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
Current business has further deteriorated
Executive summary of the survey in April

The general business climate index for the agricultural machinery industry in Europe has again deteriorated slightly following the sharp downturn of the previous months. In April, the index decreased from -55 to -57 points (on a scale of -100 to +100).

The survey confirms again that the direct customers of the manufacturers, the dealers, are not able to pass on their numerous orders from the past to the end customers. According to the survey, the dealer stocks are in most European markets significantly higher than in the year 2019, which went down in history due to high dealer stock levels.

The renewed deterioration in the business climate is for the second month in a row solely due to the fact that current business evaluations have followed the already lower expectations downwards. According to the survey participants, current business is worse than it has been for more than 7 years. Only 5% of industry representatives consider the current business situation to be favorable.

On the other hand, future expectations have stabilized at a low level. Still, two thirds of survey participants expect their turnover to decline in the coming six months. However, a further and meanwhile significant improvement can be seen in expectations for the coming order intake (an indicator that is not included in the calculation of the overall barometer index).
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
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

Contact: Philip.Nonnenmacher@vdma.org
Question: Our plans regarding the workforce

Regular employees
- Increase: 9%
- Keep unchanged: 71%
- Reduce: 20%

Temporary employees
- Increase: 6%
- Keep unchanged: 36%
- Reduce: 58%

Source: CEMA Business Barometer April 2024