CEMA Business Barometer

Public excerpt March 2020
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
The developments have been overturning…
Executive summary of the survey in March

As the developments have been overturning almost every hour in course of the corona virus since the beginning of last week, the results of this survey can unfortunately already be considered as out of date.

An insight into the query system software shows that this time almost 90% of the survey participants already had answered the survey before March 9th. Over half of the survey participants even completed the survey immediately after the survey opened on March 3rd.
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 ….**

<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>202001</td>
<td>4%</td>
<td>27%</td>
<td>52%</td>
<td>15%</td>
<td>2%</td>
</tr>
<tr>
<td>202002</td>
<td>2%</td>
<td>27%</td>
<td>46%</td>
<td>23%</td>
<td>2%</td>
</tr>
<tr>
<td>202003</td>
<td>1%</td>
<td>29%</td>
<td>46%</td>
<td>22%</td>
<td>3%</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>202001</td>
<td>35%</td>
<td>51%</td>
<td>14%</td>
</tr>
<tr>
<td>202002</td>
<td>22%</td>
<td>57%</td>
<td>20%</td>
</tr>
<tr>
<td>202003</td>
<td>32%</td>
<td>50%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Source: CEMA Business Barometer
Employment

Question: Our plans regarding the workforce

Regular employees

- Increase: 16%
- Keep unchanged: 79%
- Reduce: 5%

Temporary employees

- Increase: 7%
- Reduce: 34%
- Keep unchanged: 59%

Source: CEMA Business Barometer March 2020