Association of Equipment Manufacturers

Agrievolution ASP Ag Indexes, U.S.
4th Quarter, 2024

February 2025

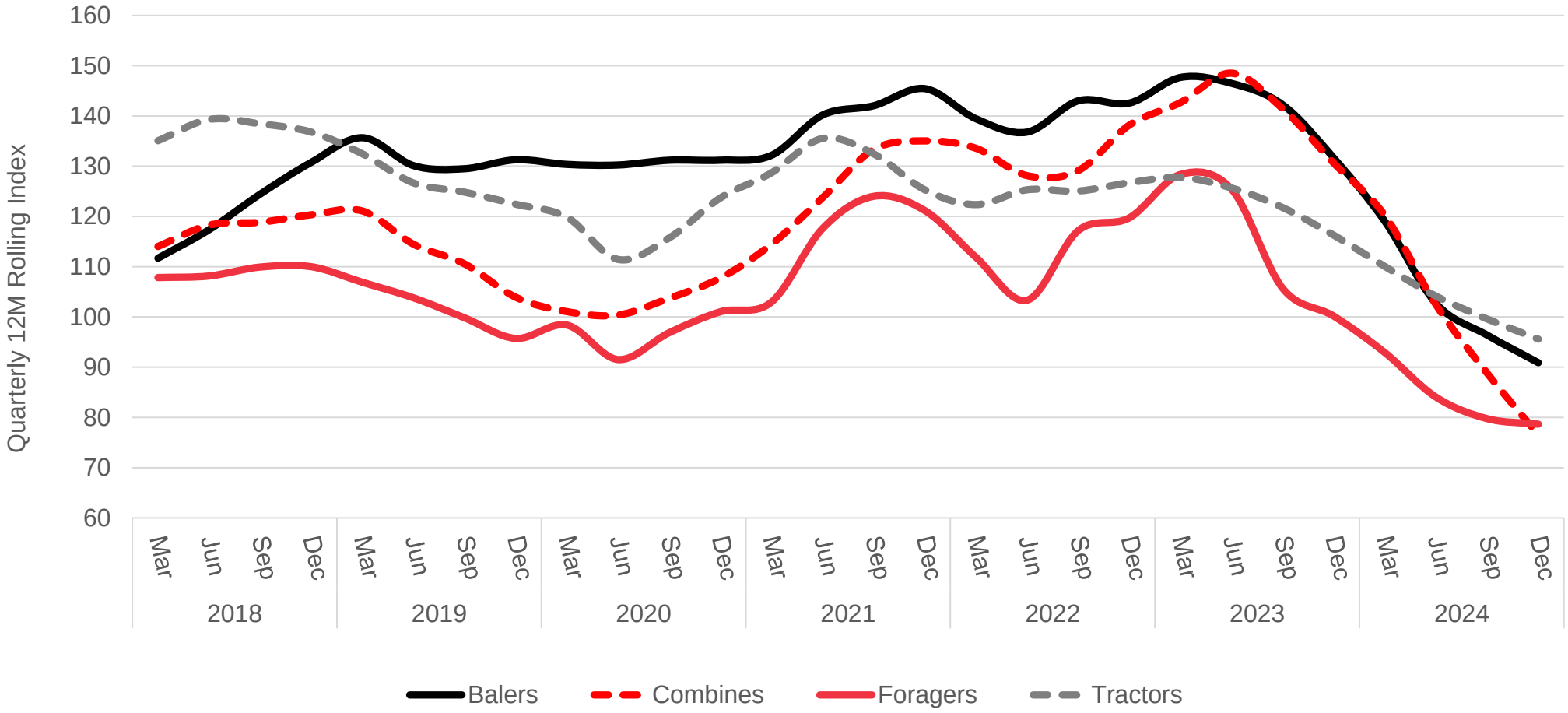
Long-Term Trend

Rolling 12M Index
All Products

Summary

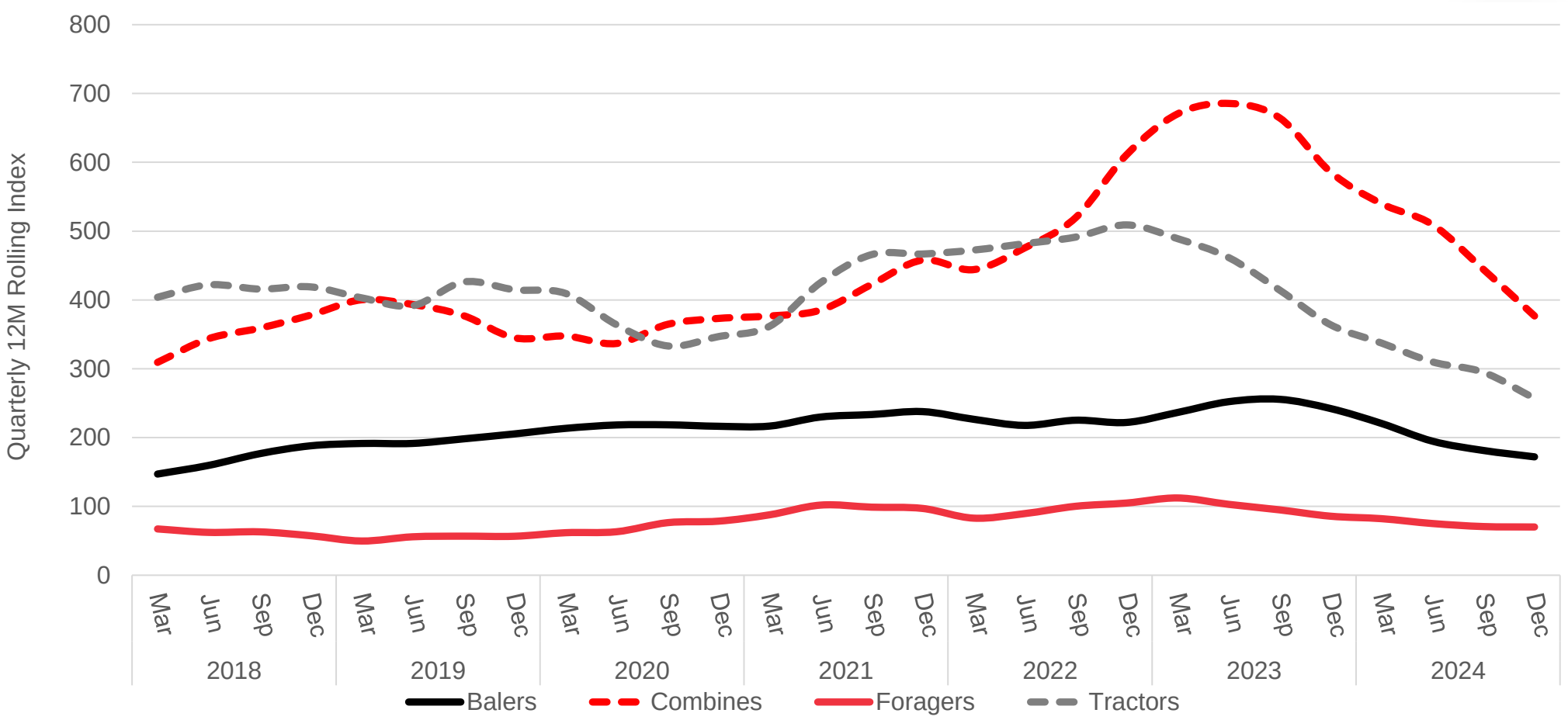
- Worldwide long-term shipment indexes of the four major equipment categories (i.e. rolling 12M indexes) continue their declining trend which began in the second quarter of 2023
- Worldwide combine and baler indexes have experienced the fastest decline, followed by forager and tractor indexes
- In the U.S., combine and tractor indexes decline the fastest, whereas forager index decline the slowest
- In Canada, while tractor and combine indexes continue to decline, forager and baler indexes have leveled-off in Q4
- These recent trends have been driven by global weakness in commodity prices which rose to unprecedented level in the aftermath of COVID-19 and the Russia-Ukraine war
- The agricultural sector is grappling with a surplus of grains and oilseeds, resulting in burgeoning stockpiles. This oversupply, coupled with a decline in net farming returns and reduced government support, has softened feed crop prices, thereby squeezing margins for hay and alfalfa producers. Additionally, improved pasture and grazing conditions have provided viable alternatives to feed crops, further diminishing demand. The liquidation of cattle and dairy herds has also contributed to this downward shift in demand. Farmers are facing high borrowing costs and a steep increase in equipment prices, leading to a growing inventory of used machinery and a decrease in the average age of their fleets.

Worldwide Indexes



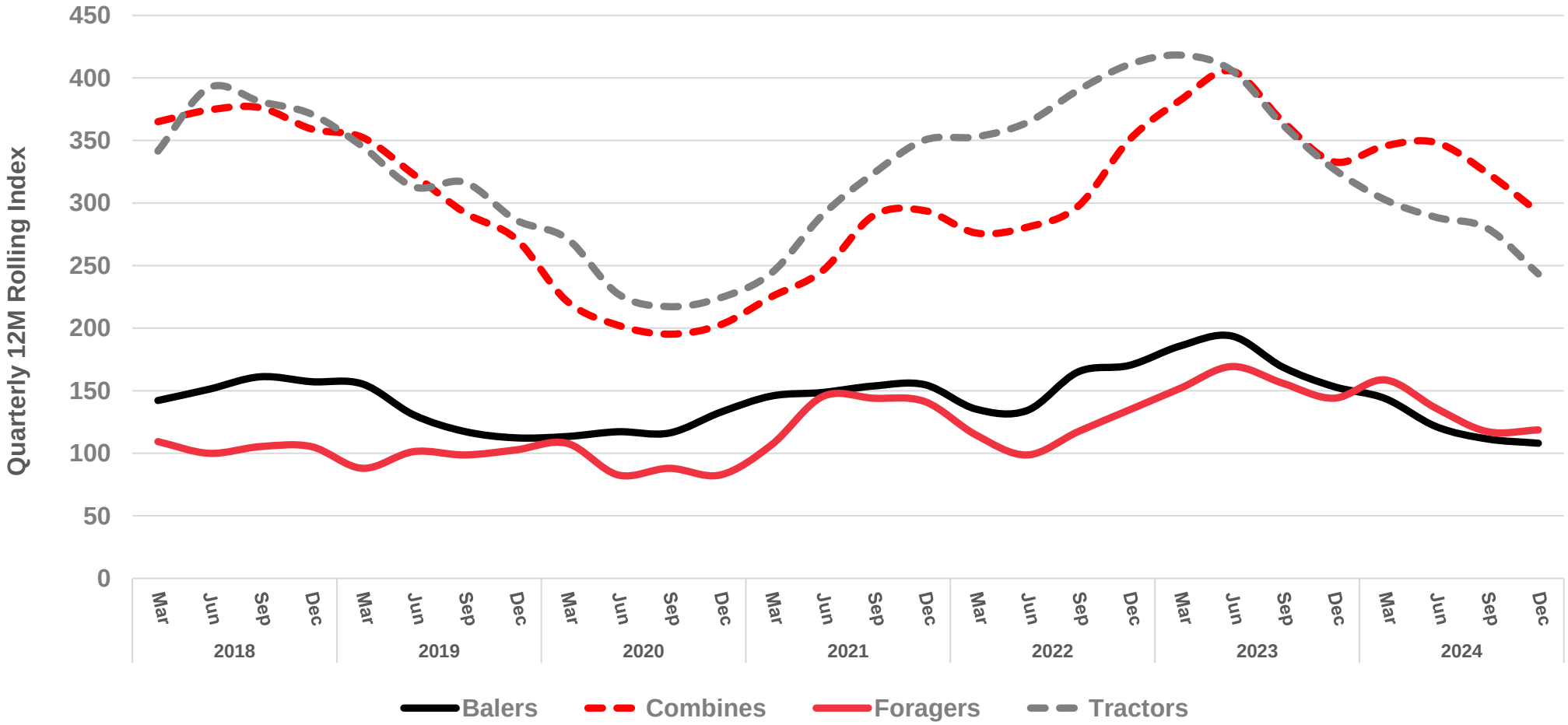
Source: Agrievolution Stats Program - Systematics

U.S. Indexes



Source: Agrievolution Stats Program - Systematics

Canada Indexes



Source: Agrievolution Stats Program - Systematics

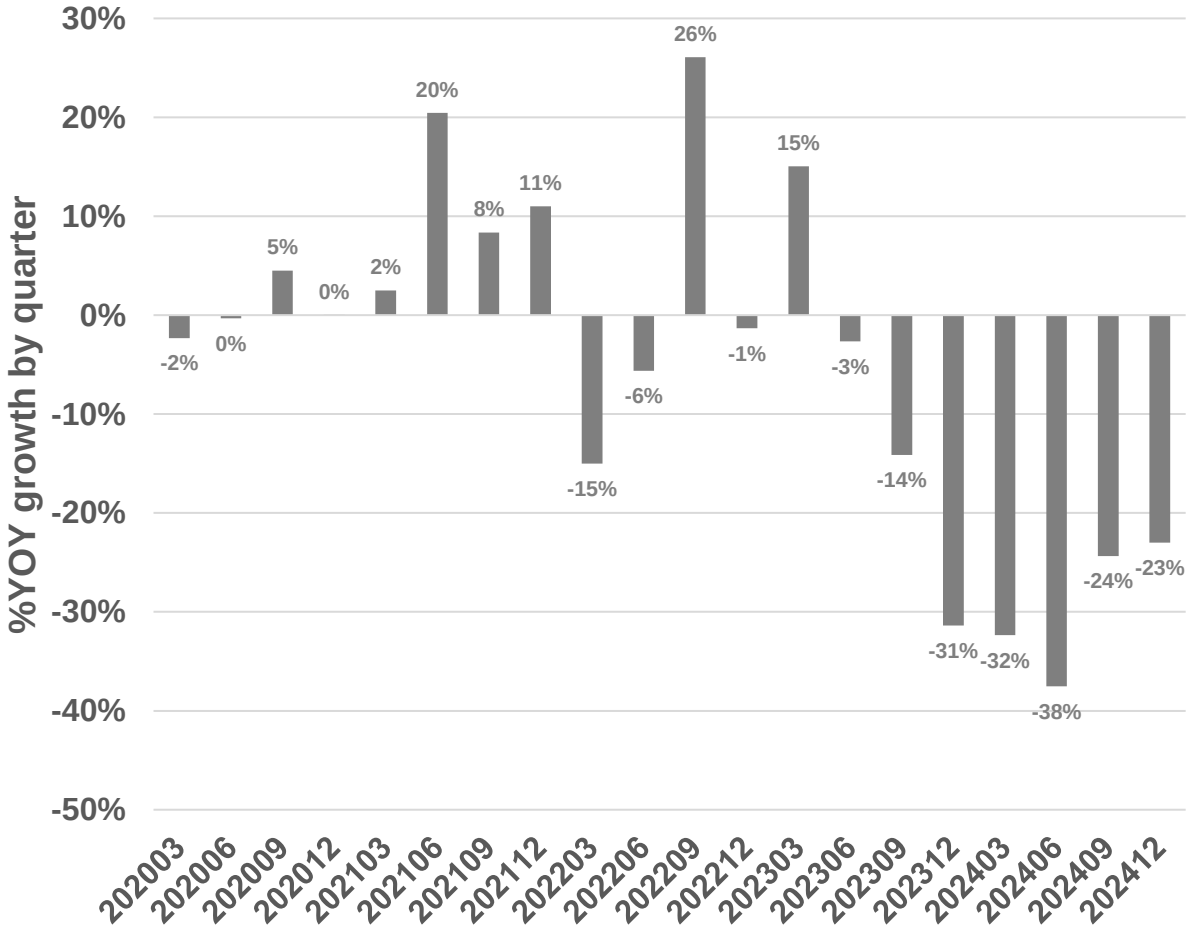
Balers

Summary

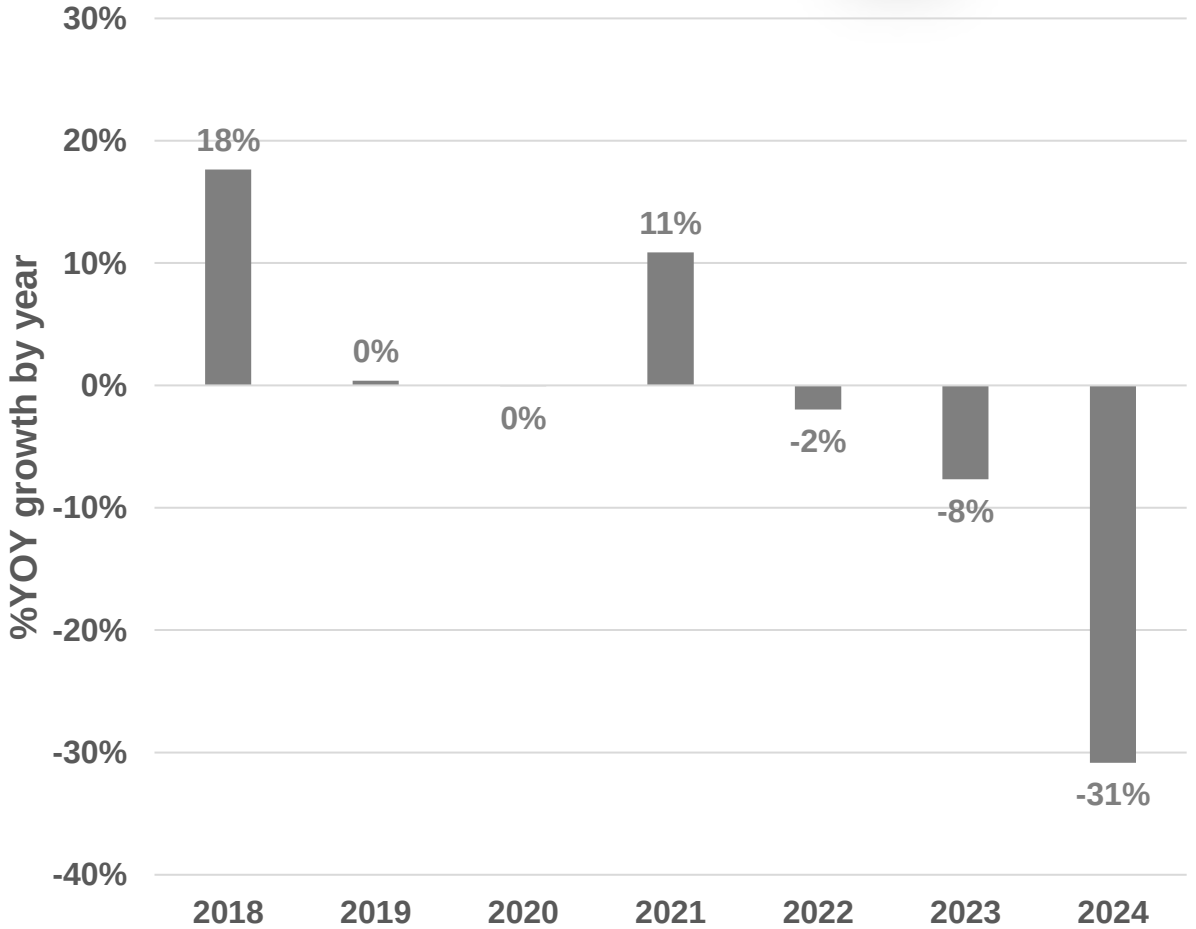
- As of December 2024, worldwide baler's shipments run 31% lower YOY, on average - the steepest recorded drop since the beginning of the program. This sizable drop results from five consecutive quarters of double-digit negative YOY growth rates
- The decline in shipments' long-term trend (i.e. rolling 12Index) is unprecedented and increases the odds of having a deep recession in global baler markets after a five-year period of upward long-term growth
- While the 2024 drop is almost ubiquitous amongst reporting regions. The largest drop is driven by weak demand in European and North American markets.
    - In the U.S., YTD balers' shipments dropped 29% YOY the steepest drop since the program started. The sizable drop comes after several years of modest to strong growth, except in 2022.
    - In Canada, YTD balers' shipments dropped 29% YOY the steepest drop since 2019. it represents the second consecutive drop after 10% decline in 2023 shipments

Worldwide Baler Index

%YOY Quarterly Index Growth



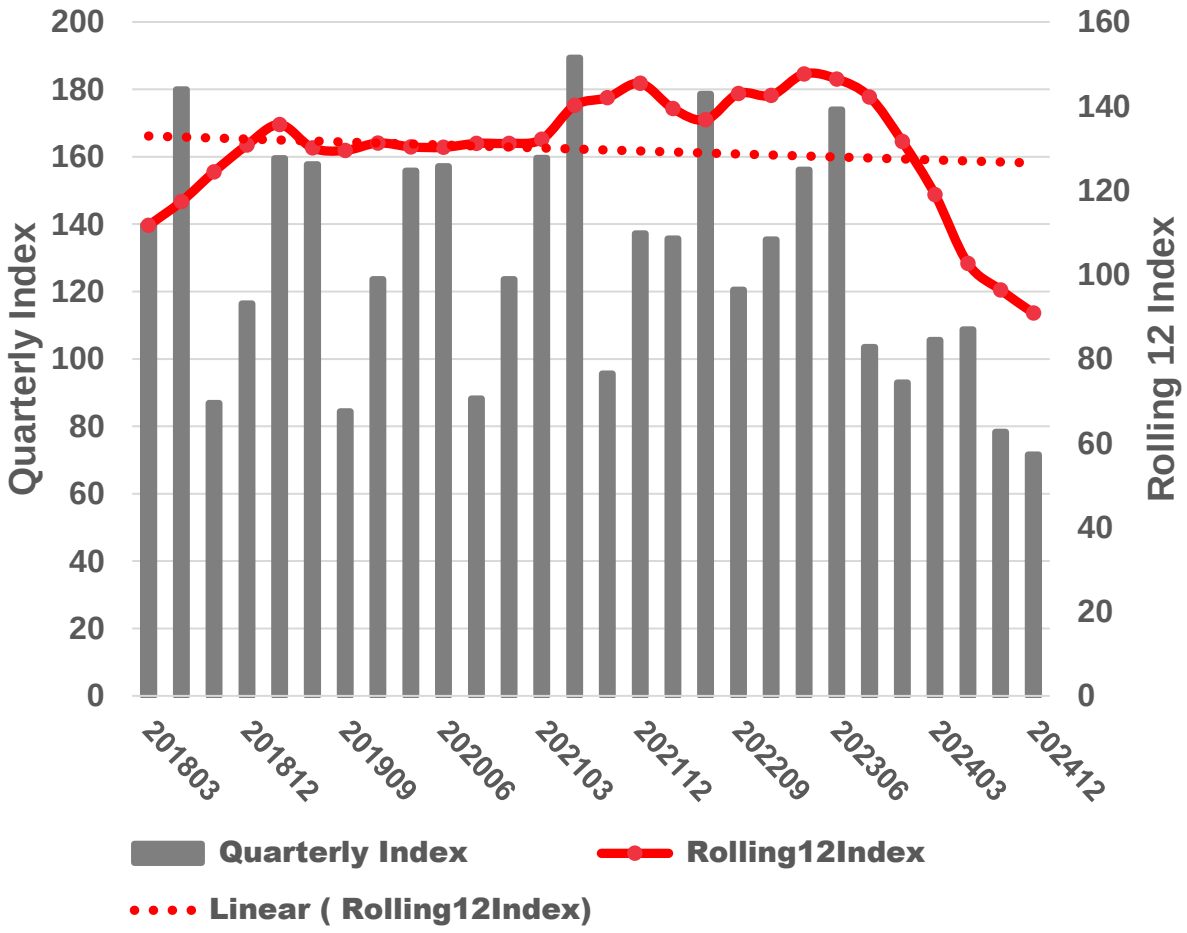
YTD Average Quarterly Index Growth



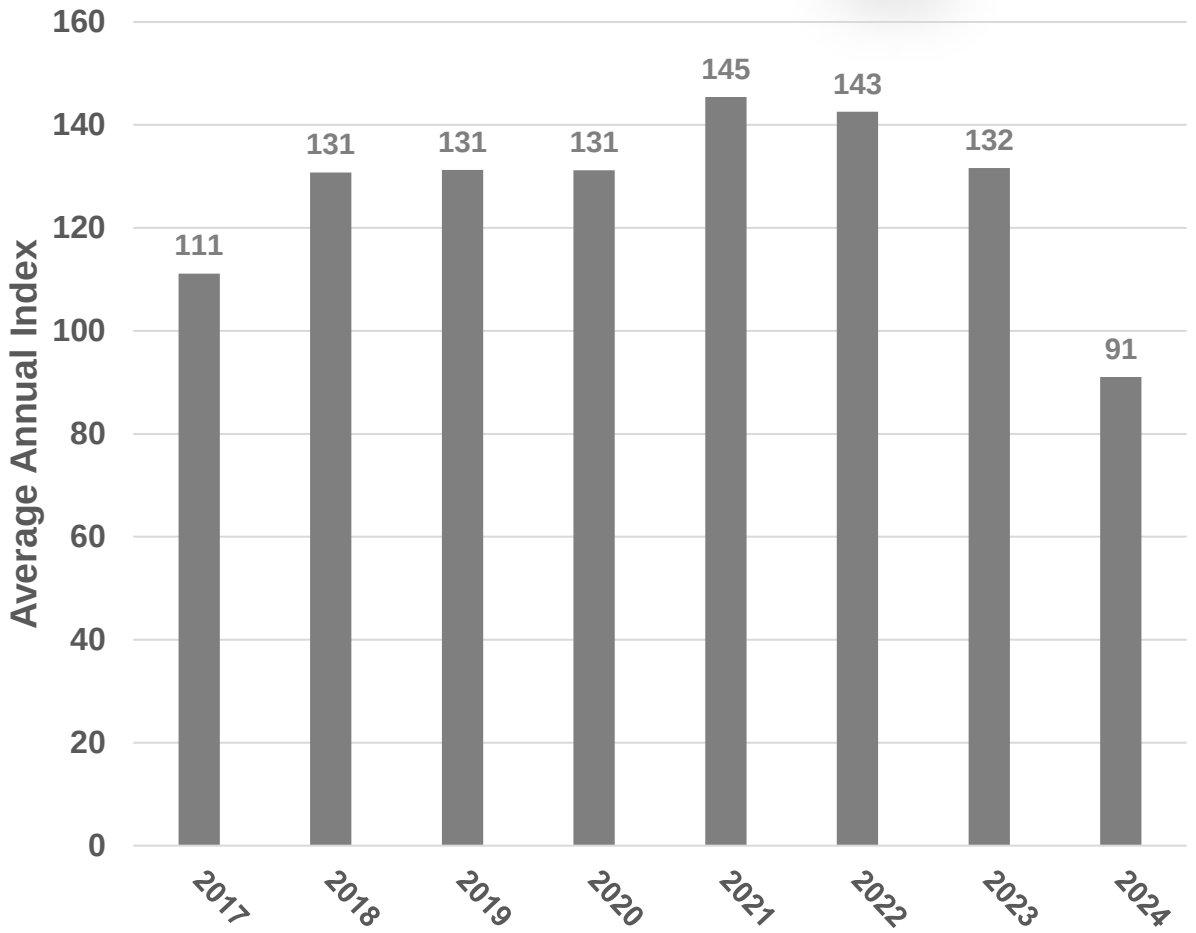
Source: Agrievolution Stats Program - Systematics

Worldwide Baler Index

Quarterly and Rolling12 Indexes



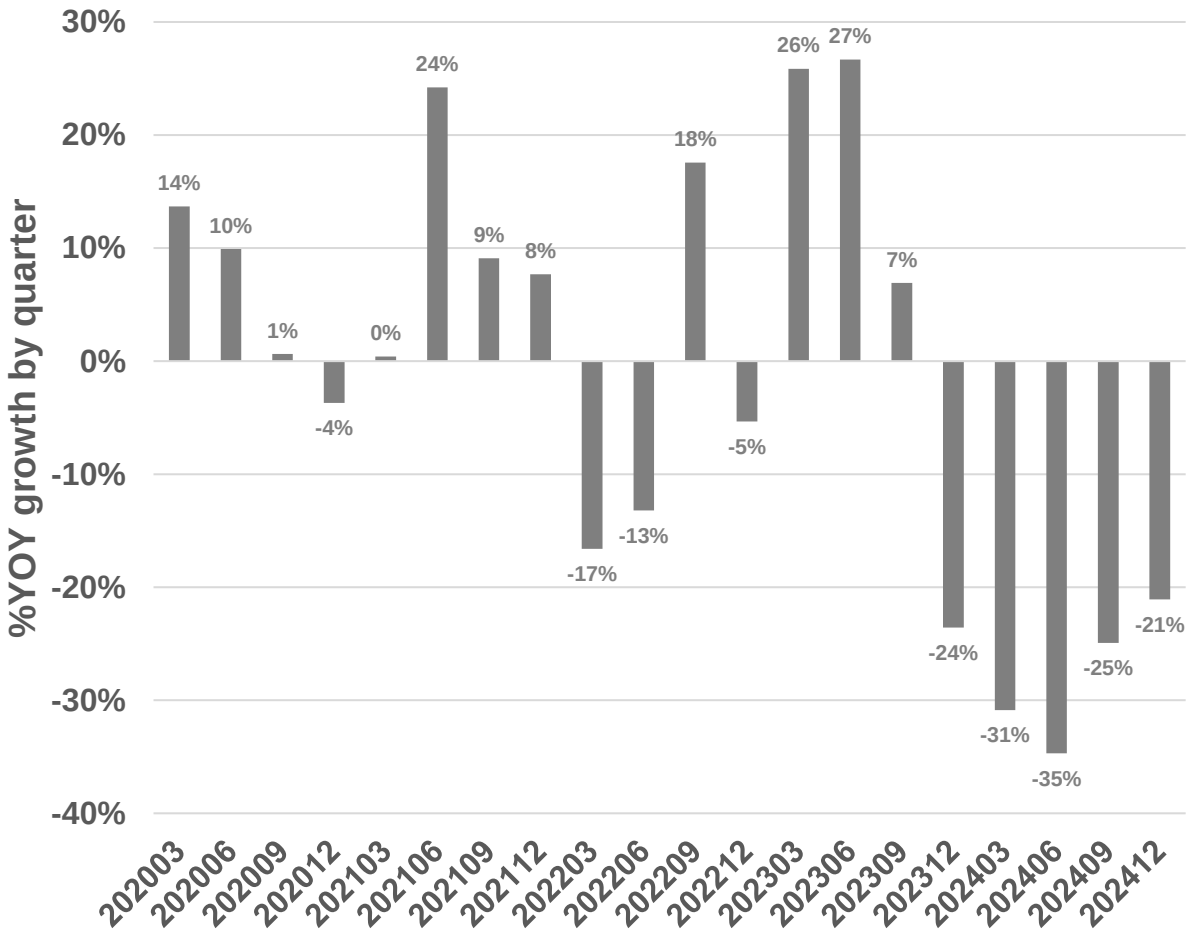
Average Yearly Index



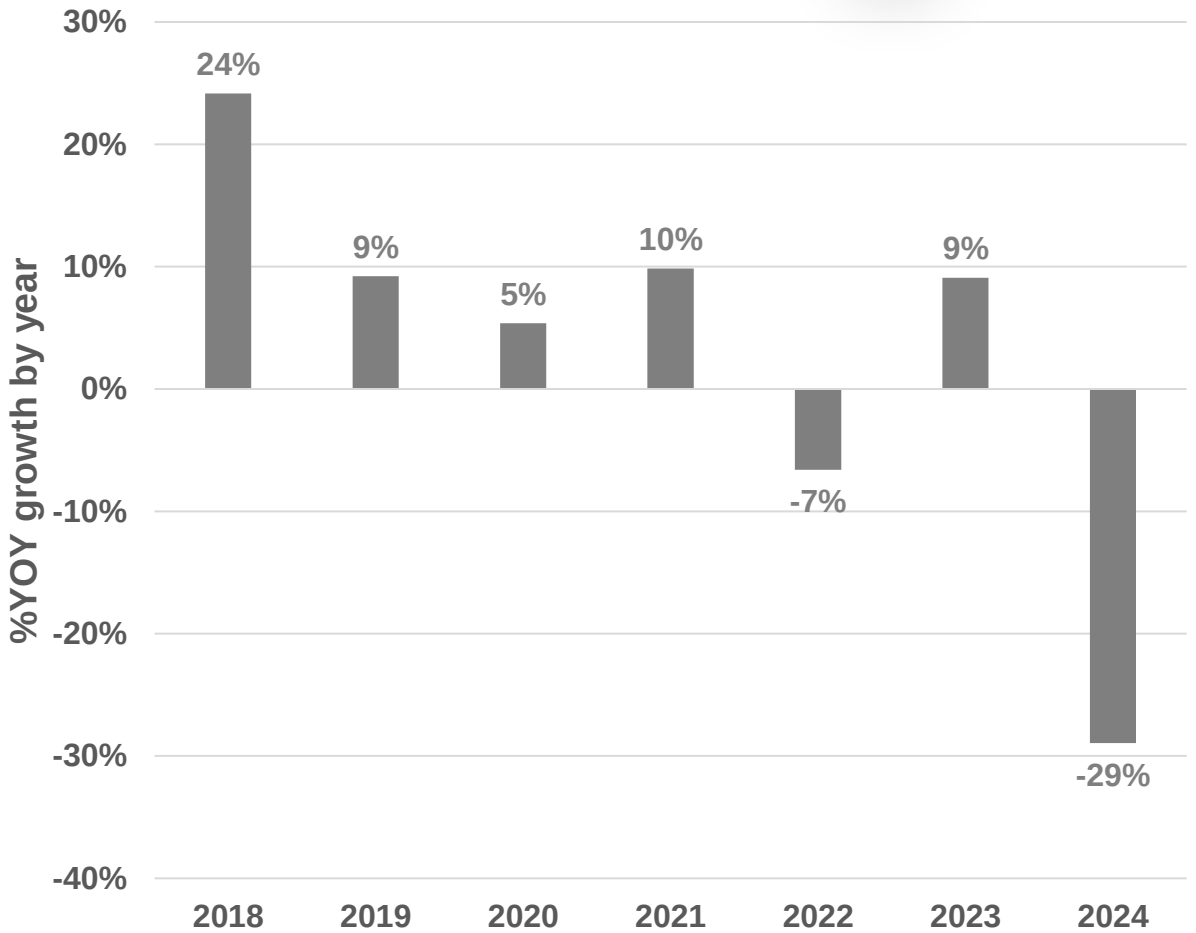
Source: Agrievolution Stats Program - Systematics

U.S. Baler Index

%YOY Quarterly Index Growth



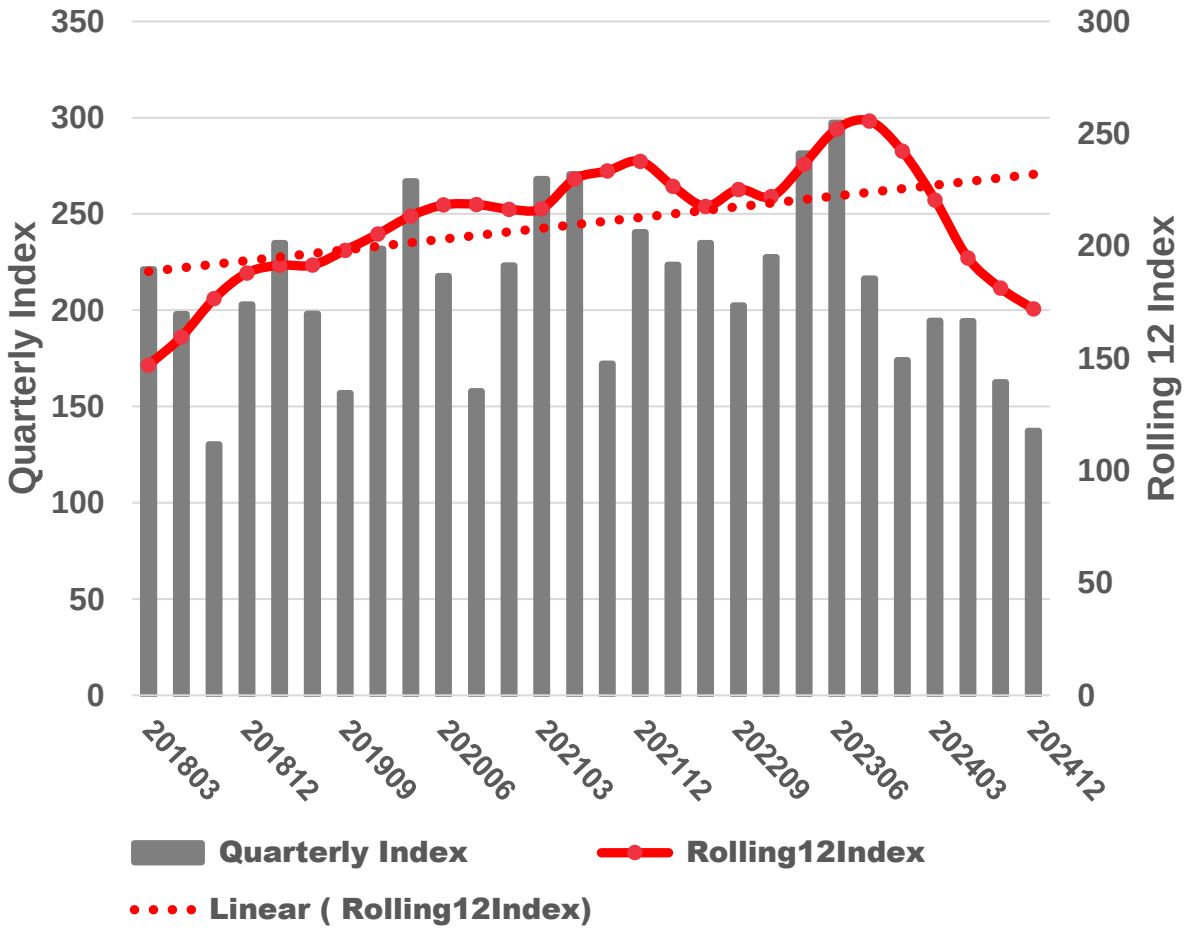
YTD Average Quarterly Index Growth



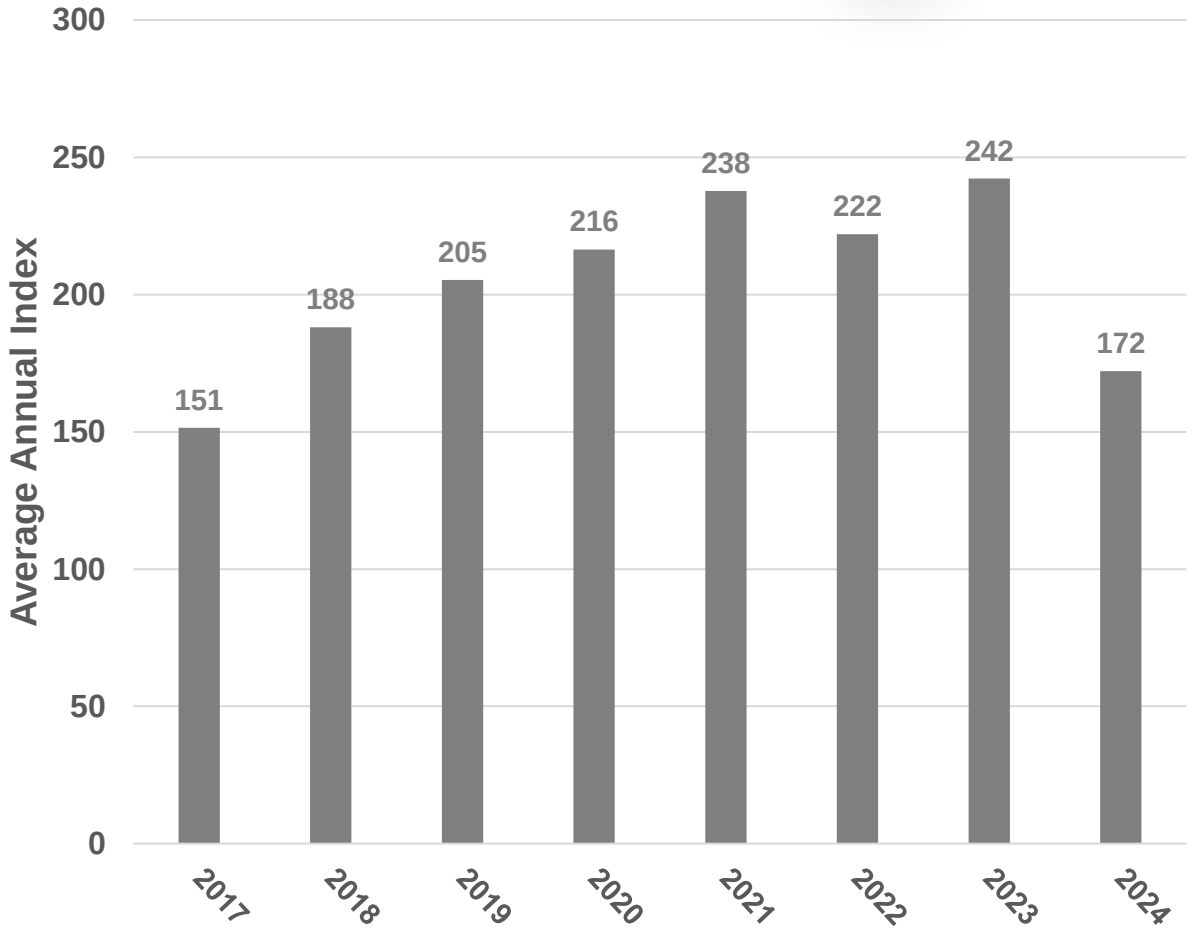
Source: Agrievolution Stats Program - Systematics

U.S. Baler Index

Quarterly and Rolling12 Indexes



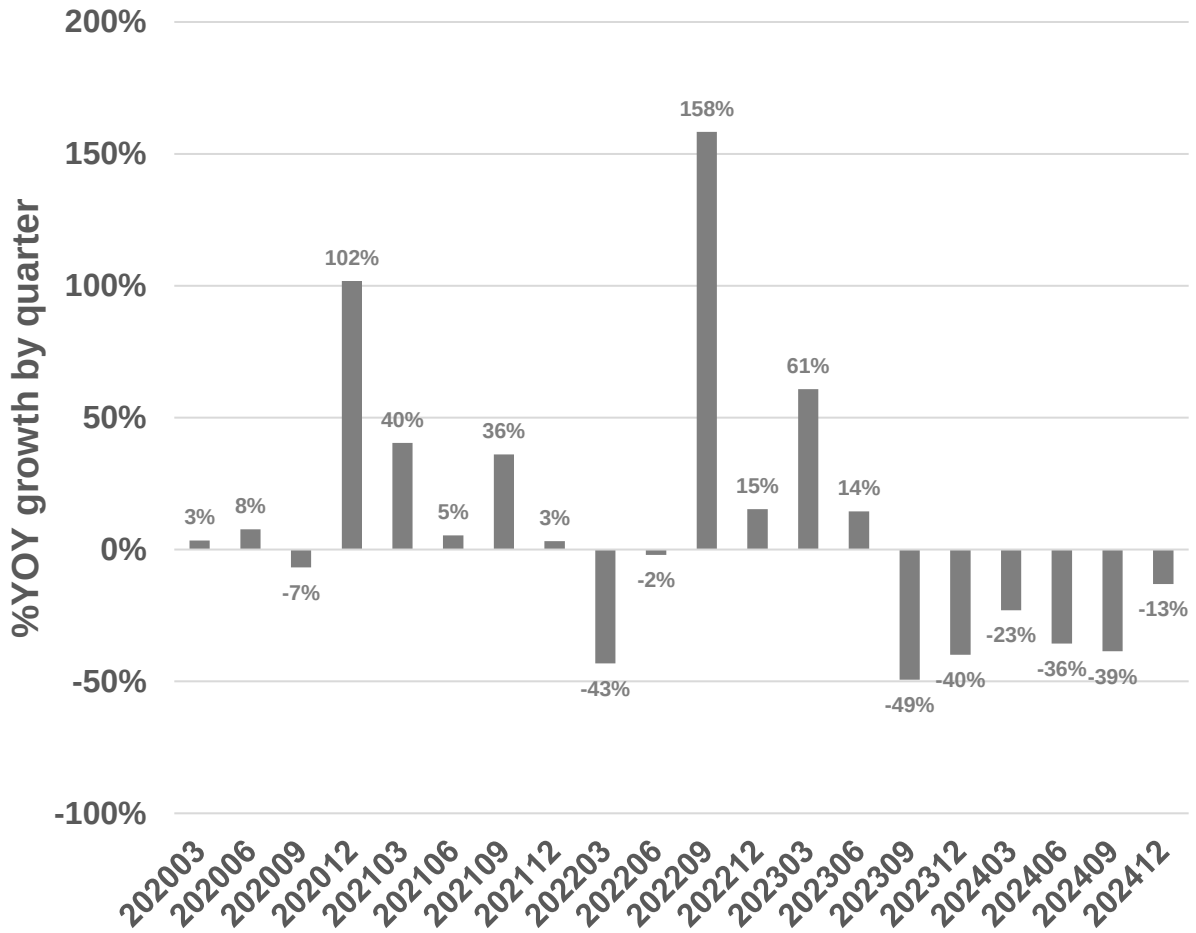
Average Yearly Index



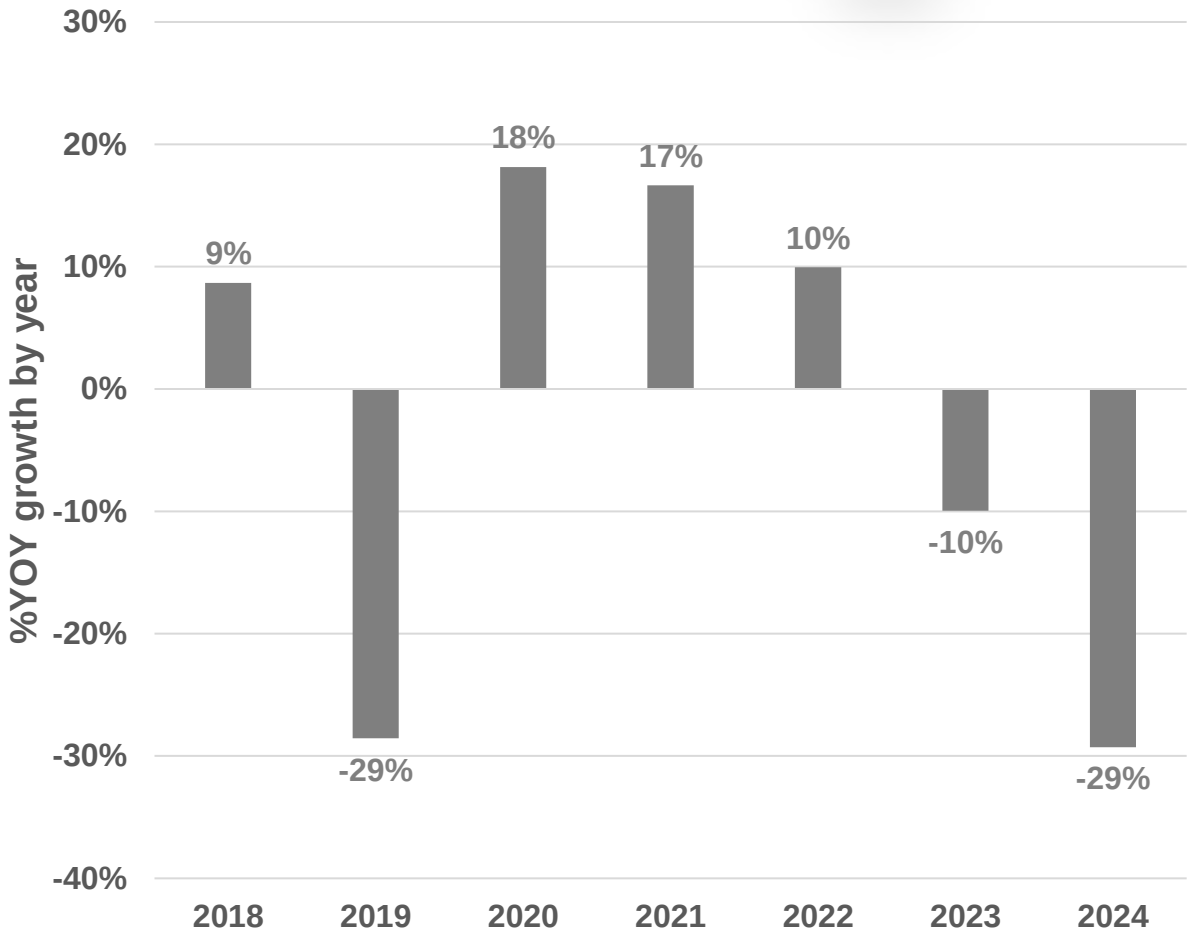
Source: Agrievolution Stats Program - Systematics

Canada Baler Index

%YOY Quarterly Index Growth



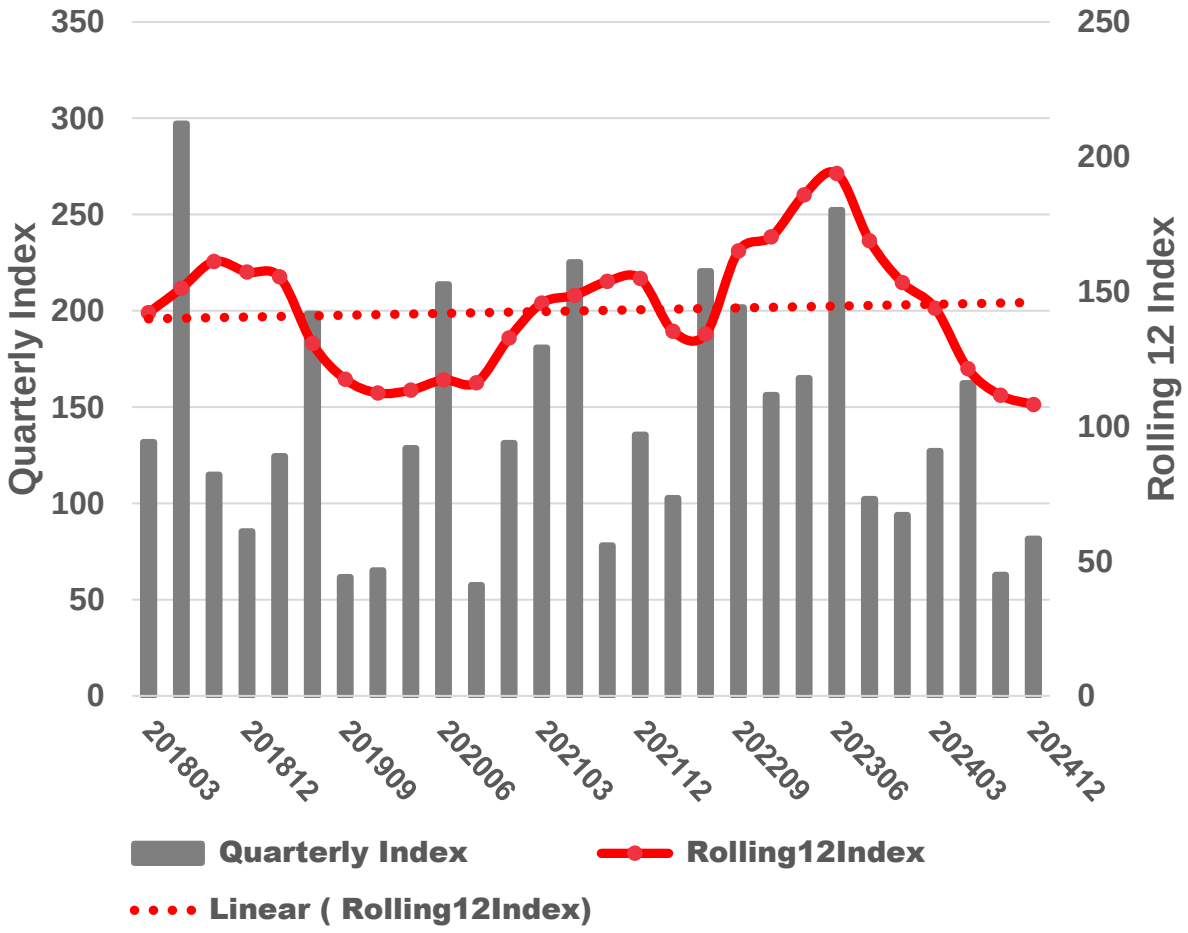
YTD Average Quarterly Index Growth



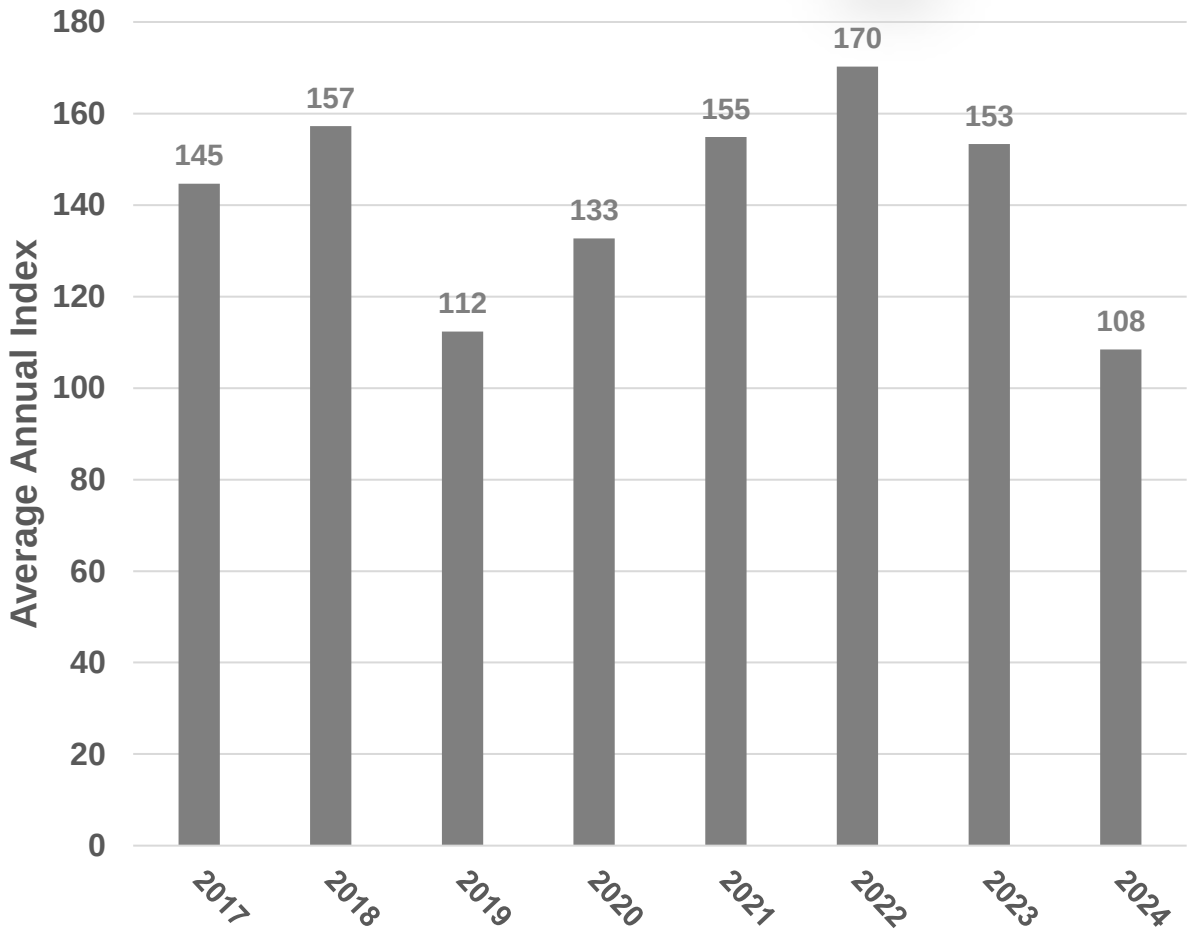
Source: Agrievolution Stats Program - Systematics

Canada Baler Index

Quarterly and Rolling12 Indexes



Average Yearly Index



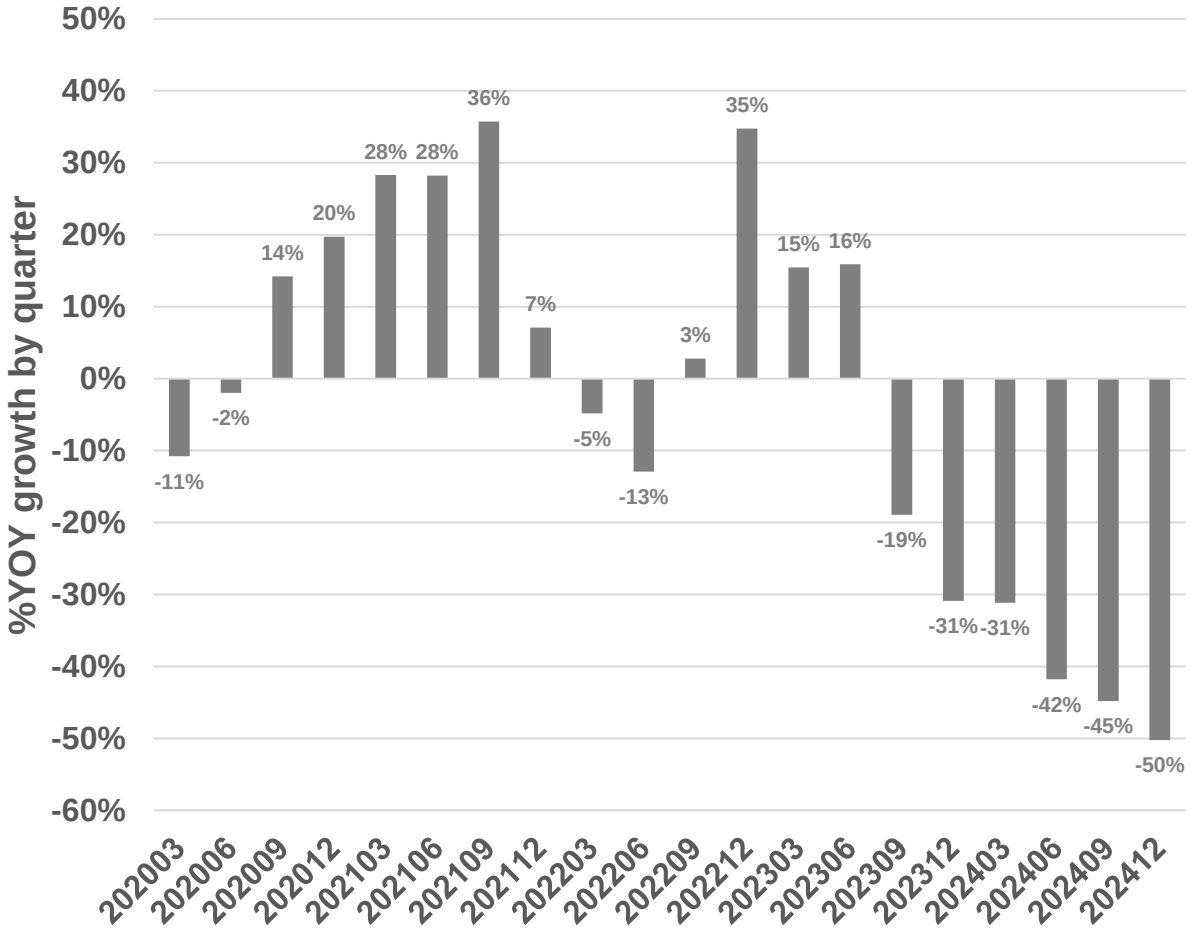
Source: Agrievolution Stats Program - Systematics

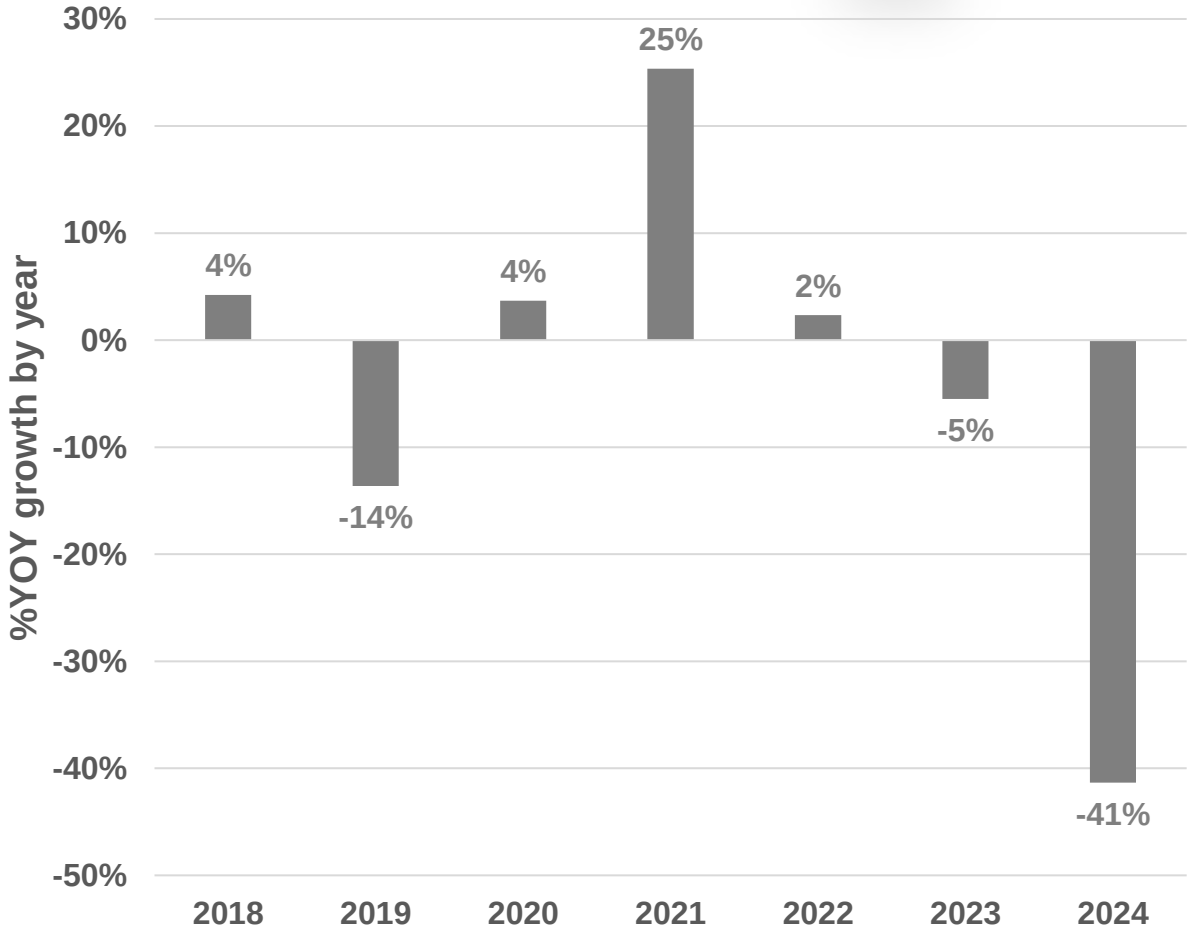
Combines

Summary

- As of December 2024, worldwide combine's shipments run 41% lower YOY, on average - the steepest recorded drop since the beginning of the program. This sizable drop results from five consecutive quarters of progressively more negative double-digit YOY growth rates
- The decline in shipments' long-term trend (i.e. rolling 12Index) is unprecedented and increases the odds of having a deep recession in global combine markets after a five-year period of modest upward long-term growth
- While the 2024 drop is almost ubiquitous amongst reporting regions. The largest drop is driven by weak demand in European and US markets
  - In the U.S., YTD combines shipments dropped 36% YOY the steepest drop since the program started
  - In Canada, YTD combines' shipments dropped 12% YOY, a modest decline compared to the U.S. and other regions

Worldwide Combine Index

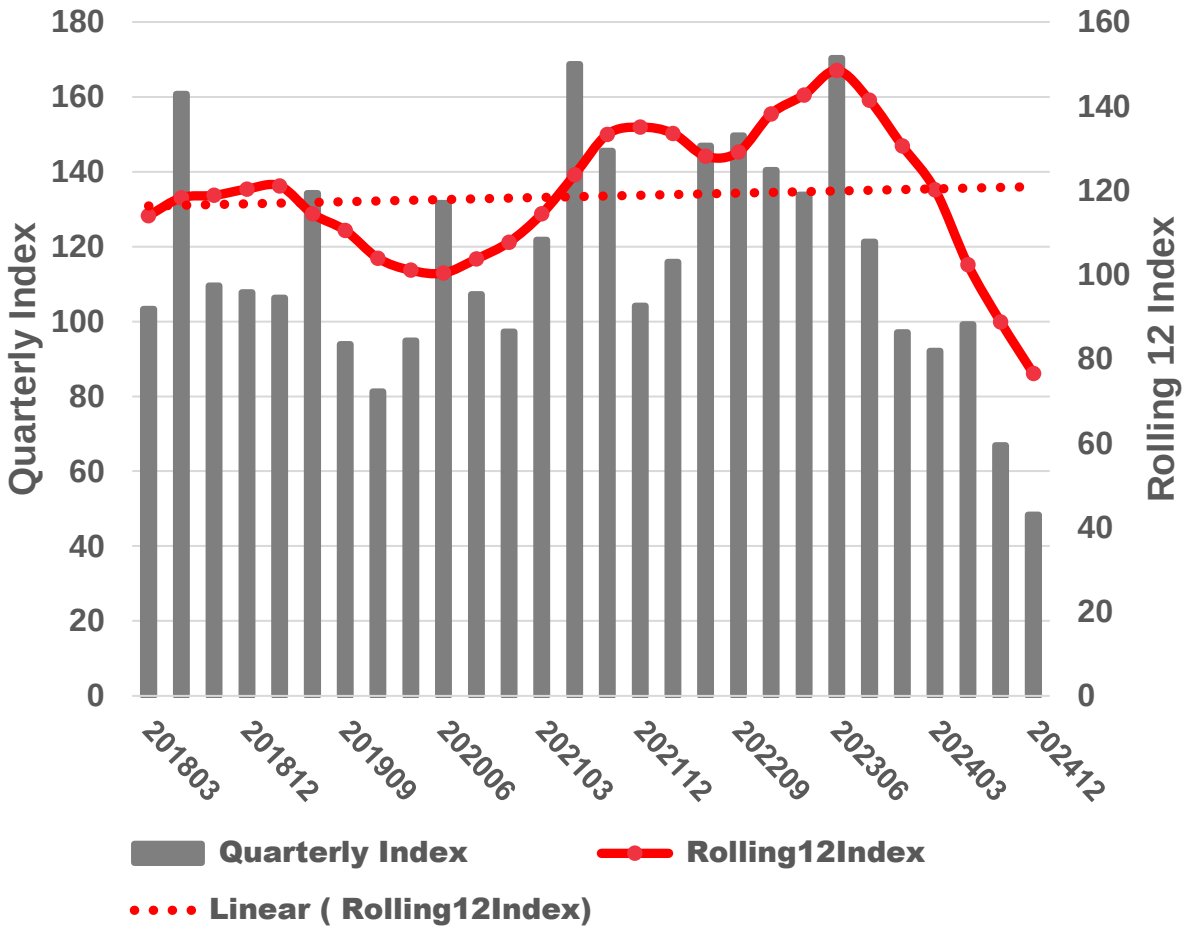




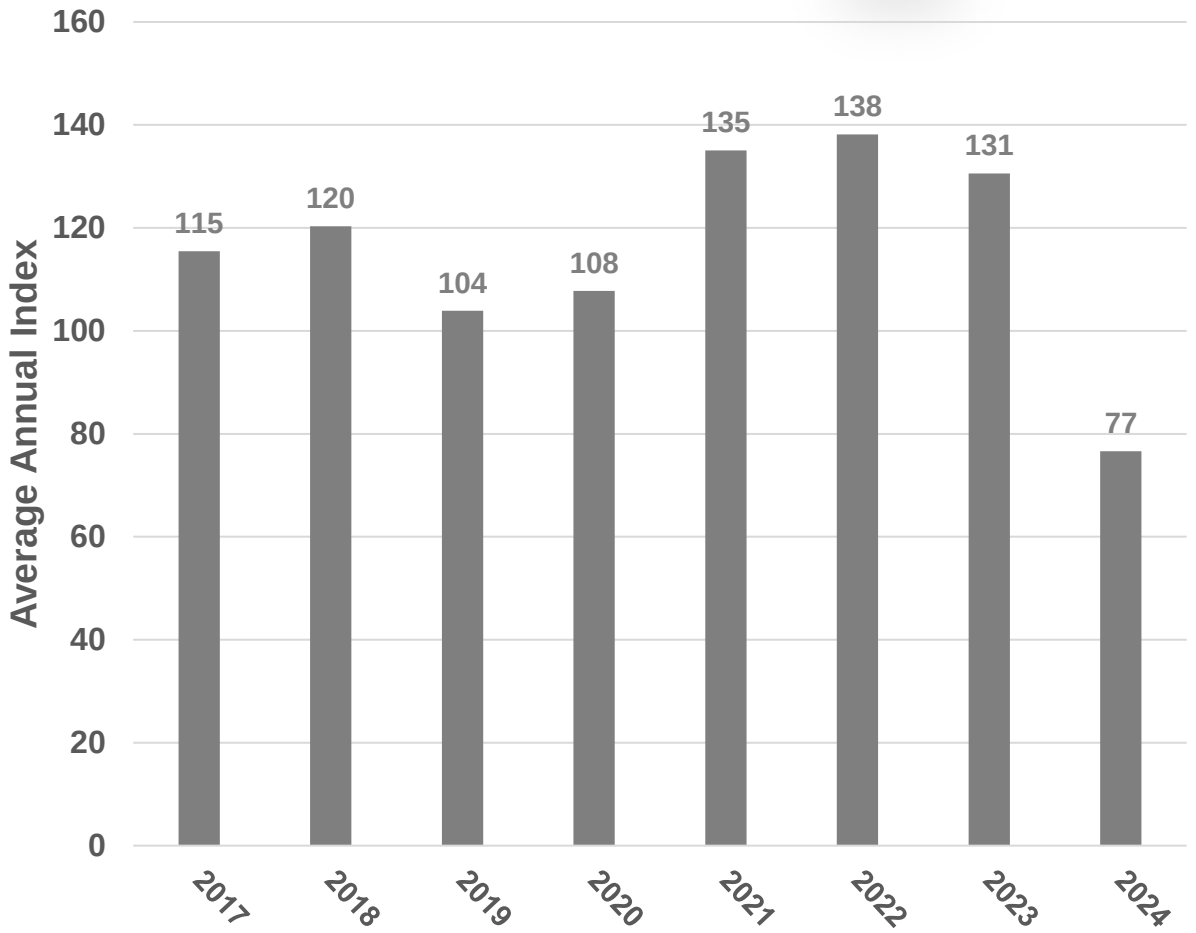
Source: Agrievolution Stats Program - Systematics

Worldwide Combine Index

Quarterly and Rolling12 Indexes



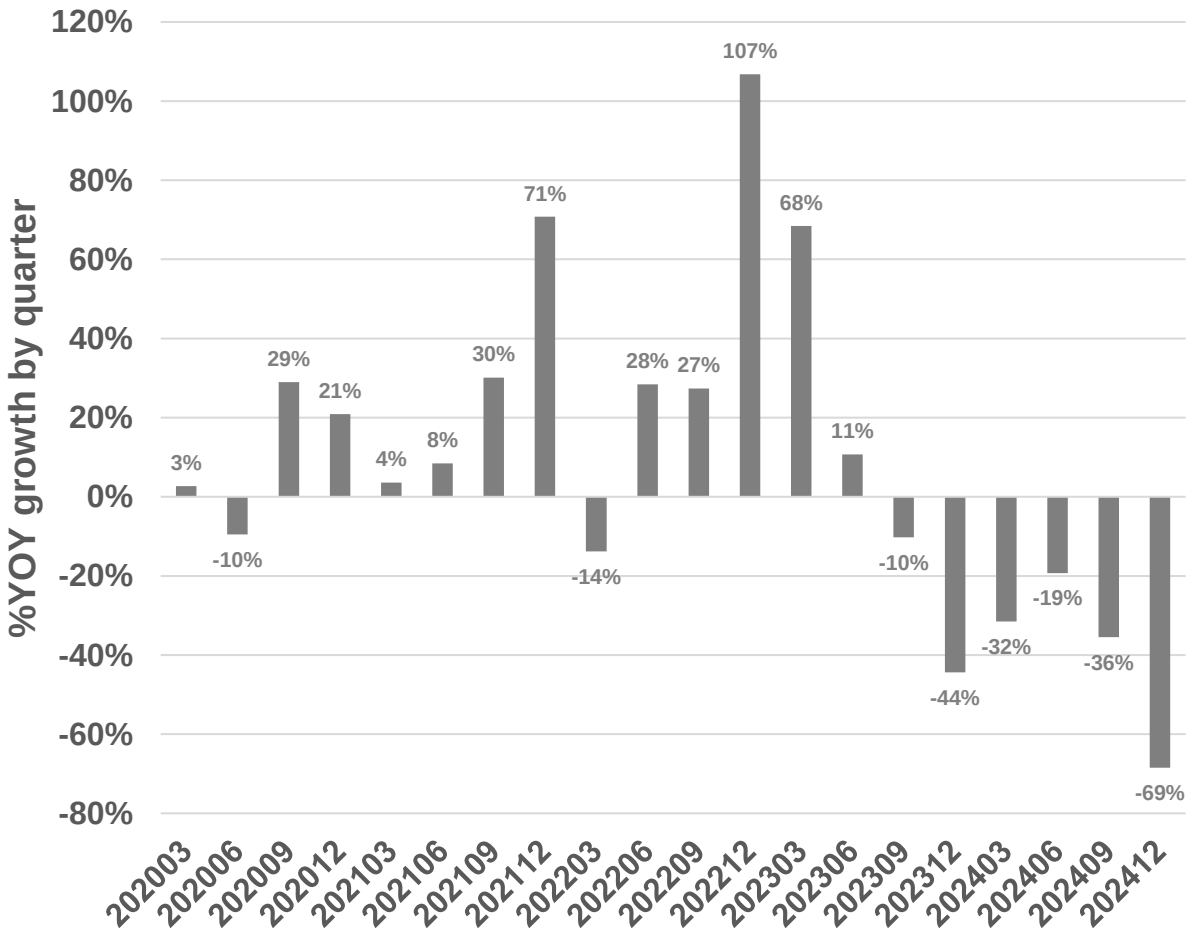
Average Yearly Index



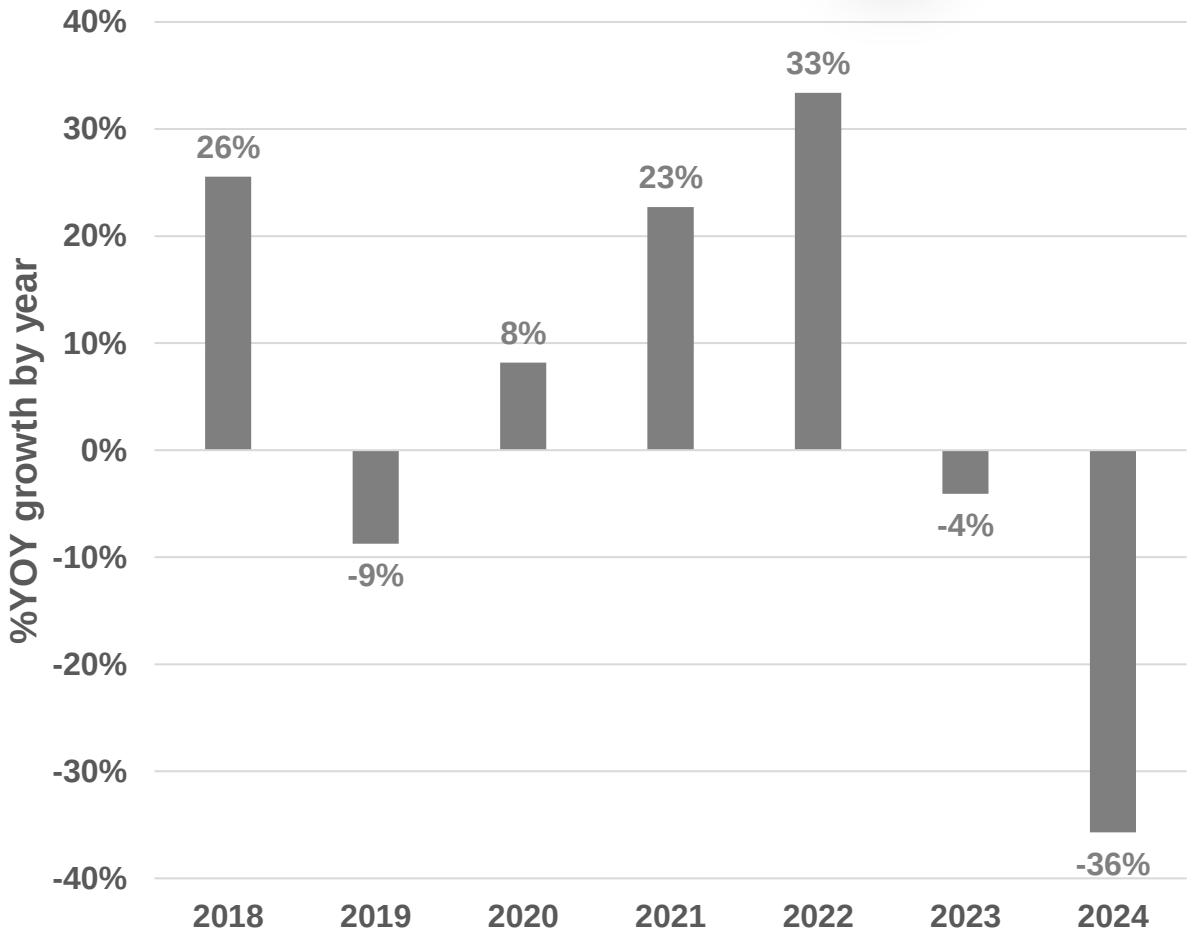
Source: Agrievolution Stats Program - Systematics

U.S. Combine Index

%YOY Quarterly Index Growth



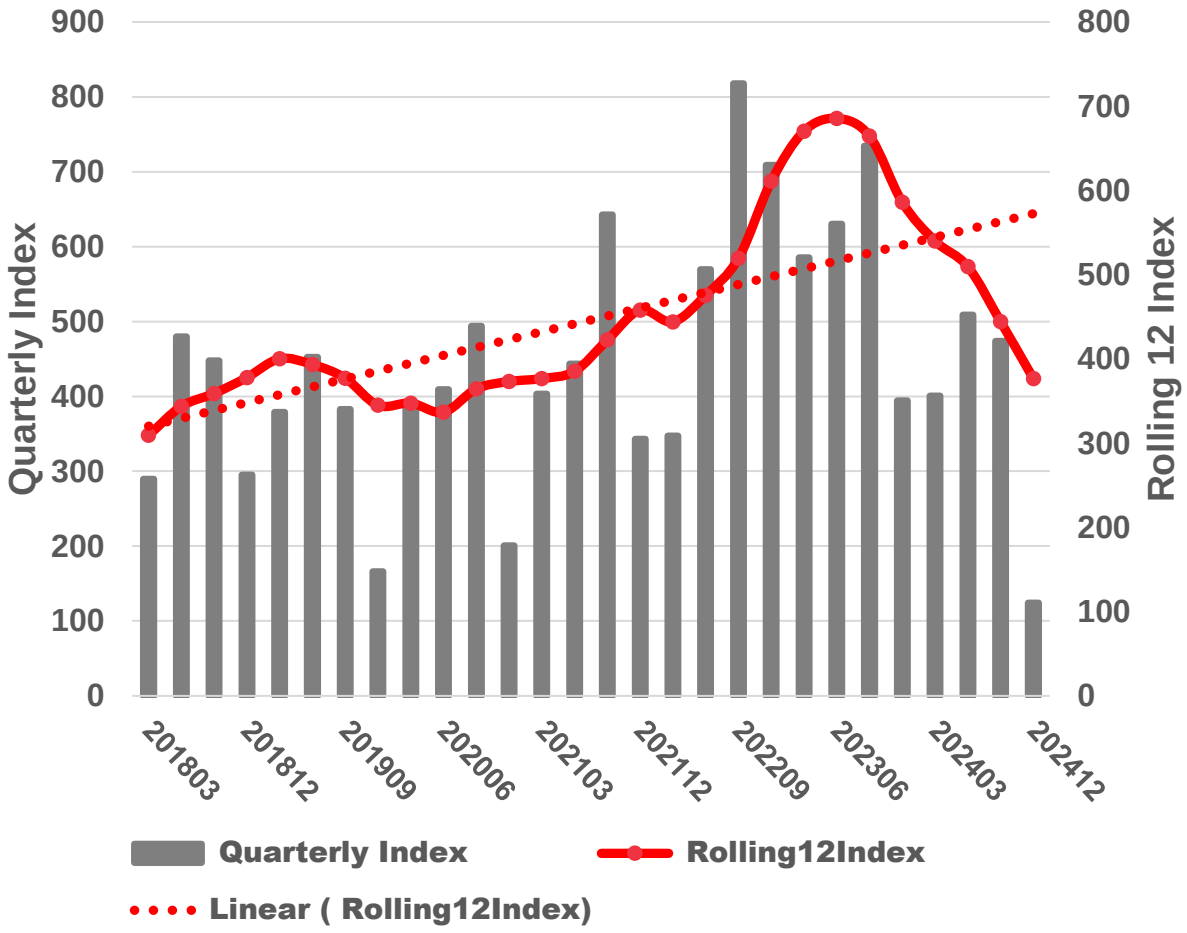
YTD Average Quarterly Index Growth



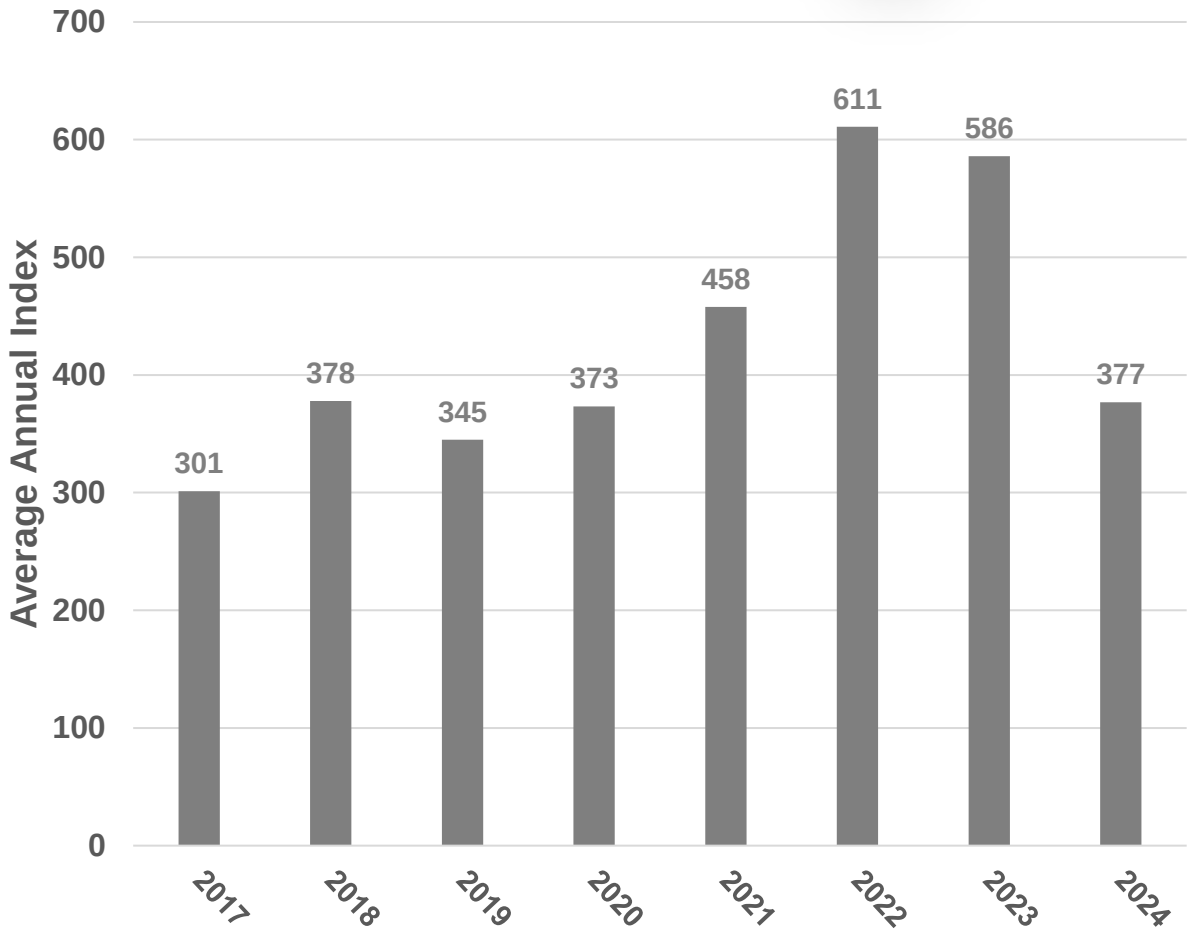
Source: Agrievolution Stats Program - Systematics

U.S. Combine Index

Quarterly and Rolling12 Indexes



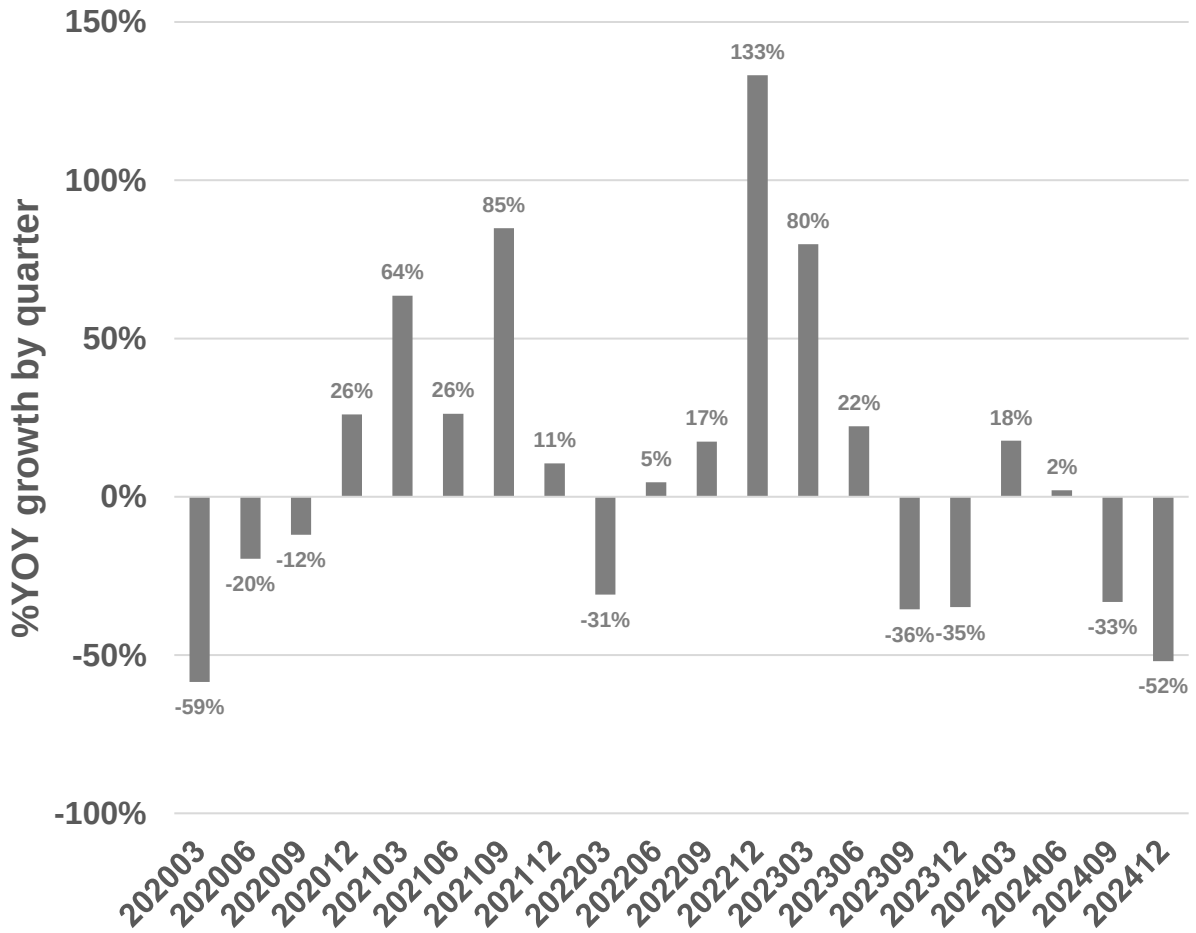
Average Yearly Index



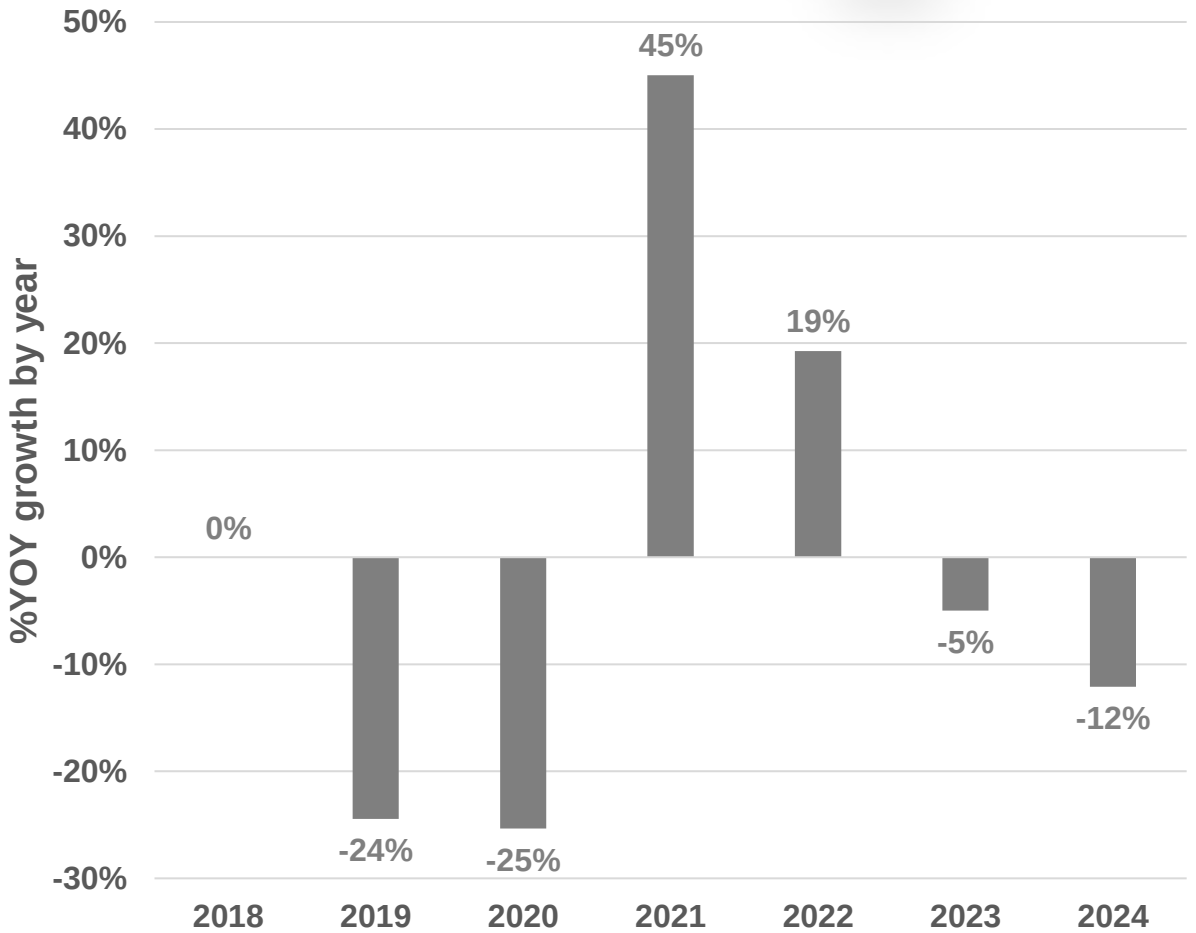
Source: Agrievolution Stats Program - Systematics

Canada Combine Index

%YOY Quarterly Index Growth



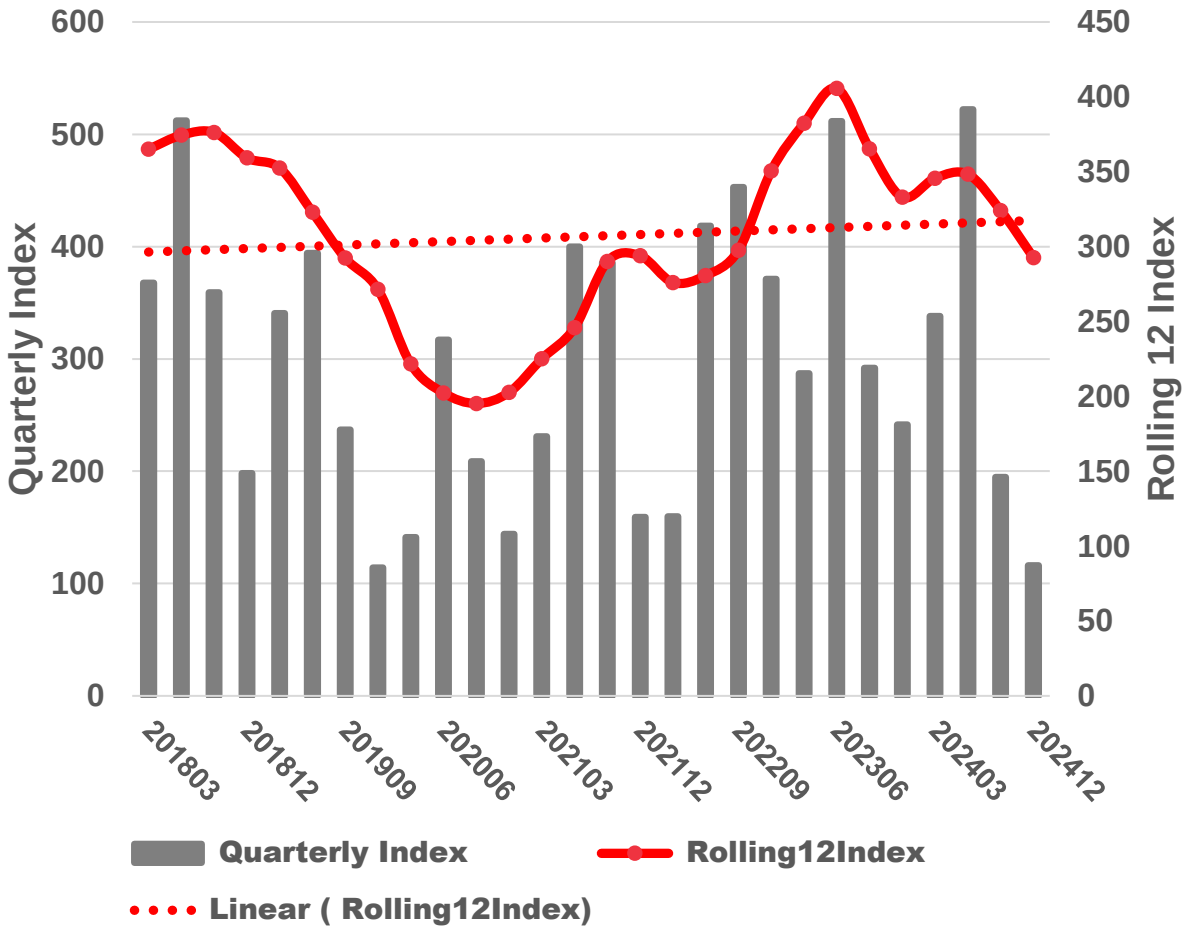
YTD Average Quarterly Index Growth



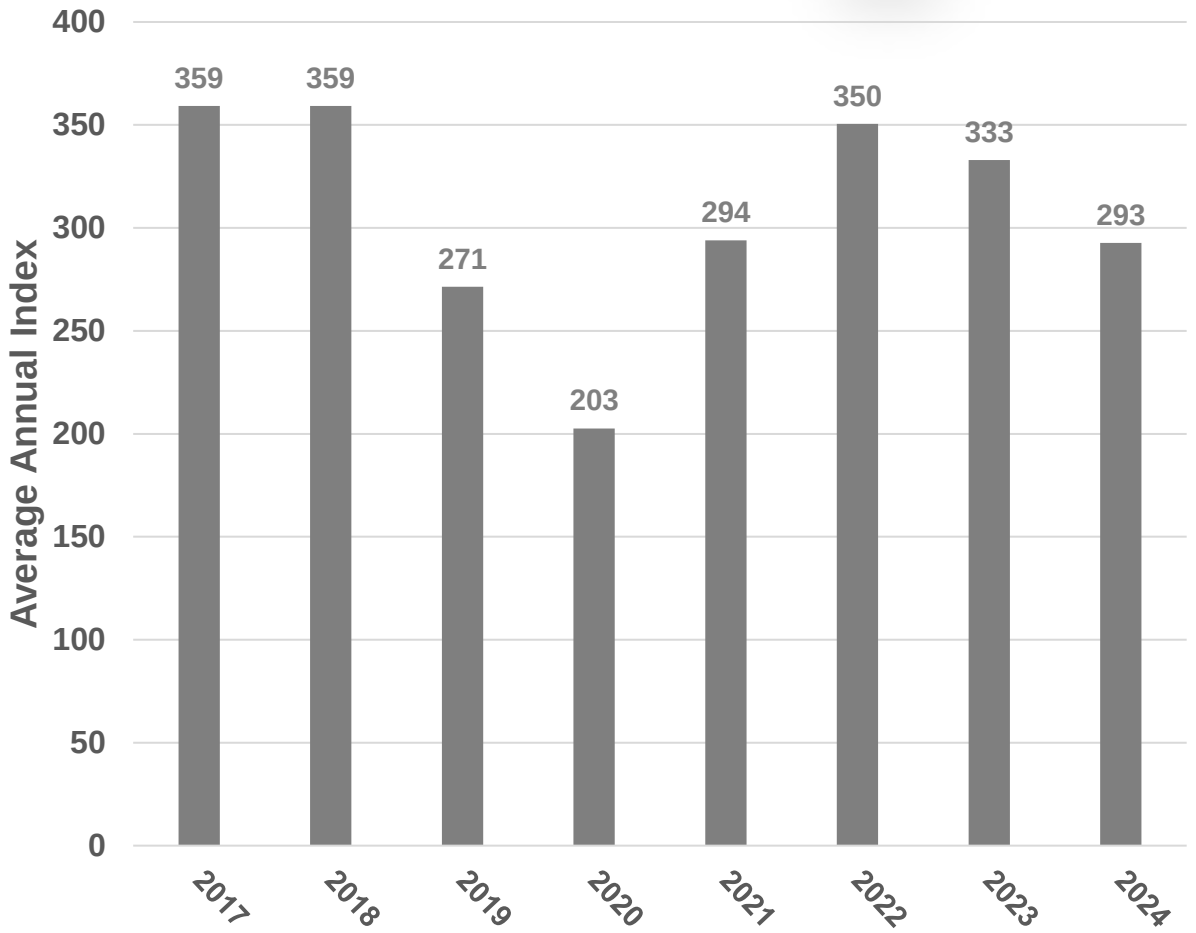
Source: Agrievolution Stats Program - Systematics

Canada Combine Index

Quarterly and Rolling12 Indexes



Average Yearly Index



Source: Agrievolution Stats Program - Systematics

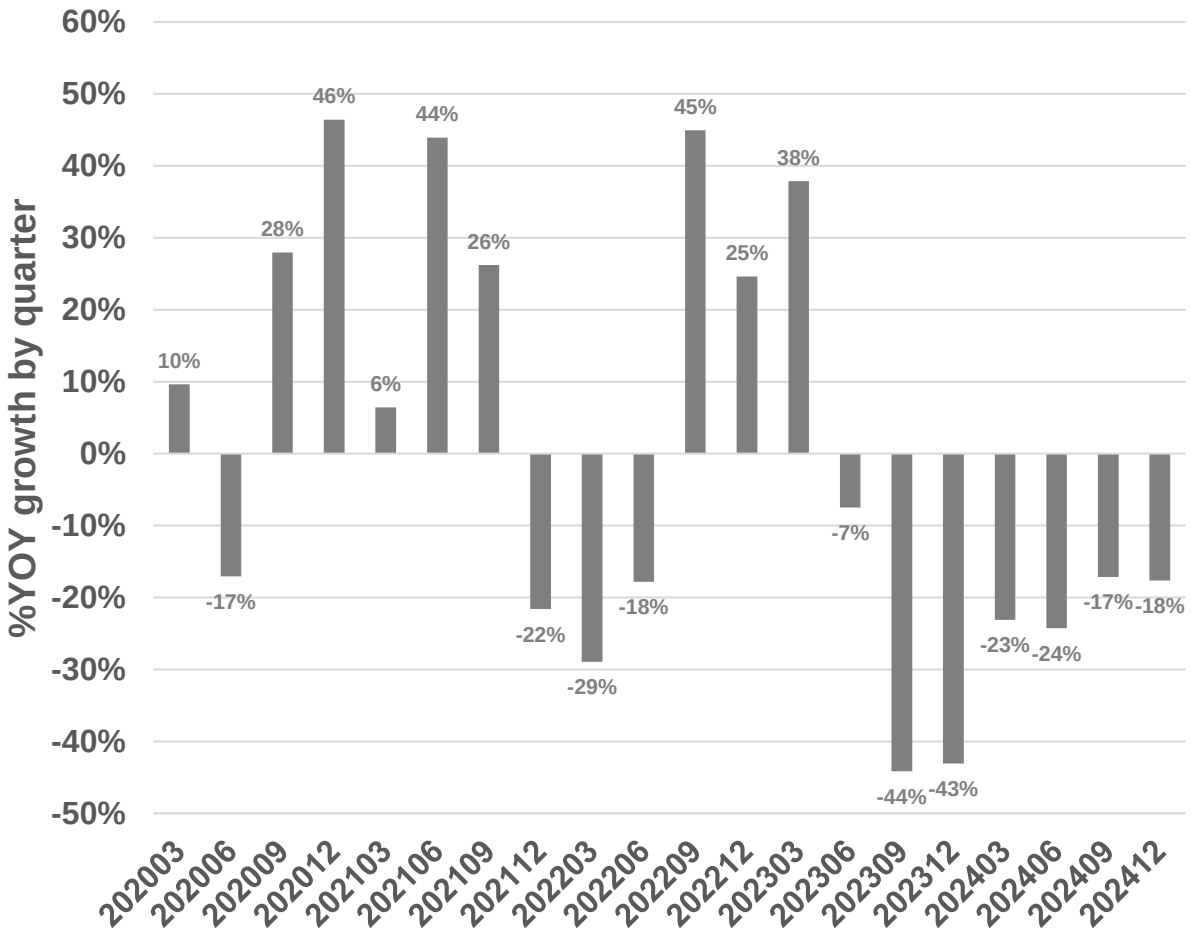
Foragers

Summary

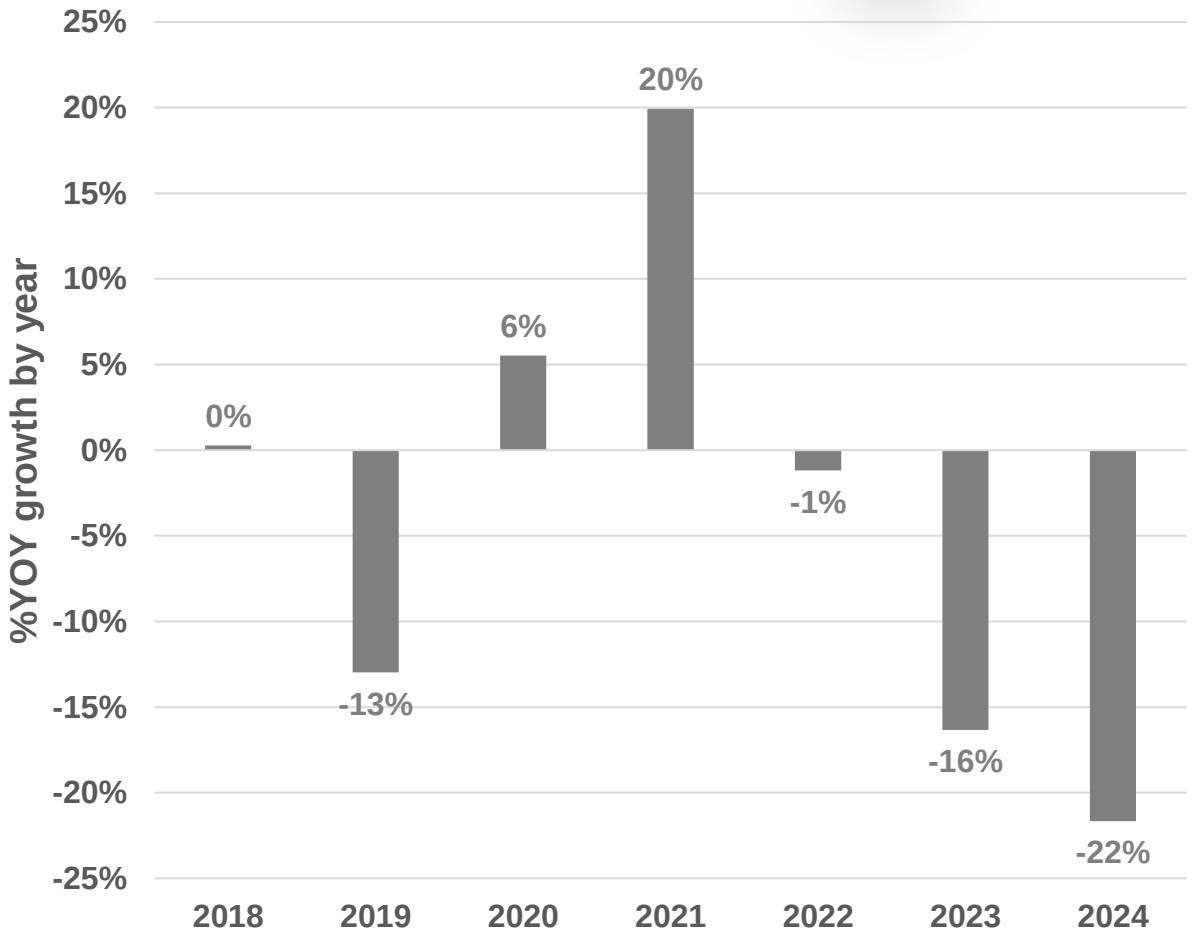
- As of December 2024, worldwide forager's shipments run 22% lower YOY, on average - the steepest recorded drop since the beginning of the program.
- The decline in shipments' long-term trend (i.e. rolling 12Index) is unprecedented and increases the odds of having a deep recession in global forager markets after a short-episode of growth in 2021 and 2022
- While the 2024 drop is almost ubiquitous amongst reporting regions. The largest drop is driven by weak demand in European and North American markets.
  - In the U.S., YTD foragers' shipments dropped 18% YOY the steepest drop since 2018.
  - In Canada, YTD foragers' shipments dropped 16% YOY the steepest drop in recent years

Worldwide Forage Index

%YOY Quarterly Index Growth



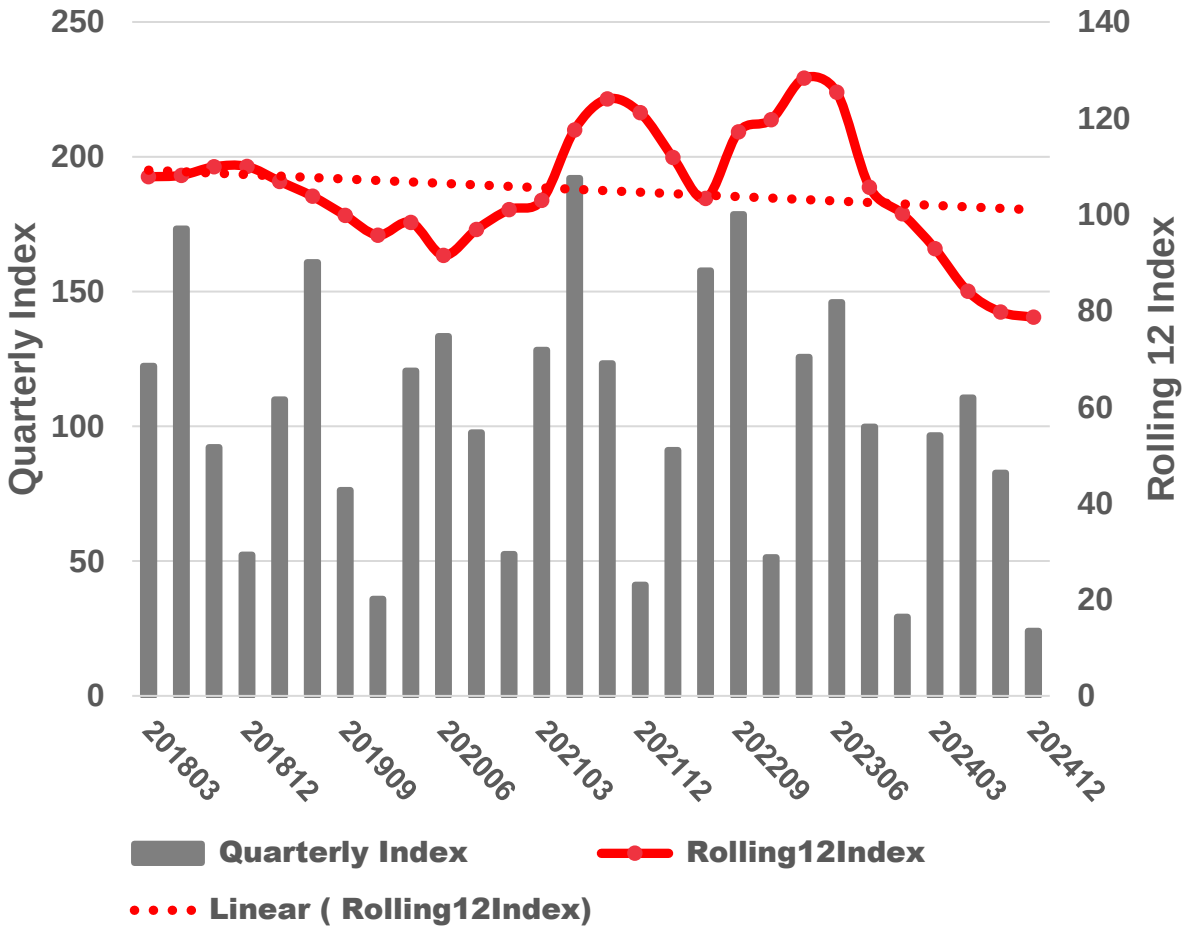
YTD Average Quarterly Index Growth



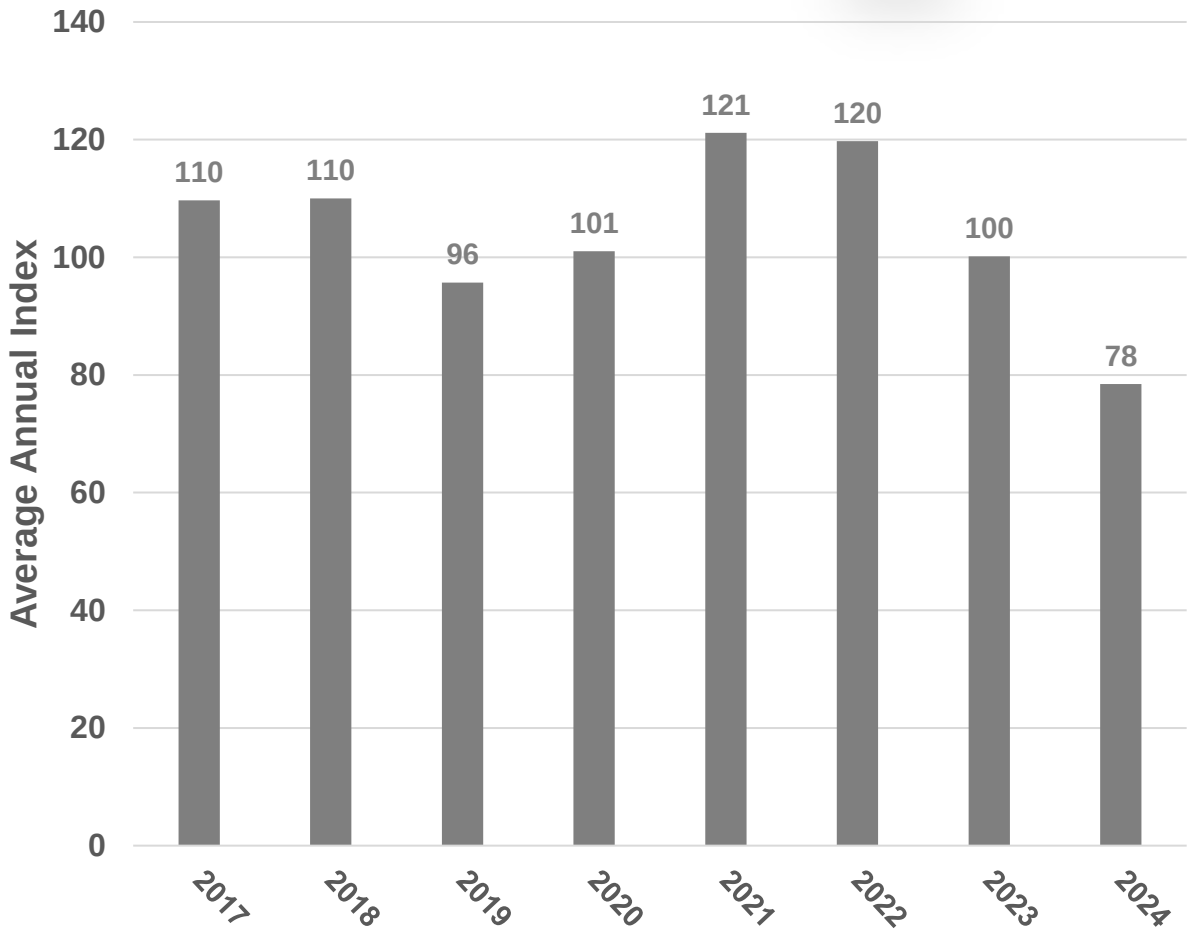
Source: Agrievolution Stats Program - Systematics

Worldwide Forager Index

Quarterly and Rolling12 Indexes



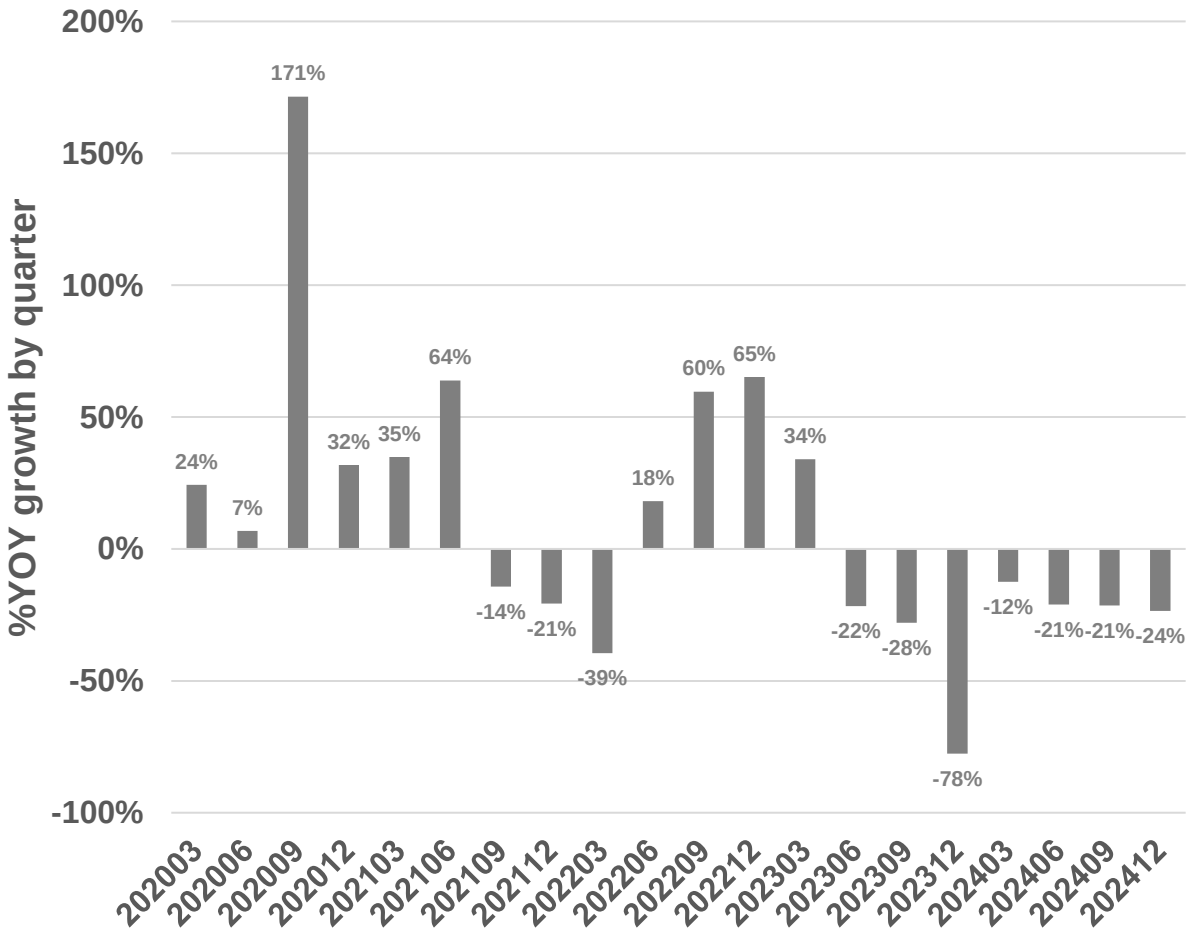
Average Yearly Index



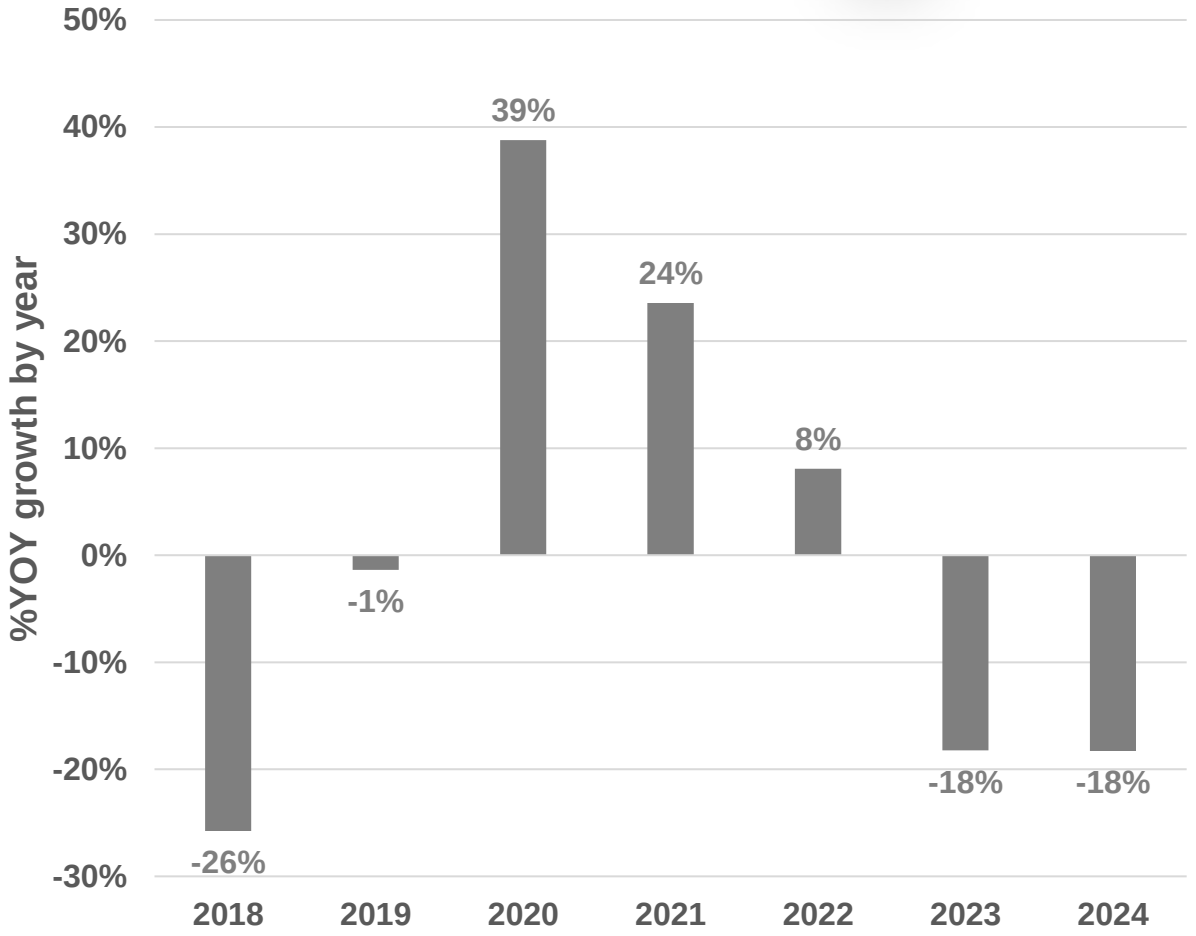
Source: Agrievolution Stats Program - Systematics

U.S. Forage Index

%YOY Quarterly Index Growth



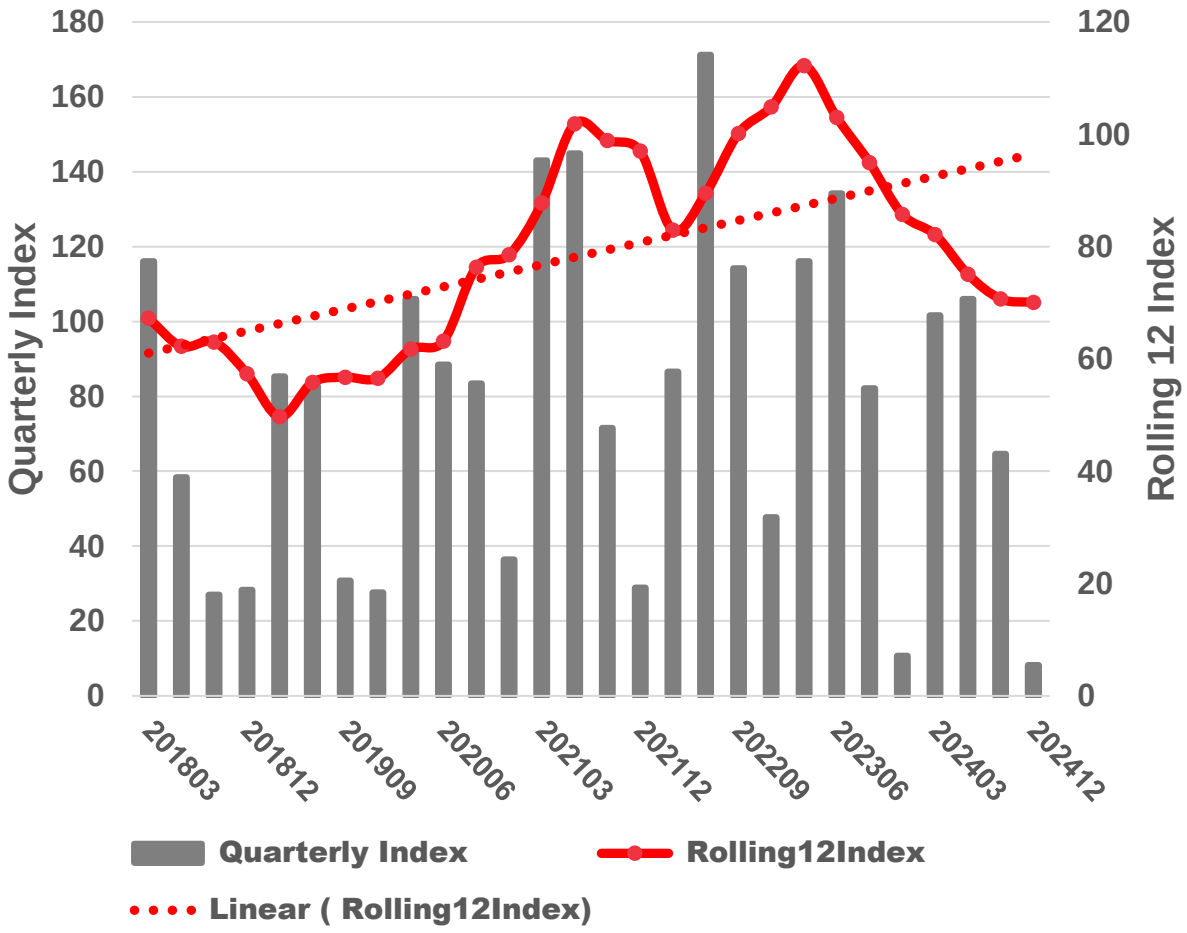
YTD Average Quarterly Index Growth



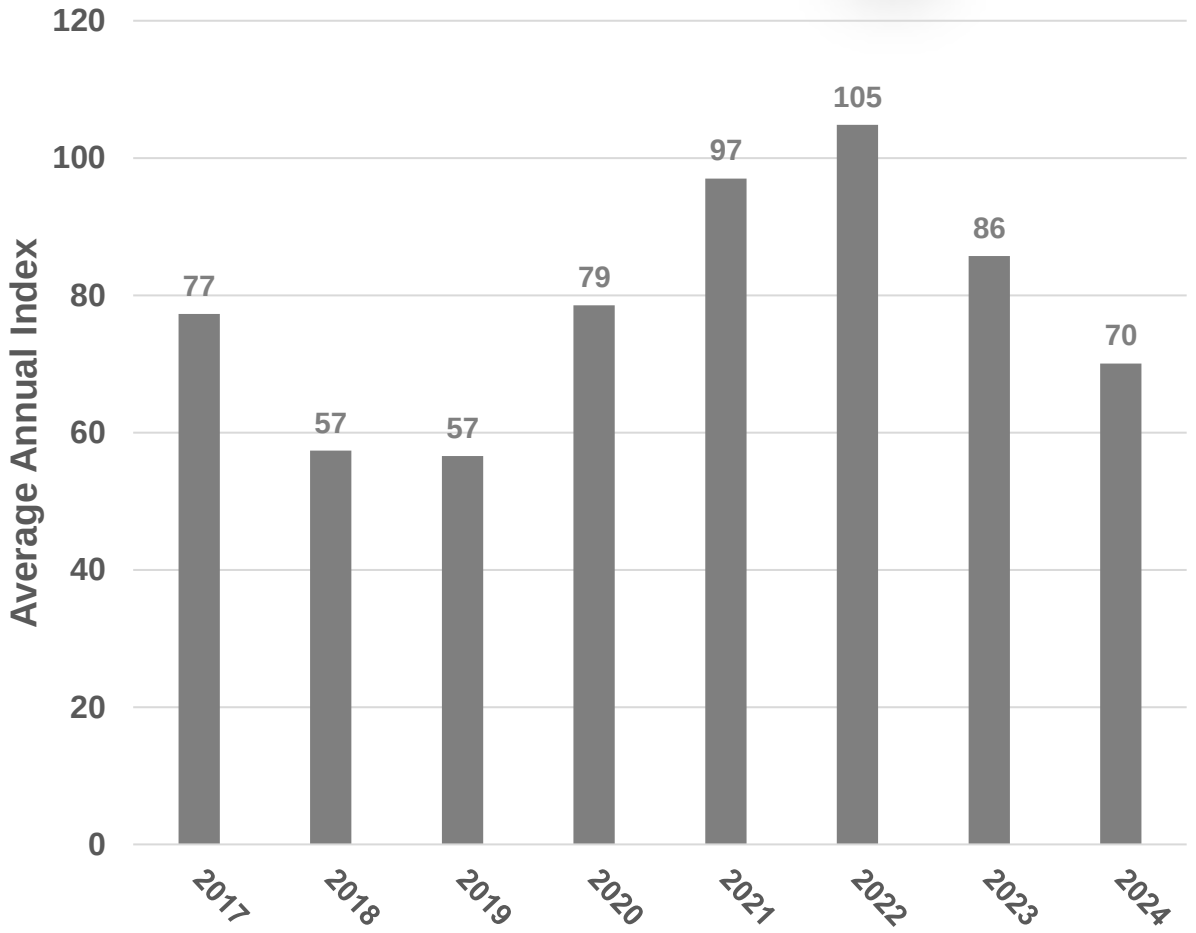
Source: Agrievolution Stats Program - Systematics

U.S. Forager Index

Quarterly and Rolling12 Indexes



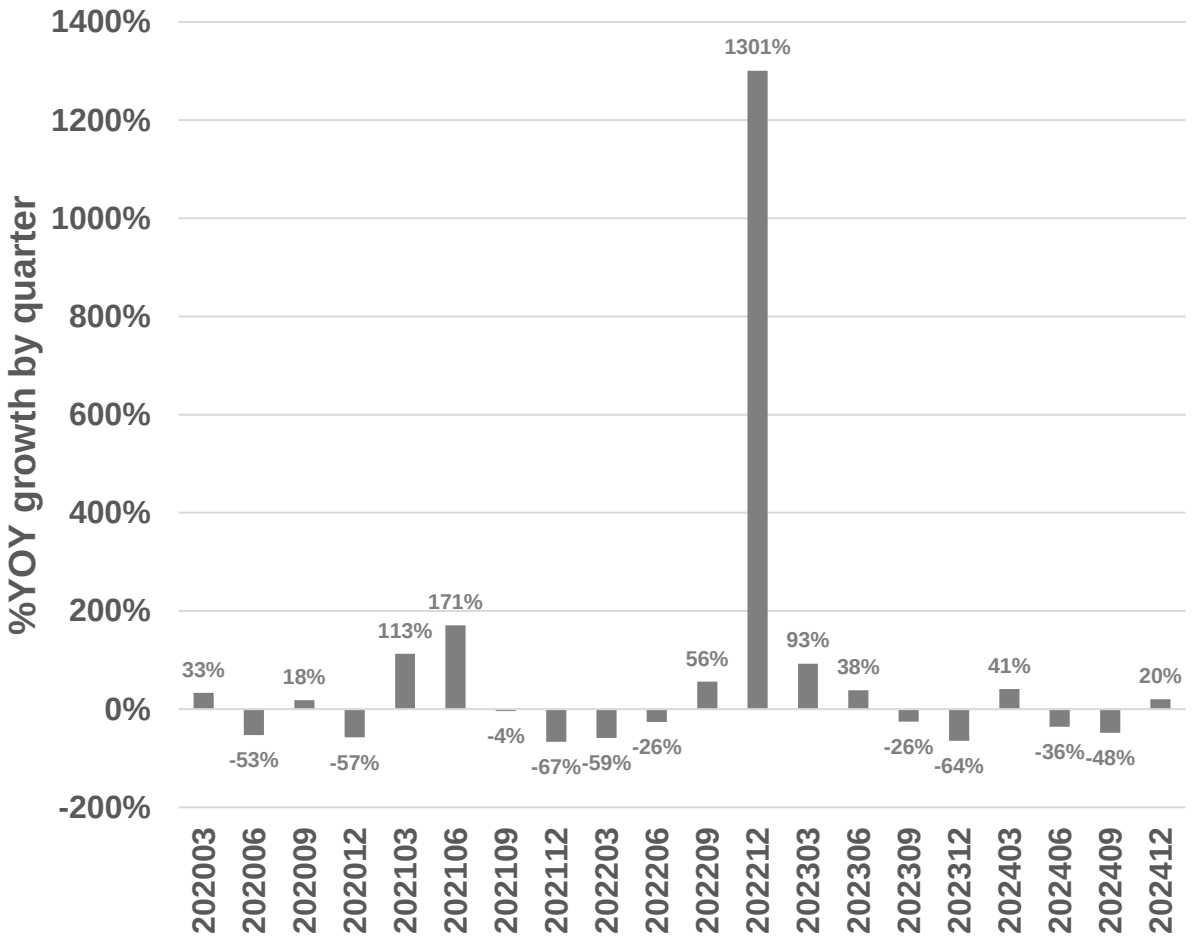
Average Yearly Index



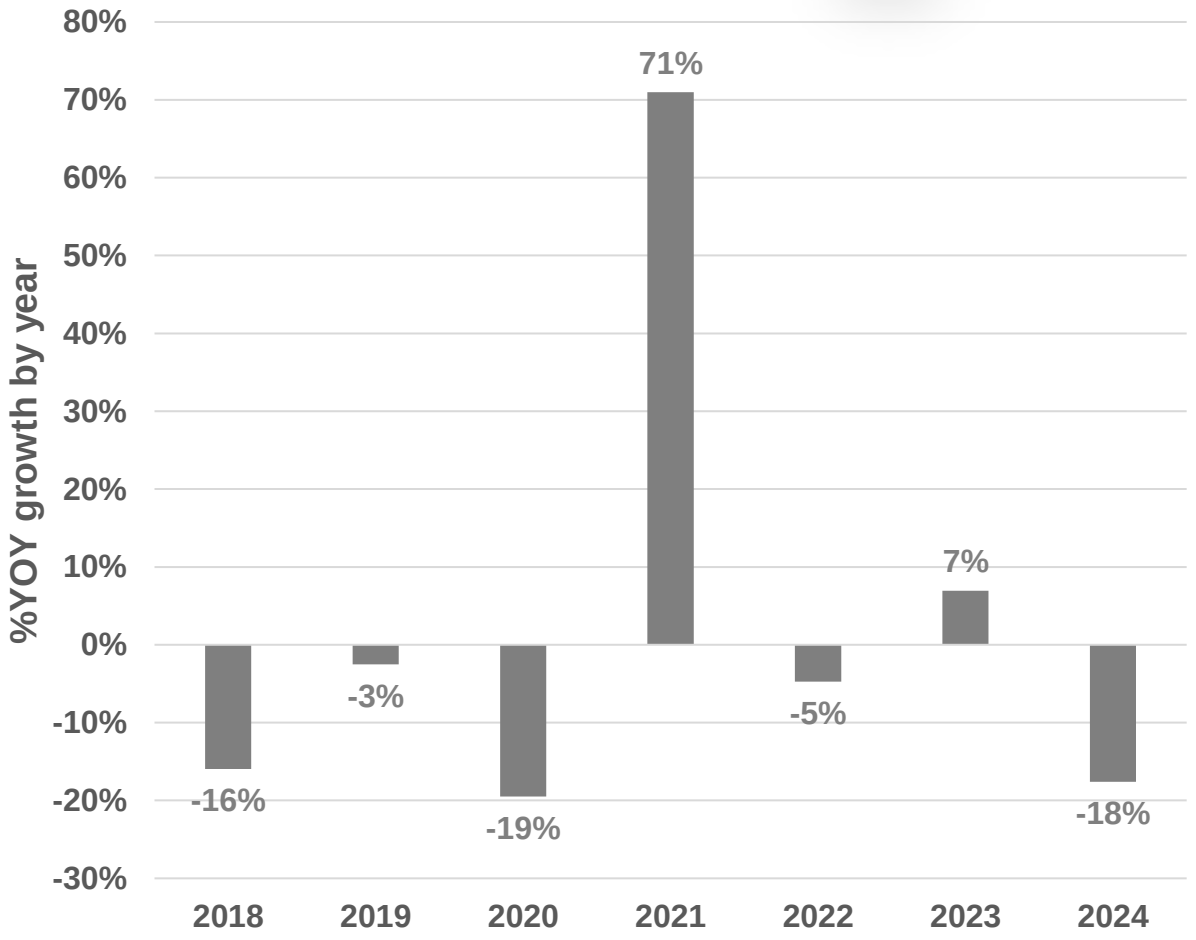
Source: Agrievolution Stats Program - Systematics

Canada Forage Index

%YOY Quarterly Index Growth



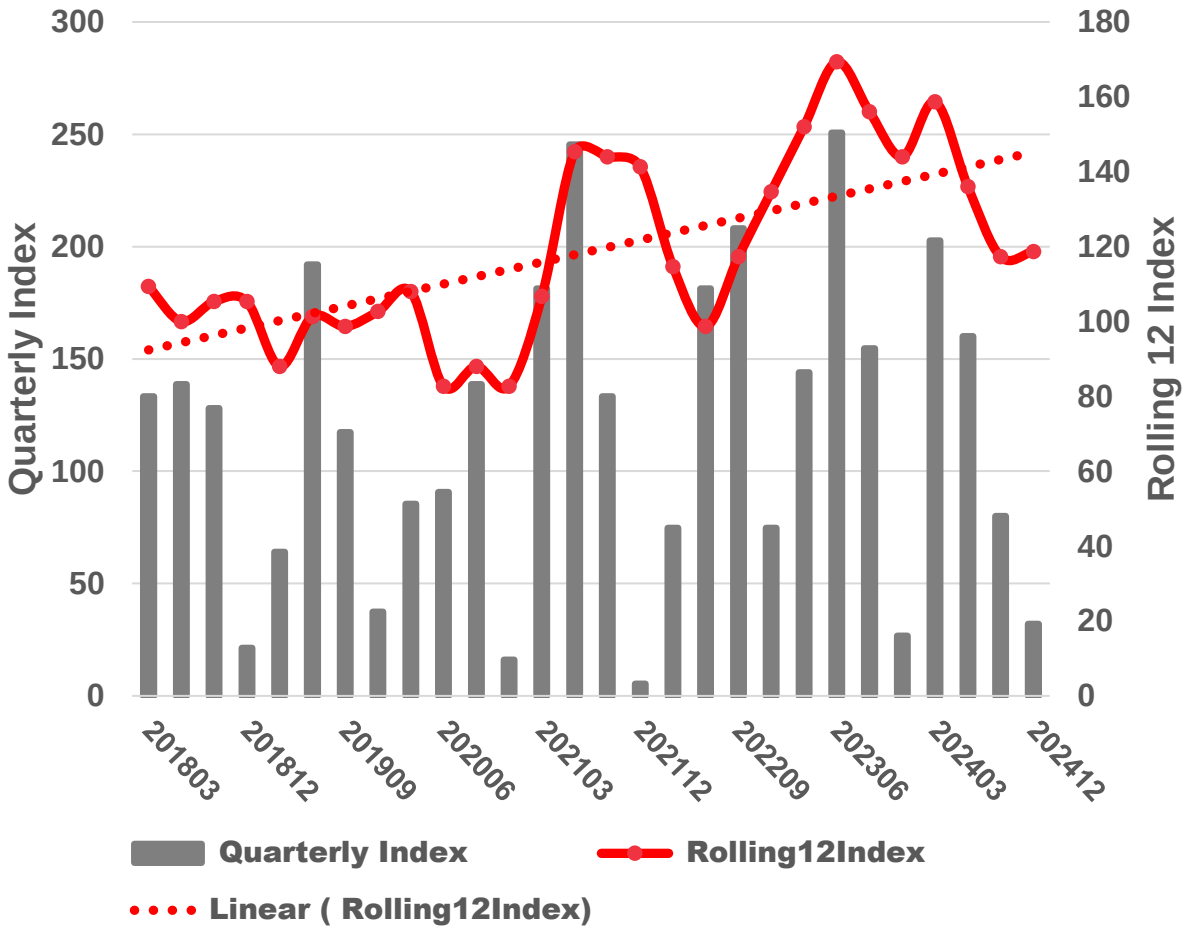
YTD Average Quarterly Index Growth



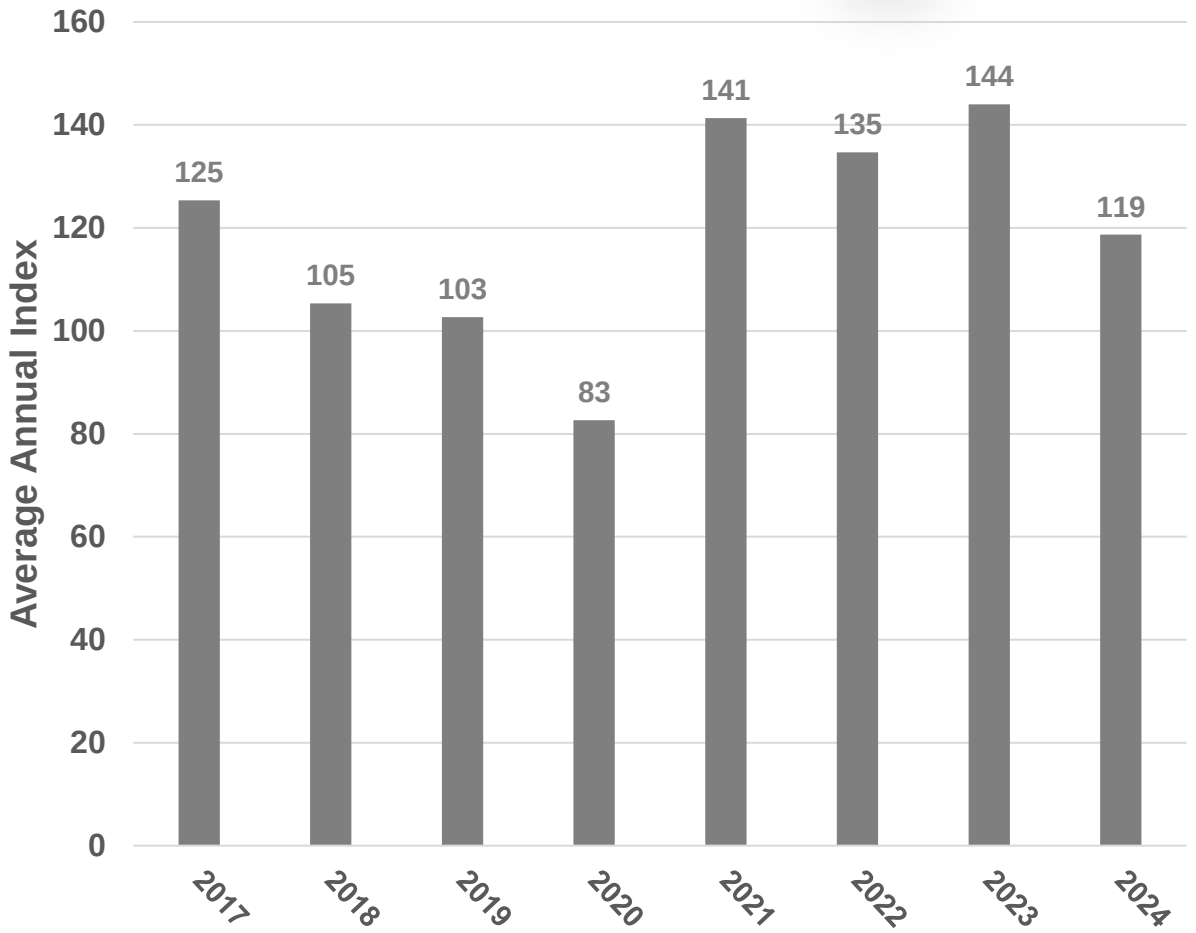
Source: Agrievolution Stats Program - Systematics

Canada Forager Index

Quarterly and Rolling12 Indexes



Average Yearly Index



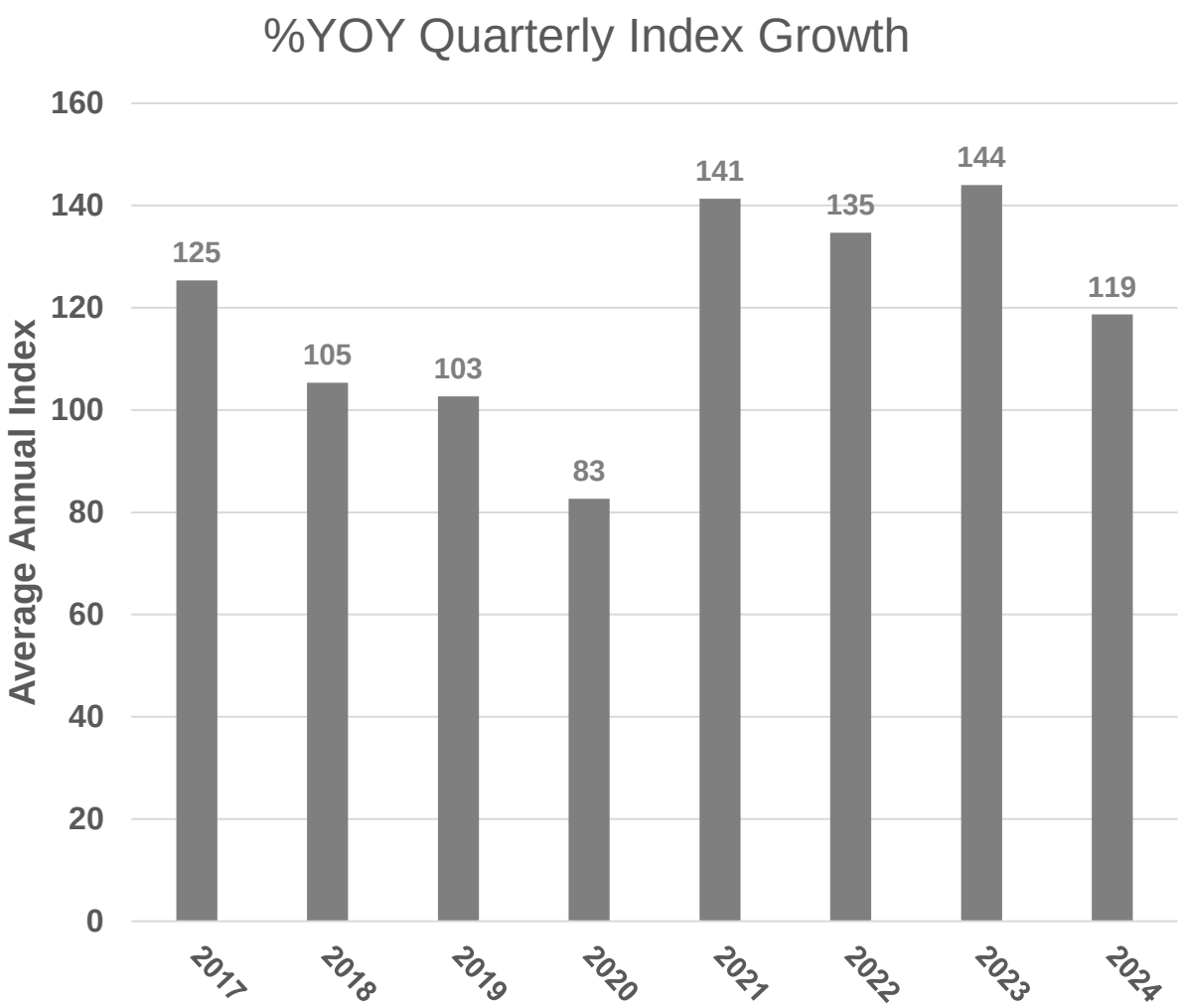
Source: Agrievolution Stats Program - Systematics

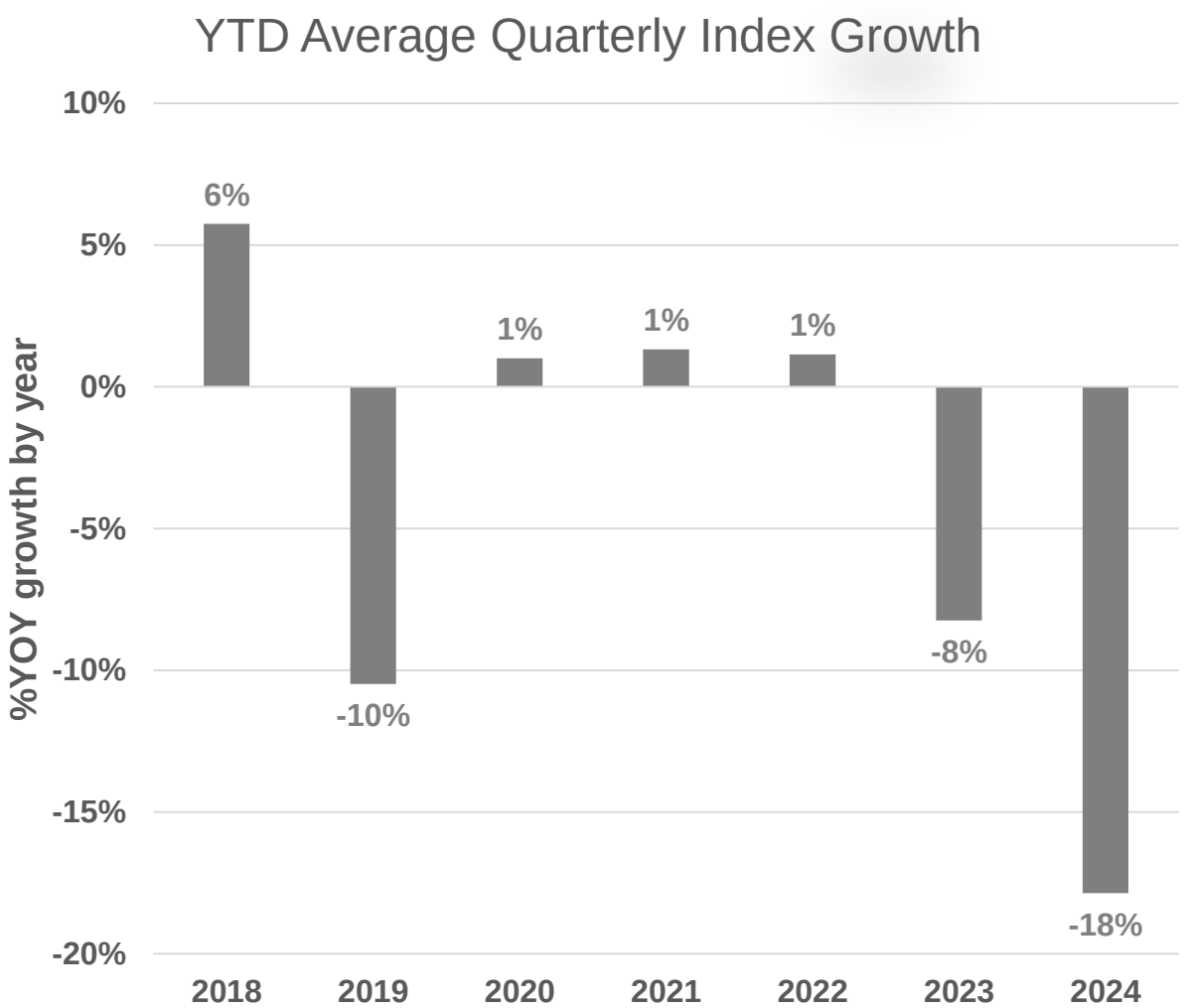
Tractors

Summary

- As of December 2024, worldwide tractor's shipments run 18% lower YOY, on average - the steepest recorded drop since the beginning of the program. This drop results from six consecutive quarters of double-digit negative YOY growth rates
- The decline in shipments' long-term trend (i.e. rolling 12Index) is unprecedented and increases the odds of having a deep recession in global baler markets after a five-year period of sustained growth
- While the 2024 drop is almost ubiquitous amongst reporting regions. The largest drop is driven by weak demand in European and North American markets.
  - In the U.S., YTD tractors' shipments dropped 29% YOY following a similar drop in 2023
  - In Canada, YTD tractors' shipments dropped 26% YOY the steepest drop recorded.

Worldwide Tractor Index

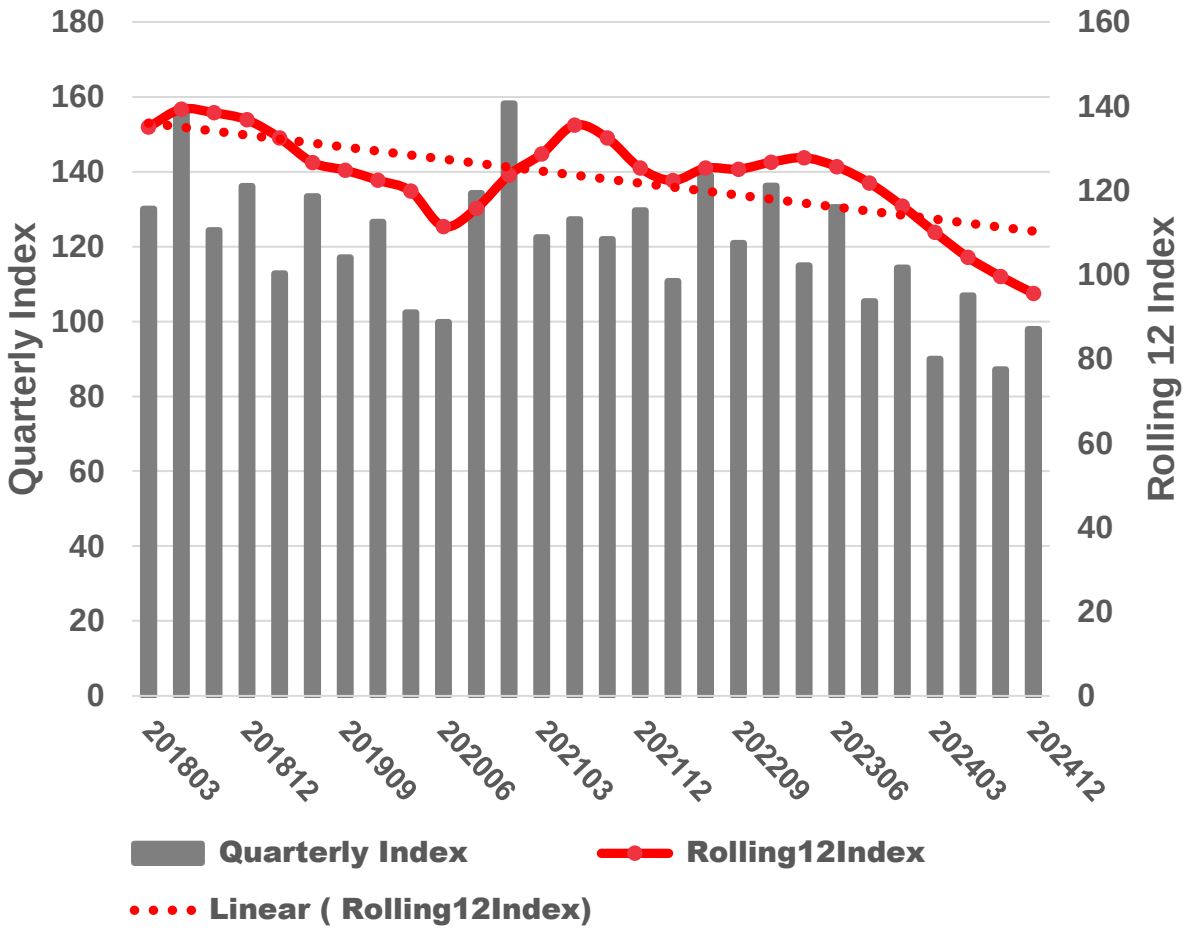




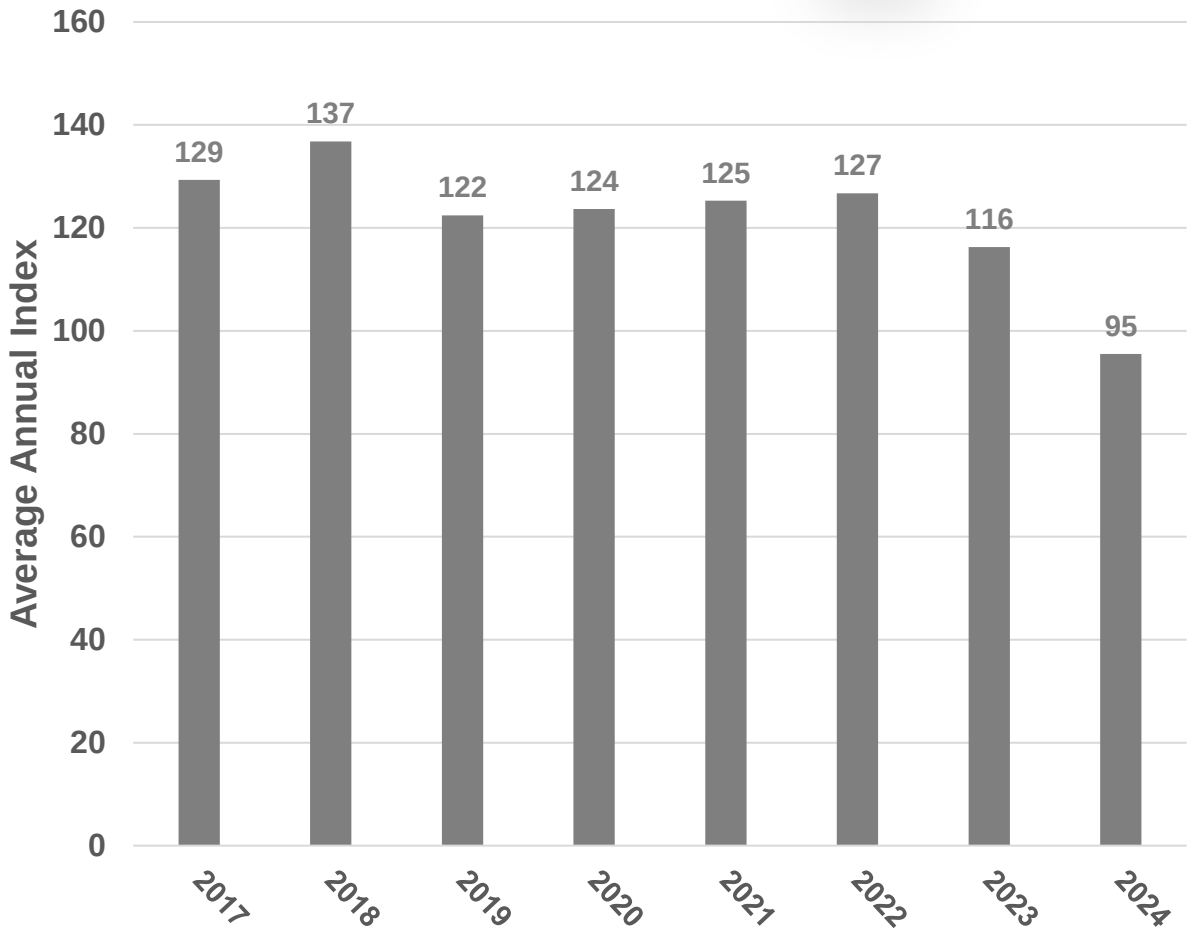
Source: Agrievolution Stats Program - Systematics

Worldwide Tractor Index

Quarterly and Rolling12 Indexes



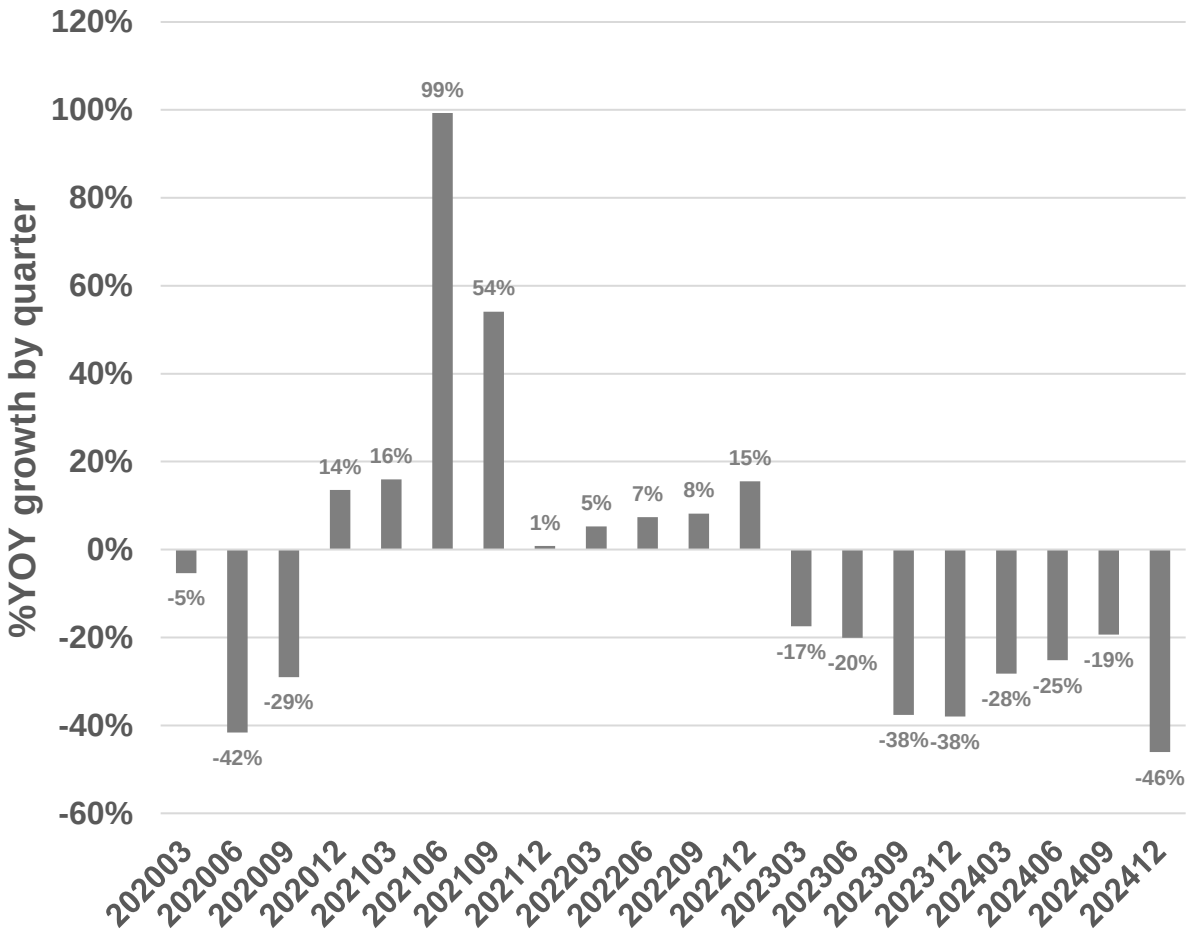
Average Yearly Index



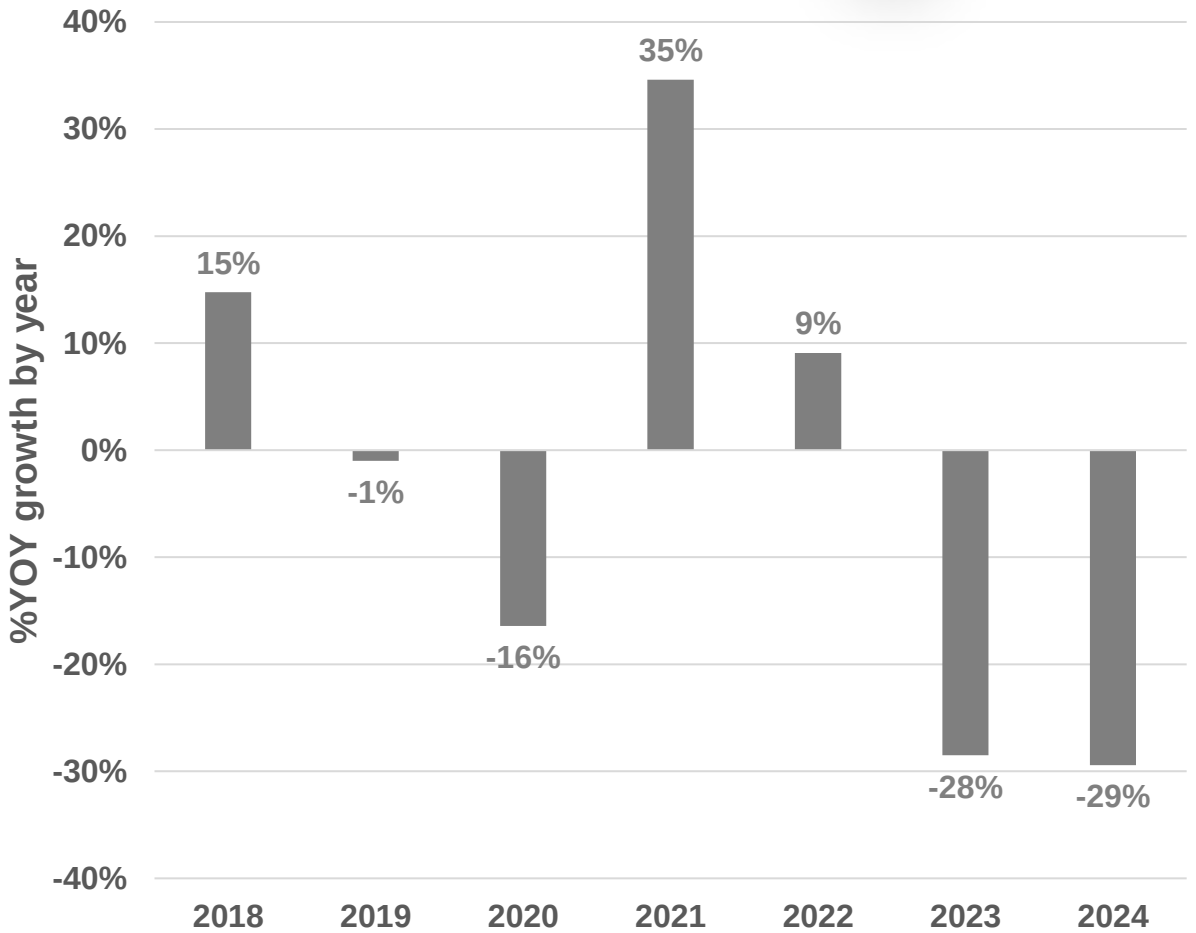
Source: Agrievolution Stats Program - Systematics

U.S. Tractor Index

%YOY Quarterly Index Growth



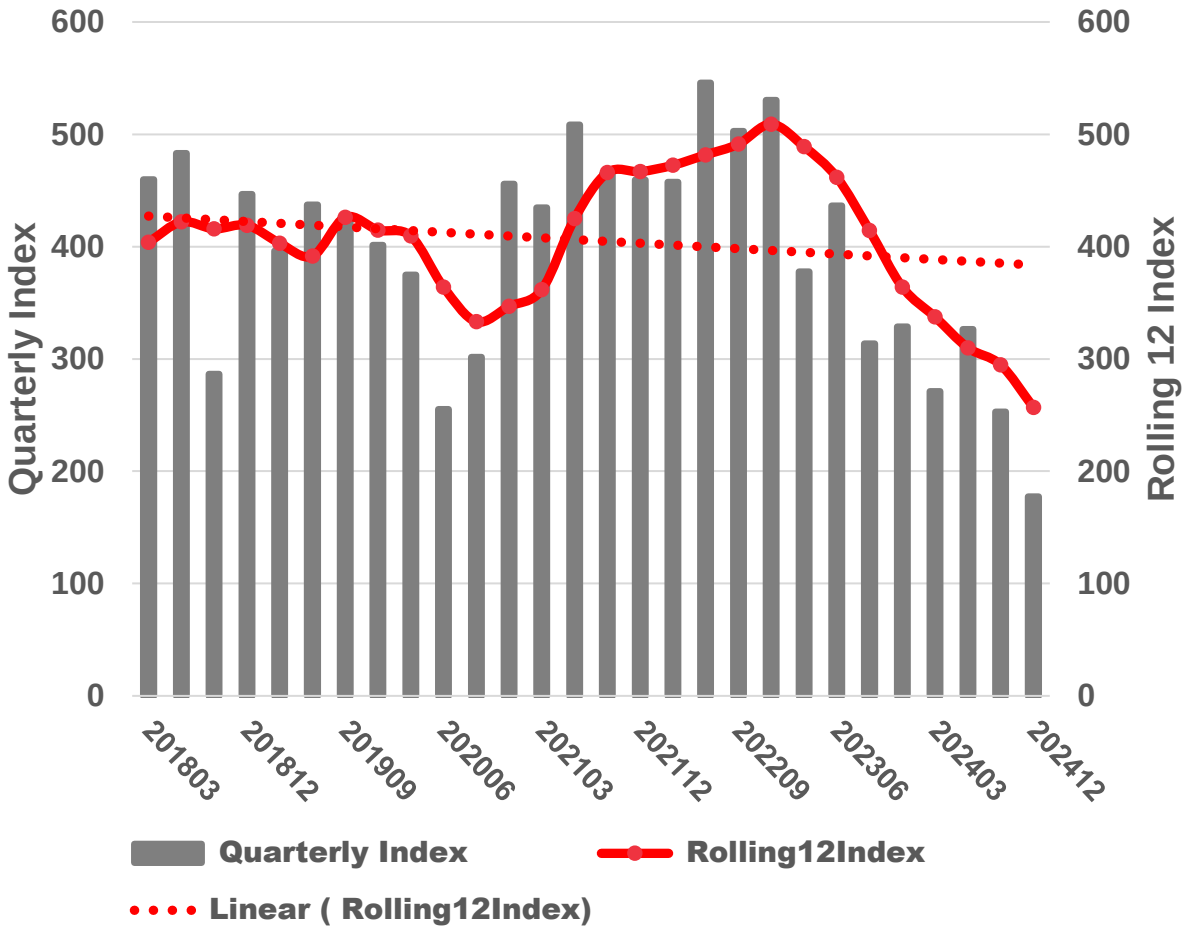
YTD Average Quarterly Index Growth



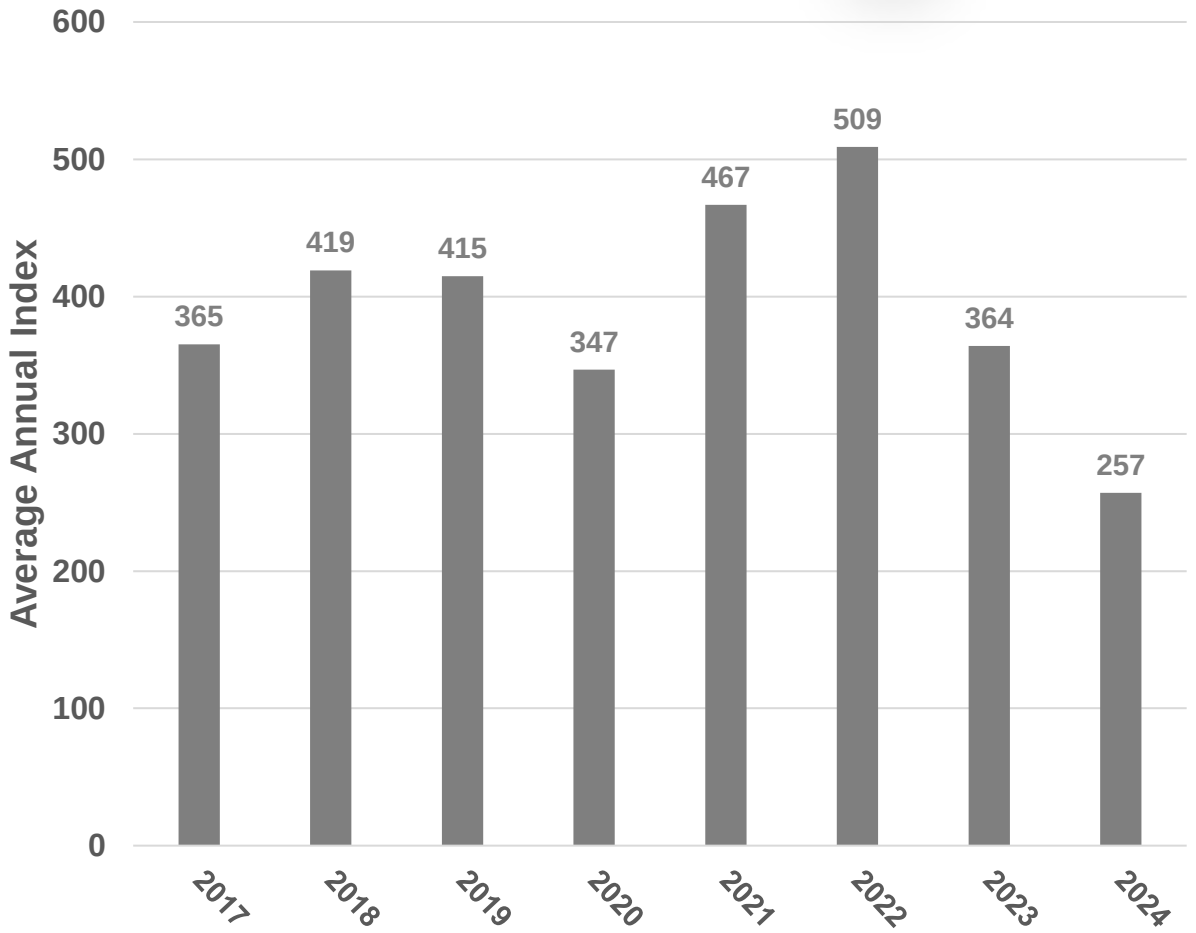
Source: Agrievolution Stats Program - Systematics

U.S. Tractor Index

Quarterly and Rolling12 Indexes



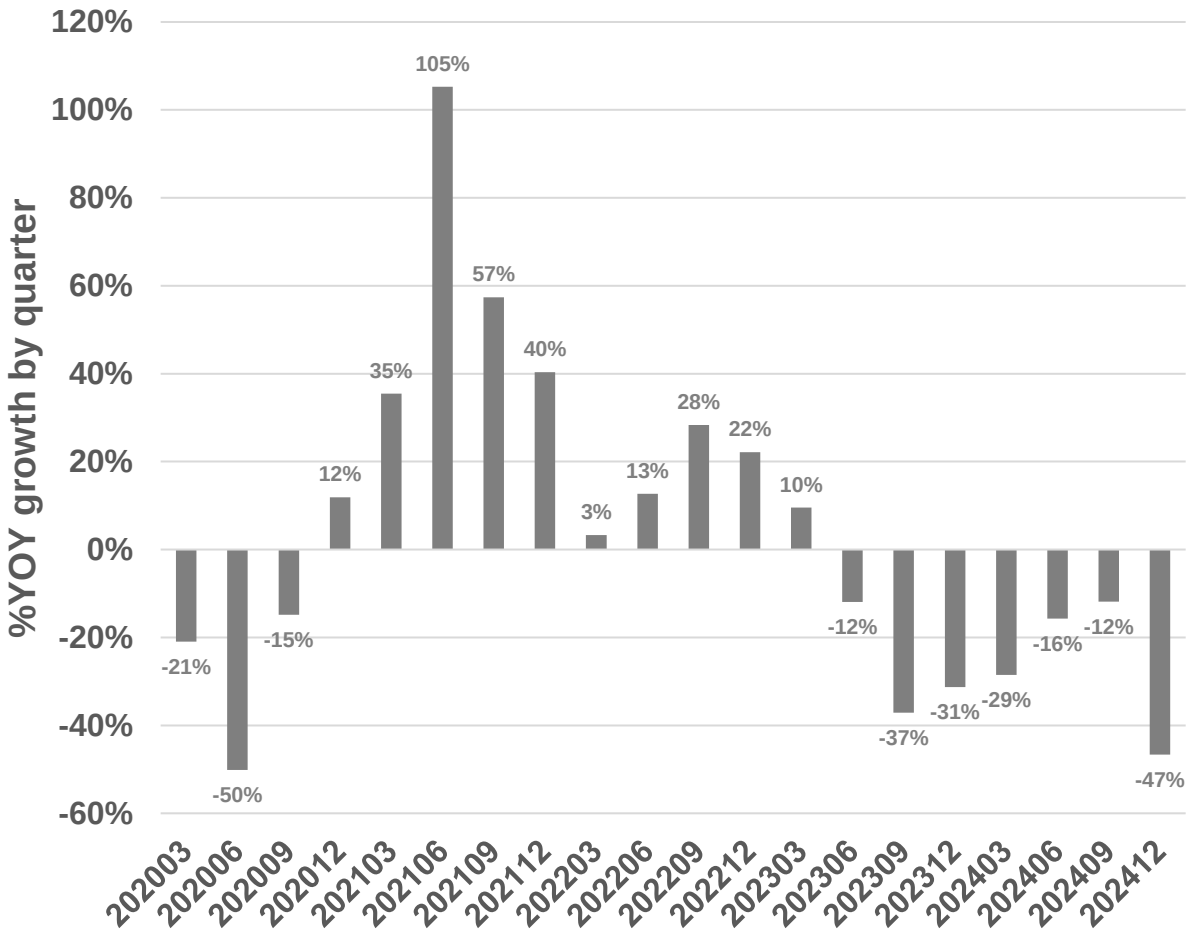
Average Yearly Index



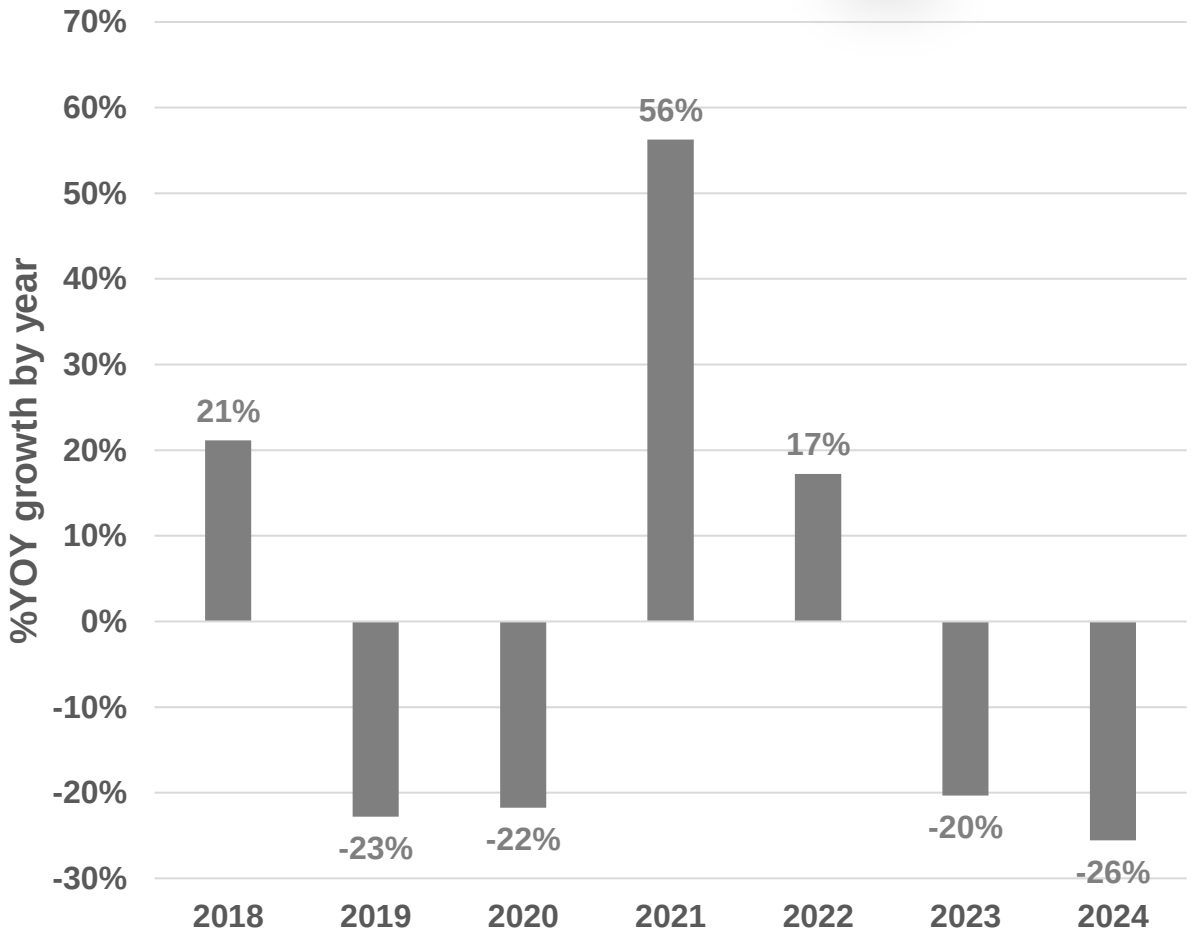
Source: Agrievolution Stats Program - Systematics

Canada Tractor Index

%YOY Quarterly Index Growth



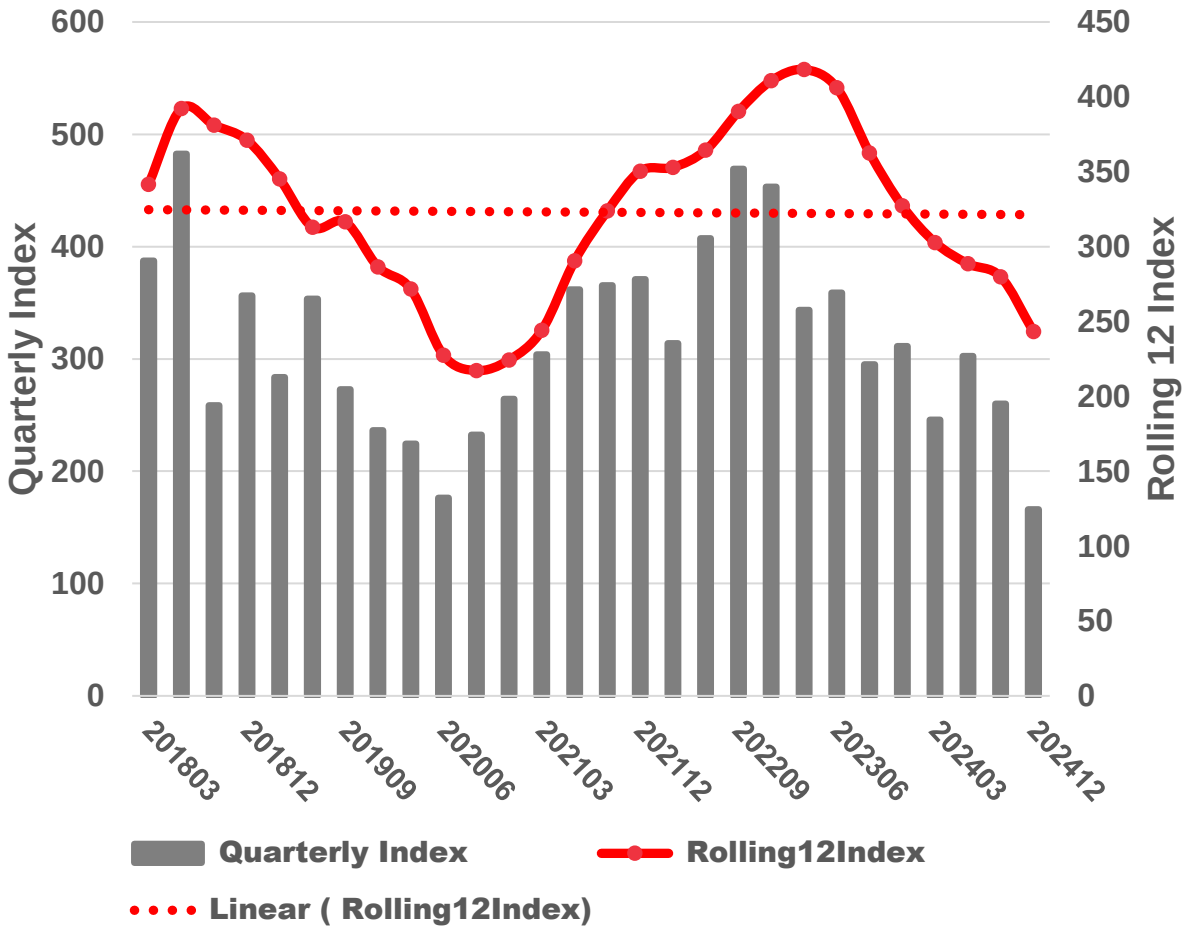
YTD Average Quarterly Index Growth



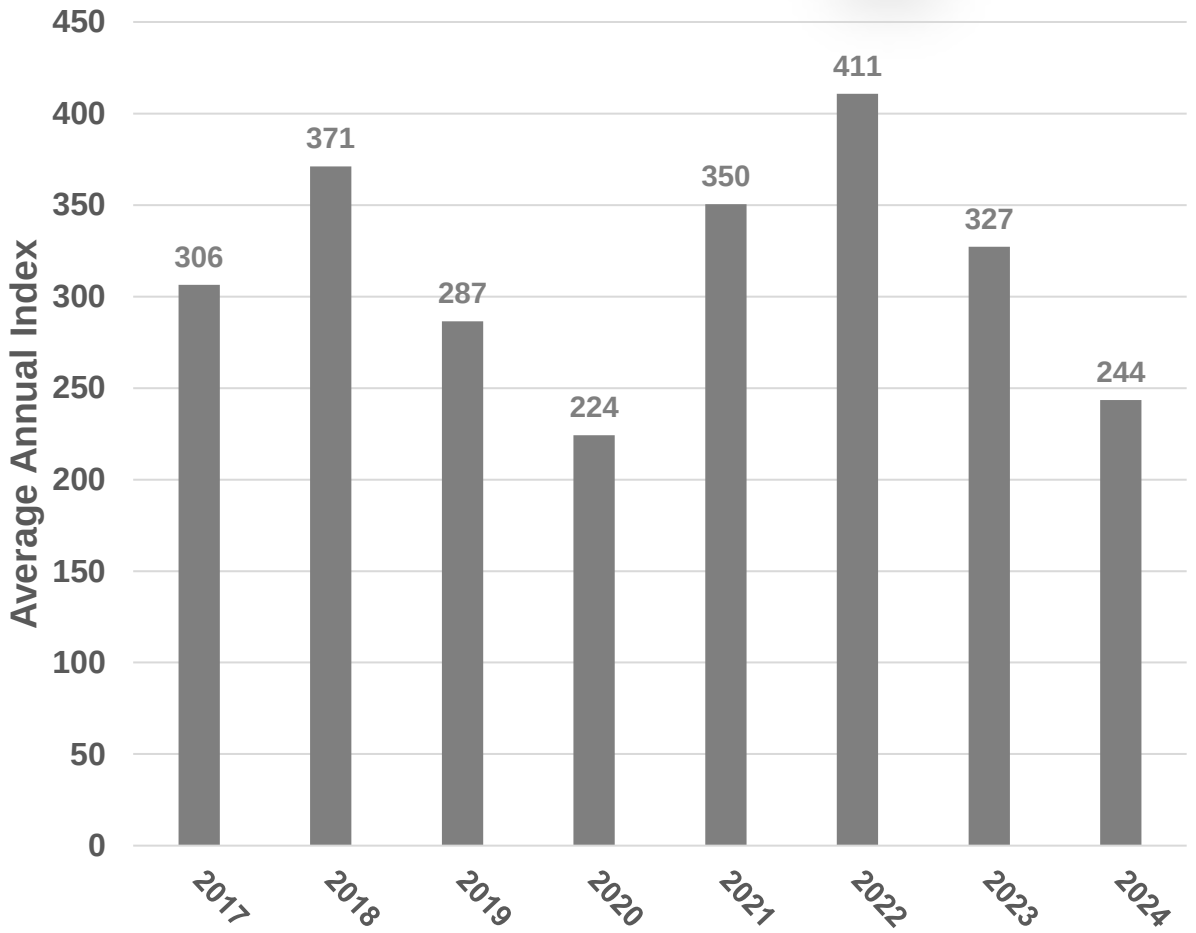
Source: Agrievolution Stats Program - Systematics

Canada Tractor Index

Quarterly and Rolling12 Indexes



Average Yearly Index



Source: Agrievolution Stats Program - Systematics

Appendix A: Agrievolution

The Agrievolution Alliance is the global voice for agriculture equipment manufacturers. Made up of 15 agriculture equipment manufacturing organizations, our mission is to promote the benefits of mechanization in global sustainable agriculture in support of our collective 6000+ agriculture equipment manufacturing member companies around the world. Agriculture indices are published quarterly and business indicators twice annually. For more information: www.agrievolution.com.

Appendix B: Definitions

- %YOY Quarterly Index Growth

Measure the percentage change of the index in a quarter relative to the same quarter of the previous year (i.e. %Change of Q4_2024 relative to Q4_2023)

- YTD Average Quarterly Index Growth

Measures the percentage change of the average index for all quarters up to the current one relative to that of the previous year (%change average (Q1,2,3,4_2024) relative to average (Q1,2,3,4_2023)

- Quarterly and Rolling12 Indexes

Measure quarterly value of the indexes (Q4_2024)

- Average Yearly Index

Measures the average annual index including values of all available quarters Average (Q1,2,3,4_2023), average (Q1,2,3,4_2024)

Appendix C: Notes

- Base Year = 2016

All indexes are calculated relative to 2016 as the base year

- Data for Russia

Indexes value for Russia only included up to April 2024

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