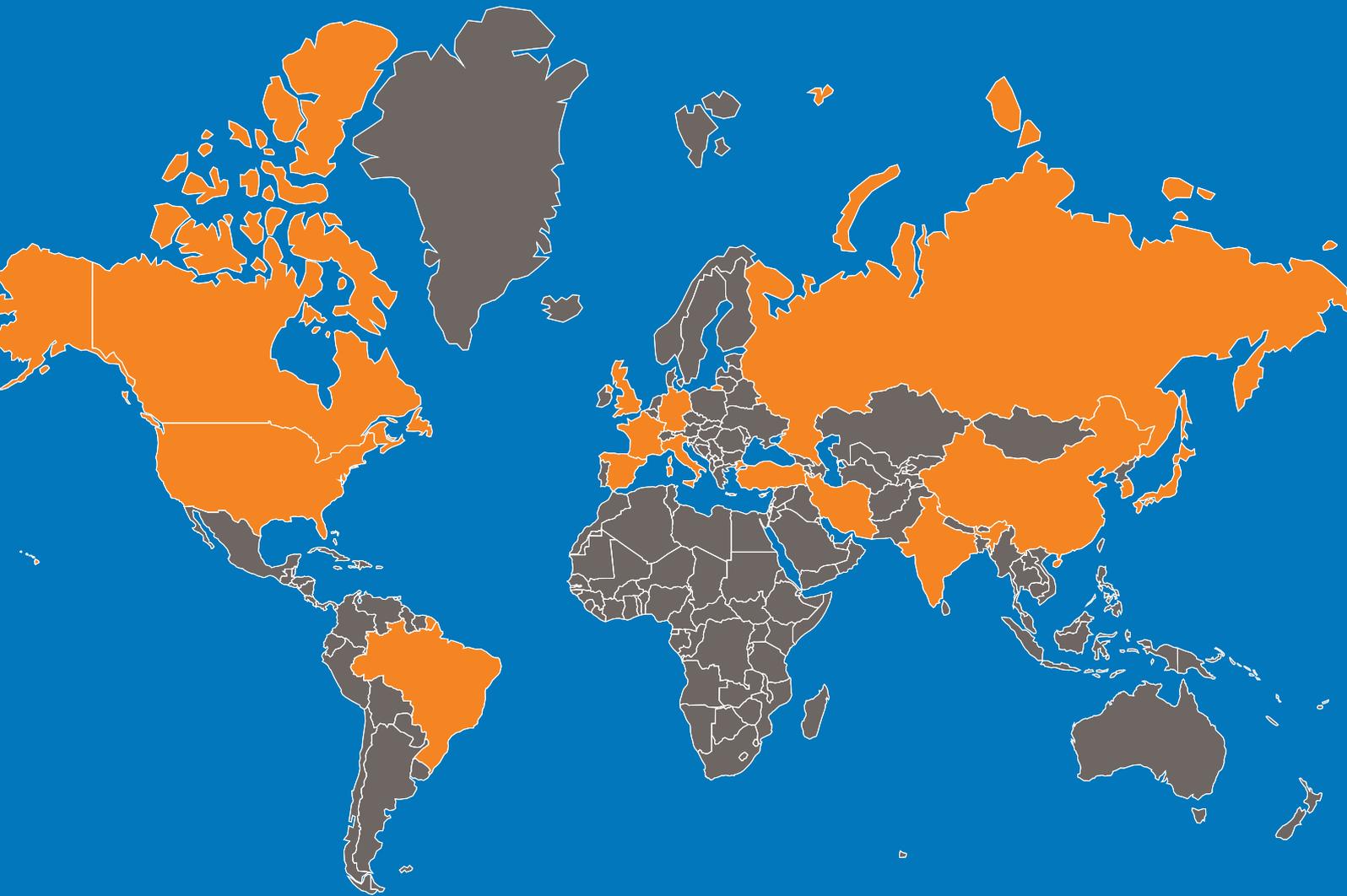


COVID-19 Impact survey #7

Reporting period May 16 - May 31



Agrievolution Alliance COVID-19 Global Impact Survey

- Survey participants are the listed Agrievolution Alliance member associations whose responses reflect their knowledge of what is occurring within their own countries and what their agriculture equipment manufacturing member companies are experiencing.
- This survey will be conducted on a bi-weekly basis for as long it remains relevant and participation continues, with the first survey results published March 27, 2020.
- While the goal is to receive consistent responses from all Alliance members every two weeks, some Alliance members may not respond and therefore their country will not be included in the results.

Agrievolution Alliance Members



ABIMAQ
Brazilian Association of Industrial Machinery and Equipment



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



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



ROSSPETSMAH
Russian Association of Specialized Machinery and Equipment Manufacturers



TARMAKBIR
Turkish Association of Agricultural Machinery & Equipment Manufacturers



VDMA
German Agricultural Machinery Association

OVERVIEW

June, 1st 2020

Agrievolution Alliance members have many concerns relating to Covid-19. These concerns range from a predominance in the downturn in demand, a lack of transportation, supply chain disruptions, health and safety issues, reductions in working capital, and an urgent need of redeployment and re-industrialization.

Members are reporting shifts in the overall business activities compared to the previous survey just two weeks prior. In some cases, it illustrates a desire to bring the sector back online. However, new orders continue to decrease creating a reduction in employment levels due to this reduced demand.

A significant change has taken place over the last two weeks with manufacturing facilities previously closed due to Covid-19 now reopening. Half of the reporting member countries of the Agrievolution Alliance are now reporting no closures of any facilities. Four regions report 1-20% of factories remaining closed with India reporting 21-40% and Brazil 41-60% respectively.

All countries continue to report an overall reduction in orders for whole goods with Turkey reporting the most negative impact with a reduction in orders between 51-75%. This is a further deterioration in order expectations for Turkey compared to the last survey. South Korea has also further reduced expectations for orders now reporting orders down 26-50% where previous survey results suggested orders would be down 1-25%. Brazil, Italy, Japan, and the United States are reporting slightly more positive indications in new orders compared to the last reporting period.

Most agricultural equipment manufacturers continue to report some disruptions in their supply chains. Brazil and China continue to report many suppliers are still not able to fill their orders. The United Kingdom currently reports no disruptions in their supply chains.

Seeing positive trends in some areas we are cautiously optimistic that we will continue to see some positive movement for the sector going forward. However, it is acknowledged that the level of orders will fall short of the level anticipated just a short six months ago prior to the onset of the pandemic.

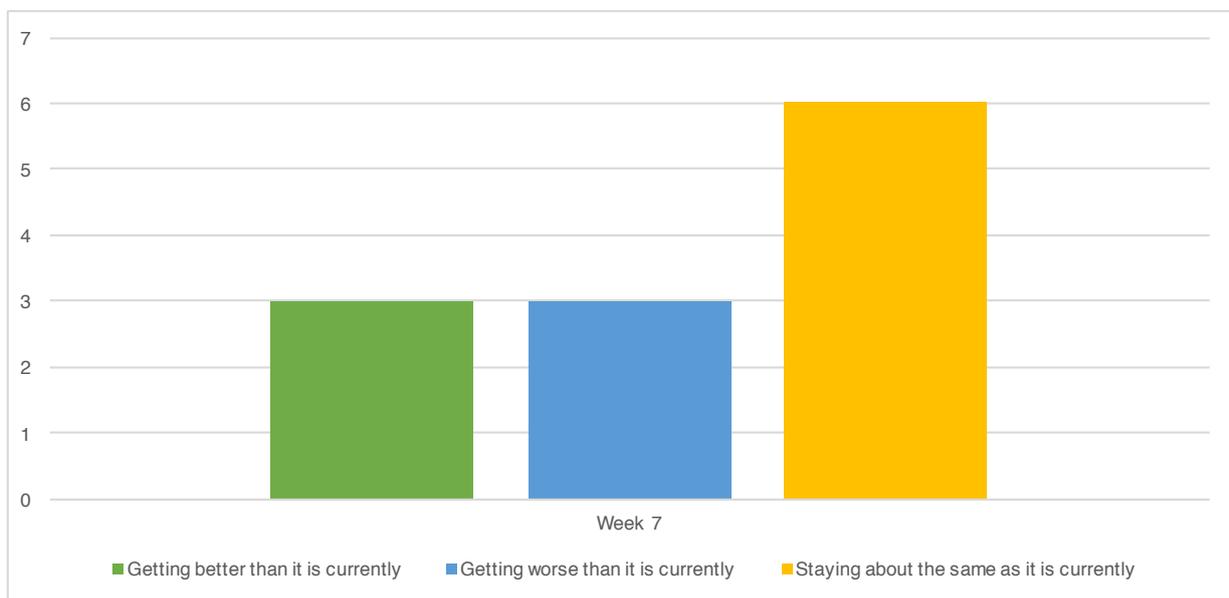
Charlie O'Brien

Agrievolution Secretary General

Q1

Over the next 30 days what is the perception of your member companies regarding the financial outlook for business in the agricultural equipment manufacturing sector?

Most countries see the financial situation for agricultural equipment manufacturers staying status quo for the next 30 days. However, Spain, Turkey, and India all see some positive signs with a potential uptick in the financial situation while Brazil, South Korea, and Italy have expectations it may be getting worse.



Country	Week 7
Brazil	GW
China	TS
France	TS
Germany	
India	GB
Italy	GW
Japan	TS
Russia	TS
South Korea	GW
Spain	GB
Turkey	GB
United Kingdom	TS
USA	TS

GB = Getting better than it is currently

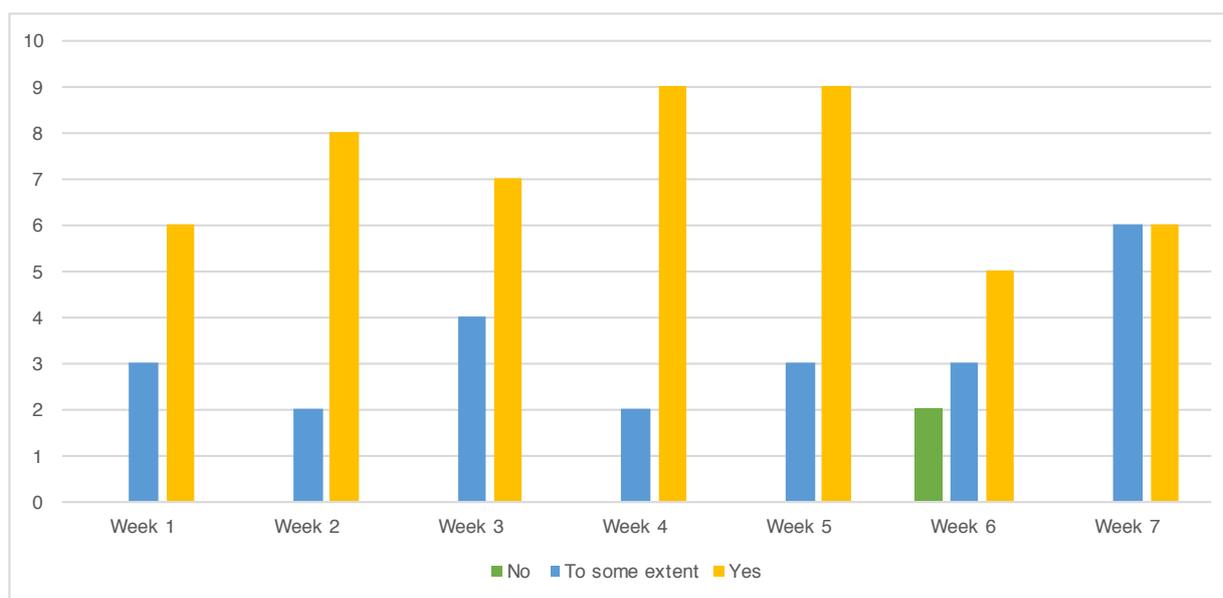
GW = Getting worse than it is currently

TS = Staying about the same as it is currently

Q2

Has international travel for people been banned at this point?

One hundred percent of all reporting countries now have some level of international travel bans in place. This is an increase from the previous reporting period where Japan, Russia and Japan did not have any restrictions.



Country	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7
Brazil			YES	YES	YES	TSE	TSE
China					TSE		TSE
France	YES	YES	TSE	YES	YES		YES
Germany	YES						
India		YES	YES	YES	YES	YES	YES
Italy	YES	YES	YES	YES	YES	YES	TSE
Japan	TSE	YES	YES	YES	YES	NO	YES
Russia	YES	YES	YES	YES	YES	NO	YES
South Korea		YES	TSE	YES	YES	TSE	TSE
Spain	YES	YES	YES	YES	YES	YES	TSE
Turkey	YES						
United Kingdom	TSE	TSE	TSE	TSE	TSE	NO	TSE
USA	TSE	TSE	TSE	TSE	TSE	TSE	YES

TSE = To some extent

Q3

What is the one biggest concern relative to agricultural equipment manufacturing being raised today by members of your association because of the COVID-19 pandemic?

Each country has many concerns relating to Covid-19. These concerns range from a predominance in the downturn in demand, to a lack of transportation, supply chain disruptions, health and safety issues, loss of working capital, and an urgent need of redeployment and reindustrialization.

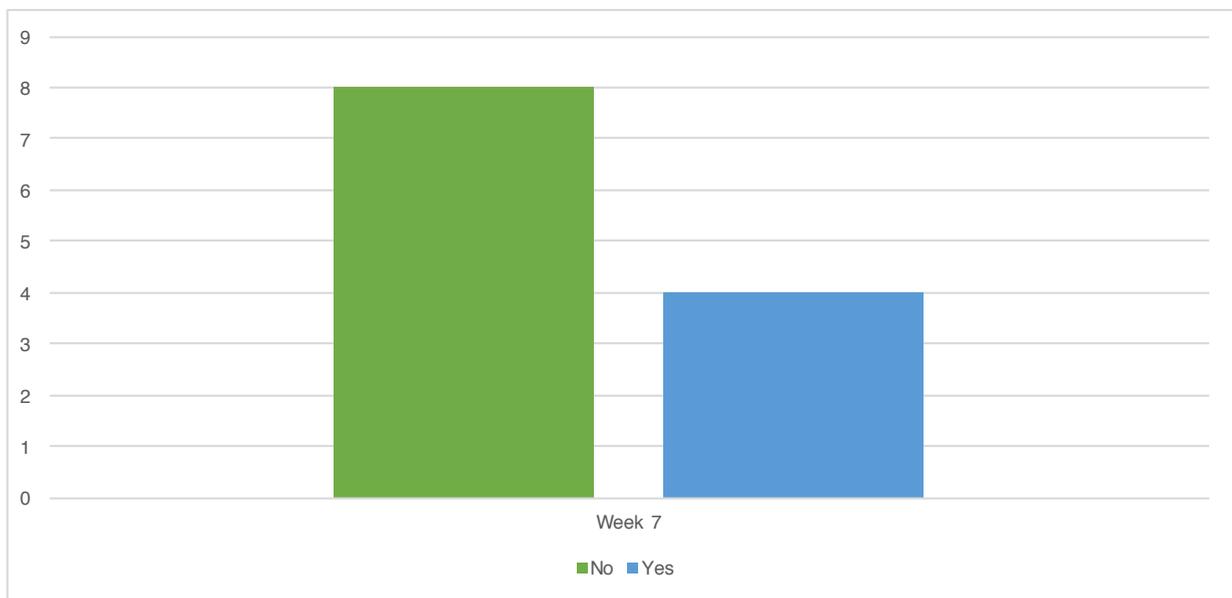
Country	Week 7
Brazil	The lack of transportation
China	Export, material supply
France	Financial support to farmers
Germany	
India	Lack of liquidity and reduce investment appetite at company's and buyer end
Italy	Trend of demand
Japan	Farmers' willingness to consume is declining
Russia	There are no acute problems associated with COVID-19. We can indicate some difficulties with domestic and international logistics.
South Korea	Money for running a business
Spain	An urgent need of redeployment and reindustrialisation
Turkey	Foreign demand situation
United Kingdom	Downturn in orders
USA	Health & safety of employees



Q4

Is the agricultural equipment manufacturing sector receiving any government financial support during the COVID-19 pandemic?

At this point only the United States, UK, Russia, and Italy are providing financial support to the agricultural equipment manufacturing sector. No other countries are receiving any additional financial support due to the pandemic.

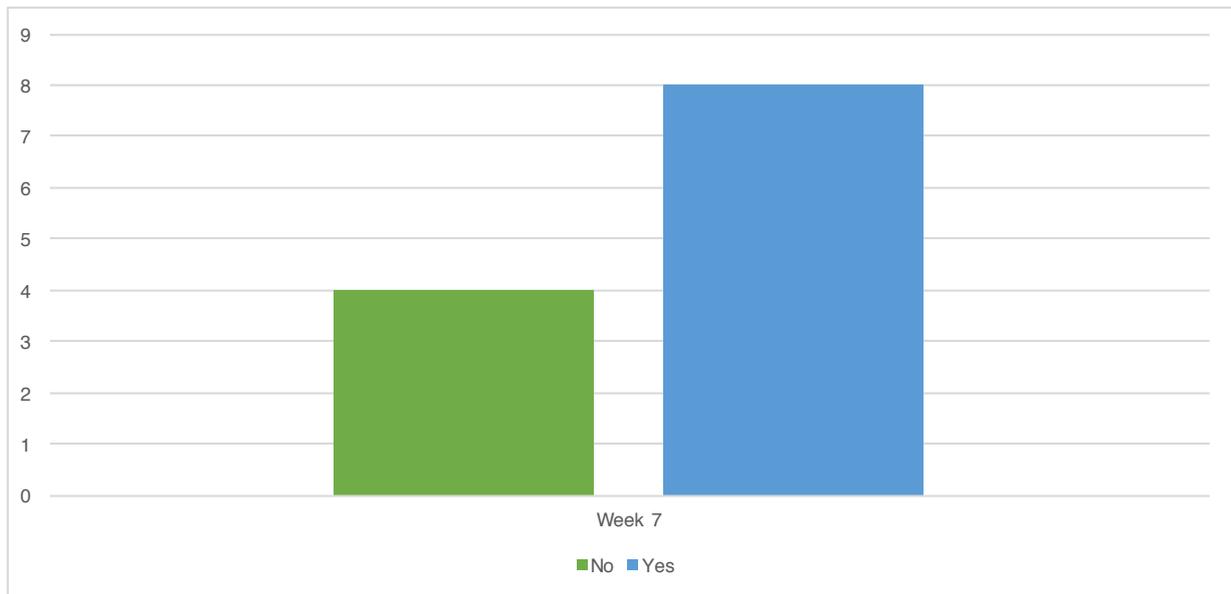


Country	Week 7
Brazil	NO
China	NO
France	NO
Germany	
India	NO
Italy	YES
Japan	NO
Russia	YES
South Korea	NO
Spain	NO
Turkey	NO
United Kingdom	YES
USA	YES

Q5

Is the agricultural equipment manufacturing sector receiving any administrative or similar support that loosens restrictions or policies during the COVID-19 pandemic?

Over half of the reporting countries have loosen some restrictions or policies to allow companies to continue to transact business during these challenging times. France, Italy, Japan, and Turkey have not seen any changes to their administrative support at this time.

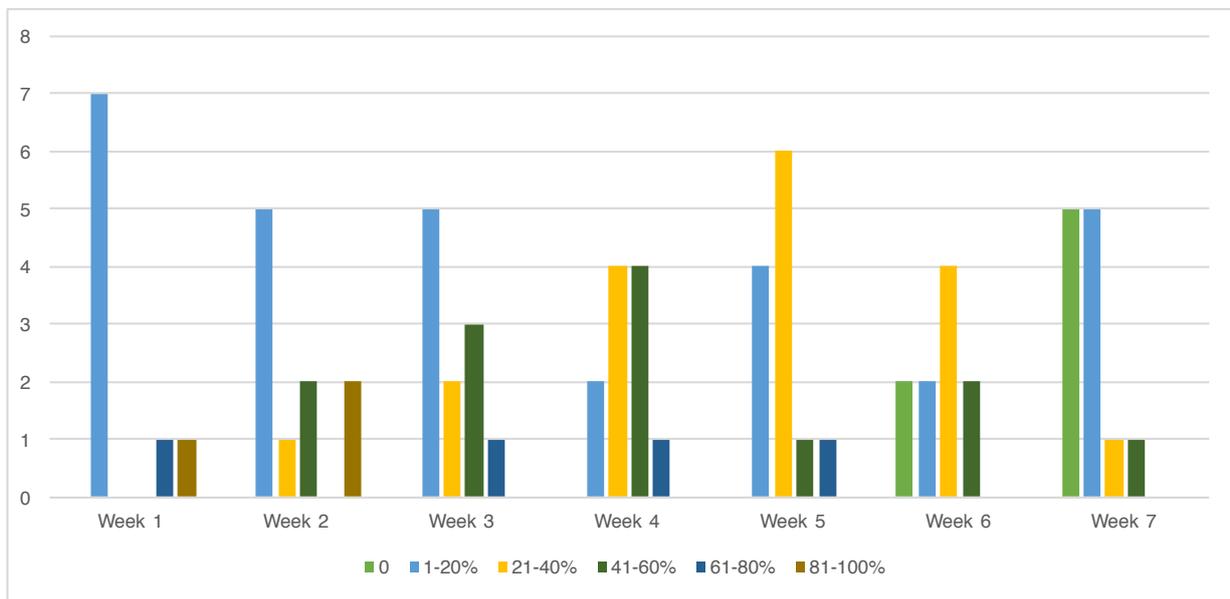


Country	Week 7
Brazil	YES
China	YES
France	NO
Germany	
India	YES
Italy	NO
Japan	NO
Russia	YES
South Korea	YES
Spain	YES
Turkey	NO
United Kingdom	YES
USA	YES

Q6

What percent of manufacturing facilities are closed in your country as a result of the COVID-19?

A significant change has taken place over the last two weeks with manufacturing facilities previously closed due to Covid-19 are now coming back online. Half of the reporting member countries of the Agrievolution Alliance now report no closures of any facilities. Four regions report 1-20% of factories remaining closed with India reporting 21-40% and Brazil 41-60% and Brazil 41-60% respectively.

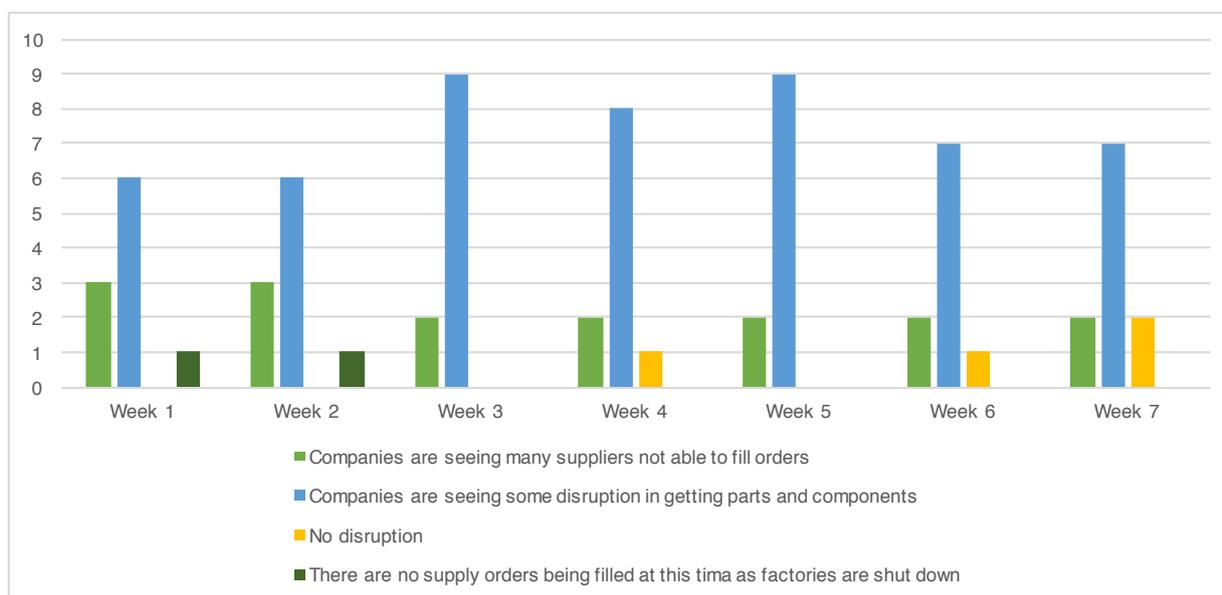


Country	Week 4	Week 5	Week 6	Week 7
Brazil	41-60%	21-40%	41-60%	41-60%
China		1-20%		0%
France	21-40%	21-40%		1-20%
Germany				
India	61-80%	61-80%	21-40%	21-40%
Italy	41-60%	1-20%	1-20%	0%
Japan	41-60%	41-60%	41-60%	1-20%
Russia	21-40%	21-40%	0%	0%
South Korea	21-40%	21-40%	21-40%	1-20%
Spain	1-20%	1-20%	0%	0%
Turkey	1-20%	1-20%	1-20%	0%
United Kingdom	41-60%	21-40%	21-40%	1-20%
USA	21-40%	21-40%	21-40%	1-20%

Q7

Which statement below best describes the current situation relating to any disruption in the agriculture equipment manufacturing supply chain with parts and components?

Most agricultural equipment manufacturers continue to report some disruptions in their supply chains. Brazil and China continue to report many suppliers are still not able to fill their orders. The United Kingdom currently reports no disruptions in their supply chains.



Country	Week 4	Week 5	Week 6	Week 7
Brazil	NA	NA	NA	NA
China		SD		NA
France	SD			SD
Germany				
India	SD	SD	SD	SD
Italy	NA	SD	SD	SD
Japan	SD	NA	NA	SD
Russia	SD	SD	SD	SD
South Korea	SD	SD	SD	SD
Spain	SD	SD	SD	ND
Turkey	SD	SD	SD	
United Kingdom	ND	SD	ND	ND
USA	SD	SD	SD	SD

ND = No disruption

SD = Companies are seeing some disruption in getting parts and components

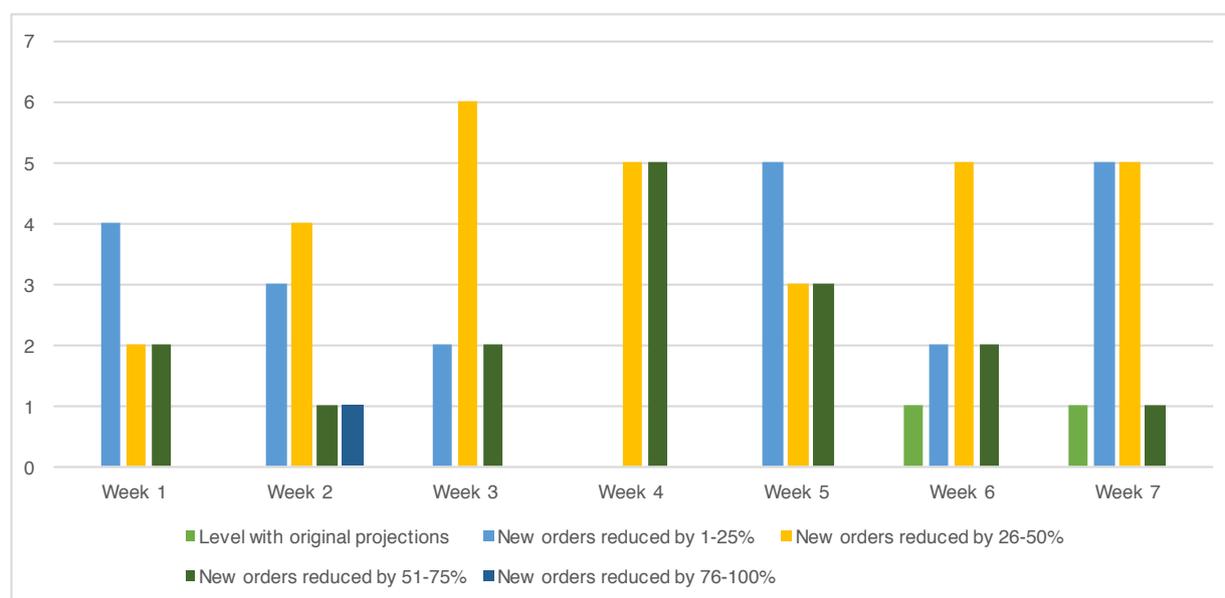
NA = Companies are seeing many suppliers not able to fill orders

SH = There are no supply orders being filled at this time as factories are shut down

Q8

What is the economic impact on new orders being taken for agriculture equipment whole goods?

All countries continue to report an overall reduction in orders for whole goods with Turkey reporting the most negative impact with a reduction in orders between 51-75%. This is a further deterioration in order expectations for Turkey compared to the last survey. South Korea has also further reduced expectations for orders now reporting orders down 26-50% where previously survey results they reported orders down 1-25%. Brazil, Italy, Japan, and the United States are reporting slightly more positive indications in new orders compared to the last reporting period.



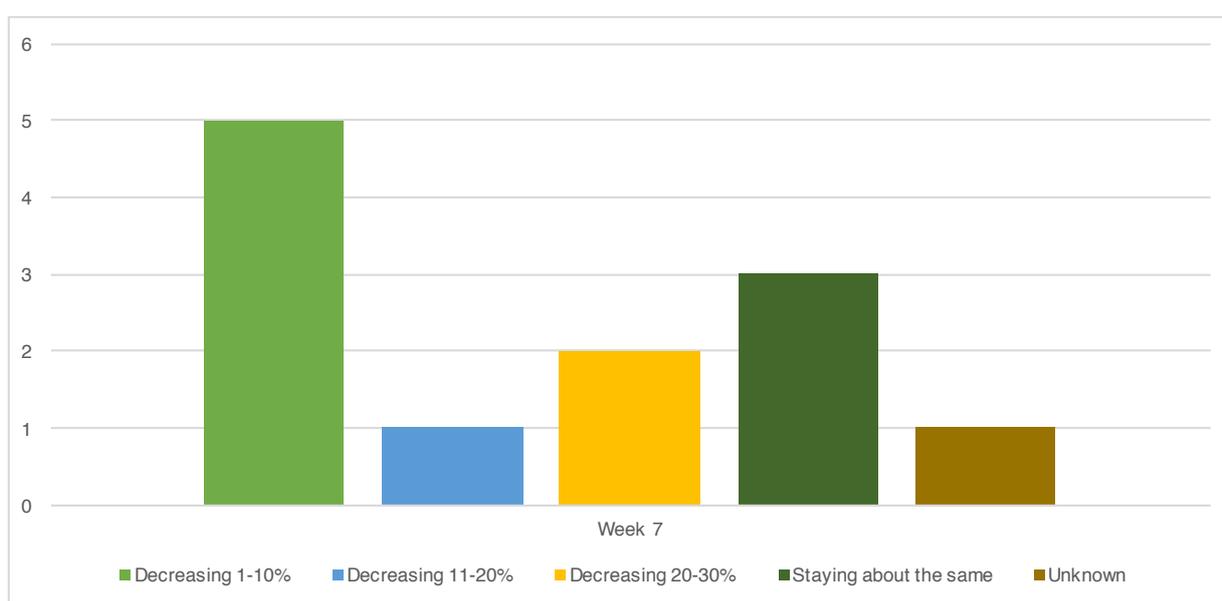
Country	Week 4	Week 5	Week 6	Week 7
Brazil	↓ [26-50%]	↓ [51-75%]	↓ [51-75%]	↓ [26-50%]
China		↓ [1-25%]		↓ [1-25%]
France	↓ [51-75%]			↓ [1-25%]
Germany				
India	↓ [51-75%]	↓ [51-75%]	↓ [26-50%]	↓ [26-50%]
Italy	↓ [26-50%]	↓ [1-25%]	↓ [26-50%]	↓ [1-25%]
Japan	↓ [51-75%]	↓ [51-75%]	↓ [51-75%]	↓ [26-50%]
Russia		↓ [1-25%]	L	L
South Korea	↓ [26-50%]	↓ [1-25%]	↓ [1-25%]	↓ [26-50%]
Spain	↓ [51-75%]	↓ [26-50%]	↓ [26-50%]	↓ [26-50%]
Turkey	↓ [51-75%]	↓ [26-50%]	↓ [26-50%]	↓ [51-75%]
United Kingdom	↓ [26-50%]	↓ [1-25%]	↓ [1-25%]	↓ [1-25%]
USA	↓ [26-50%]	↓ [26-50%]	↓ [26-50%]	↓ [1-25%]

L = Level with original projections prior to the onset of Covid 19 in our country

Q9

What is the impact on employment at member companies because of COVID-19?

Employment levels are now being negatively impacted significantly in some areas. Brazil and South Korea report a reduction between 20-30% while Spain also shows a substantial decrease in employment between 11-20%. China, India, Turkey, United Kingdom, and the United States all report employment reductions between 1-20% while Italy, Japan, and Russia see no change in the current employment levels.



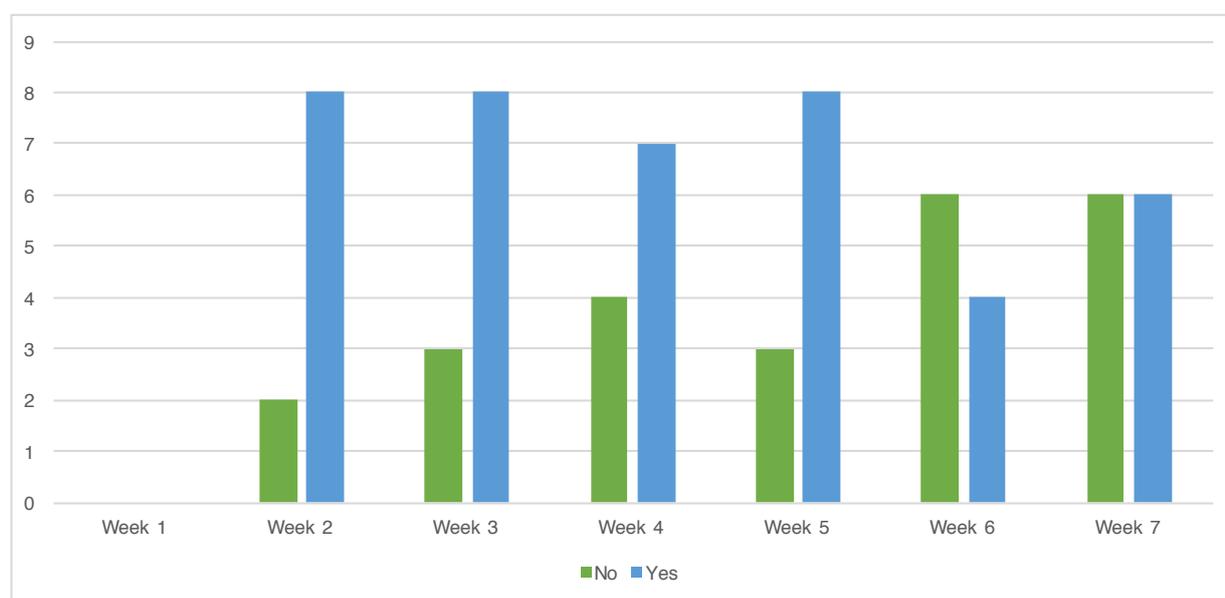
Country	Week 7
Brazil	↓ [20-30%]
China	↓ [1-10%]
France	Unknown
Germany	
India	↓ [1-10%]
Italy	TS
Japan	TS
Russia	TS
South Korea	↓ [20-30%]
Spain	↓ [11-20%]
Turkey	↓ [1-10%]
United Kingdom	↓ [1-10%]
USA	↓ [1-10%]

TS = Staying about the same

Q10

Are your members experiencing issues with the transport of parts or equipment due to the closing of borders?

No substantial changes from the last reporting period relating to disruptions in the transportation of parts or equipment due to the closing of borders. Half of reporting countries indicate no issues due to border closures.



Country	Week 4	Week 5	Week 6	Week 7
Brazil	YES	YES	YES	YES
China		YES		NO
France	NO			YES
Germany				
India	YES	YES	YES	YES
Italy	NO	NO	NO	NO
Japan	YES	YES	YES	YES
Russia	YES	YES	NO	NO
South Korea	YES	YES	NO	YES
Spain	NO	NO	NO	NO
Turkey	YES	YES	NO	NO
United Kingdom	NO	NO	NO	NO
USA	YES	YES	YES	YES



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