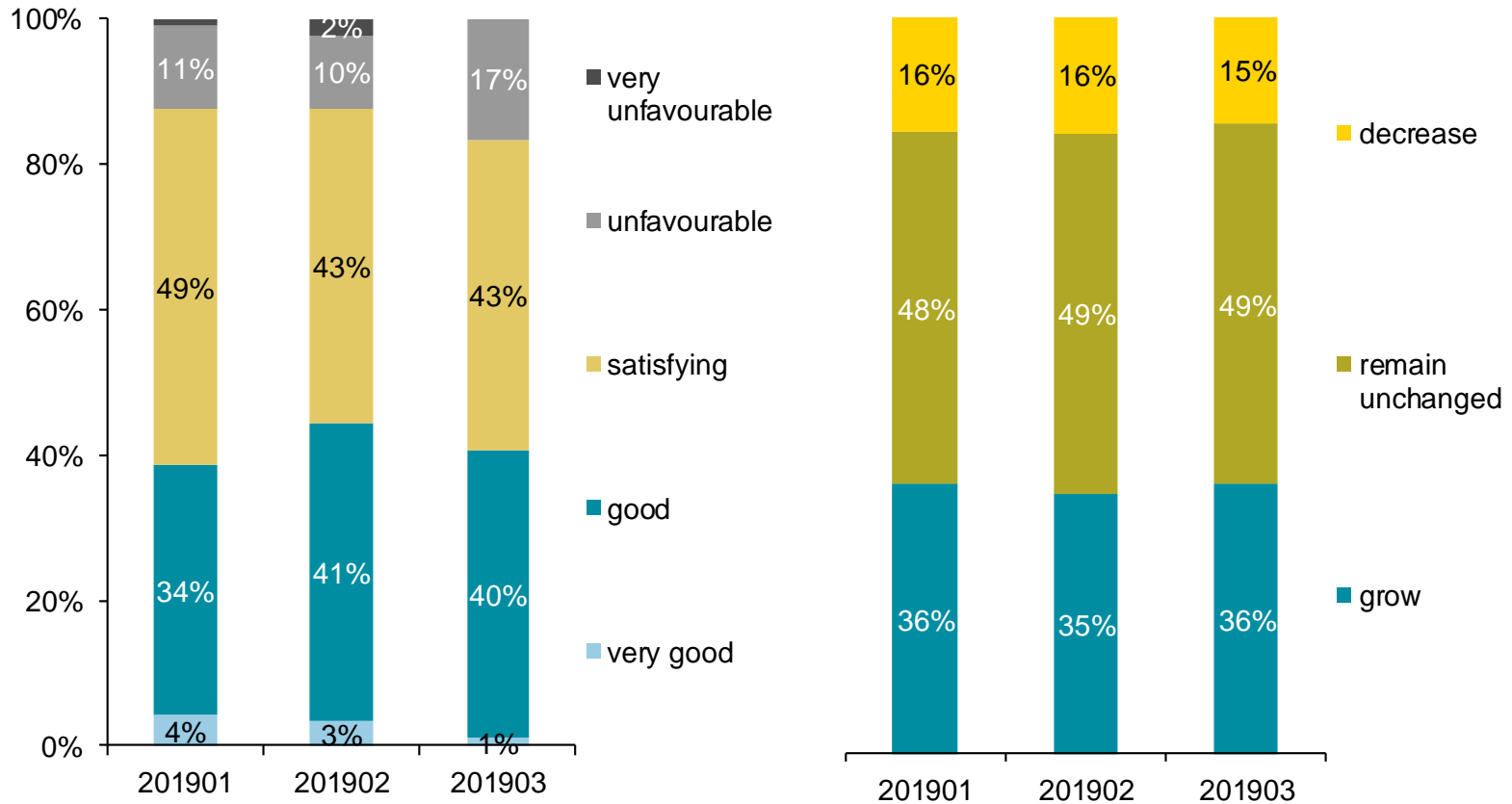
Source: CEMA Business Barometer, each value as an average of the last two months

# 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....

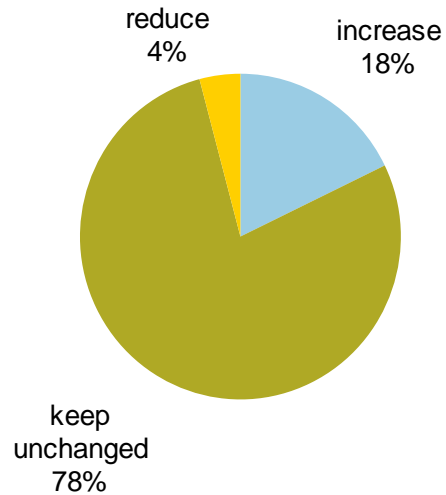


Source: CEMA Business Barometer

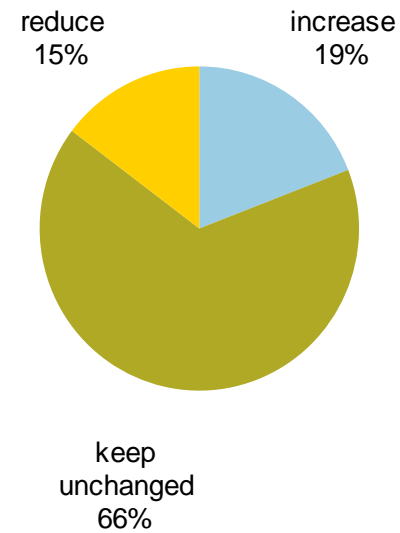
# Employment

Question: Our plans regarding the workforce

## Regular employees



## Temporary employees



Source: CEMA Business Barometer March 2019