



Agrievolution Business Barometer

**Public excerpt of the survey
on the worldwide development of the agricultural machinery business**

May 2020

21th edition





What is the Agrievolution Business Barometer?

A survey within senior management of the global agricultural machinery industry (ca. 88% manufacturers and 12% distributors)

Project managed under the umbrella of Agrievolution (global association network for the agricultural machinery industry)

229 participants from China, (Western) Europe (by CEMA with the results of its separate monthly survey), **Japan, Russia, Turkey and the United States**

Implemented by the correspondent national associations

Project lead and summary of the results: VDMA (Germany)

Objective: illustration of the current and future branch development for the most relevant topics of the industry

- General evaluation of the business
- Order intake
- Turnover
- Employment
- Delivery times
- Machinery stocks
- Farmers' mood and economic conditions
- Others

Survey periods: May and October/November (Start was in 2010)



Summary of the Survey in May 2020

The general business climate on the production side has deteriorated at almost all considered industry locations. Only the survey participants from Turkey have a positive outlook, however, based on an extremely low level after a heavy downturn in the domestic market.

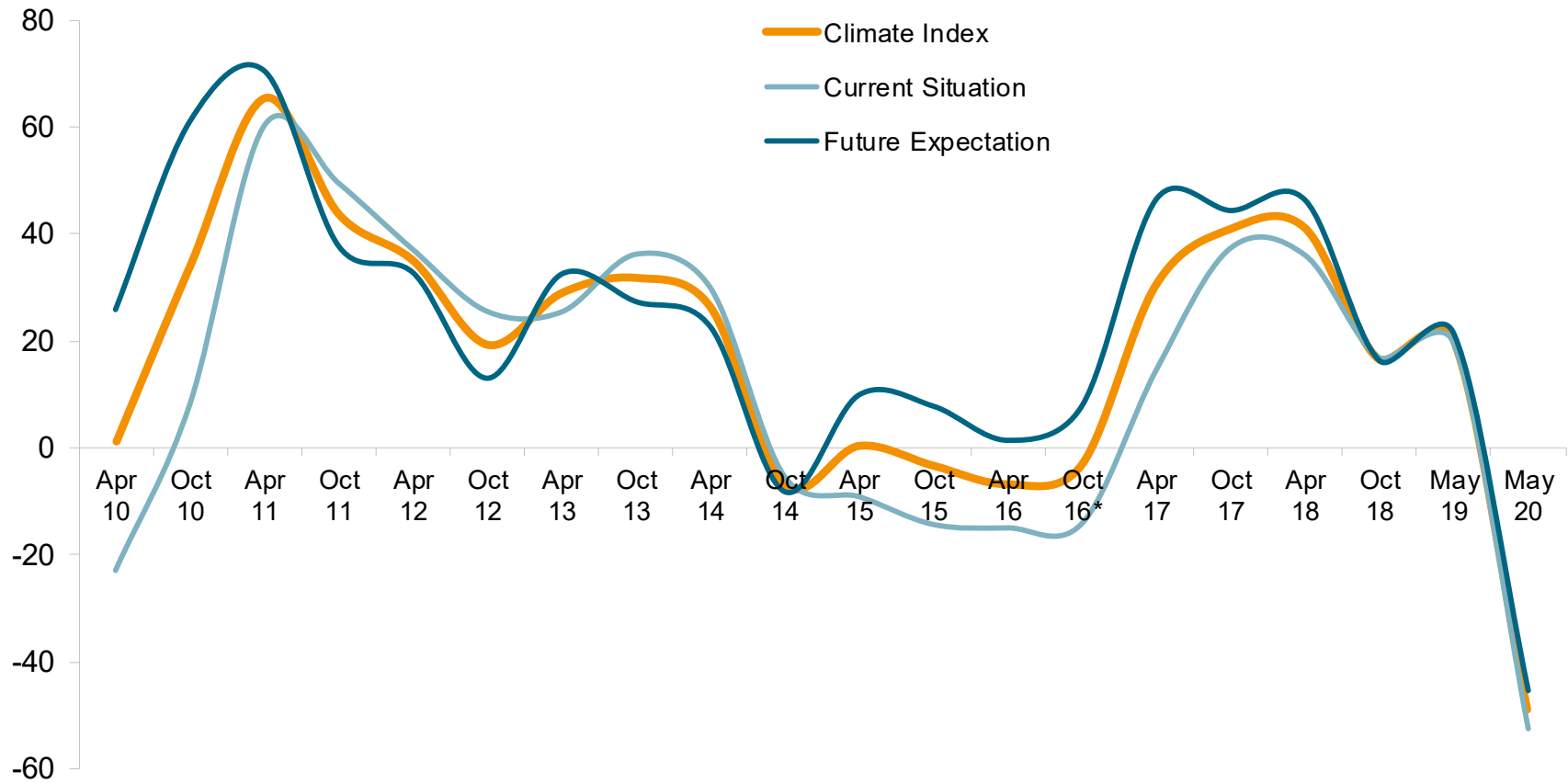
In Western Europe and the USA the restrictions in the course of COVID-19 along the way to the end customer seem to be more significant than in Russia and Turkey. This applies in particular when comparing the capacity utilization of the production and the operational ability of the distribution partners to the level before COVID-19. The profitability of farming is reported to be positive only in Russia, while it appears particularly negative in Turkey, followed by the USA and Western Europe.

With regard to the development on the market side in the coming six months, the expectations of the majority of survey participants are negative for all world regions. The outlook for Western Europe and the entire American continent is clearly negative in the majority view. The prospects for Africa and Asia as a whole are also negative, however with a large share of undecided participants.



Production

Agrievolution Business Climate Index
Possible range from -100 to +100

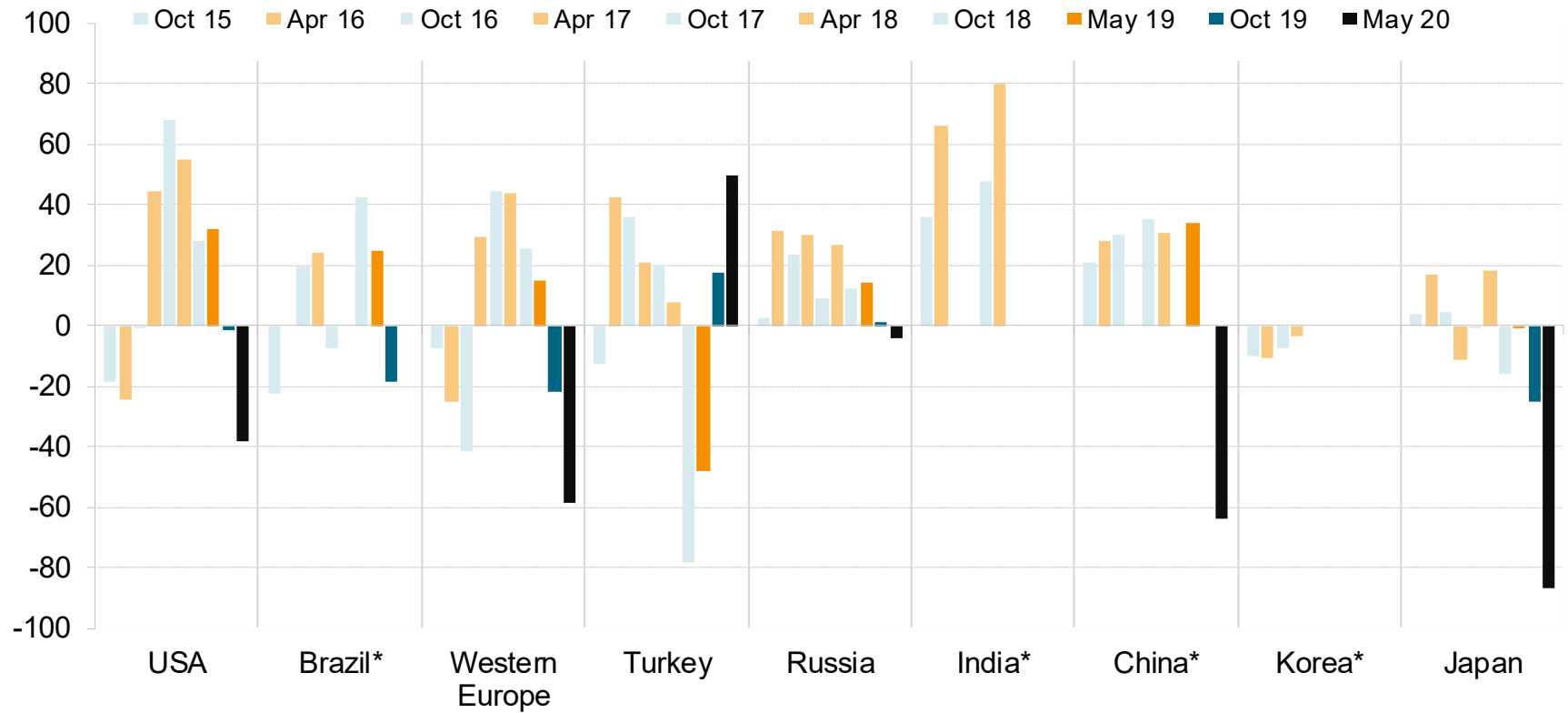


Source: Agrievolution Business Barometer May 2020 weighted global average



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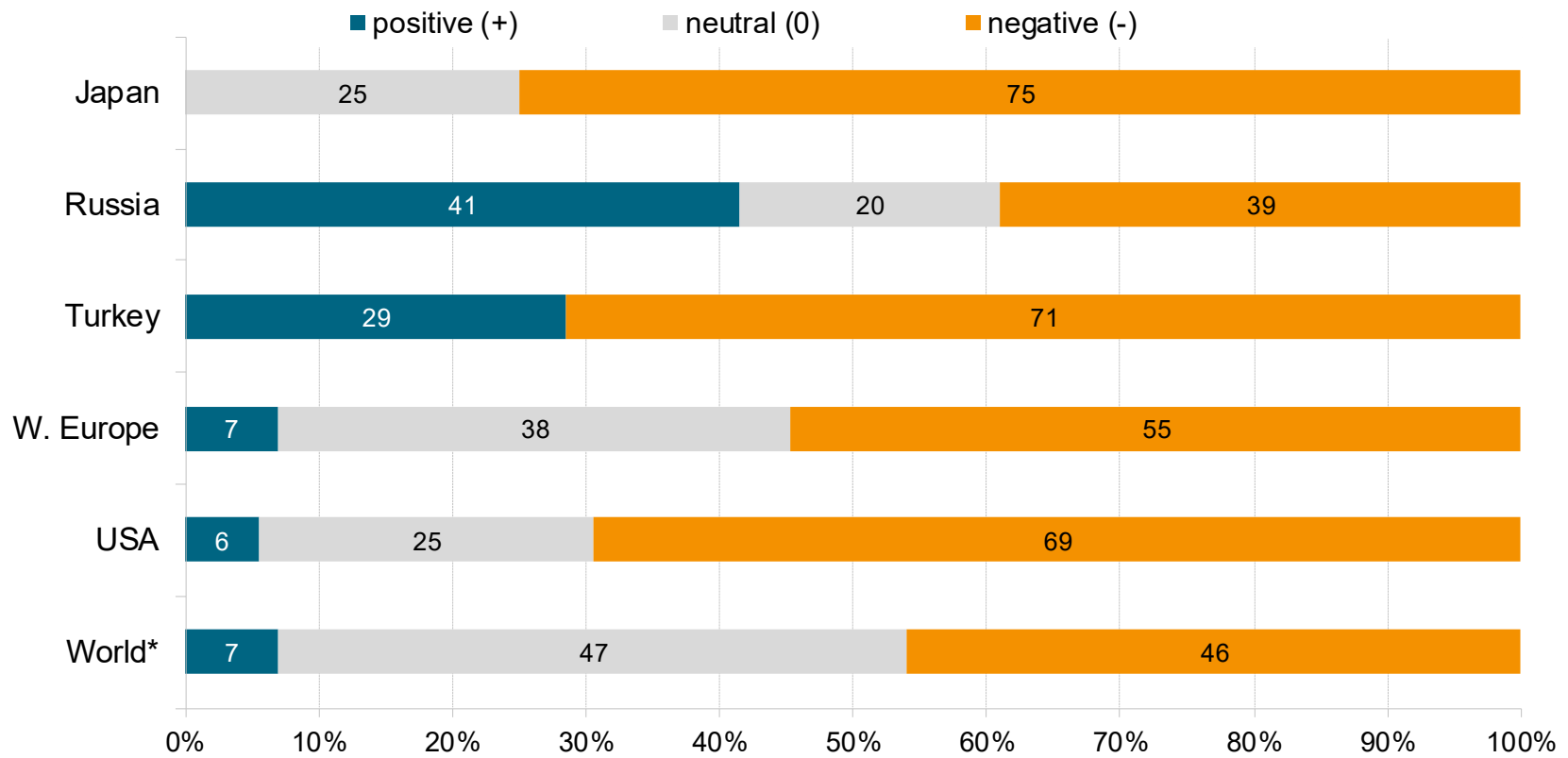


Source: Agrievolution Business Barometer, *partly without data



Market Environment

Question: Please give a current evaluation of the following aspects/impacts for the farmers / end customers in your home market: **General mood of farmers**
 Answers from manufacturers / importers according to location

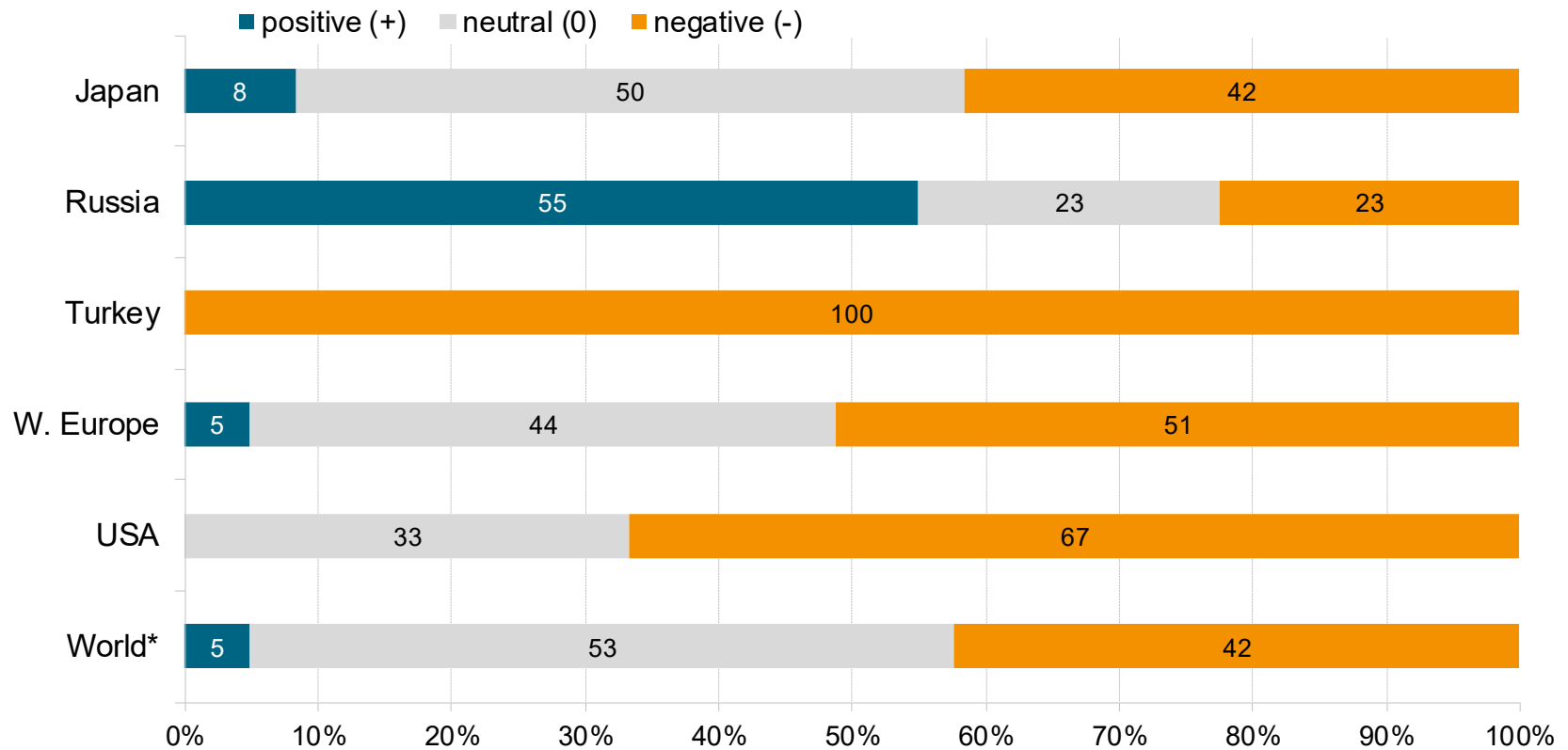


Source: Agrievolution Business Barometer May 2020 *weighted global average



Market Environment

Question: Please give a current evaluation of the following aspects/impacts for the farmers / end customers in your home market: **Profitability of farming**
 Answers from manufacturers / importers according to location

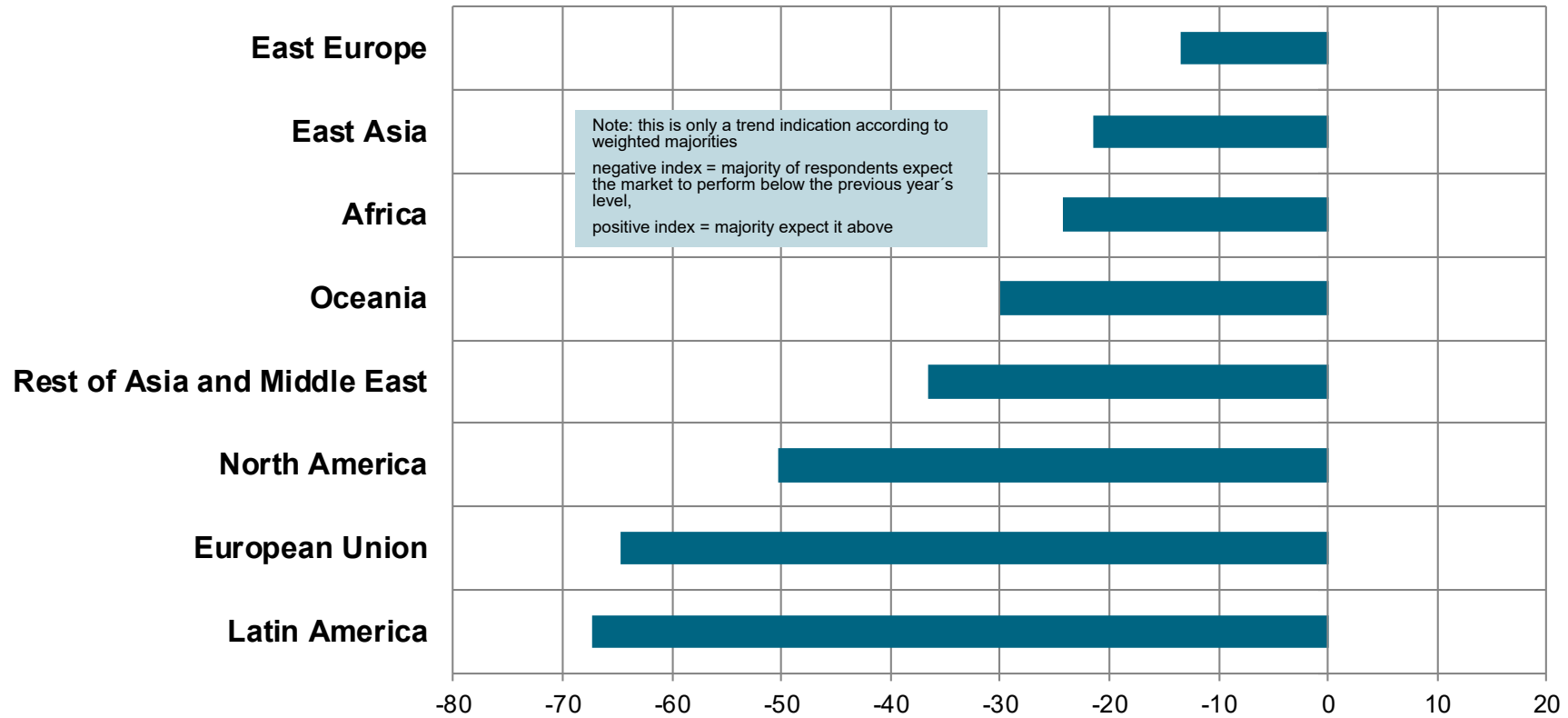


Source: Agrievolution Business Barometer May 2020 *weighted global average



Market Outlook

Turnover expectations (next six months) according to continents
 Positive value means: growth tendency, negative value means: tendency for decline (but not to be interpreted as %-change!) - index calculated as a balance of growth and decrease expectations, with a possible range from +100 to -100



Source: Agrievolution Business Barometer May 2020