CEMA Business Barometer

Public excerpt September 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
CEMA Business Climate Index (CBI) - Total

CBI = geometric mean of 1) evaluation of the current business situation and 2) turnover expectation;
Index scale from -100 to +100;
positive index for 1) = majority of respondents evaluates the current situation as favourable and vice versa;
positive index for 2) = majority of respondents expects for the next six months an increasing turnover and vice versa (respectively compared to the previous year’s level)

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 ….

- very unfavourable: 3%, 1%, 3%
- unfavourable: 30%, 24%, 32%
- satisfying: 41%, 46%, 42%
- good: 26%, 29%, 21%
- very good: 1%, 1%, 3%

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

- decrease: 32%, 38%, 40%
- remain unchanged: 52%, 42%, 42%
- grow: 16%, 20%, 18%

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

**Regular employees**
- Increase: 7%
- Reduce: 9%
- Keep unchanged: 84%

**Temporary employees**
- Increase: 1%
- Reduce: 45%
- Keep unchanged: 54%