

CEMA Business Barometer

Public excerpt July 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 remains on a low level

Executive summary of the survey in July

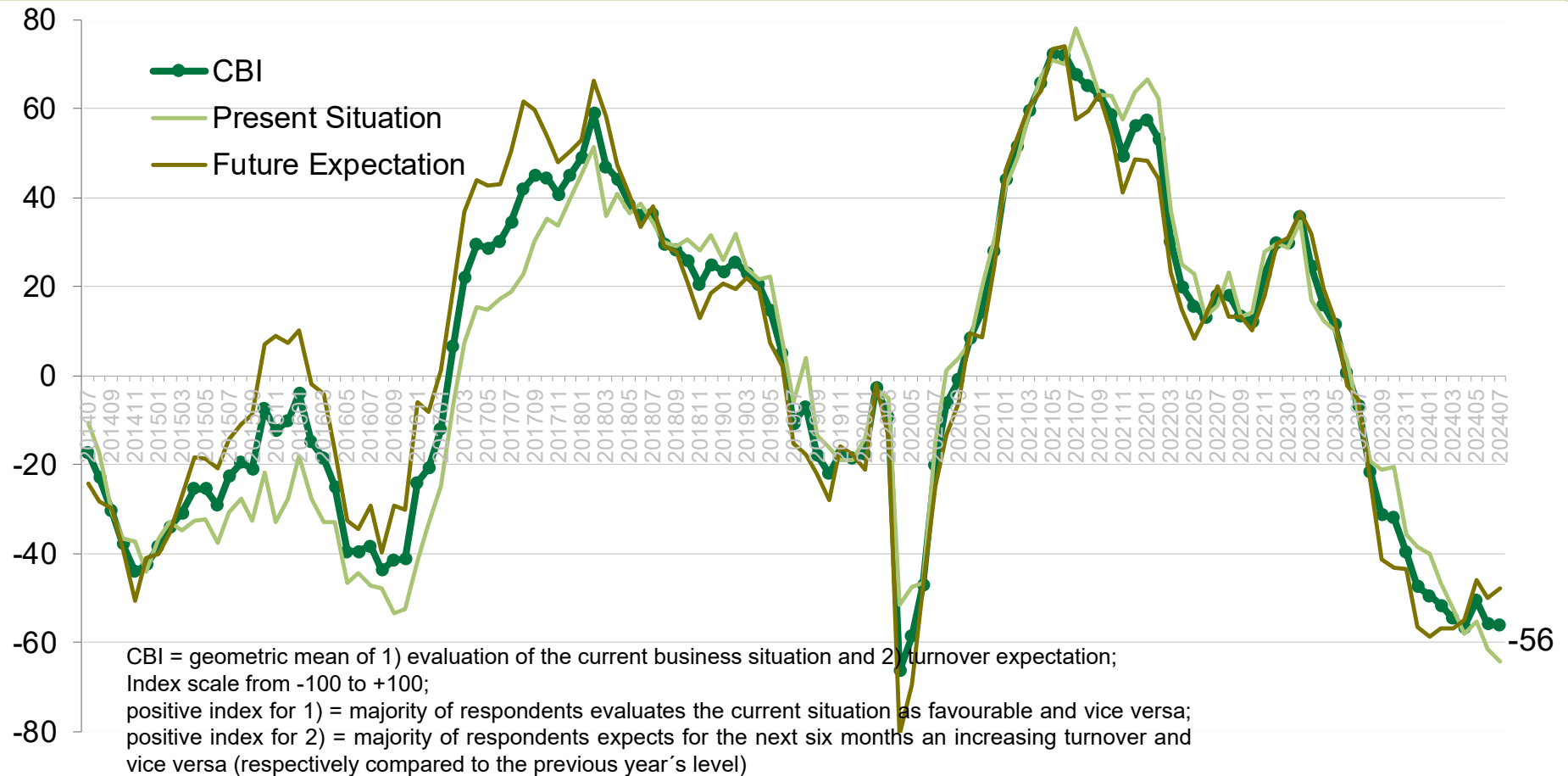
As in the previous month, the CEMA business climate index for the agricultural machinery industry in Europe remains at -56 on a scale of -100 to +100, but an optimistic outlook for the next 6 months can be observed.

The current situation has reached a new low: the gap between a worsened current situation and a significantly better evaluated future situation has widened considerably. This description applies to the market as a whole, but not to the tractor market (-69), where a slight improvement on the previous month can be observed on the one hand, but no clear improvement in the future market situation on the other. The market situations for transportation machinery and components are rated best of all segments (both -45). Here, the outlook for the next 6 months are optimistic.

The tension regarding full dealer inventories remains. Stocks are still very high (especially in Poland, significantly lower in Spain) and stocks of used machines have also risen considerably. Almost a quarter of the companies surveyed are currently applying short-time working, and sales expectations for the second half of the year remain very low.

Business Climate Index Development

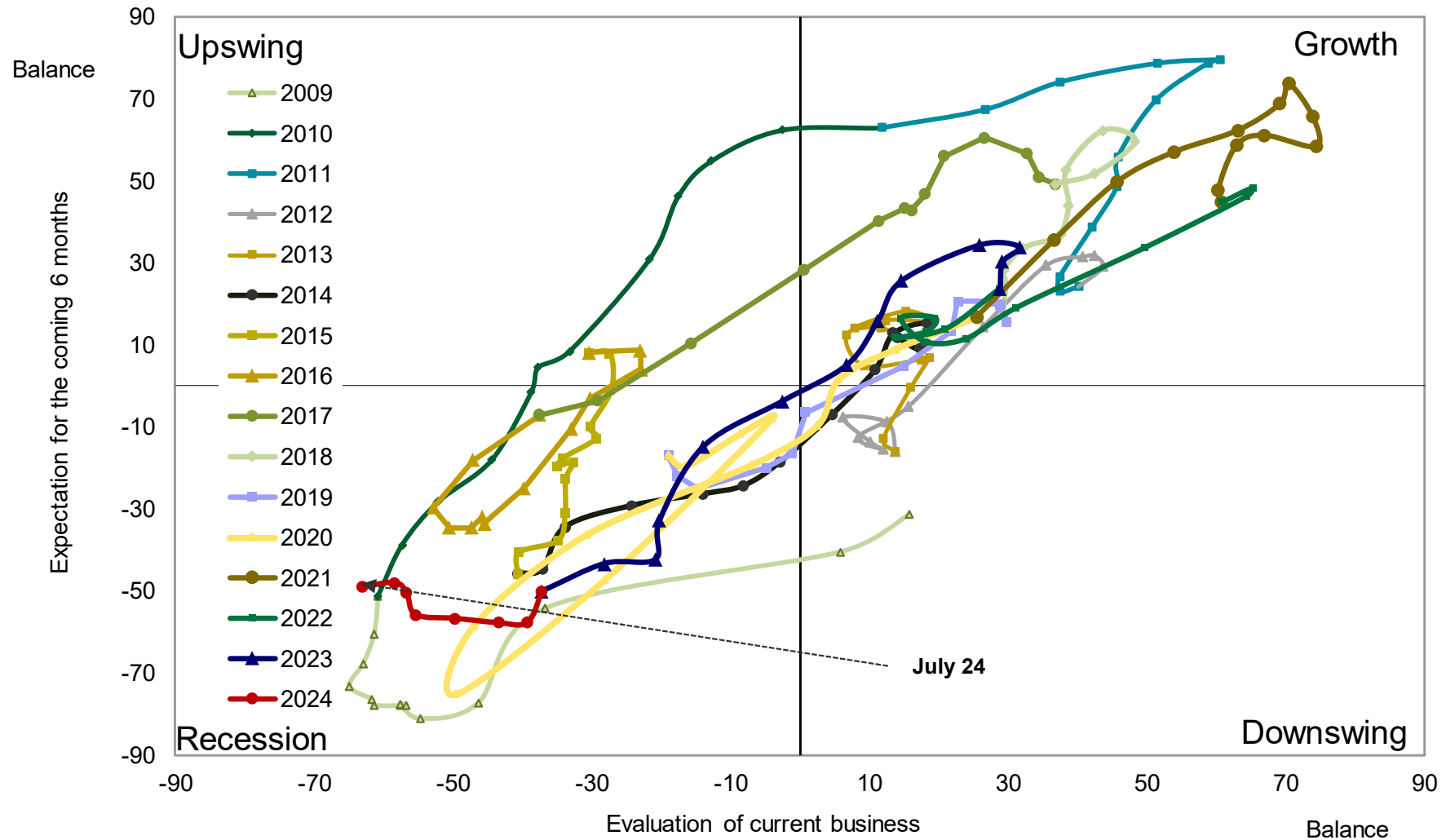
CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

Business Climate

Illustration of Business Cycle



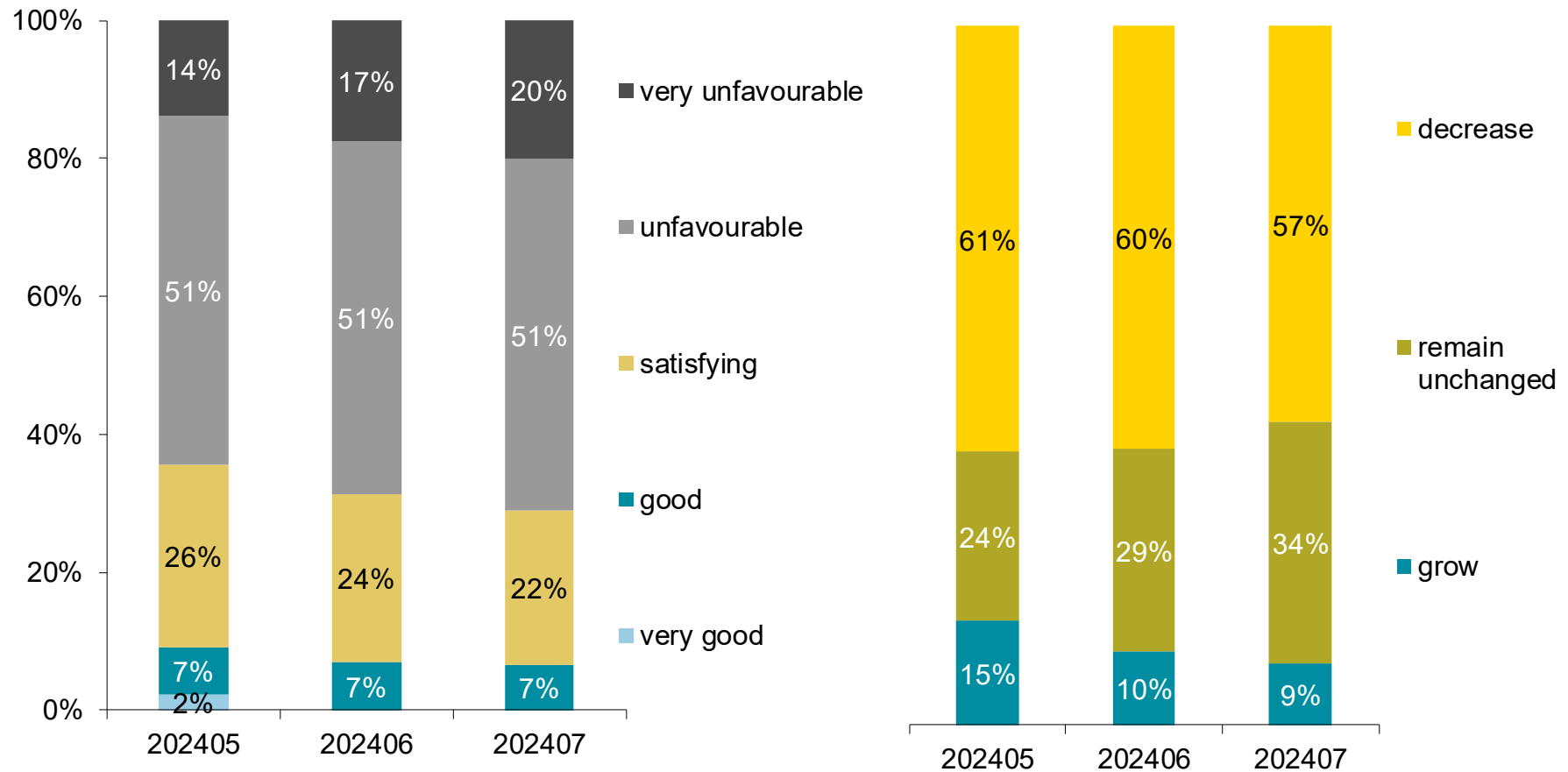
Source: CEMA Business Barometer, each value as an average of the last two months

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....

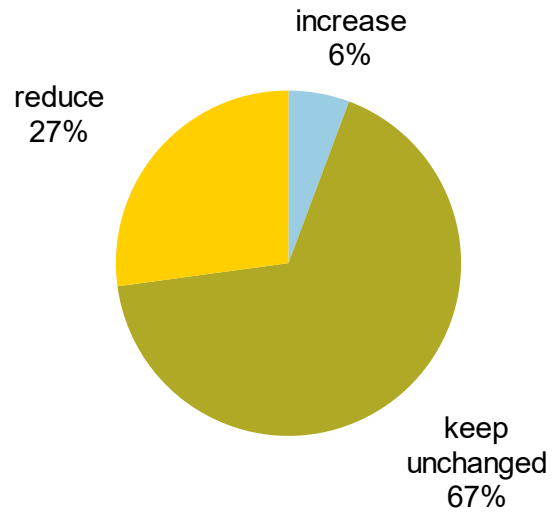


Source: CEMA Business Barometer

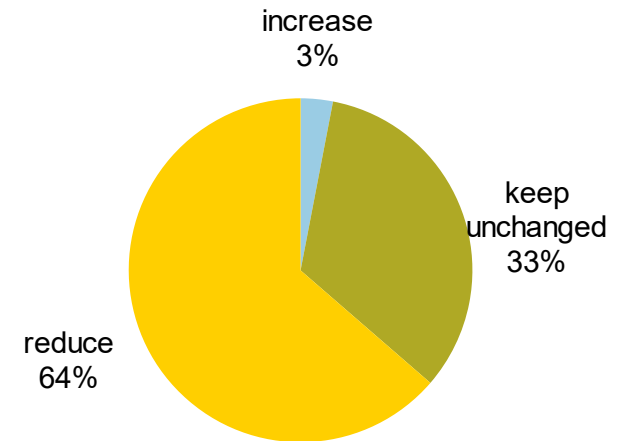
Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer July 2024