

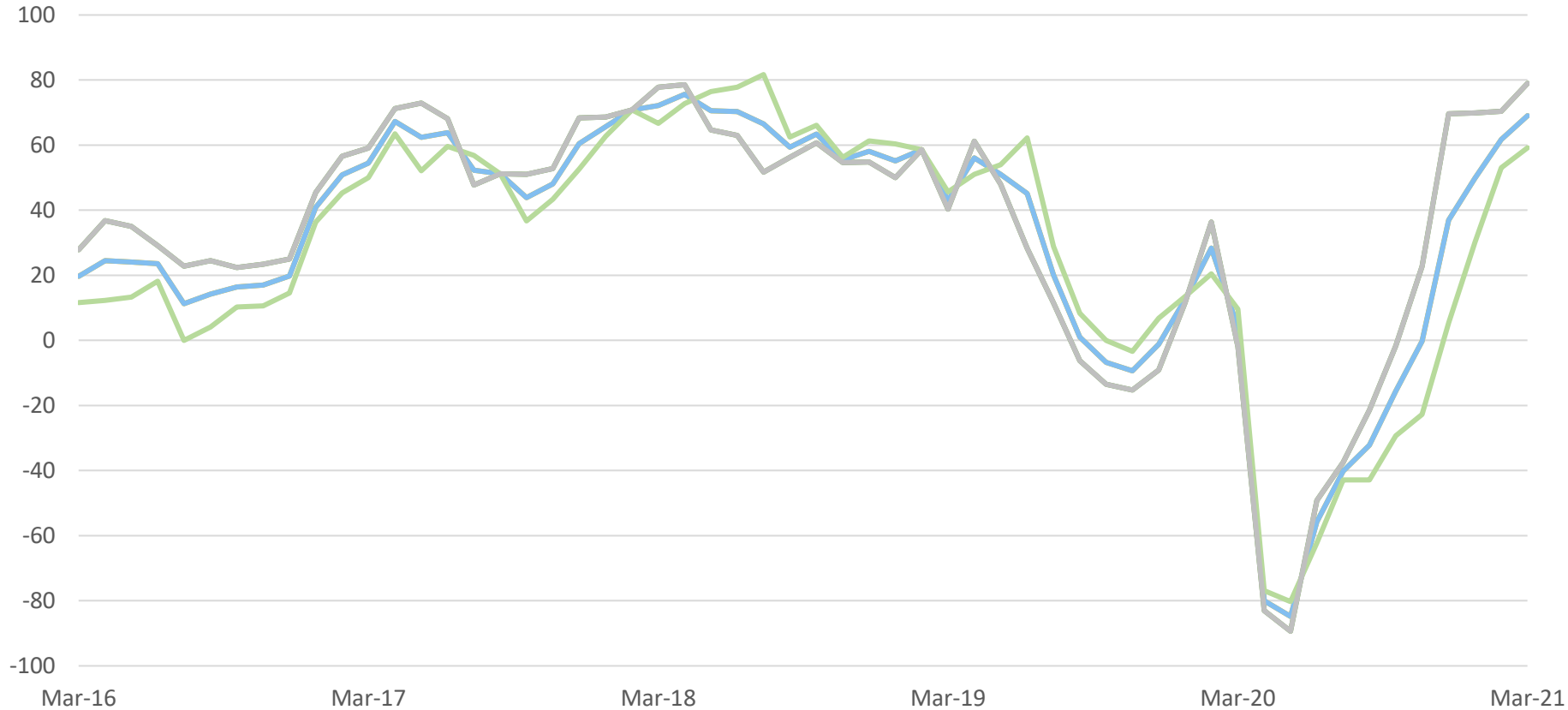
The background features a collage of financial data visualizations. At the top, a line chart with multiple colored lines (blue, green, purple) tracks data points across months from February to August. Below this, a bar chart with green bars shows an upward trend from February to December. A magnifying glass with a black handle and frame is positioned in the center, focusing on the bar chart. The text 'Riccardo Viaggi' and 'CECE Secretary General' is overlaid on the left side within a white circular area.

Riccardo Viaggi
CECE Secretary General

2021 outlook

#WEMAKE2BUILD

CECE Business Climate Index



March 2021 Business Barometer Survey - CECE

Business Index Current Business Situation Future Expectations

Monthly Business Barometer

Leading manufacturers

Recent increase in participants

One respondent per company

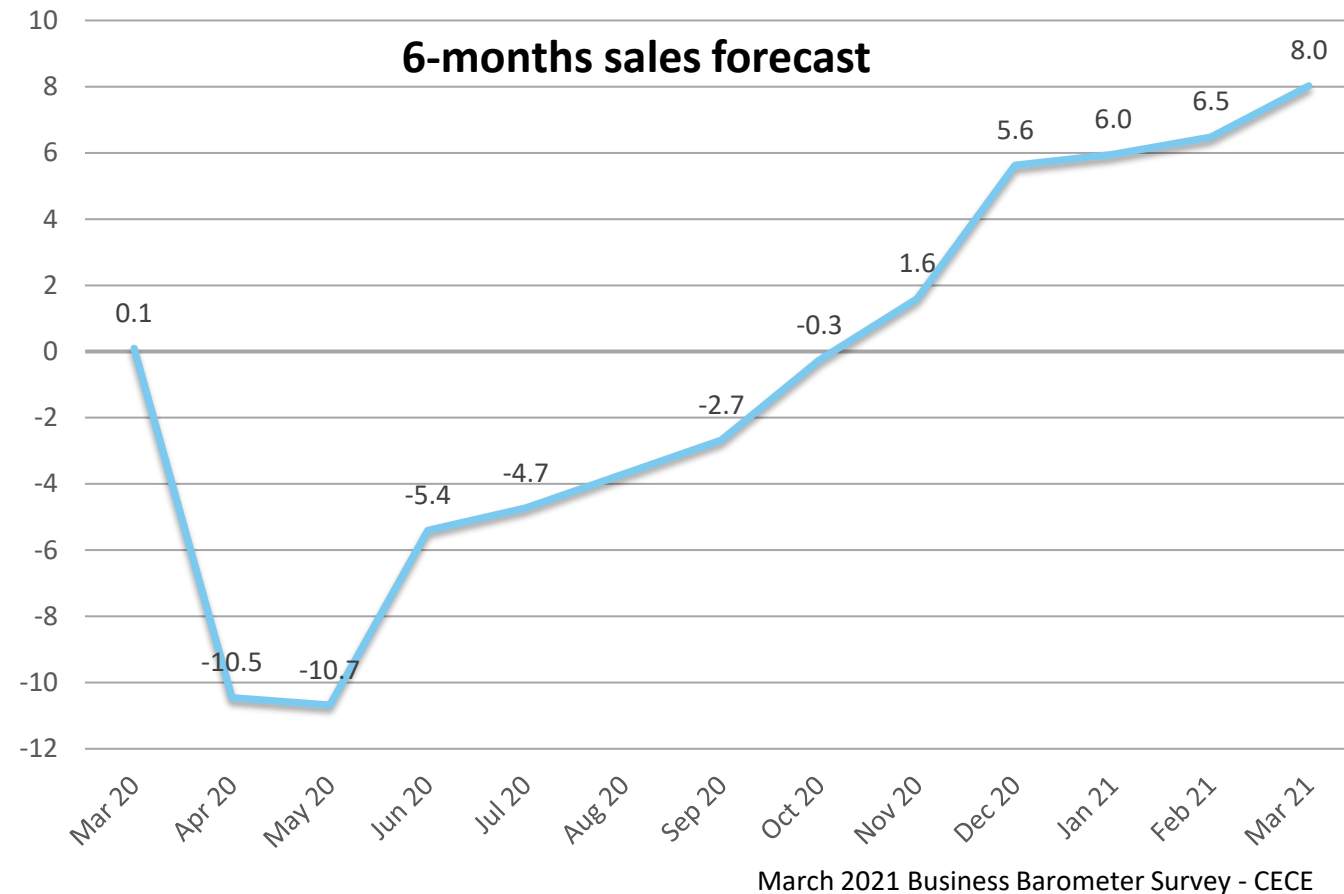
Business Index at high level

Expectations on the future at
highest levels in many years

Forecasting is challenging but optimism is evident

Commercial outlook

- 🔍 Positive for European markets
 - 🔍 Stability in Northern & Central Europe, modest upturn in South & East, recovery possible in UK
- 🔍 Great expectations from US market
 - 🔍 Easing trade tensions, new fiscal stimulus & infrastructure investments
- 🔍 Indian market back to growth in 2021



+5% in sales for 2021 seems possible

Forecasting is challenging but optimism is evident

🔍 Supply chain & shipping main concern

🔍 Opposite story from September

🔍 Order books healthy: 33% at 3 months

🔍 Impact on workforce also positive

🔍 1/3 plan to hire

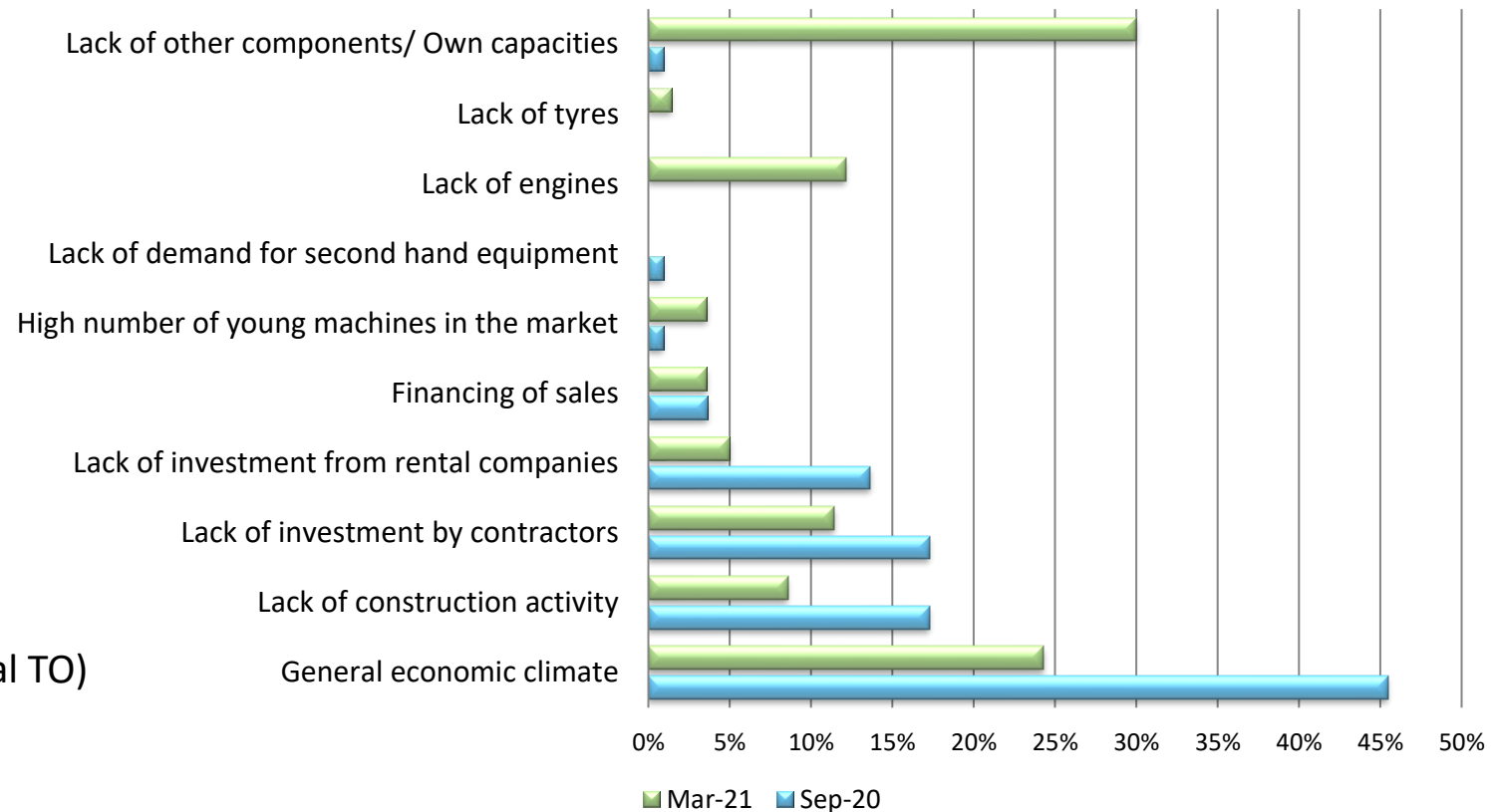
🔍 Only 3% plan to reduce

🔍 Pre-crisis levels not far away (2019 nominal TO)

🔍 34% back to it in 2021

🔍 49% back to it in 2022

Factors limiting sales



March 2021 Business Barometer Survey - CECE

The factors to be monitored

🔍 **European Recovery Plan**

- 🔍 Priority to construction & infrastructure – CECE to monitor
- 🔍 Financial resources to be rolled out in second half of 2021
- 🔍 National debates being very different & ability to spend is the key variable
- 🔍 Huge financial allocations to Italy & Spain

🔍 **Long-term trends unstable**

- 🔍 Fiscal consolidation after stimulus programmes – back to austerity?
- 🔍 Urbanisation to slow down?
- 🔍 Home-office & smart working to pick up

🔍 **The China factor**

- 🔍 Impressive performance in 2020 – still growth in 2021: record absolute volume?
- 🔍 Generally profitable for Chinese OEMs
- 🔍 Will landing be soft or hard, after these steep increases?