

Press Release

26 July 2022

European Foundry Industry Sentiment, June 2022: Robust demand backs up in times of upheaval

The European Foundry Industry Sentiment Indicator (FISI) increased by 0.4 points in June and reaches a value of 106.4 points. After the significant drop due to Russia's invasion of Ukraine, the business climate of the European foundries is stabilising for the time being, despite all the uncertainties. While the assessment of the current business situation is slightly declining, the expectations for the coming six months are improving moderately. The historic drop of the FISI in recent weeks was, however, due to the latter. The fact that companies' expectations are riding a rollercoaster given the great uncertainties is one of the few things that is momentarily certain.

The question of how much gas Russia will continue to supply in the coming weeks and months is the focus of public discussions. At the same time, energy prices are already threatening the existence of businesses in many places. Switching to alternative energy sources sometimes requires horrendous investments which, after two and a half years of the pandemic, now come up against rising interest rates. Clients of foundries also need to be aware of this. Thus, producer prices for cast components continue to rise.

Meanwhile the Business Climate Indicator (BCI) decreased in May. The increase of 0.19 points brings the index to 1.47 points. After a rally in expectations of rising sales prices, which peaked in April, the situation is easing slightly. Meanwhile, rising incoming orders are giving the BCI a moderate boost.

European Foundry Industry Sentiment Indicator (FISI) and Business Climate Indicator Euro Area (BCI)

June 2022



The FISI – European Foundry Industry Sentiment Indicator – is the earliest available composite indicator providing information on the European foundry industry performance. It is published by CAEF the European Foundry Association every month and is based on survey responses of the European foundry industry. The CAEF members are asked to give their assessment of the current business situation in the foundry sector and their expectations for the next six months.

The BCI – Business Climate Indicator – is an indicator published by the European Commission. The BCI evaluates development conditions of the manufacturing sector in the euro area every month and uses five balances of opinion from industry survey: production trends, order books, export order books, stocks and production expectations.

Please find the chart enclosed or combined with additional information at www.caef.eu.

Background information on CAEF:

CAEF is the umbrella organisation of the national European foundry associations. The organisation, founded in 1953, has 22 European member states and works to promote the economical, technical, legal and social interests of the European foundry industry. At the same time, CAEF implements activities which aim at developing national foundry industries and co-ordinating their shared international interests. The General Secretariat is situated in Düsseldorf since 1997.

CAEF represents 4 700 European foundries. Nearly 300 000 employees are generating a turnover of 43 billion Euro. European foundries are recruiting 20 000 workers and engineers per year. The main customer industries are e.g. the automotive, the general engineering and the building industries as well as the electrical engineering industry. No industrial sector exists without using casted components.

Further information at www.caef.eu and [CAEF LinkedIn](#).

CAEF Contact:

Tillman van de Sand

CAEF The European Foundry Association
Secretary Commission for Economics & Statistics
phone: +49 211 68 71 – 301
mail: tillman.vandesand@caef.eu
