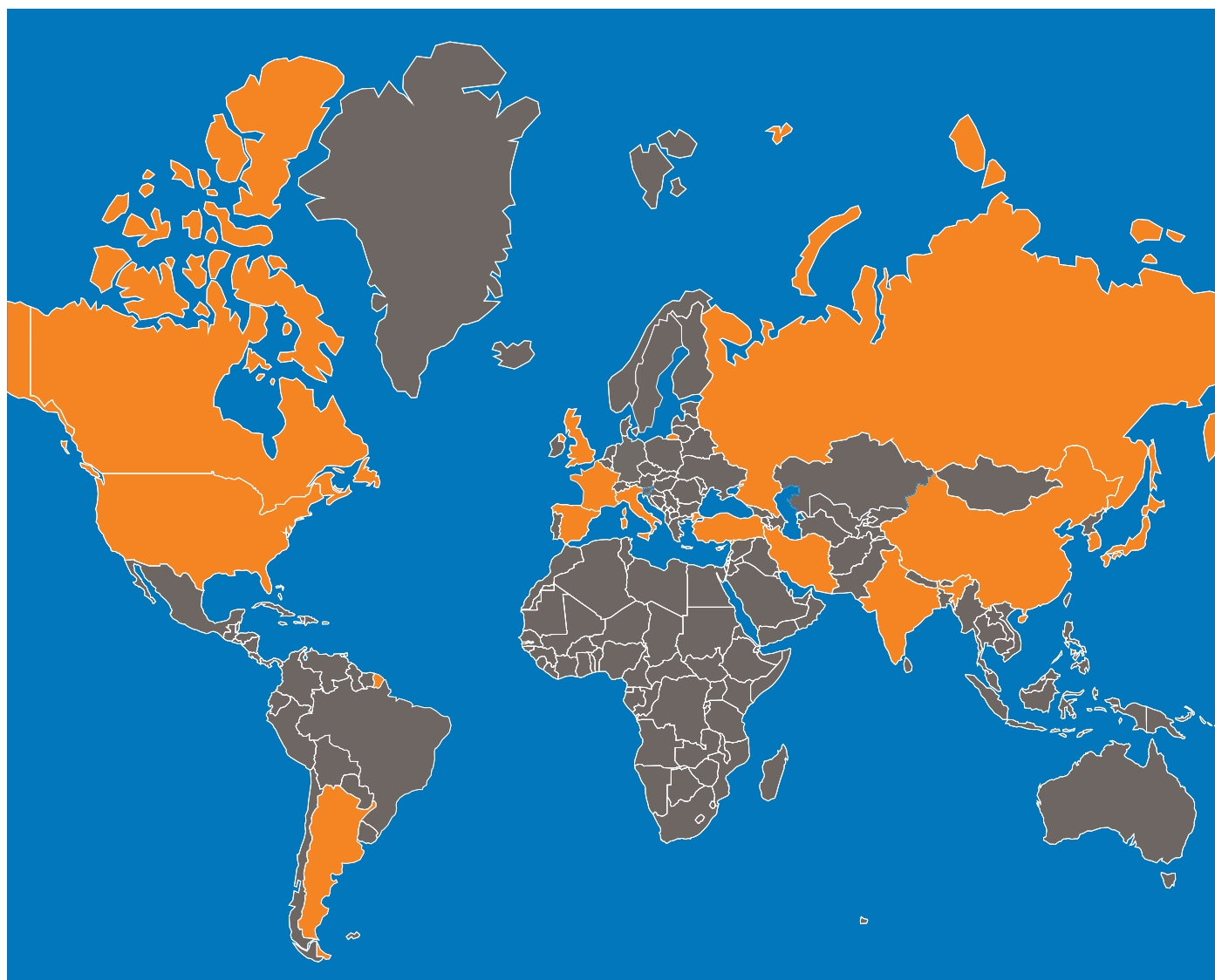


Agrievolution

23rd edition
May 2021



Agrievolution Alliance Members

**AEA**

Agricultural Engineers Association

**AEM**

Association of Equipment Manufacturers

**ANSEMAT**

Association for Agricultural, Forestry and Landscaping Machinery

**ATMAK**

Tractor, Combine, Machinery and Agricultural Equipment Manufacturers Association

**AXEMA**

Association for Industrial Agricultural Equipment

**CAFMA**

Argentinian Chamber of Agrimachinery Manufacturers

**CAMDA**

China Agricultural Machinery Distribution Association

**CEMA**

European Agricultural Machinery Association

**FEDERUNACOMA**

Italian Farm Machinery Manufacturers Association

**FICCI**

Federation of Indian Chambers of Commerce and Industry

**JAMMA**

Japan Agricultural Machinery Manufacturer's Association

**KAMICO**

Korean Agricultural Machinery Industry Cooperative

**ROSSPETSMASH**

Russian Association of Specialized Machinery and Equipment Manufacturers

**TARMAKBIR**

Turkish Association of Agricultural Machinery & Equipment Manufacturers

What is the Agrievolution Business Barometer?

A survey within senior management of the global agricultural machinery industry (ca. 77% manufacturers and 23% distributors)

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

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

Implemented by the correspondent national associations

Project lead and summary of the results: ANSEMAT (Spain)

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 (COVID-19 impact)

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

AGRIEVOLUTION BUSINESS BAROMETER GENERAL COMMENTS



Increasing shipping costs

Rise of industrial commodities prices

High energy prices

Business Climate Index:
positive trend for current
situation and future
expectation trigger
growth



Different global market forecasts among regions

Changes in trade routes

COVID-19 crisis causes serious short-term uncertainties

Supply chain disruptions compromise manufacturing volumes to meet actual demand (stocks decreasing rapidly)

Raw materials: companies face profitability challenges even with increasing demand



Agricultural policies in the EU add pressure on the supply of machinery whilst subsidies plans are not fostering the demand

Adoption of digital technologies need to be supported on financial and training programs



Positive trend of farm commodities prices

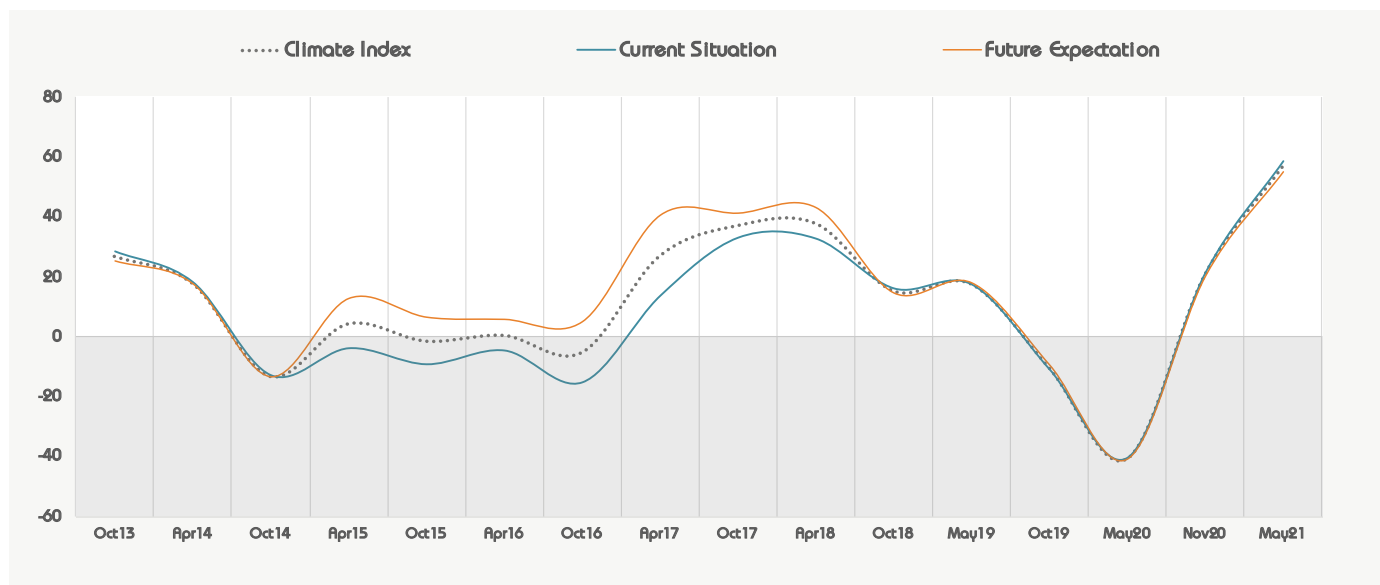
Added pressure for livestock production margins as inputs increase exponentially

Severe droughts jeopardize 2021 crop volumes

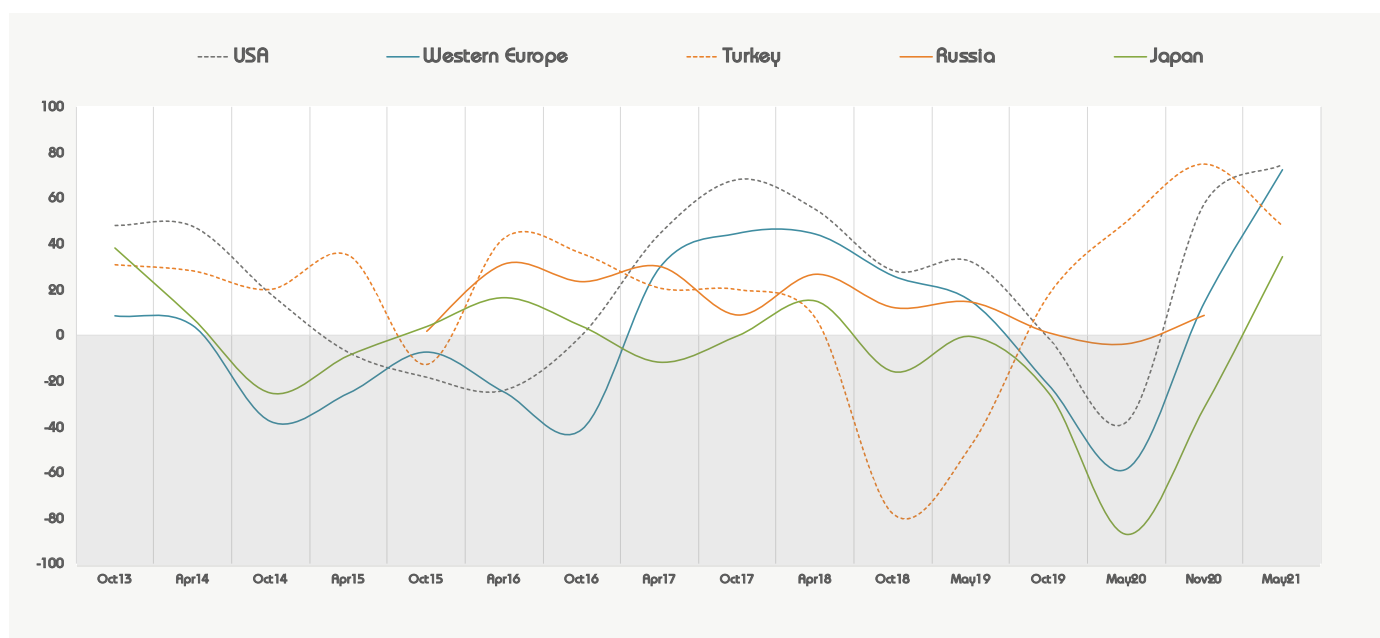
Government support is essential for investments: credit and innovation

PRODUCTION

Agrievolution Business Climate Index



Business Climate Index for markets over the entire time series



		Apr16	Oct16	Apr17	Oct17	Apr18	Oct18	May19	Oct19	May20	Nov20	May21
World	CI	0,4	-5,4	26,9	37,0	37,8	15,2	17,5	-10,4	-40,8	20,6	56,7
	CS	-4,9	-15,5	13,4	32,9	32,5	15,9	17,2	-11,2	-40,7	21,1	58,4
	FE	5,7	4,9	40,5	41,2	43,0	14,5	17,9	-9,6	-41,0	20,1	55,0
USA	CI	-24,3	-0,1	44,3	68,0	54,9	28,1	32,0	-1,6	-38,0	57,7	74,6
	CS	-50,0	-25,4	27,3	64,3	48,6	21,9	40,5	-15,2	-61,5	42,9	81,6
	FE	2,1	25,9	61,5	71,8	61,3	34,4	23,7	12,1	-13,9	72,7	67,6
Brazil	CI	48,8	19,6	24,2	-7,2		42,7	24,7	-18,3			
	CS	100,0	-16,7	-16,7	-14,3		58,3	0,0	-20,0			
	FE	0,0	57,1	66,7	0,0		27,3	50,0	-16,7			
Western Europe	CI	-25,0	-41,3	29,5	44,4	44,1	25,8	14,7	-22,1	-58,6	14,4	72,3
	CS	-33,0	-52,4	15,3	35,2	40,9	30,5	22,1	-16,3	-47,6	20,2	71,0
	FE	-17,0	-30,1	43,9	53,7	47,3	21,1	7,4	-27,9	-69,5	8,7	73,5
Turkey	CI	42,5	35,7	20,6	20,0	7,5	-78,4	-48,3	17,8	49,8	74,9	47,9
	CS	50,0	35,7	11,8	30,0	0,0	-64,3	-60,0	7,1	28,6	62,5	64,0
	FE	35,0	35,7	29,4	10,0	15,0	-92,3	-36,4	28,6	71,4	87,5	32,0
Russia	CI	31,1	23,3	30,0	8,8	26,6	12,1	14,4	1,0	-3,8	8,6	
	CS	32,4	23,3	16,7	2,9	16,7	6,9	7,7	-4,3	-3,8	20,6	
	FE	29,7	23,3	43,5	14,7	36,6	17,2	21,2	6,4	-3,8	-3,2	
India	CI	66,1										2,7
	CS	33,3										-50,0
	FE	100,0										58,3
China	CI	28,0	30,2					34,2		-63,6		20,9
	CS	36,6	33,3					26,3		-63,6		32,3
	FE	19,5	27,1					42,1		-63,6		9,7
South Korea	CI	-10,7	-7,2	-3,6								
	CS	-14,3	-14,3	-7,1								
	FE	-7,1	0,0	0,0								
Japan	CI	16,6	4,2	-11,5	-0,0	15,2	-15,7	-0,3	-25,1	-86,8	-31,0	34,6
	CS	25,0	0,0	-15,4	-7,7	15,9	-38,5	-25,0	-8,3	-91,7	-53,8	46,2
	FE	8,3	8,3	-7,7	7,7	14,5	7,7	25,0	-41,7	-81,8	-7,7	23,1

CI = Climate Index

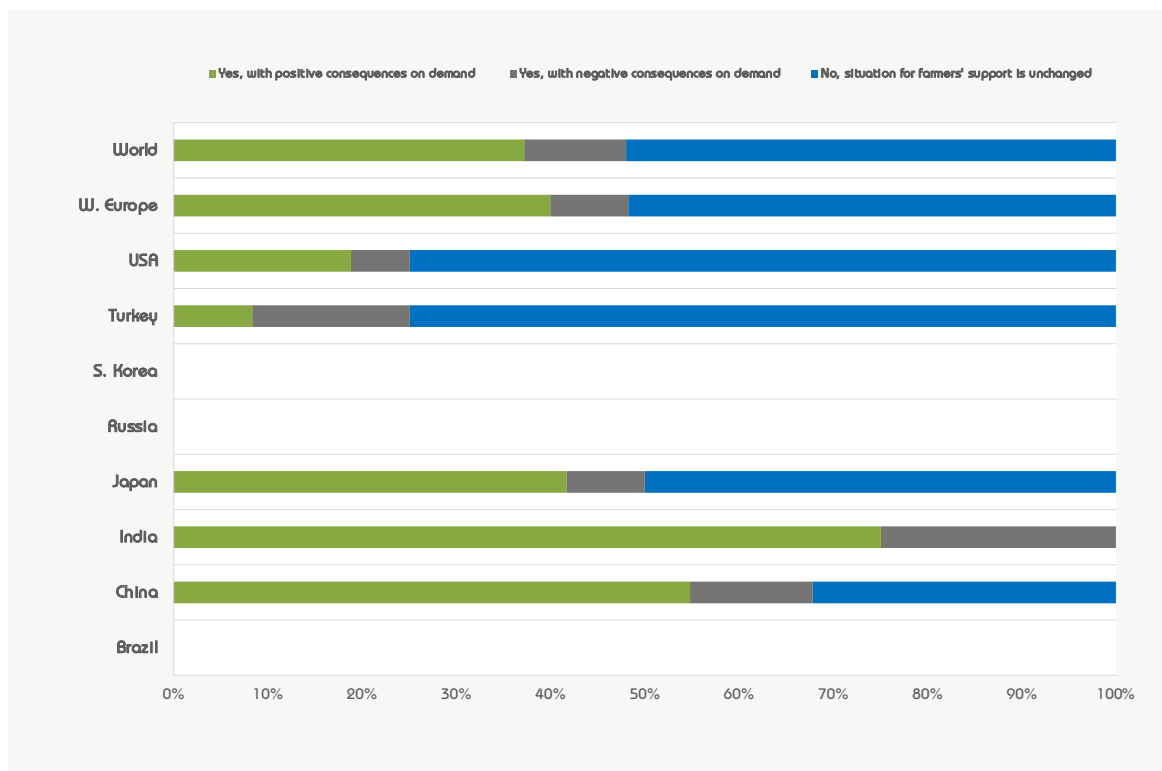
CS = Current situation

FE = Future expectation

MARKET ENVIRONMENT

Has there been a change in government programs during the past 6 months with effects on the demand for agricultural machinery?

in % of the interviewed persons according to country of company location



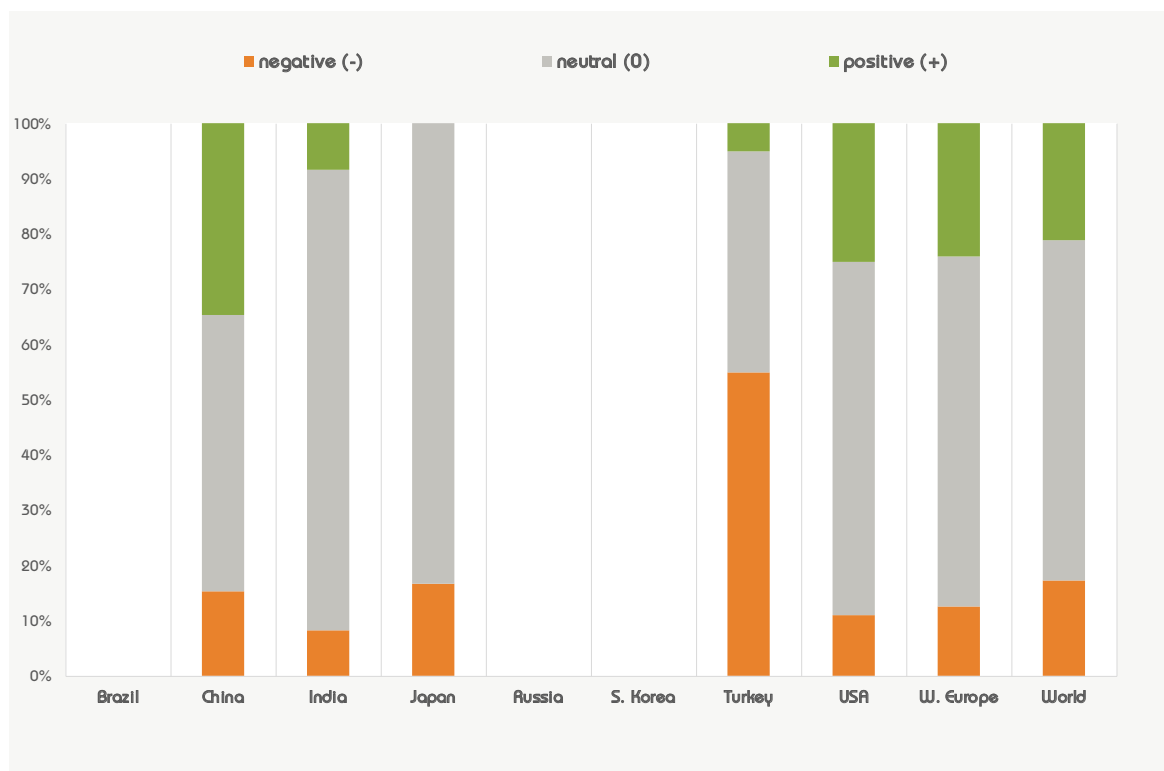
MAY 2021

	Brazil	China	India	Japan	Russia	S.Korea	Turkey	USA	W. Europe	World
YES, with (+) effects on demand		54,8	75,0	41,7			8,3	18,8	40,0	37,2
YES, with (-) effects on demand		12,9	25,0	8,3			16,7	6,3	8,2	10,7
NO, farmer's support is unchanged		32,3	0,0	50,0			75,0	75,0	51,8	52,0

MARKET ENVIRONMENT

Please, give a current evaluation of the following aspects/impacts for the farmers/end customers in your domestic market: **Competitiveness and perspectives**

Answers from manufacturers / importers according to location



MAY 2021

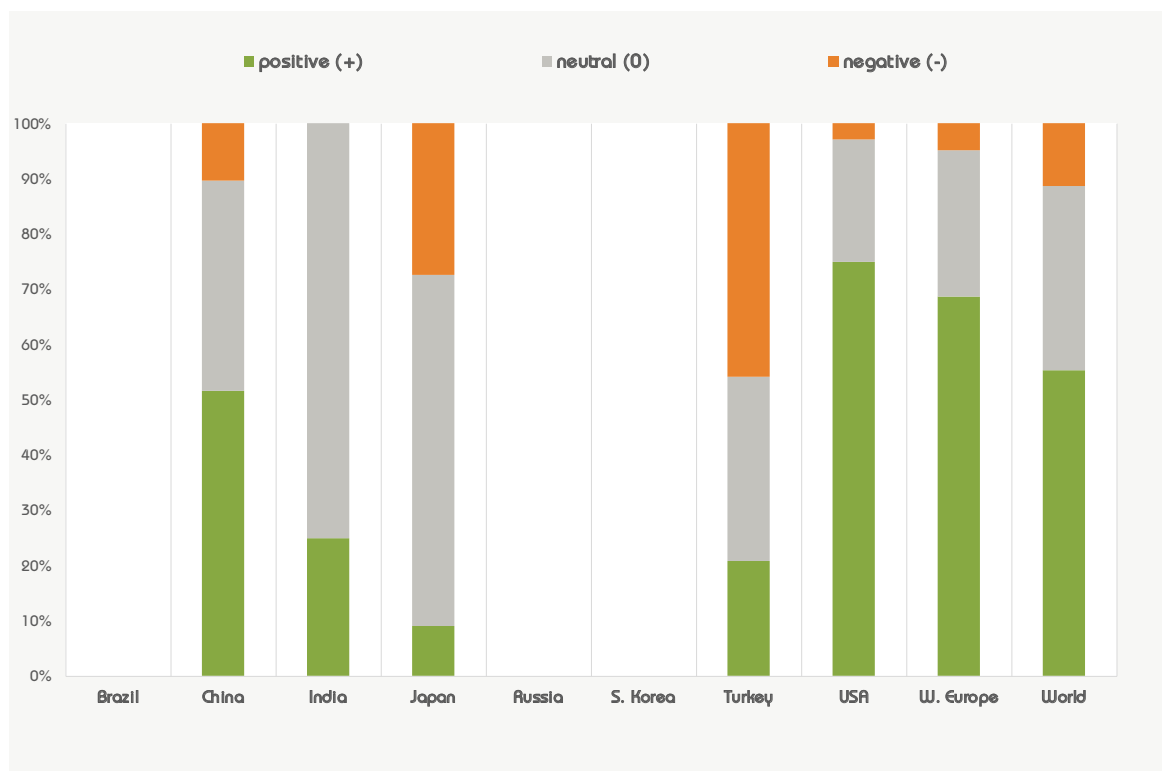
	Brazil	China	India	Japan	Russia	S.Korea	Turkey	USA	W. Europe	World
POSITIVE (+)		34,6	8,3	0,0			5,0	25,0	24,1	21,1
NEUTRAL		50,0	83,3	83,3			40,0	63,9	63,3	61,6
NEGATIVE (-)		15,4	8,3	16,7			55,0	11,1	12,7	17,3



MARKET ENVIRONMENT

Please, give a current evaluation of the following aspects/impacts for the farmers/end customers in your domestic market: **Crop production (prices, quantities, quality)**

Answers from manufacturers / importers according to location



MAY 2021

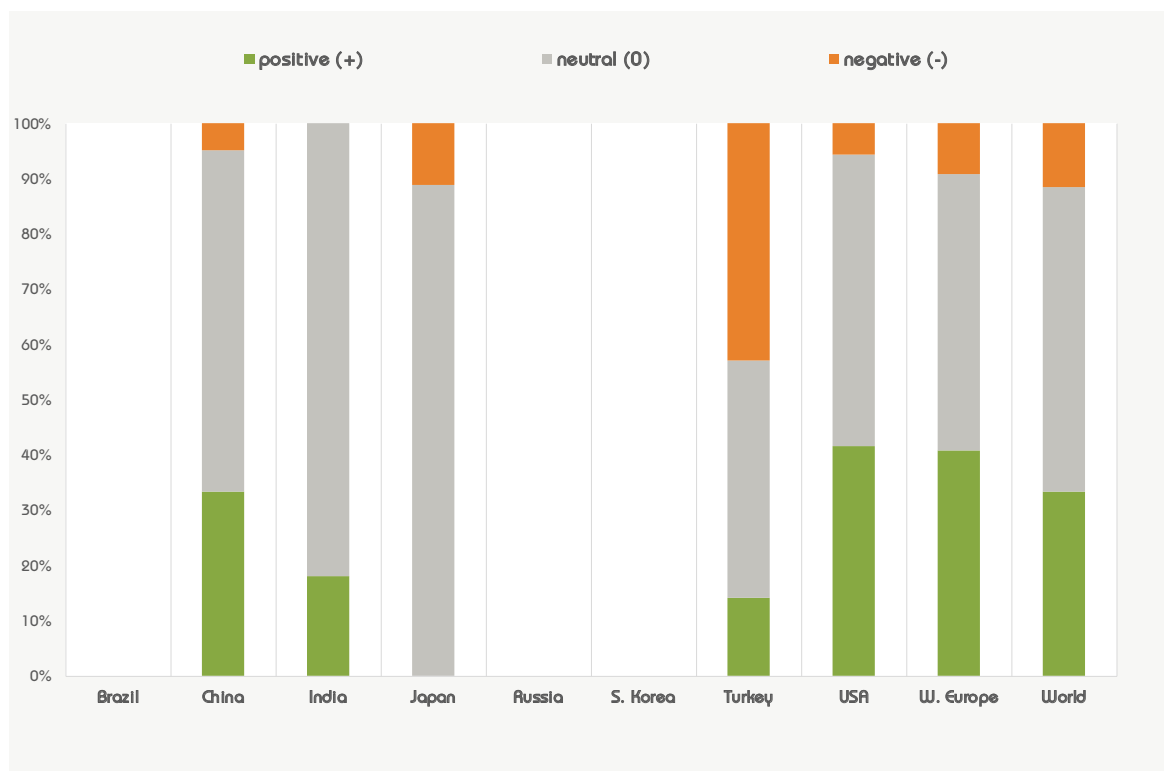
	Brazil	China	India	Japan	Russia	S.Korea	Turkey	USA	W. Europe	World
POSITIVE (+)		51,7	25,0	9,1			20,8	75,0	68,7	55,4
NEUTRAL		37,9	75,0	63,6			33,3	22,2	26,5	33,3
NEGATIVE (-)		10,3	0,0	27,3			45,8	2,8	4,8	11,3



MARKET ENVIRONMENT

Please, give a current evaluation of the following aspects/impacts for the farmers/end customers in your domestic market: **Animal production (inc. dairy products)**

Answers from manufacturers / importers according to location



MAY 2021

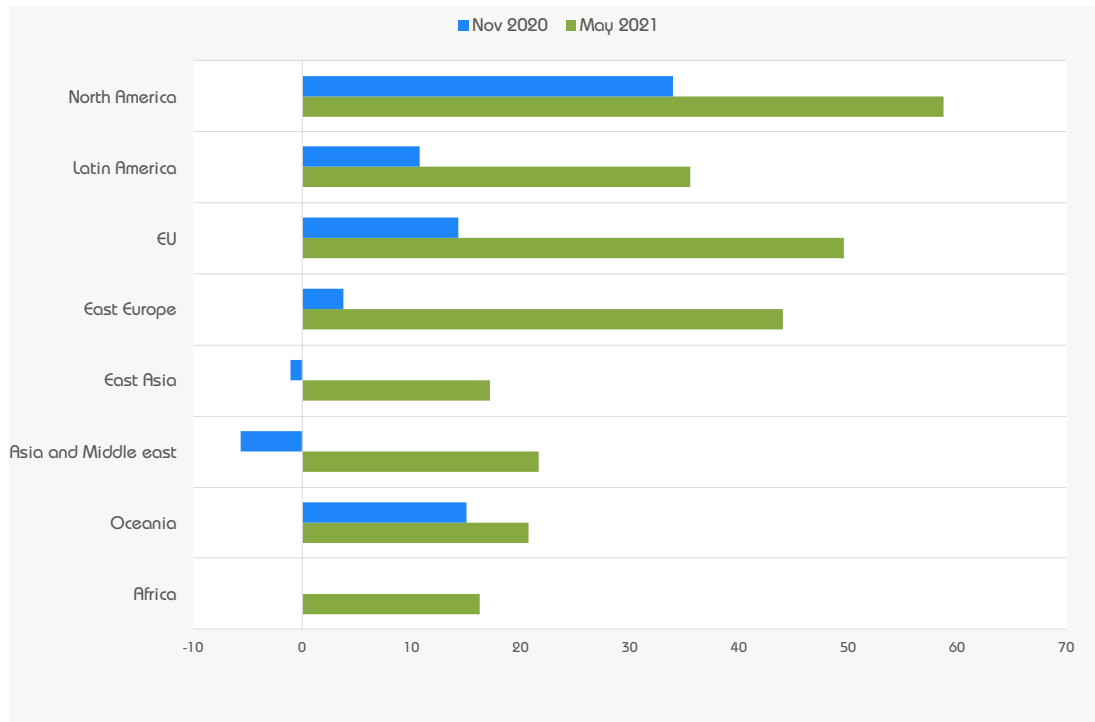
	Brazil	China	India	Japan	Russia	S.Korea	Turkey	USA	W. Europe	World
POSITIVE (+)		33,3	18,2	0,0			14,3	41,7	40,8	33,3
NEUTRAL		61,9	81,8	88,9			42,9	52,8	50,0	55,2
NEGATIVE (-)		4,8	0,0	11,1			42,9	5,6	9,2	11,5



MARKET OUTLOOK

Our regional turnover expectations in the next 6 months (compared to same period a year ago) are as follows:

% of all interviewees



MAY 2021

	North America	Latin America	EU	East Europe	East Asia	Asia and Middle East	Oceania	Africa
MAY 2021	58,7	35,6	49,7	44,1	17,2	21,7	20,7	16,2
NOV 2020	33,9	10,8	14,3	3,8	-1,0	-5,6	15,1	0,0



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