

CEMA Business Barometer

Public excerpt June 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



Positive Index Trend from May is interrupted

Executive summary of the survey in June

The current business climate did not confirm the positive trend of the previous month, in which both the current business situation and the outlook for future business were rated positively for the first time in over a year. Obviously, the business situation has not yet bottomed out. The index is currently at -56 (on a scale of -100 to +100) and has only fallen below this level in the last 10 years in 2020 during the Covid outbreak shock event.

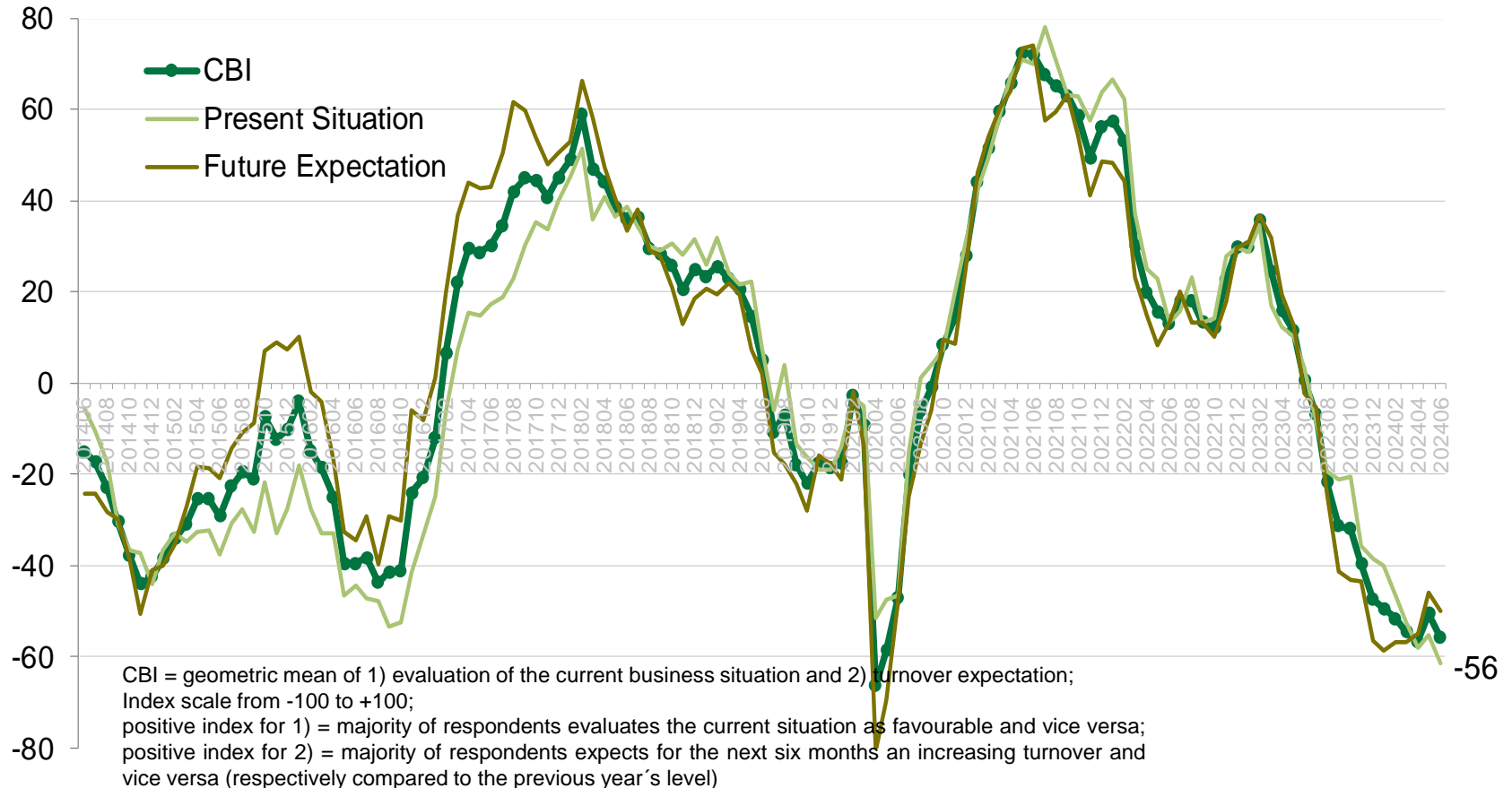
The gap between the outlook for the current situation and future business is widest in the livestock equipment sector. Here, a good future business (even in the index range above the zero line) is expected and the current index scores best of all segments at -17.

Tractor manufacturers (index -74) and producers of lawn, garden and municipal equipment (index -80) continue to expect very poor business.

However, incoming orders for the agricultural machinery industry continue to show an upward trend and - as an important early indicator - give hope that the market has reached the low point soon, although turnover expectations are rated worse compared to the previous months.

Business Climate Index Development

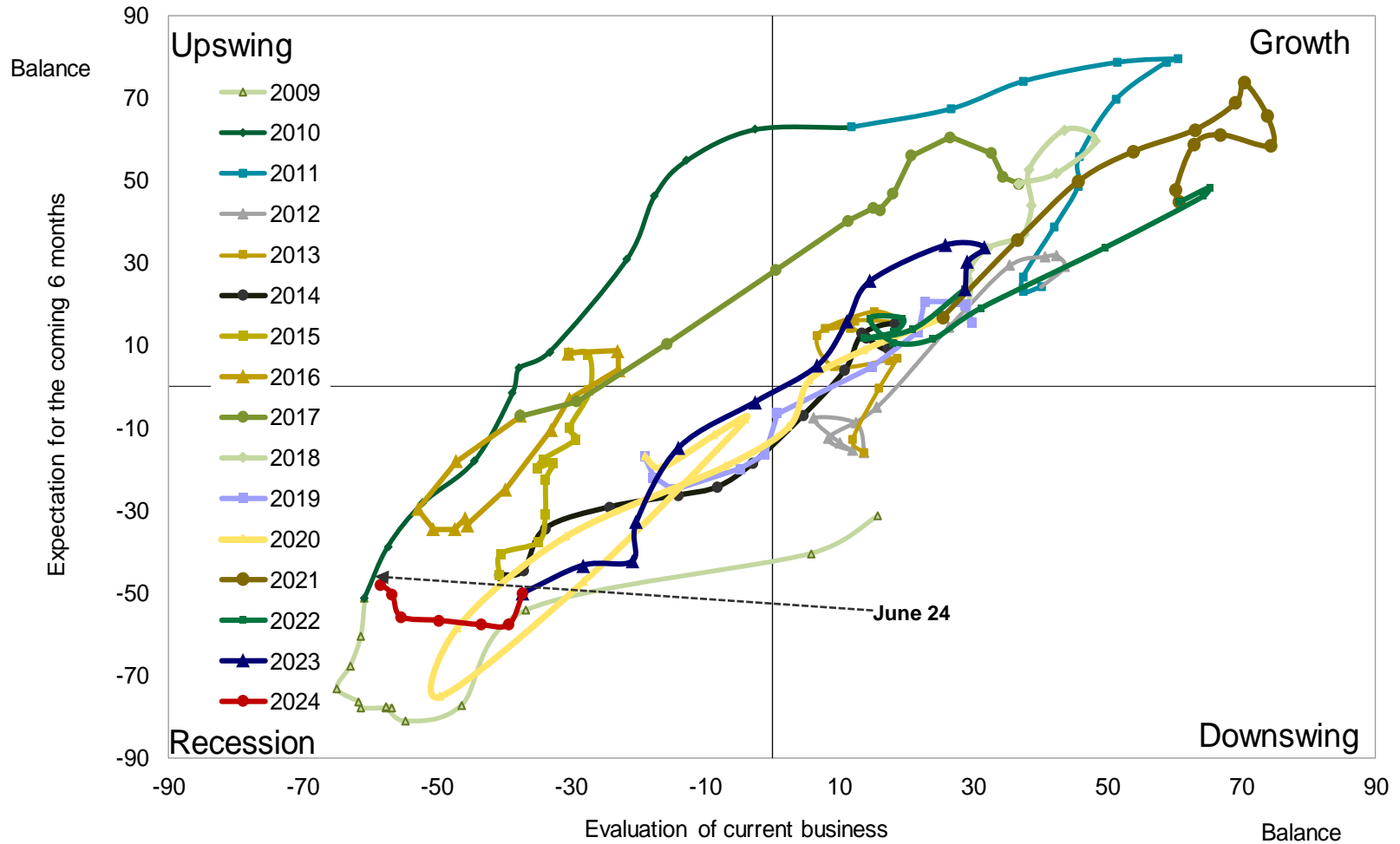
CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

Business Climate

Illustration of Business Cycle



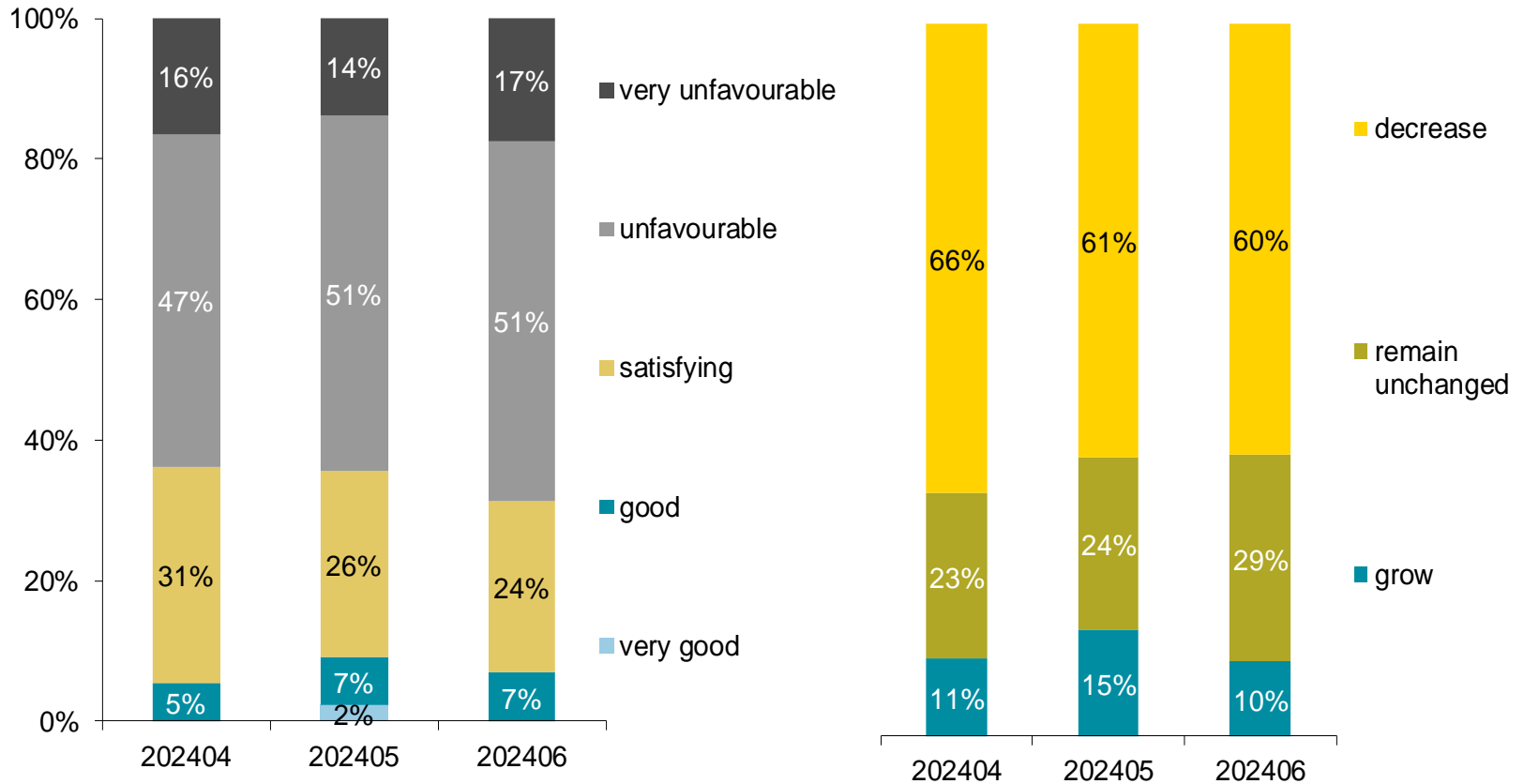
Source: CEMA Business Barometer, each value as an average of the last two months

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....

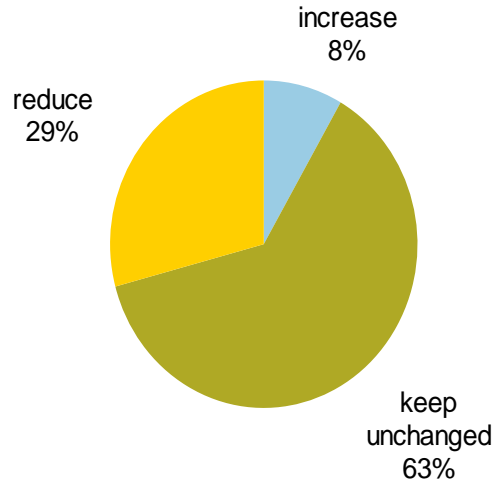


Source: CEMA Business Barometer

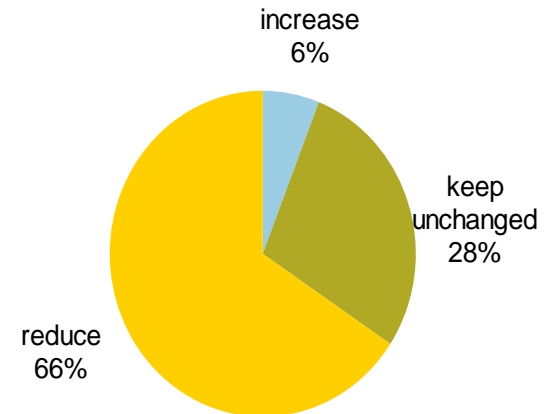
Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer June 2024