

Automotive Remanufacturing Business Climate (ARBC) Q1/2021.

Further improving business situation.

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.9 / 100

The automotive remanufacturing industry is in good shape in the first quarter of 2021. A perceptible improvement in the COVID-19 pandemic is accompanied by a positive trend in most of the indicators surveyed. However, it must be recognized that companies do not anticipate further price increases. The inventory situation must be carefully observed regarding possible challenges within supply. Overall, this results in a slight decrease in the ARBC index value.

BUSINESS SITUATION



CHALLENGES

The **COVID-19 pandemic** represents a major **uncertainty** in the industry, with various possible effects, for example on investment decisions, global supply chains and operating models. The increasing **digitalization**, growing influence of **e-mobility** and increasingly dominant role of **E/E components** in automotive products reinforce the **complexity** for industry professionals and can be both risk or opportunity for those. In addition, there is a growing **awareness of sustainability** in society and a tightening of sustainability aspects in **legislation**, reinforcing the importance of remanufacturing.

ABOUT THE PROJECT

The Automotive Remanufacturing Business Climate (ARBC) is a project launched in 2020. Through the recurring survey with industry professionals, an overall indicator is being developed, aimed to explore the current situation and future prospect of the automotive remanufacturing market.

The survey is being delivered on a six-month basis to provide industry professionals a regular indicator that allows to find divergences and parallels between the general market conditions and their own situation. From this, implications for specific measures to further improve business operations can be derived.

If you have any questions, thoughts or doubts please let us know!

CONCLUSION

The ARBC Q1/2021 achieves a satisfactory result despite the ongoing impact of the COVID-19 pandemic. The remanufacturing sector remains stable and in good shape. Since Q3/2020 the overall business situation has improved. Capacity utilization at companies is almost unchanged compared to Q3/2020 and prices are expected to remain stable. Customer demand has increased, while inventory levels for sales have fallen – a positive sign for the demand situation – but at the same time also associated with the potential risk of sales being limited in the future should supply and production not be able to keep pace.

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