



# CEMA Business Barometer

Public results October 2013



# What is the CEMA Business Barometer?

- ▶ A monthly survey within for the European agricultural machinery industry (started in 2008)
- ▶ Coverage of all major sectors – from tractors to municipal equipment
- ▶ Target group: 135 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



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# Summary Notes

## October 2013

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▶ **Business climate:**

- ▶ Index declines for the second month in sequence by six points. The reason behind seems to be a modest expectation for the major European markets, based on a lower order intake.

▶ **Orders and turnover in September:**

- ▶ EU market: turnover +3%, new orders -3% (unweighted average)
- ▶ Export business (outside EU): turnover +5%, new orders +3% (unweighted average)

▶ **Turnover expectations:**

- ▶ Companies in Spain and UK expect a short-term sales growth, also due to the domestic market recovery
- ▶ Italian industry is still skeptical about the future development – stimulus from domestic market is not yet in sight
- ▶ French market seems to have peaked during summer 2013 – both order intake and general expectations have decreased remarkably over the past two months; saturation effect is anticipated for 2014
- ▶ CIS region leads the market ranking, but with only modest growth expected for the next six months (+5/+10%)

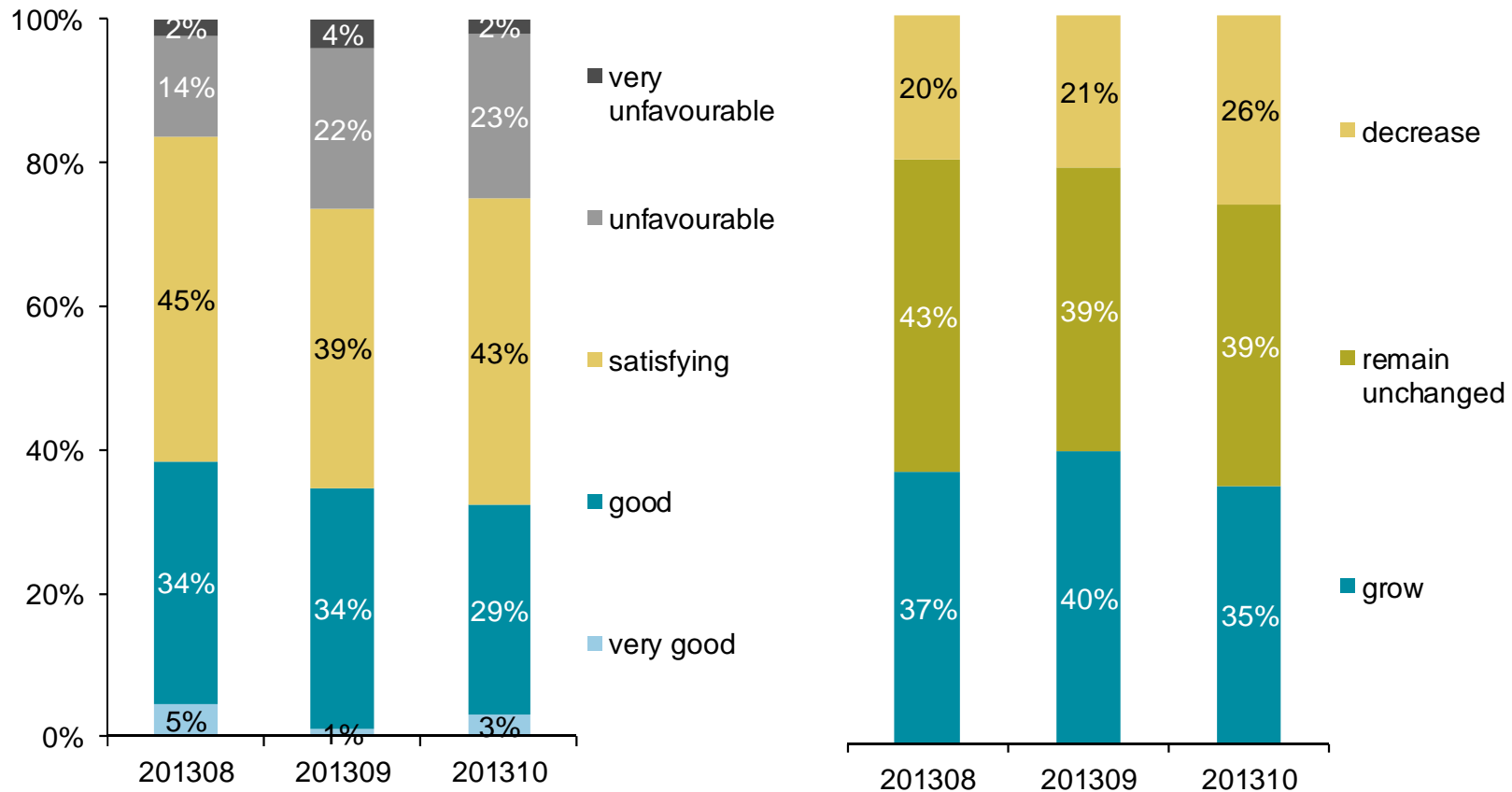
▶ **Employment:**

- ▶ Clear reduction plans for temporary workers (especially in France and Belgium)

# Expansive expectations still dominate the industry, but the optimists are getting permanently less.

Question: We consider our current business to be ....

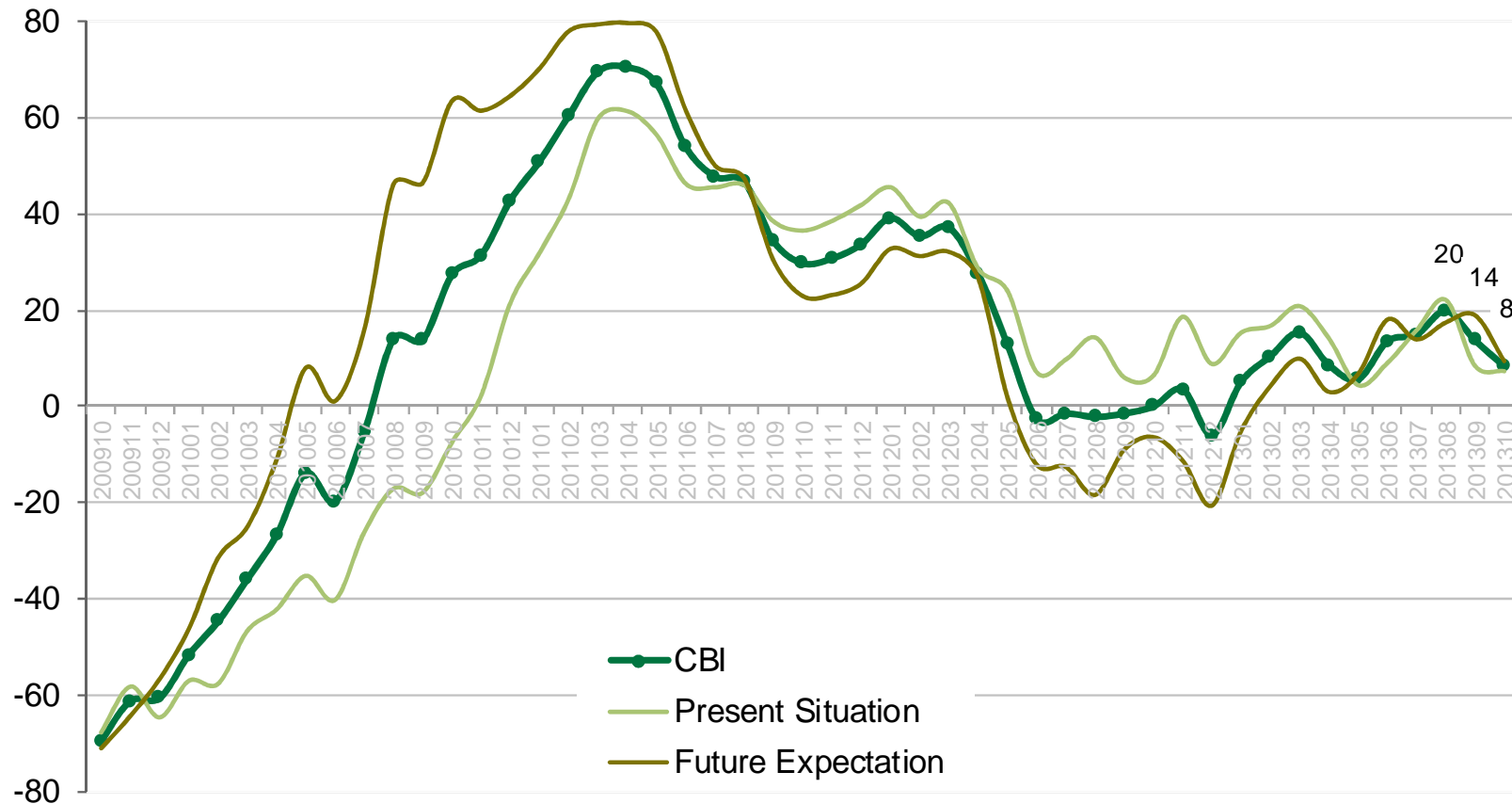
Question: We expect our overall turnover within the next 6 months to....



Source: CEMA Business Barometer

# The business climate index loses some strength.

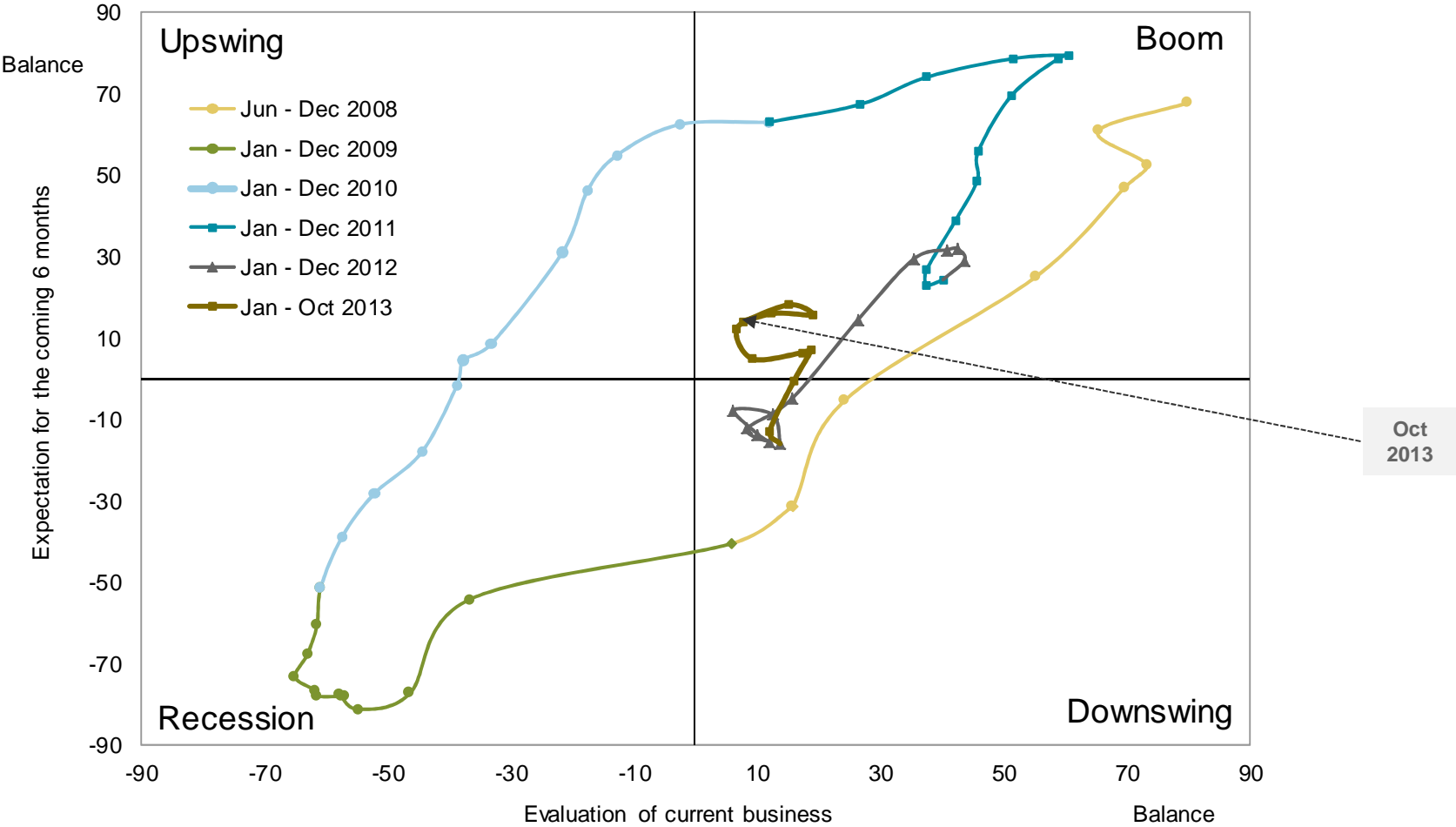
CEMA Business Climate Index (CBI)



Source: CEMA Business Barometer

Index = sum of 1) evaluation of the current business situation and 2) turnover expectation, scale from -100 to +100

# Business has remained quite established in the boom situation over the past 6 months



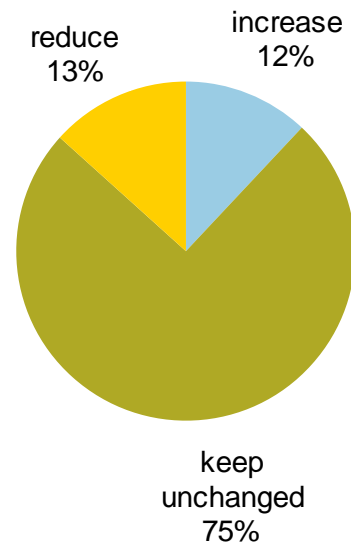
Source: CEMA Business Barometer, each value as an average of the last two months



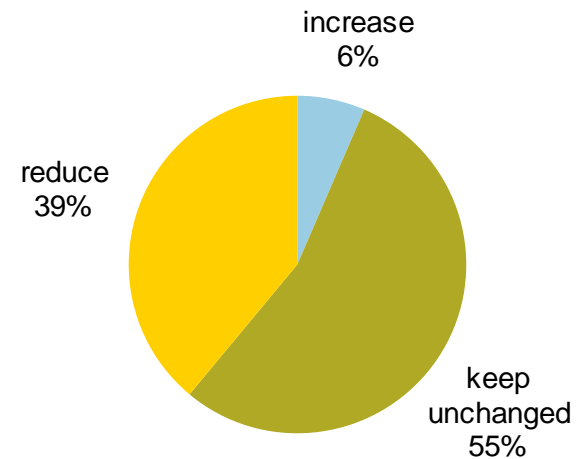
# After closure of the main season business, temporary contracts are reduced again.

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer October 2013