

CEMA Business Barometer

Public excerpt May 2024



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



Index rises for the first time in 14 months

Executive summary of the survey in May

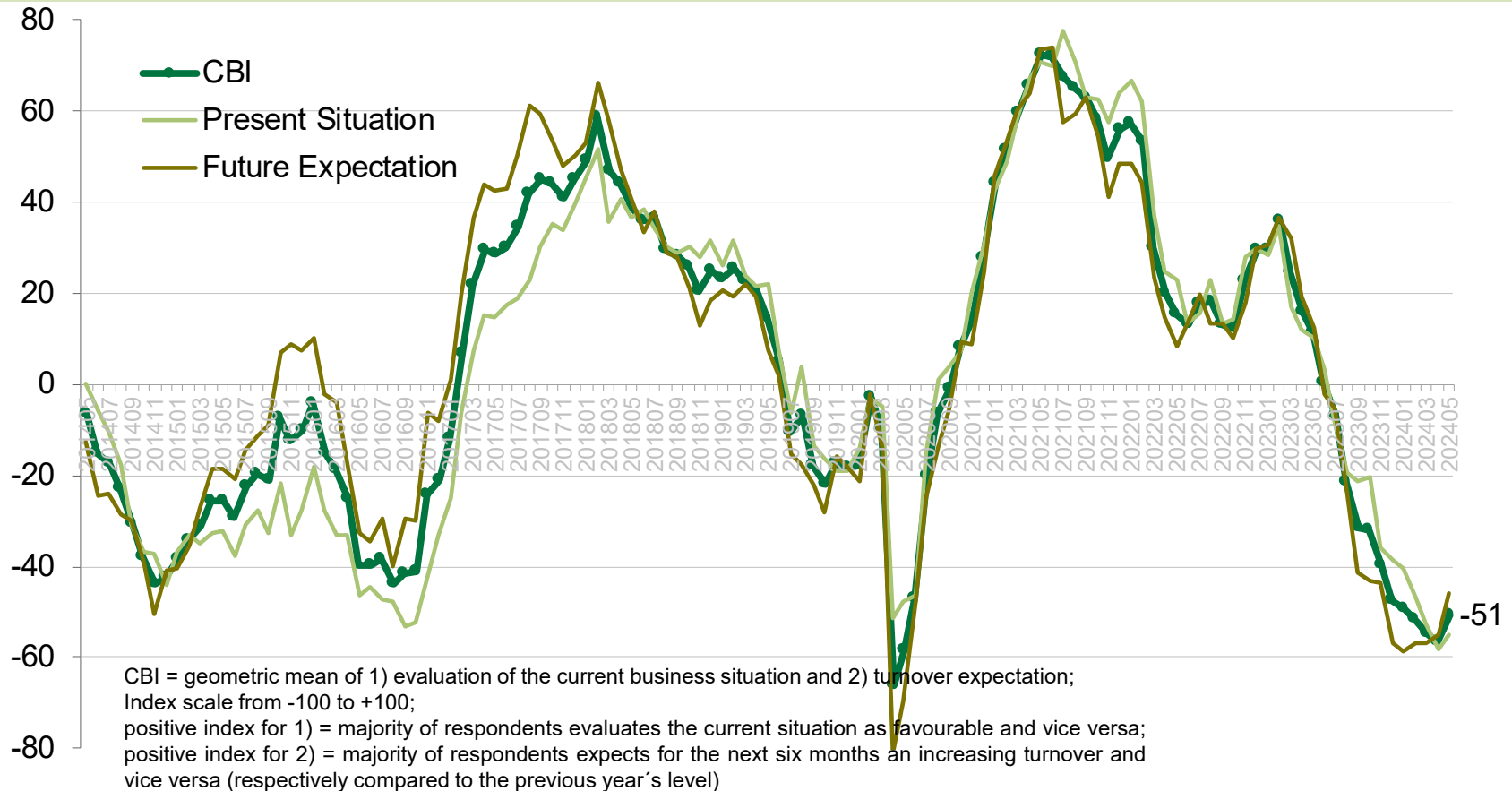
The general business climate index for the agricultural machinery industry in Europe has risen slightly for the first time after its 14-month period of decline from boom to recession. In May, the index increased from -57 to -51 points (on a scale of -100 to +100).

Overall, future expectations with regard to both incoming orders and turnover have stabilized further. In addition, current business now also appears to have bottomed out. In a segment comparison, livestock machinery manufacturers are the most confident with their expectations for the coming six months. Arable equipment, on the other hand, is the only segment in which expectations have deteriorated further. The business climate indices for tractors and combine harvesters have also improved slightly, but remain below the industry average.

After order backlogs had peaked at the beginning of last year, the volume of orders has seen a repeated significant reduction and is now corresponding to a production period of 3.7 months, which is still relatively high in a long-term comparison, but lower than in any month of the last three years.

Business Climate Index Development

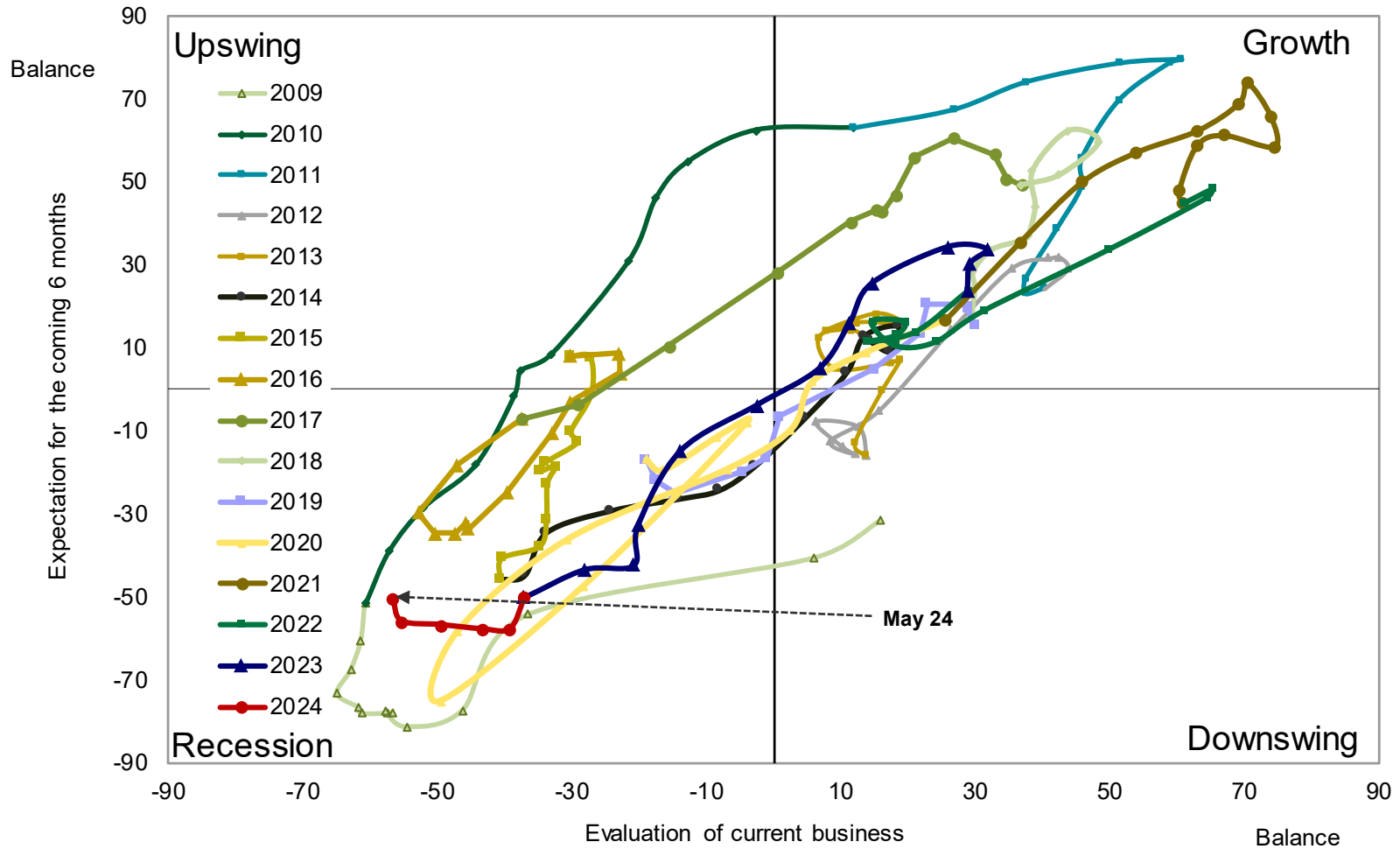
CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

Business Climate

Illustration of Business Cycle



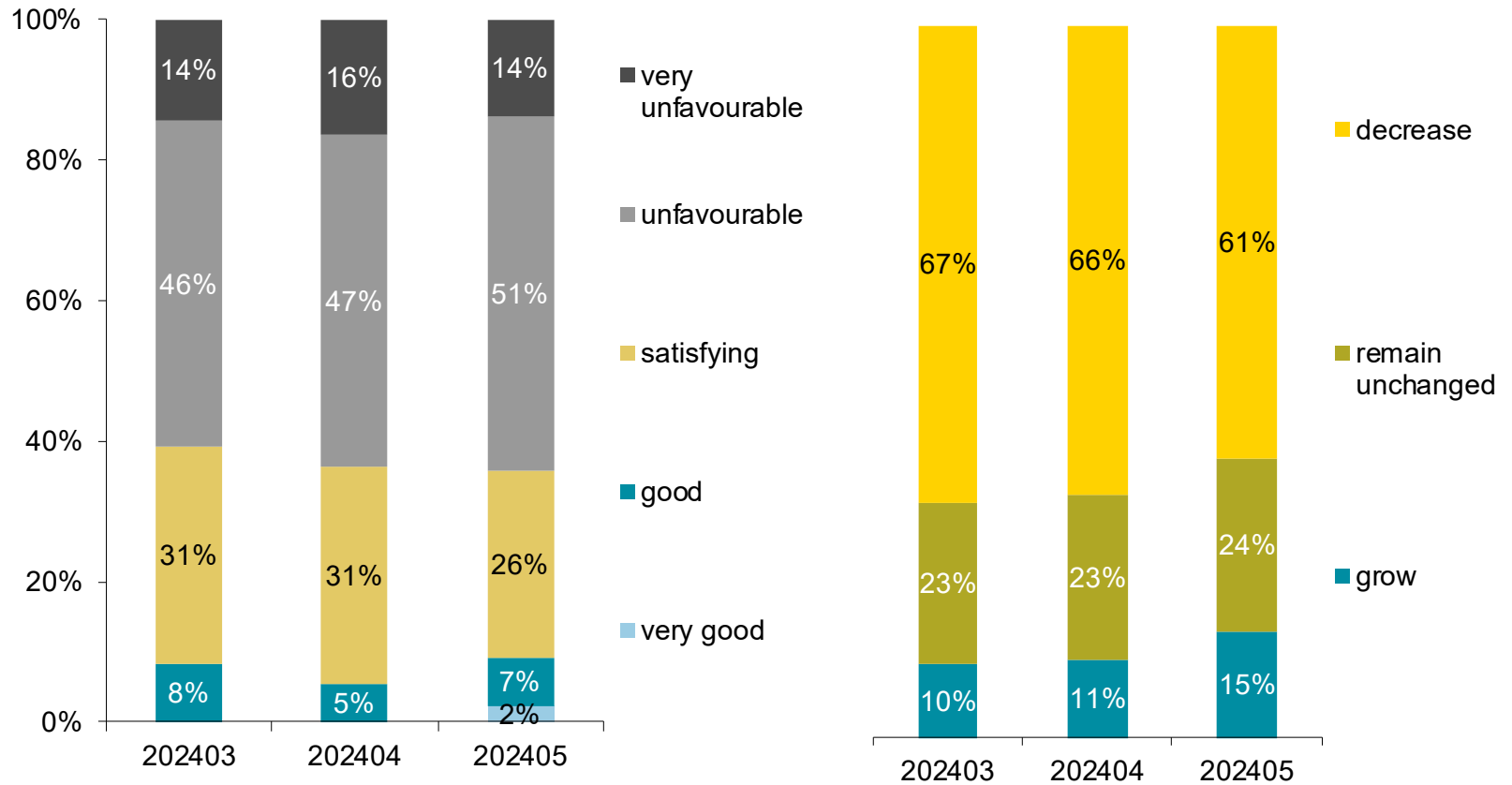
Source: CEMA Business Barometer, each value as an average of the last two months

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....

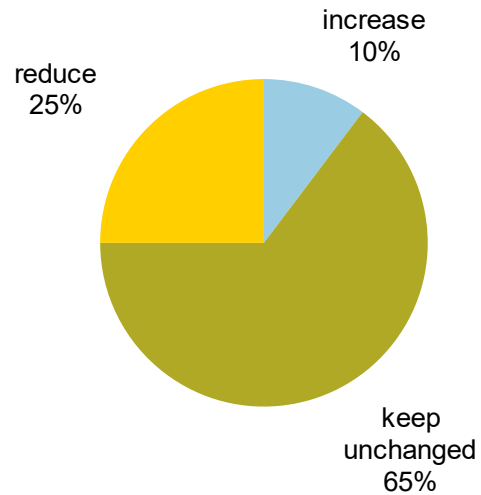


Source: CEMA Business Barometer

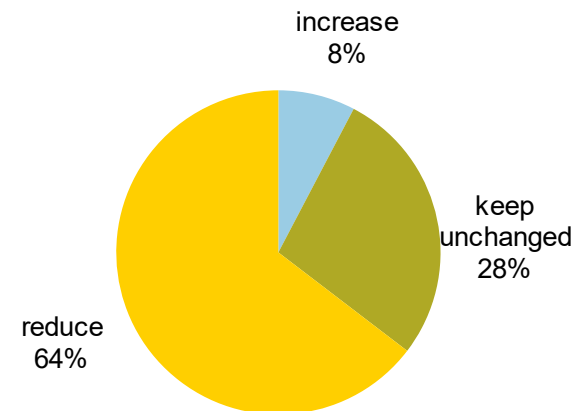
Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer May 2024