



PRESS CONFERENCE

*The Global Machine Tools Sector: State of Play & Tackling
New Challenges* 



Monday, 18 September
12:00 to 13:00



Room 16, Convention Centre
EMO Hannover Fairground

**Followed by a networking lunch*



European Machine Tool Industry: Current Landscape and Future Prospects



Marcus Burton
Chairman of the Economic
Committee, CECIMO







What We Do



CECIMO **represents** globally the common position of the manufacturing sector and promotes co-operation with other organisations worldwide.



CECIMO **advocates** to contribute to a business environment that markets the most competitive manufacturing solutions worldwide.



CECIMO **provides** a comprehensive Market Intelligence Service: we gather, analyse and distribute statistical and economic data and reports and offer exclusive access to members.



CECIMO **promotes** our sectors through EMO, the largest international trade show for the machine tool industry and it is a CECIMO registered trademark.



CECIMO **encourages** research and innovation driven by the present and future needs of the market. CECIMO contributes to shaping EU R&I policies and it is involved in many EU-funded projects.



CECIMO **works on** global standards to promote a single European market open to global competition, engaging in the European and International standardisation bodies.





International Cooperation



CECIMO is strongly committed to fostering international co-operation with machine tool associations around the world.





Economic Situation



Global Growth: IMF Forecast (July 2023)

- Global growth is projected to fall from an estimated **3.5% in 2022** to **3.0% in both 2023 and 2024**, well below the historical (2000–19) annual average of 3.8%.
 - Tight monetary policy, investments and industrial production have slowed sharply in major advanced economies in the first half of 2023, dragging down international trade and manufacturing in emerging markets.

European Commission Forecast (September 2023)

- Growth in the EU economy is revised downwards to **0.8% in 2023** and **1.4% in 2024**.
 - Overall, the weaker growth momentum in the EU is expected to extend to 2024, and the impact of tight monetary policy is set to continue restraining economic activity.
- Inflation is expected to decline, with EU inflation projected to reach 6.5% in 2023 and 3.2% in 2024.





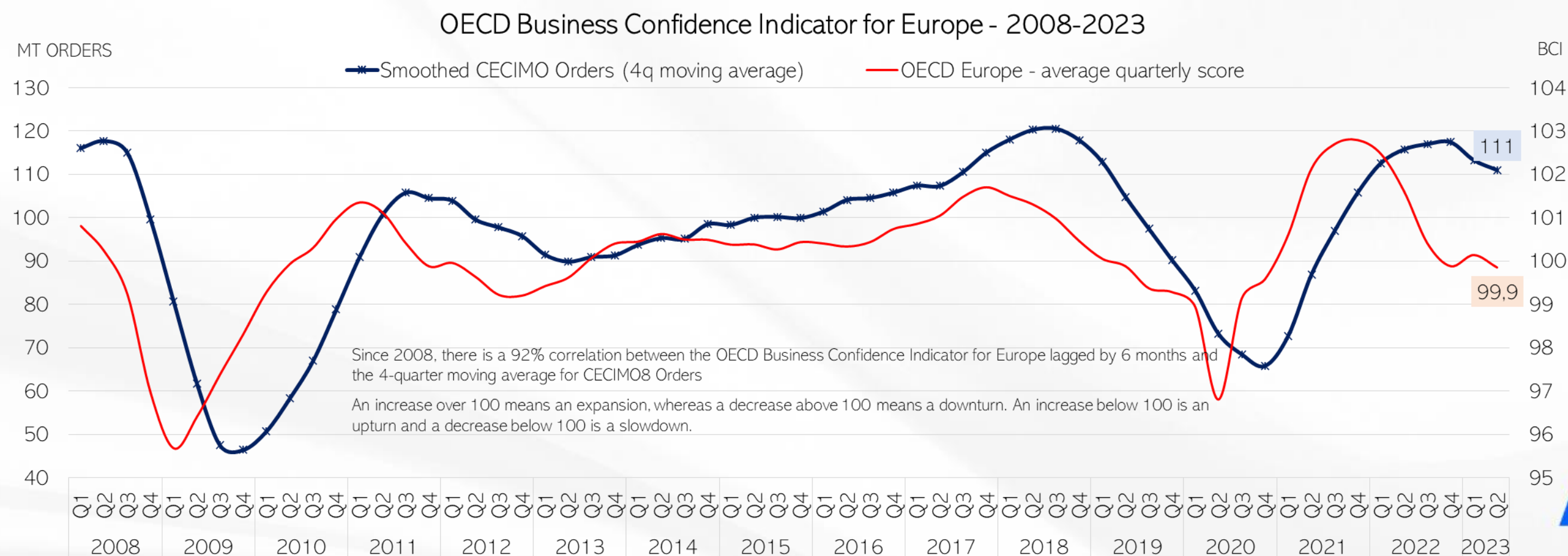
Business Climate: Europe



OECD Business Confidence Indicator

- After a slight improvement in Q1 2023, the index deteriorates again in Q2 2023, reaching the level just below the 100 no change mark.
 - Very important as it has a very strong correlation (with a 6-month lag) with CECIMO8 total orders.

Note: Index above 100 = growth or expansion

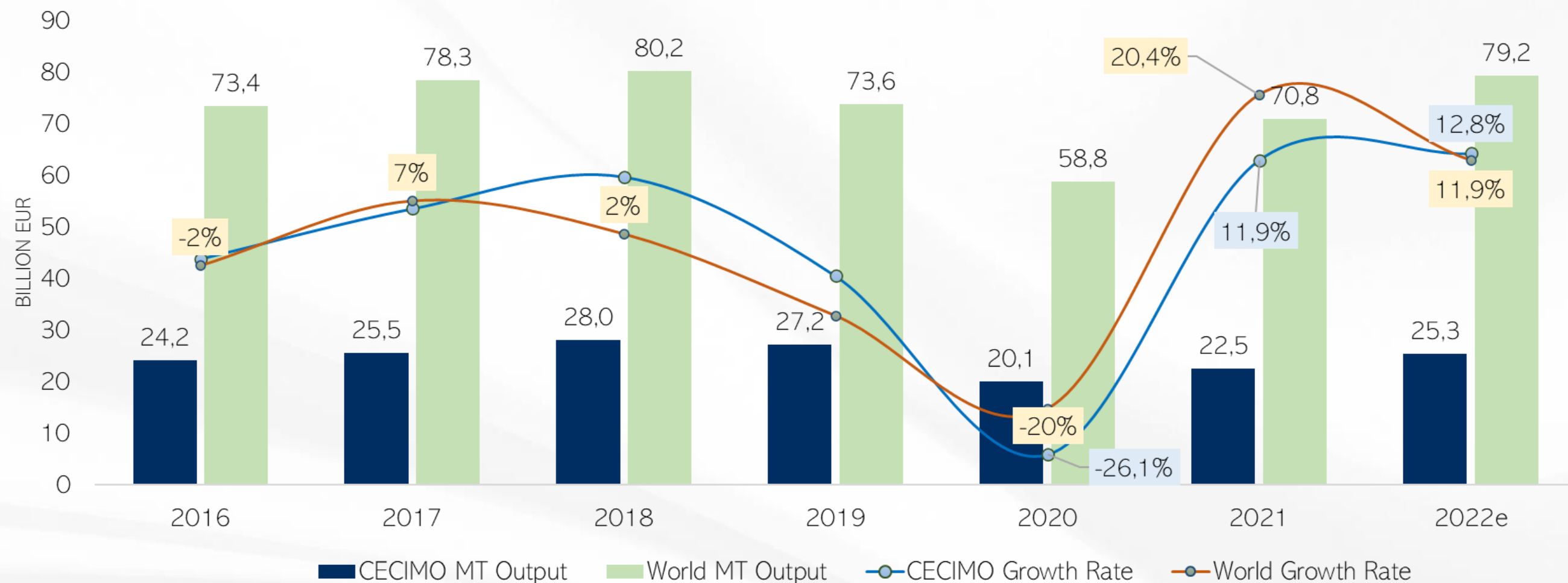


MT Production



CECIMO vs World MT Production in 2022 (billion EUR)

- The latest estimates for 2022 show CECIMO production increasing by 12.8% to reach 25.3 billion EUR in 2022.
- Global production increased by 11.9% to reach EUR 79.2 billion.



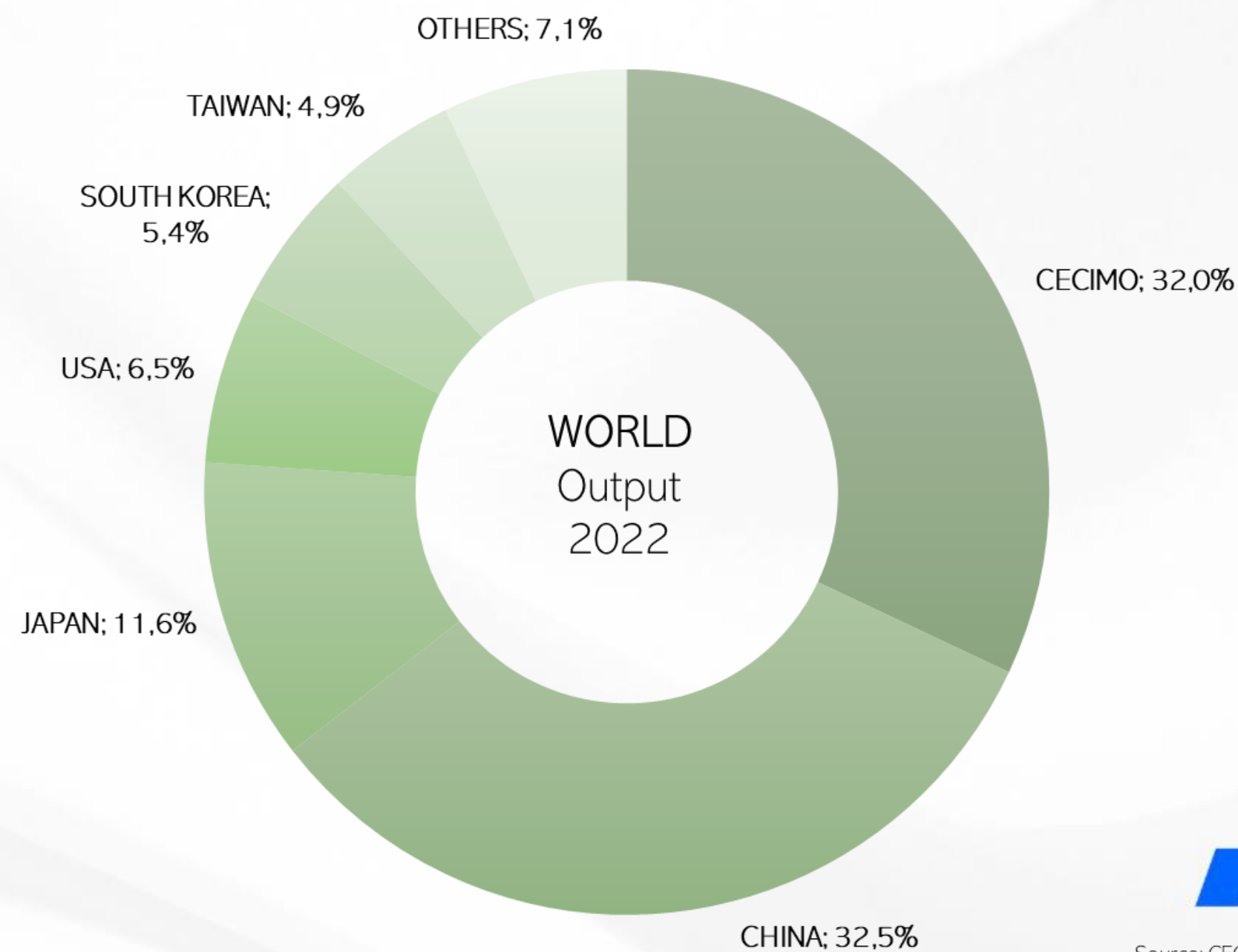
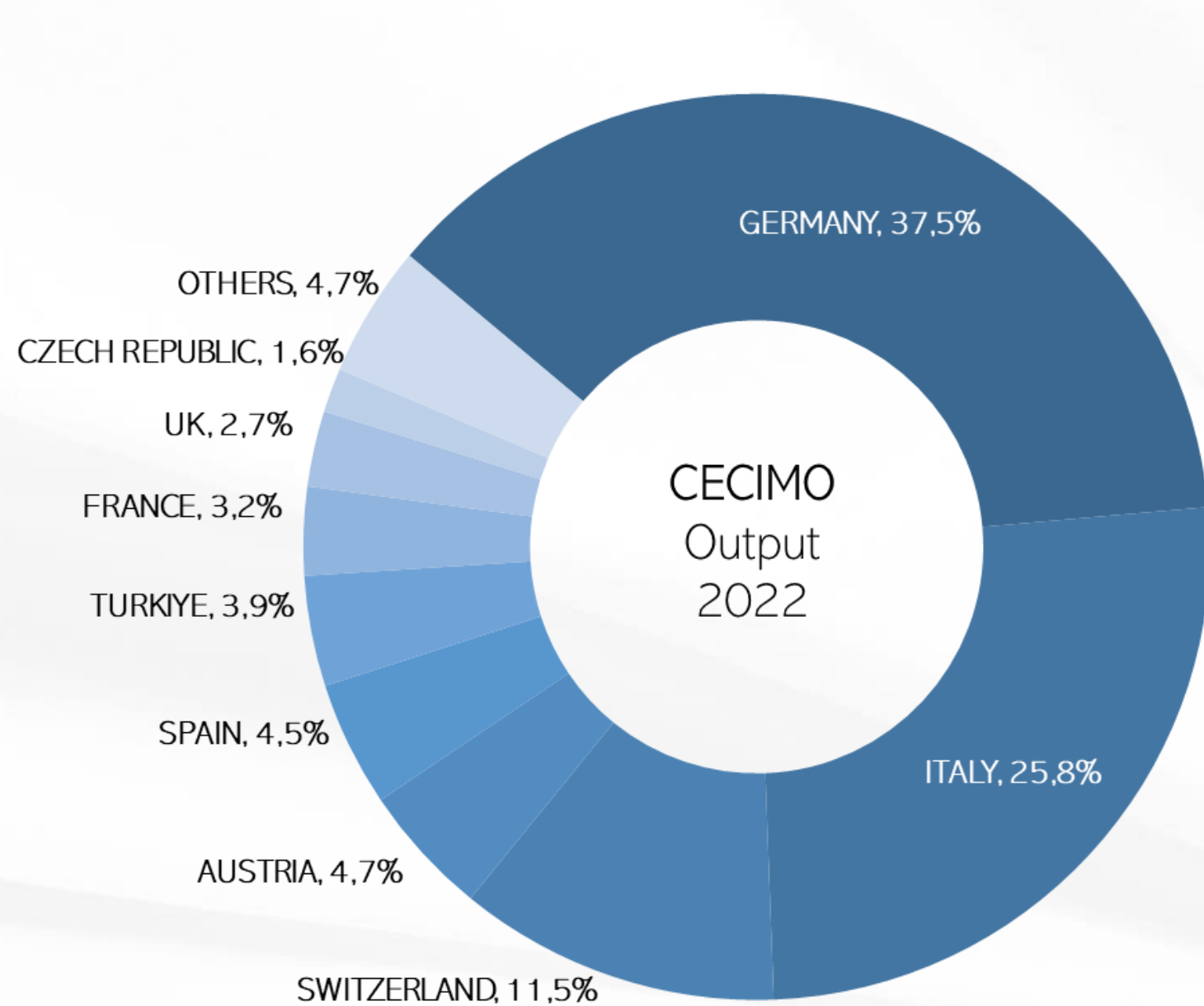
Source: CECIMO



MT Production



CECIMO members / CECIMO vs World MT Production share



Source: CECIMO

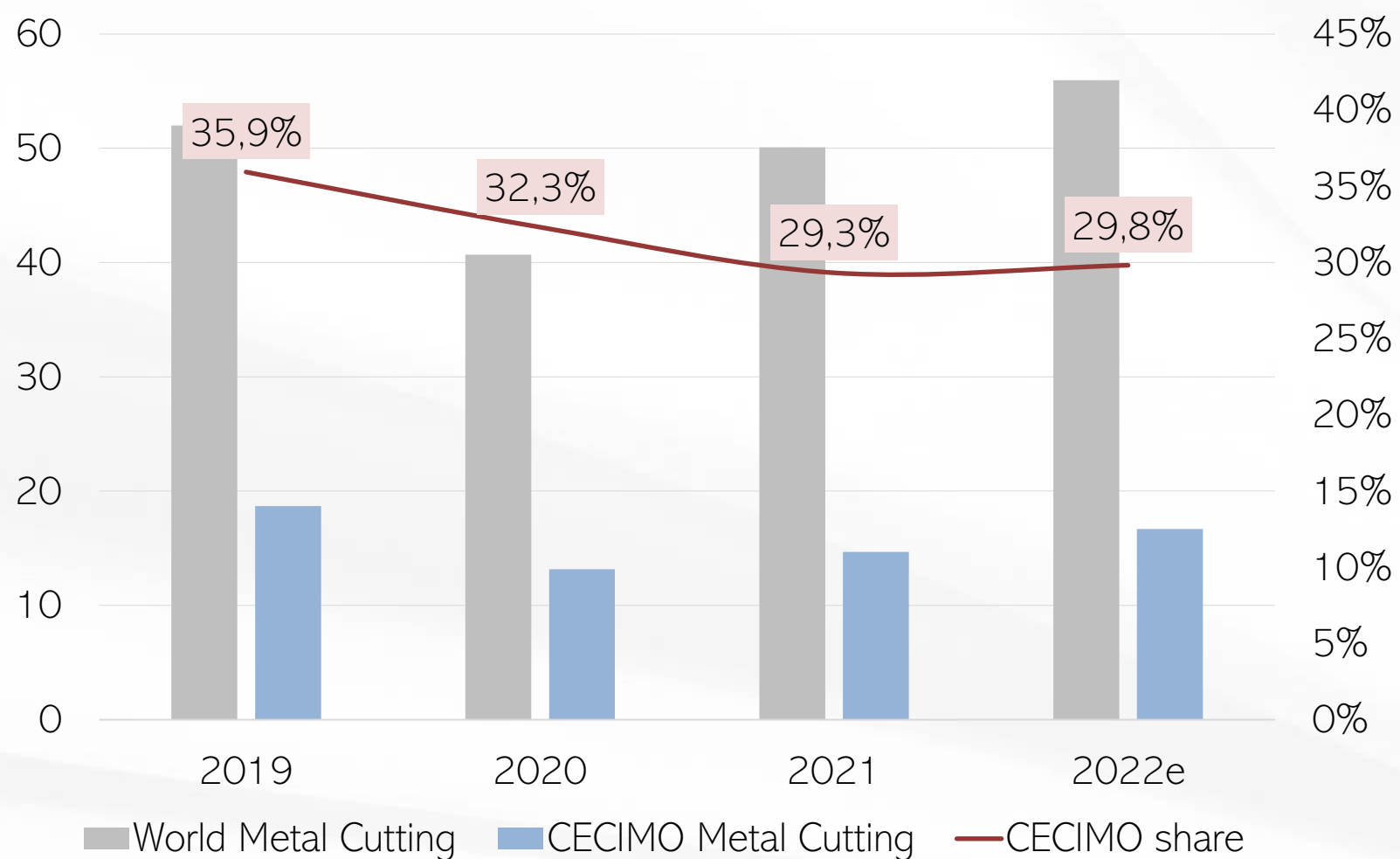


MT Production



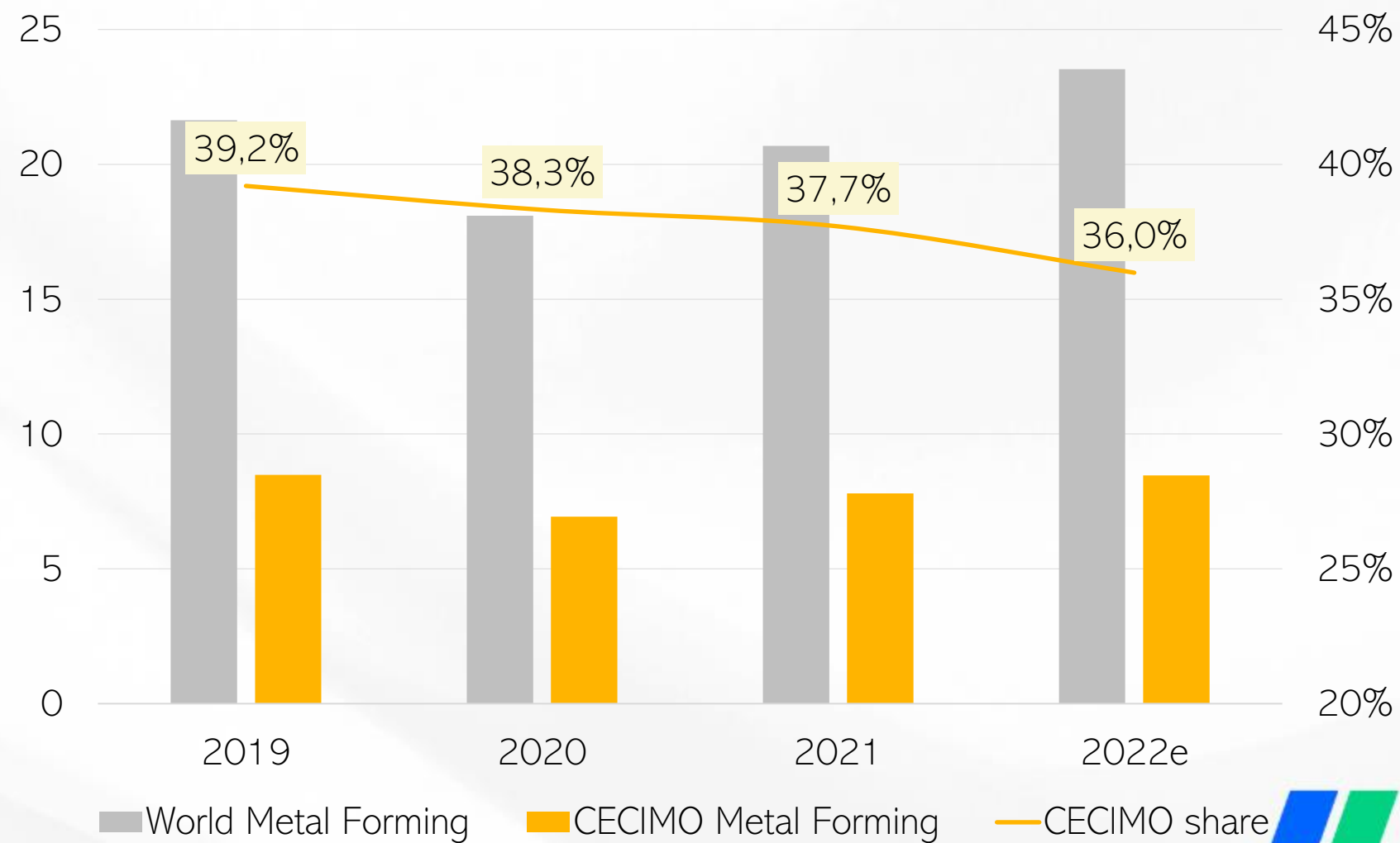
World MT Production share

Metal Cutting MT Production



Source: CECIMO Global MT Report 2022

Metal Forming MT Production



Source: CECIMO Global MT Report 2022

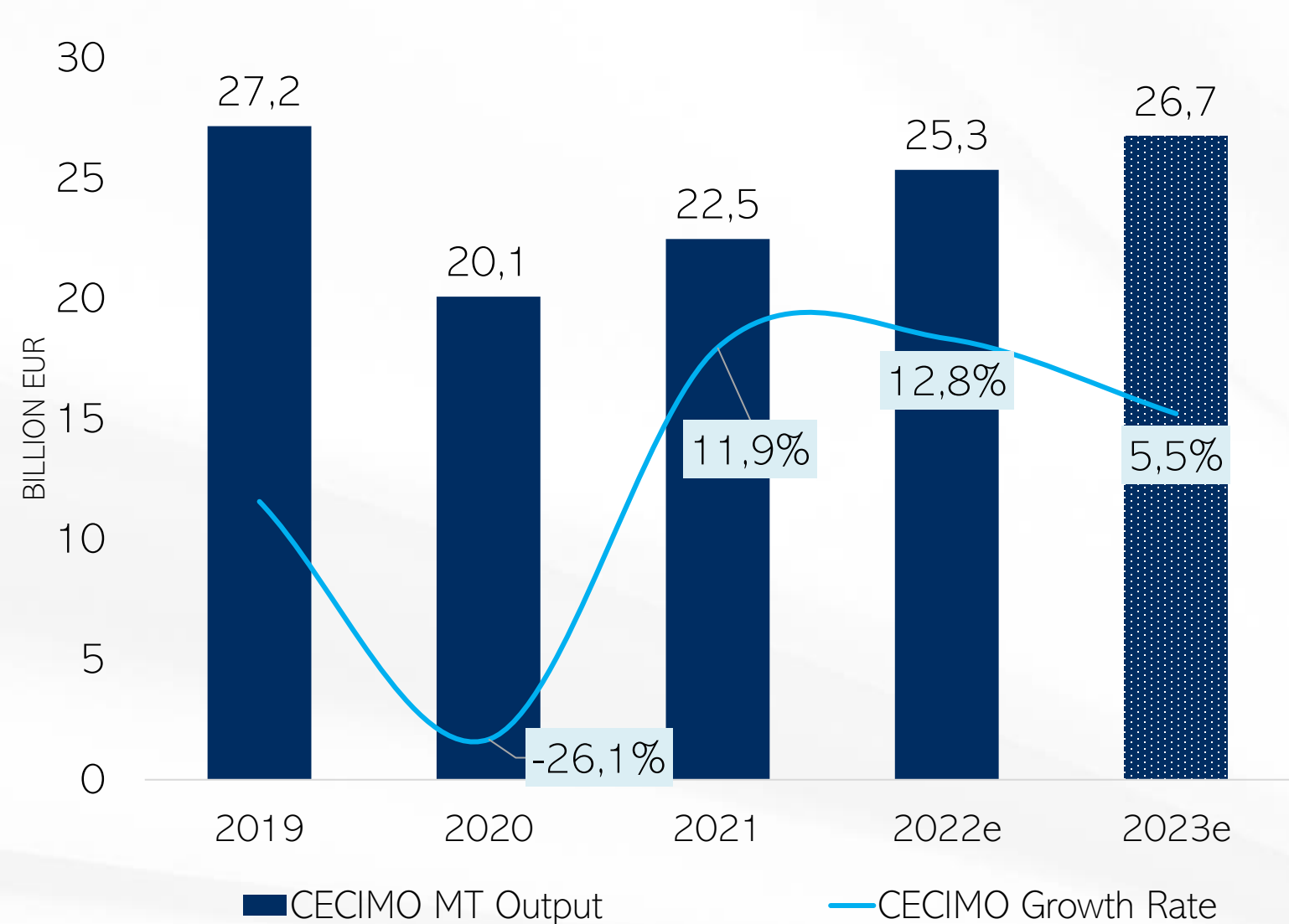




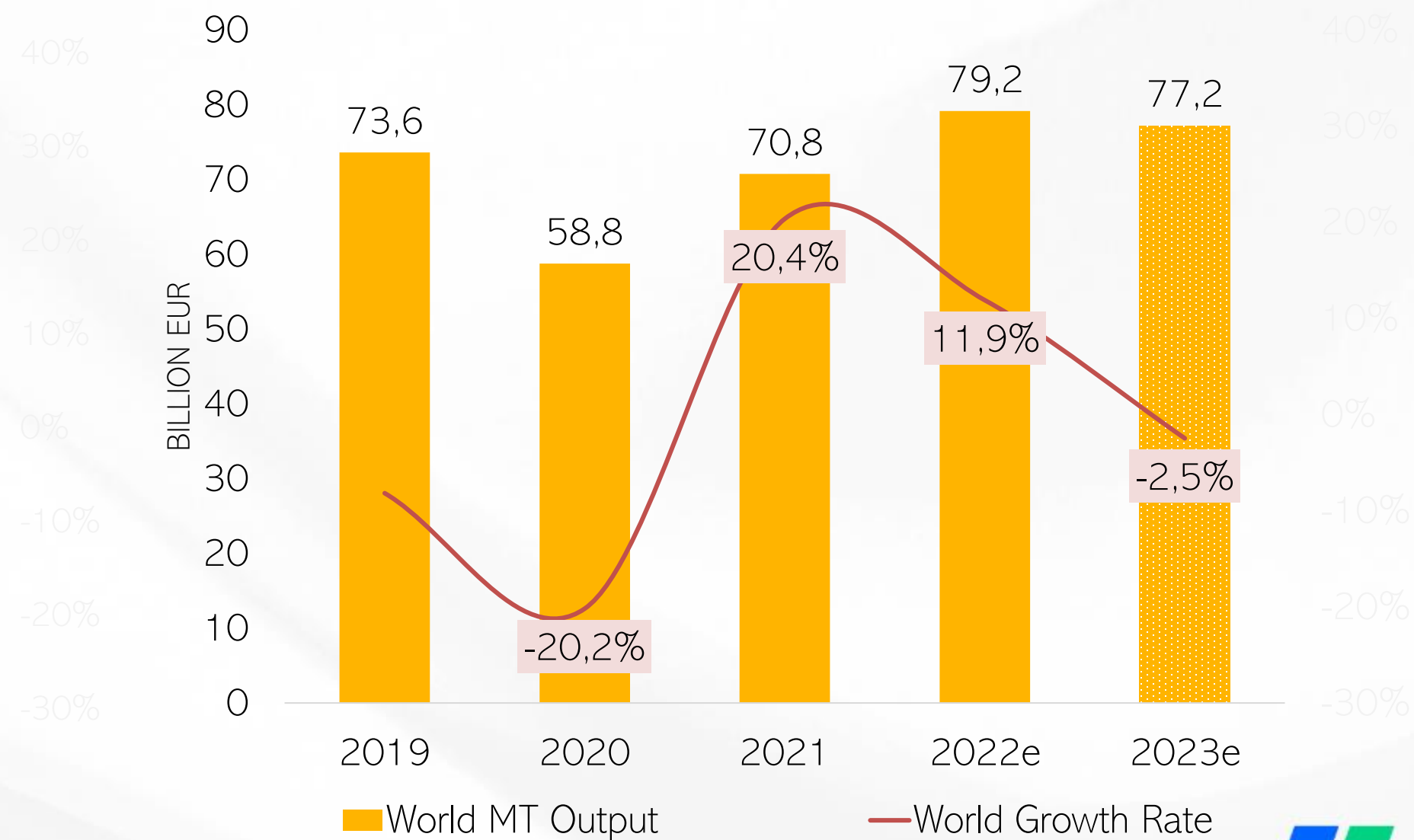
MT Production



Estimates for 2023



Source: CECIMO Global MT Report 2022



Source: CECIMO Global MT Report 2022





Trade



CECIMO Main MT-Purchasing Countries 2022/2021

EUR Million	2021	2021 Share	2022	2022 Share	%change
United States of America	2.046	20,7%	2.510	23,6%	22,6%
China	2.285	23,2%	2.255	21,2%	-1,3%
Poland	720	7,3%	817	7,7%	13,4%
Mexico	382	3,9%	444	4,2%	16,4%
India	365	3,7%	382	3,6%	4,6%
Hungary	289	2,9%	363	3,4%	25,5%
Russia	511	5,2%	305	2,9%	-40,3%
Canada	220	2,2%	253	2,4%	14,9%
Japan	198	2,0%	248	2,3%	25,2%
Brazil	230	2,3%	193	1,8%	-16,0%
Total CECIMO Exports	17.082,4		19.140,5		12,0%
Exports to CECIMO	7.215,2	42,2%	8.484,1	44,3%	17,6%
Exports outside CECIMO	9.867,1	57,8%	10.656,3	55,7%	8,0%

Source: ITC



Trade



CECIMO Main MT-Supplying Markets 2022/2021 (million Euros)

EUR Million	2021	2021 Share	2022	2022 Share	%change
Japan	1.116	27,4%	1.645	28,8%	47,4%
China	779	19,1%	1.076	18,9%	38,1%
Taiwan	700	17,2%	1.043	18,3%	49,0%
South Korea	496	12,2%	691	12,1%	39,3%
United States	422	10,3%	517	9,1%	22,6%
Poland	123	3,0%	153	2,7%	24,5%
Thailand	98	2,4%	146	2,6%	49,2%
Slovakia	51	1,2%	57	1,0%	11,8%
Singapore	22	0,5%	47	0,8%	115,6%
India	27	0,7%	33	0,6%	20,0%
Total CECIMO Imports	9.629,0		12.483,2		29,6%
Total from CECIMO countries	5.551,9	57,7%	6.776,2	54,3%	22,1%
Total from non-CECIMO	4.077,1	42,3%	5.707,0	45,7%	40,0%

Source: ITC





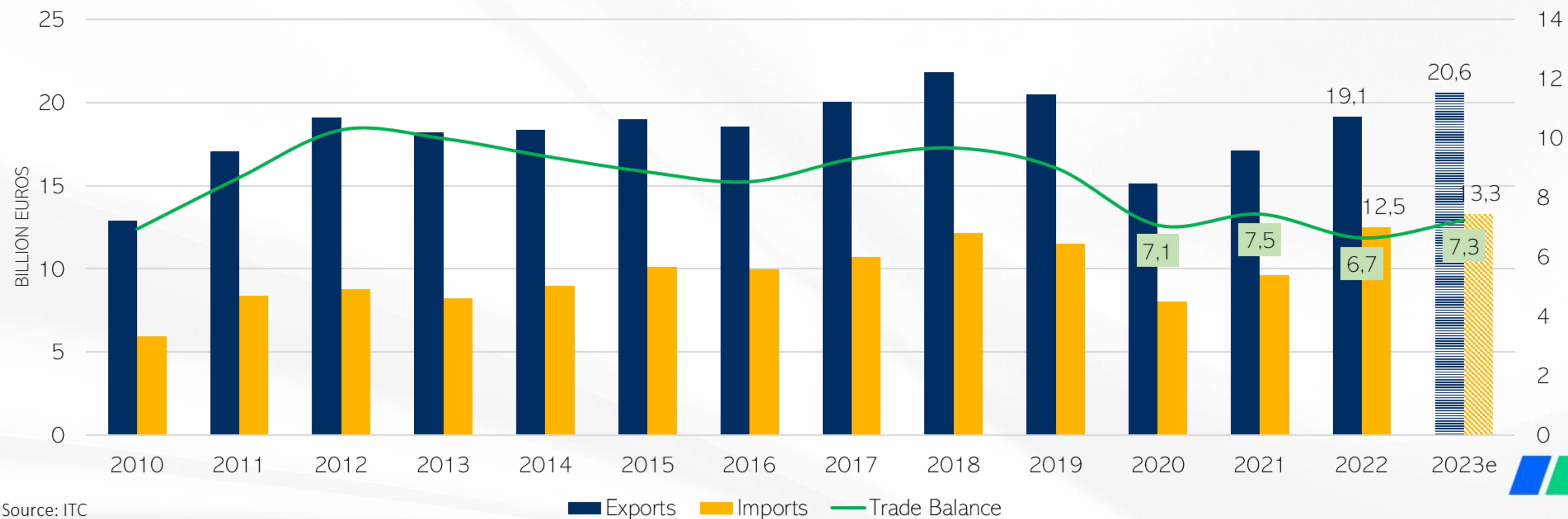
Trade



CECIMO MT Trade Balance – Estimates for 2023

- MT Exports growth + 7,4%
- MT Imports growth + 6,6%

CECIMO MT Trade Balance (2010-2023e)



Source: ITC





Demand

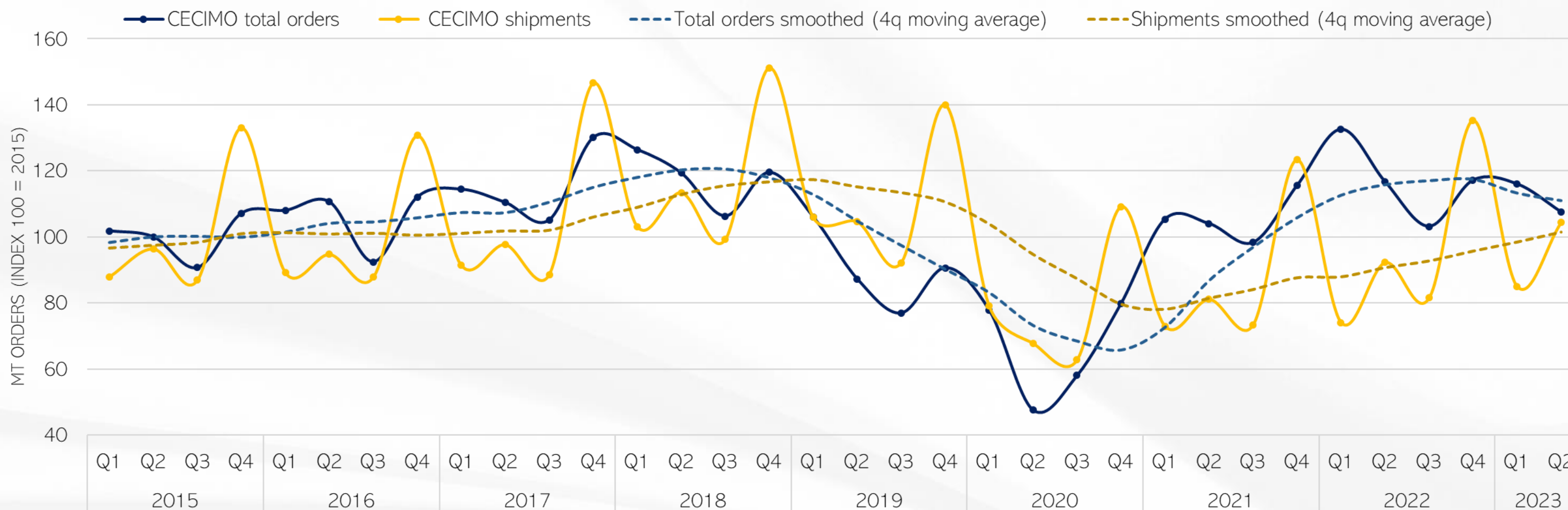


CECIMO8 MT Orders Data

- Total Orders & Shipments

	CECIMO8 total orders	CECIMO8 shipments
23-Q2 to 22-Q2	-8%	+13%
23-Q2 to 23-Q1	-7%	+23%

CECIMO8 Total Orders & Shipments (2015-2023)



Source: CECIMO & National Associations

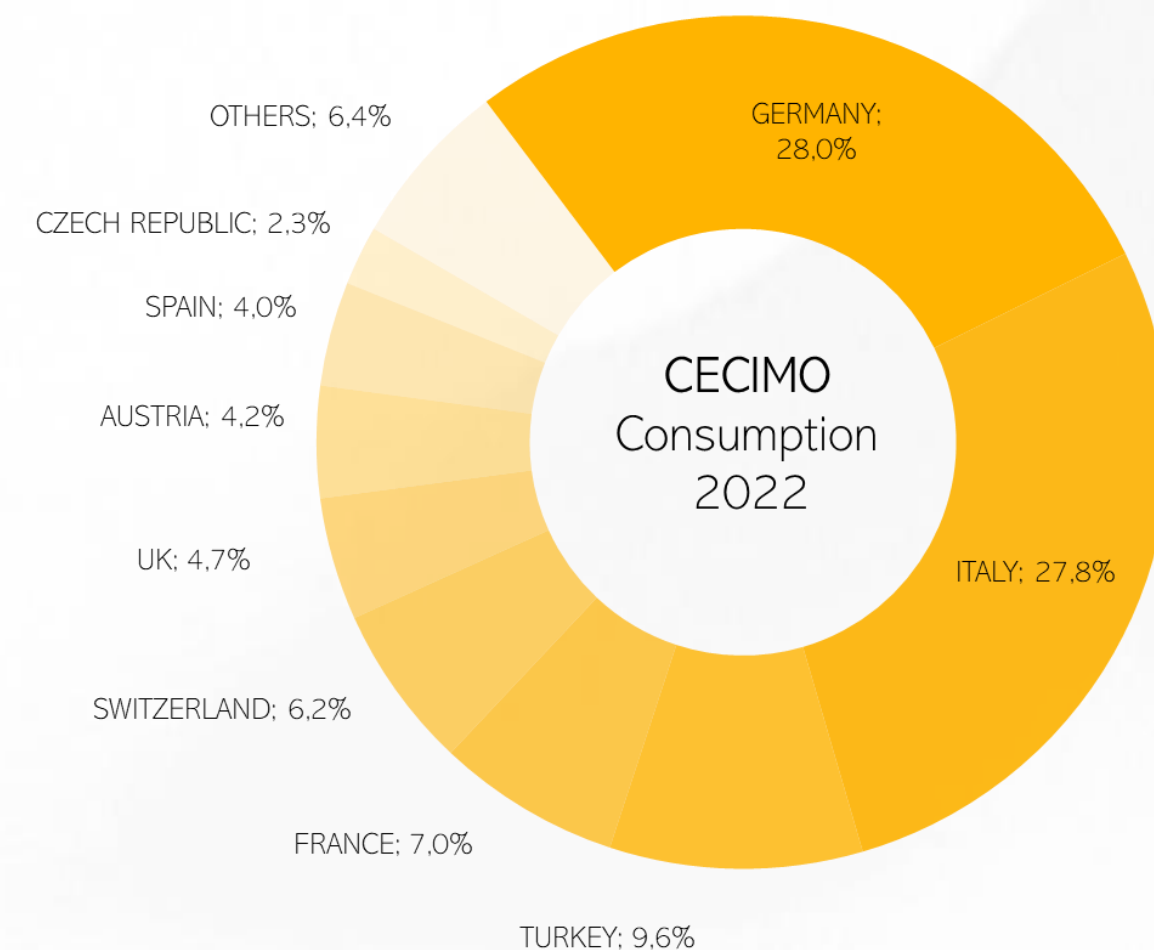
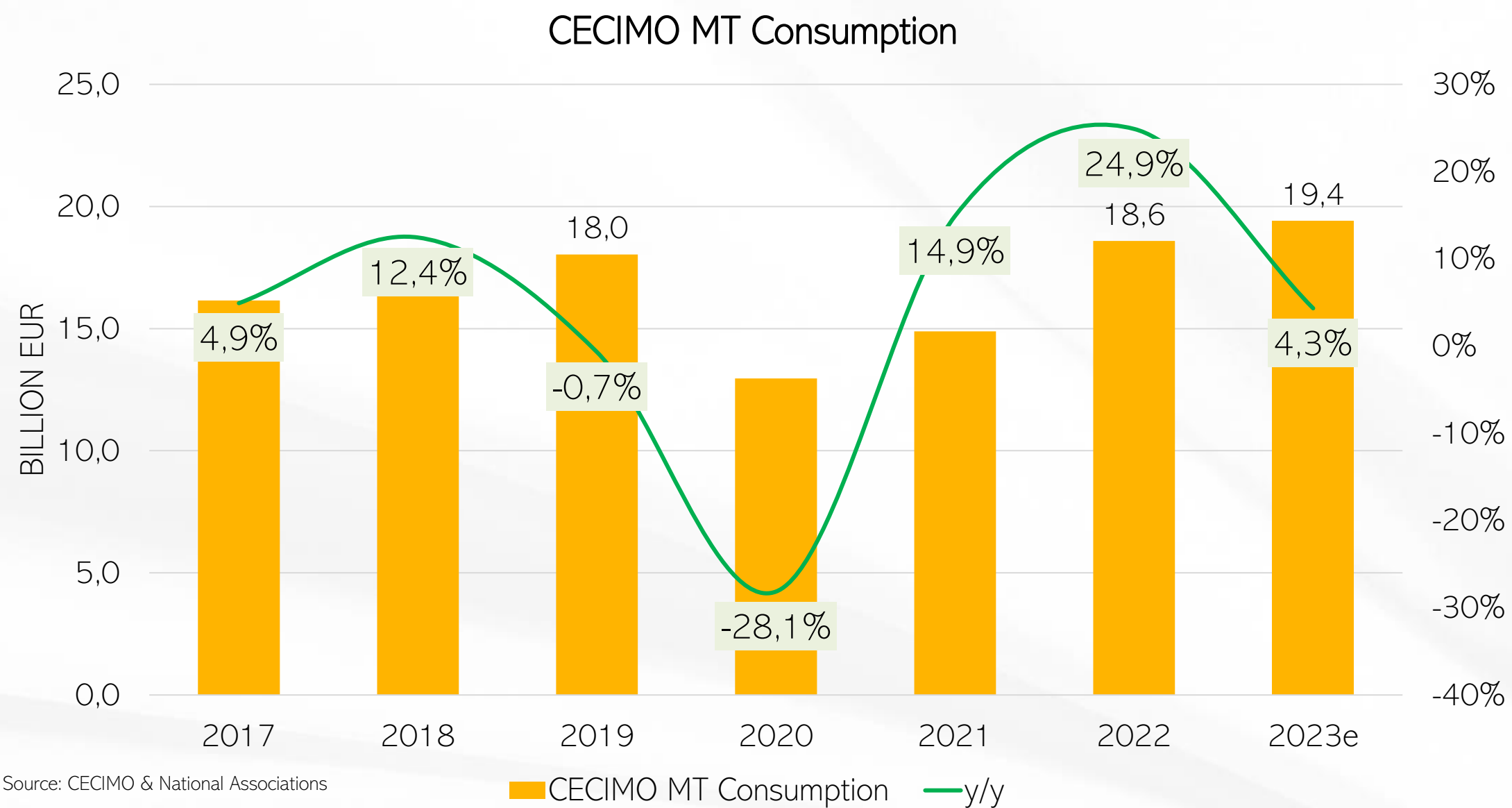




Demand



CECIMO MT Consumption





Concluding remarks



The world economy is on course for a slowdown this year.

- Due to ongoing efforts to combat inflation and the impact of the Russian–Ukrainian conflict on economic activity, growth is expected to remain subdued by historical standards.

Persistently tight financial conditions continue to restrain economic activity, driven by rising policy interest rates and increasing evidence of higher financing costs and reduced credit volumes, particularly affecting sectors heavily dependent on external financing.

Negative, but not catastrophic, impact of shift to electric vehicles on demand for MT.

- MT sector serves as a cornerstone of any manufacturing industry. Therefore, while there may be shifts in key MT–consuming industries, the investment paths associated with the green and digital transition will undoubtedly create new opportunities in the years ahead.





Concluding remarks



CECIMO8 Total new orders

- While the latest business climate indicators do not paint a positive picture on the demand side in the short term, we see a downward trend in new orders in the second half of 2023, while we expect more stable and growing new orders in 2024.

While MT orders are at a lower level, **MT production in 2023** is also driven by strong order backlogs from previous years.

Overall positive expectations for 2023:

- MT production expected to increase by around +5.5% in 2023.
- MT Exports growth +7,4%
- MT Imports growth +6,6%
- MT Consumption expected to increase by around +4,3% in 2023.





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中国机床工具工业协会
China Machine Tool & Tool Builders' Association



Navigating the Present & Looking Ahead

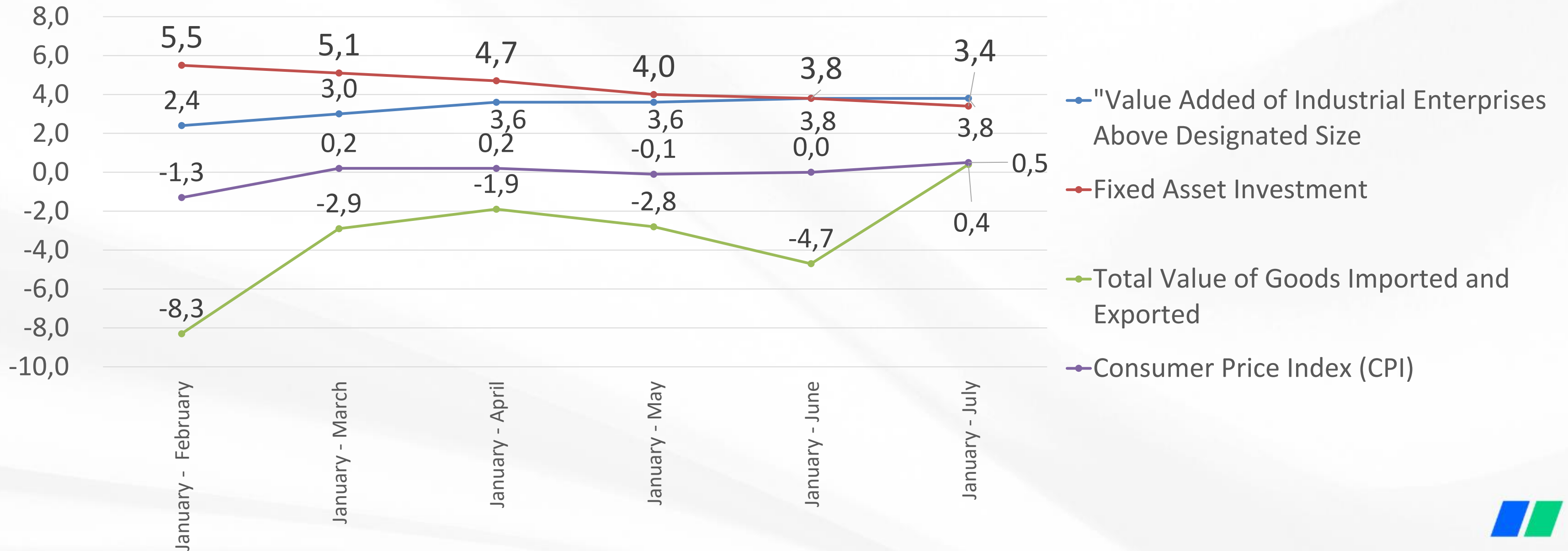
Speaker: Mr. Mao Yufeng

President of CMTBA





China's Partial Macroeconomic Data for January–July 2023 (Year-on-Year Growth Rate in %)

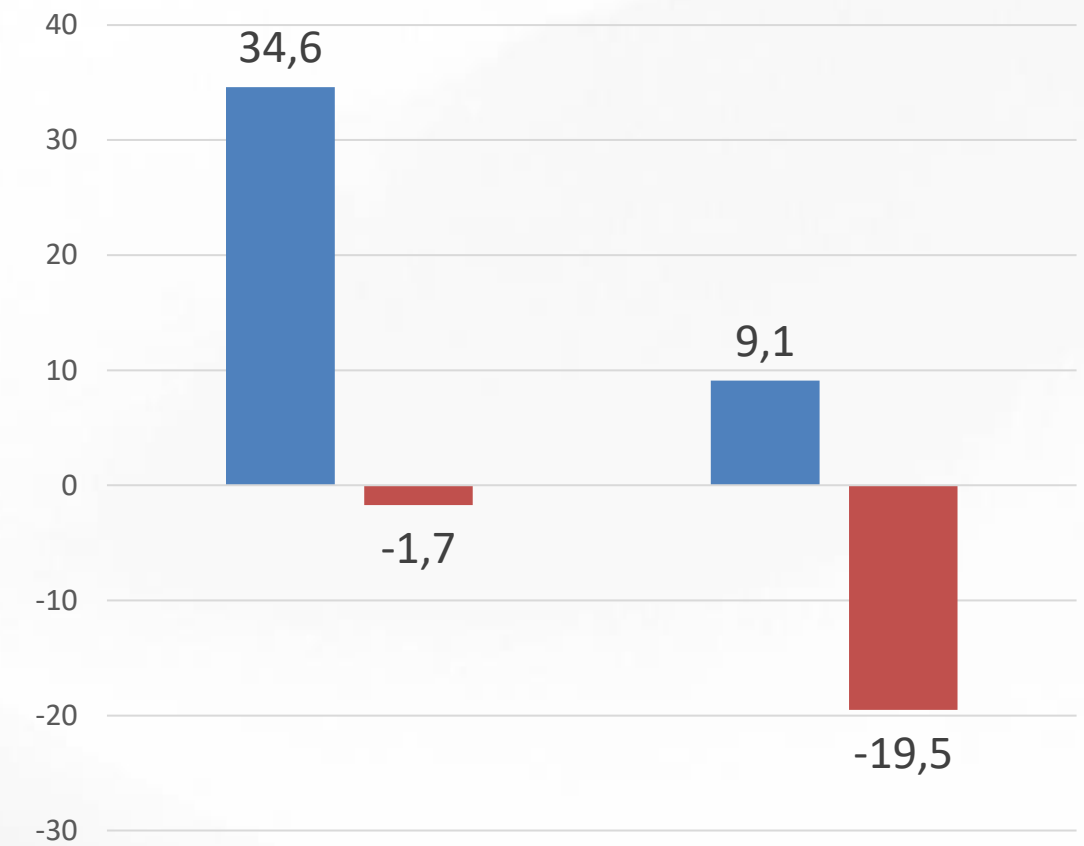
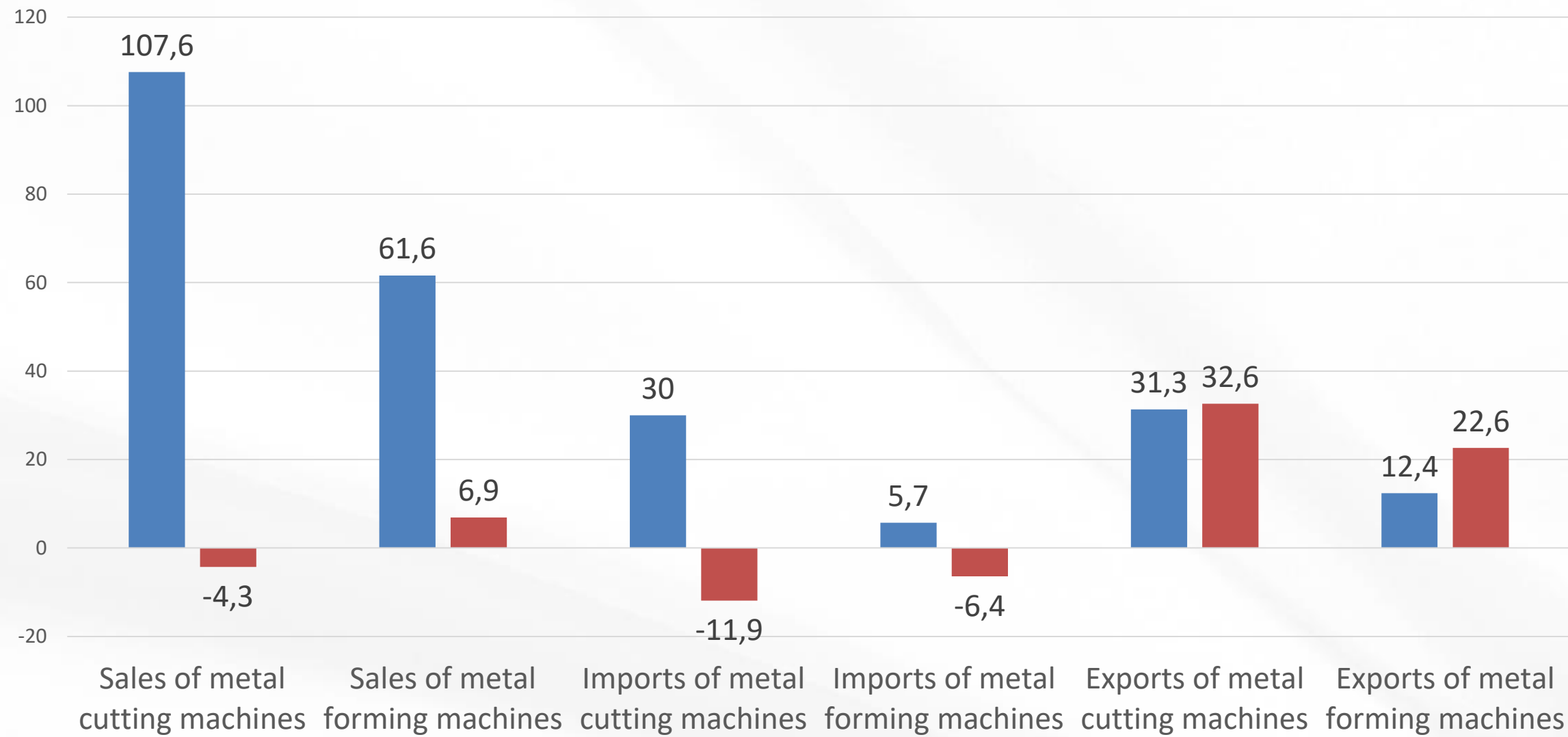




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Operational status of China's machine tool industry from January to July 2023



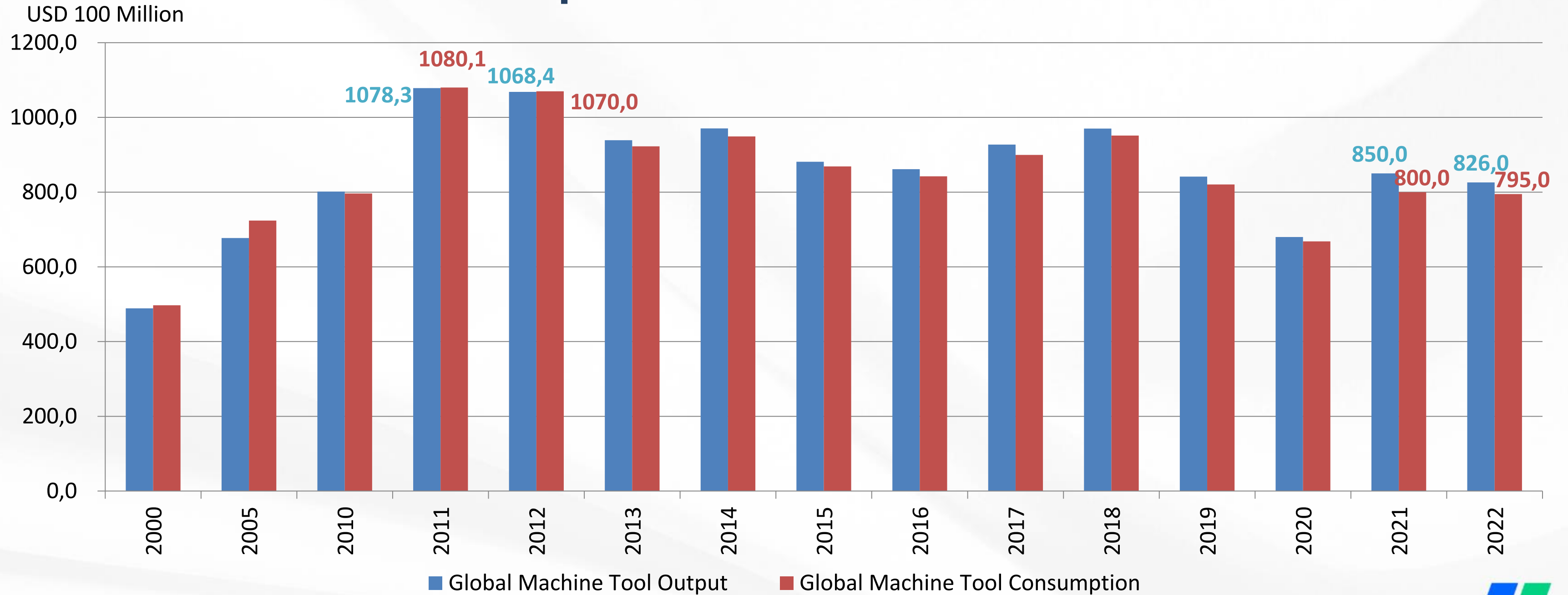
■ Amount (USD 100 Million) ■ Year-on-year growth rate (%)

■ Quantity (in ten thousand units)
■ year-on-year growth rate (%)





Global Metalworking Machine Tool Production and Consumption from 2000 to 2022

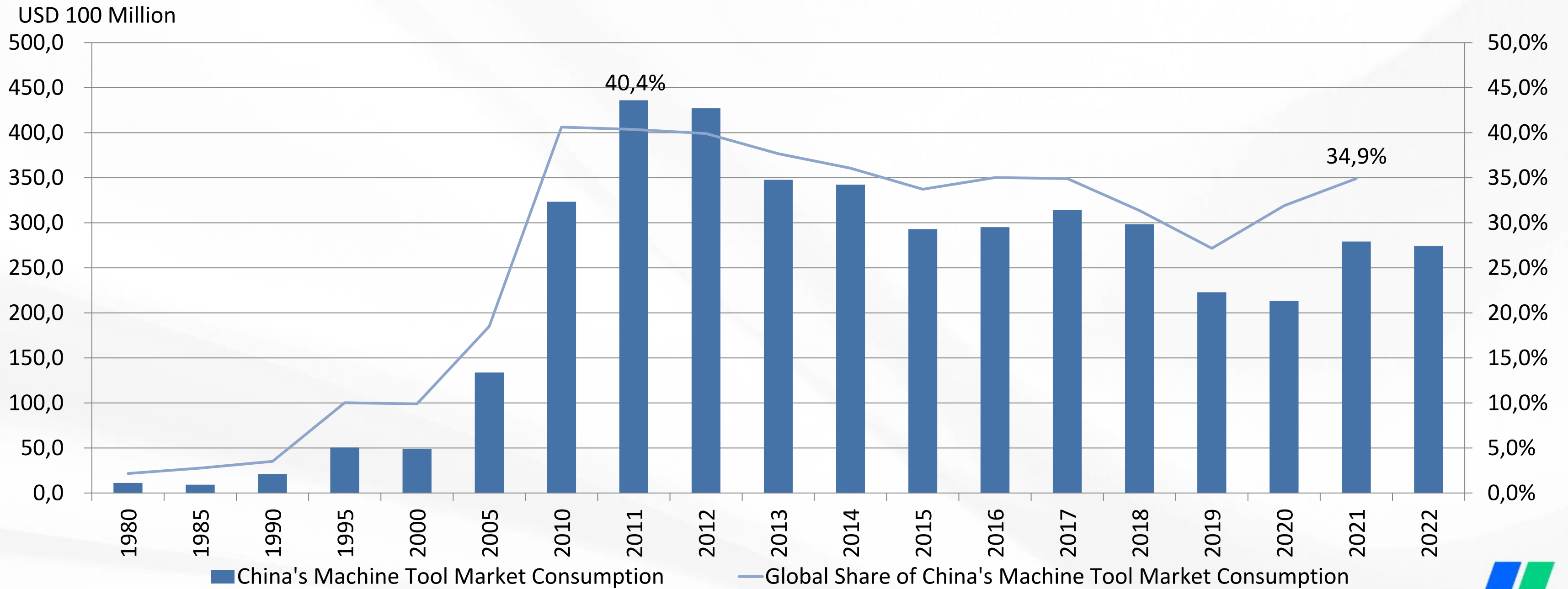




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China's Metalworking Machine Tool Market Consumption and Its Global Share from 1980 to 2022

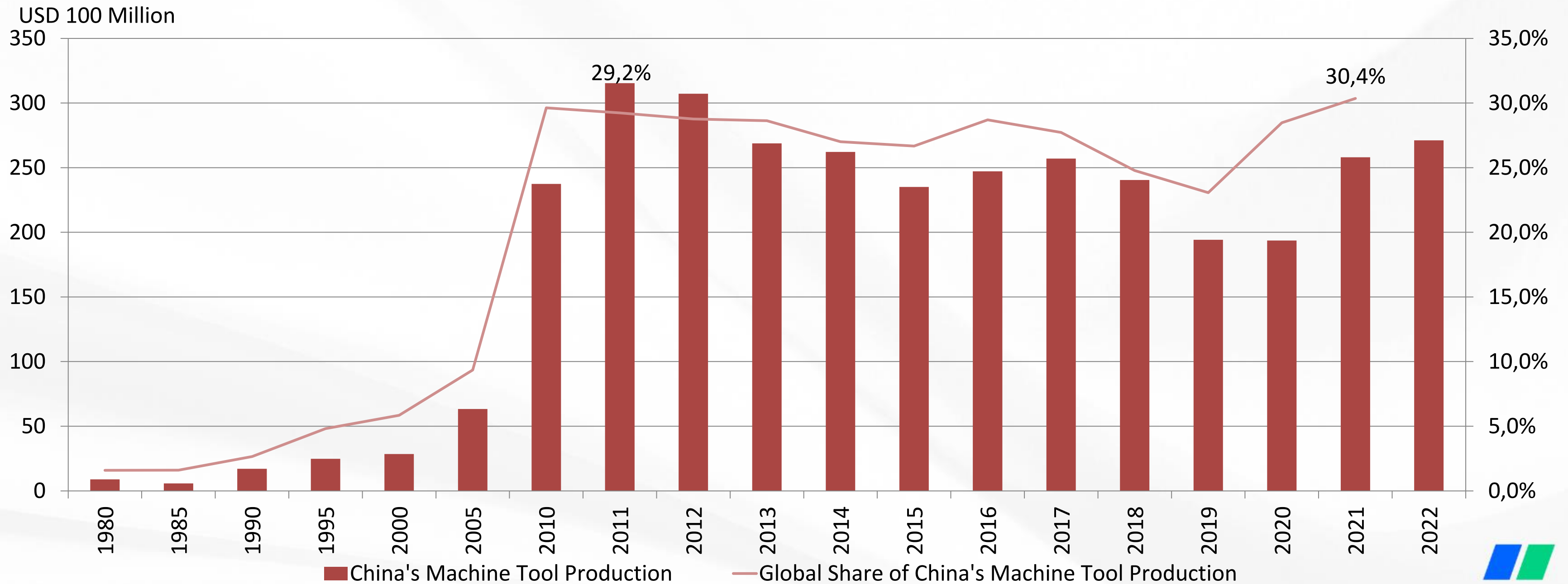




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The International Monetary Fund released its latest "World Economic Outlook" in July 2023, predicting that China's economy will grow by 5.2% this year, contributing to one-third of the global economic growth.





中国机床工具工业协会
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The future is
already here

Politics → Culture

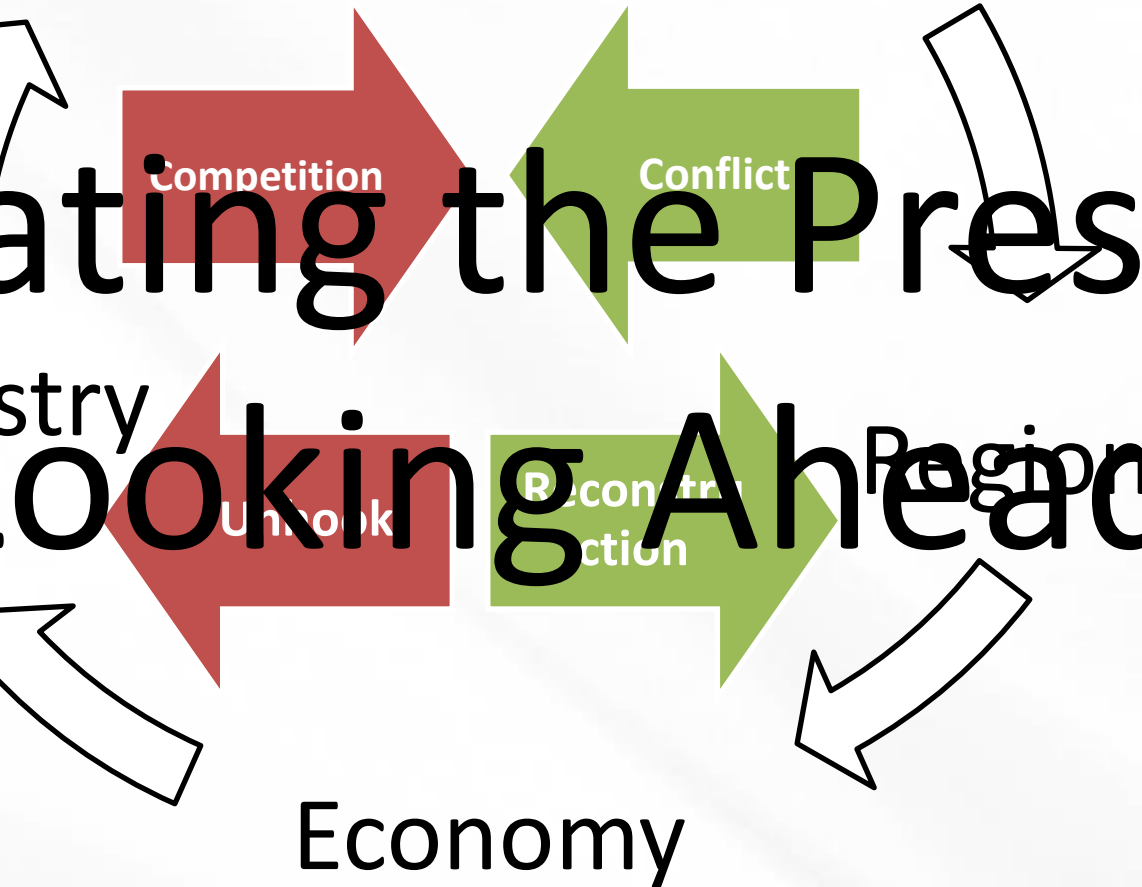
Consumption capability of over 1.4 billion people

Second in international GDP ranking

Excellent foundation and environment for development

Current domestic situation in China

Industry



Current international environment

Tolerance

- using tolerance to address contradictions

Thought

- using thought to face the unknown

Thoughts on sustainable development





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Japanese Machine Tool Industry: Trends and Outlook



Presenter

Kazuo Yuhara

JMTBA President

JMTBA Profile

Company name: Japan Machine Tool Builders' Association (JMTBA)

Founded: 1951

Number of members: 108 companies

Office: Minato ward, Tokyo

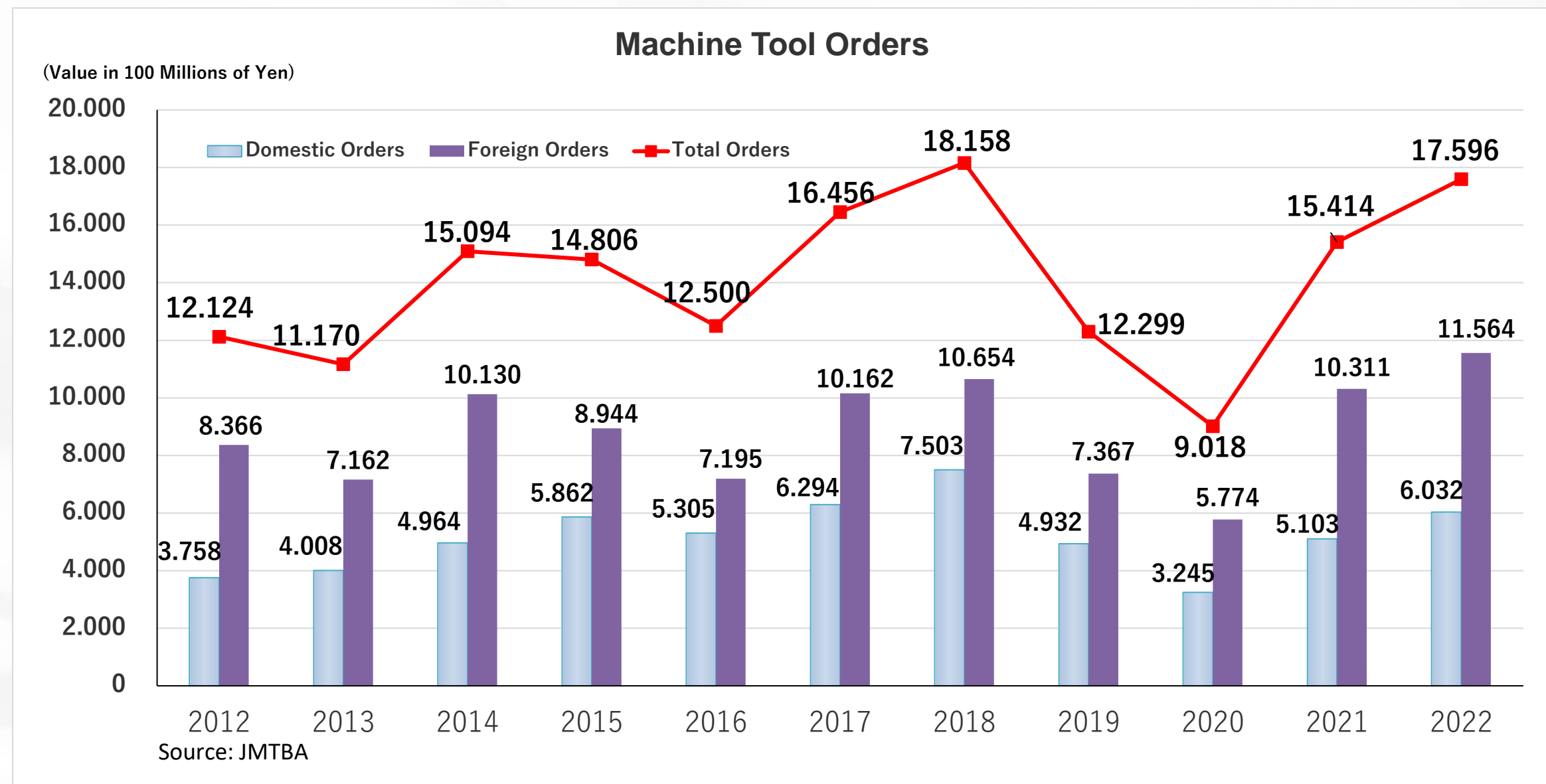


Japanese Machine Tool Industry: Trends and Outlook



Orders

- Total orders in 2022 reached 1,759.6 billion yen, up 14.2% from previous year and the second-highest level on record.
- Domestic demand increased by 18.2% from the previous year to 603.2 billion yen.
- Foreign demand increased by 12.1% from the previous year to 1,156.4 billion yen.



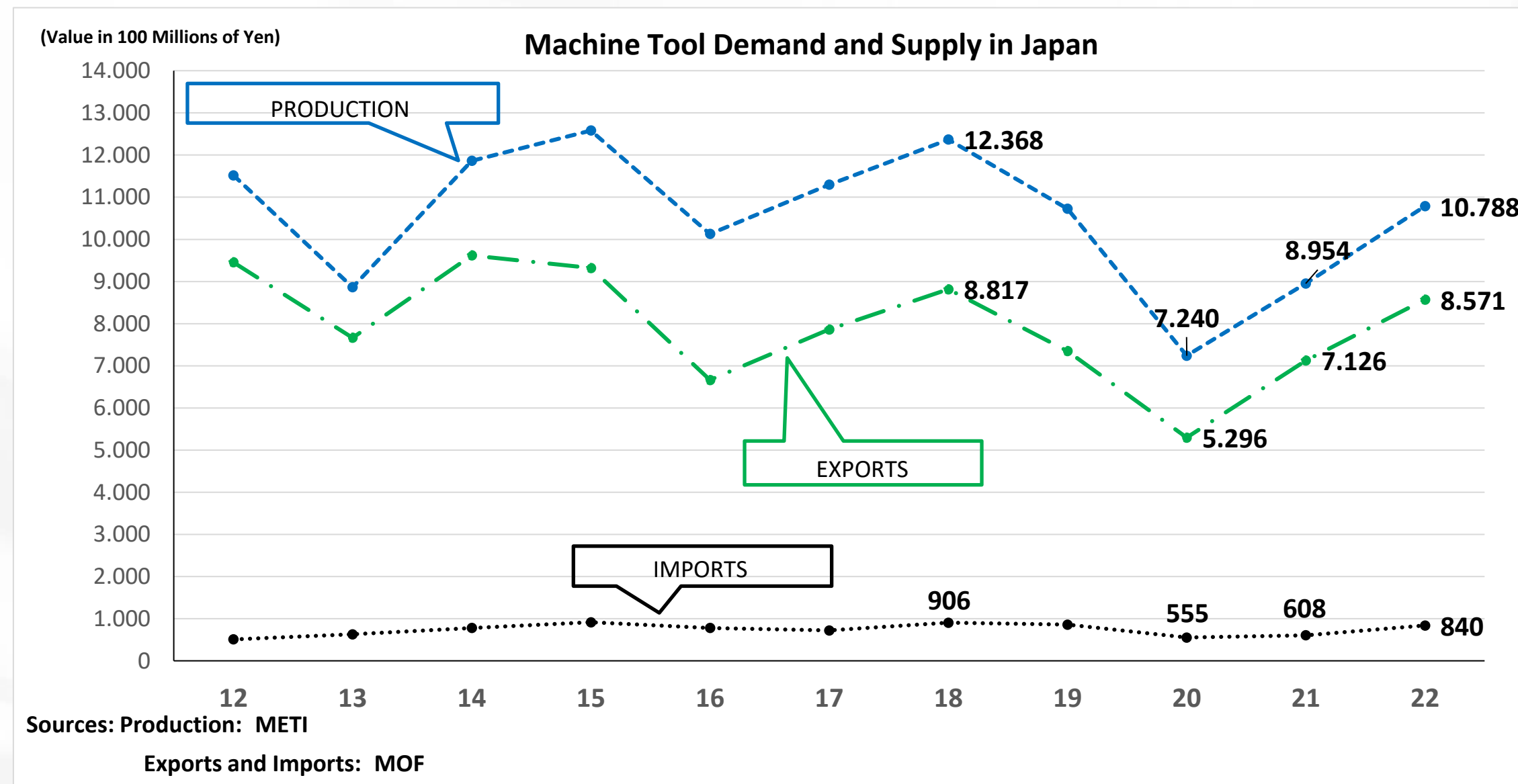
Japanese Machine Tool Industry: Trends and Outlook



Production: Production in 2022 increased by 20.5% from the previous year to 1,078.8 billion yen.

Exports: Exports in 2022 increased by 20.3% from the previous year to 857.1 billion yen.

Imports: Imports in 2022 increased by 38.2% from the previous year to 84 billion yen.



Japanese Machine Tool Industry: Trends and Outlook



Initial Yearly Forecast for 2023 and Positive and Negative Factors Affecting Future Results

- The initial forecast for orders received for the 2023 calendar year was 1.6 trillion yen.
- The actual orders received during the period from January to June 2023 were 768.4 billion yen, down 15.7% from the same period last year.
- Although this order volume is slightly below the forecast at the beginning of the year, we expect positive factors to emerge in the second half.

Positive Factors

In addition to the continued needs for automation and higher efficiency against the backdrop of labor shortages and rising wages, investments in Green-, Digital-, and Resilience-related fields, including full-scale EV-related investments, are expected.

Risk Factors

We need to pay attention to concerns about economic recession in countries around the world and the impact of soaring material prices on demand.





Japanese Machine Tool Industry: Trends and Outlook



Information on Tomorrow's JMTBA Press Conference

**Tuesday, 19 September 3:00 PM to 4:00 PM
in Room 17 of Convention Centre**

See you again tomorrow





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US Machine Tool Industry: Current Scenario and Future Directions

Douglas K. Woods, President, The Association for Manufacturing Technology (AMT)





MACHINE TOOL DATA



	2022		2023 FORECAST		2024 INDICATION
PRODUCTION	\$5.5B	-12%	\$4.2B	-29%	Up
EXPORTS	\$1.6B	+2%	\$1.4B	-11%	Stable
IMPORTS	\$5.7B	+20%	\$5.3B	-7%	Up
CONSUMPTION	\$9.6B	+1%	\$8.2B	-19%	Up

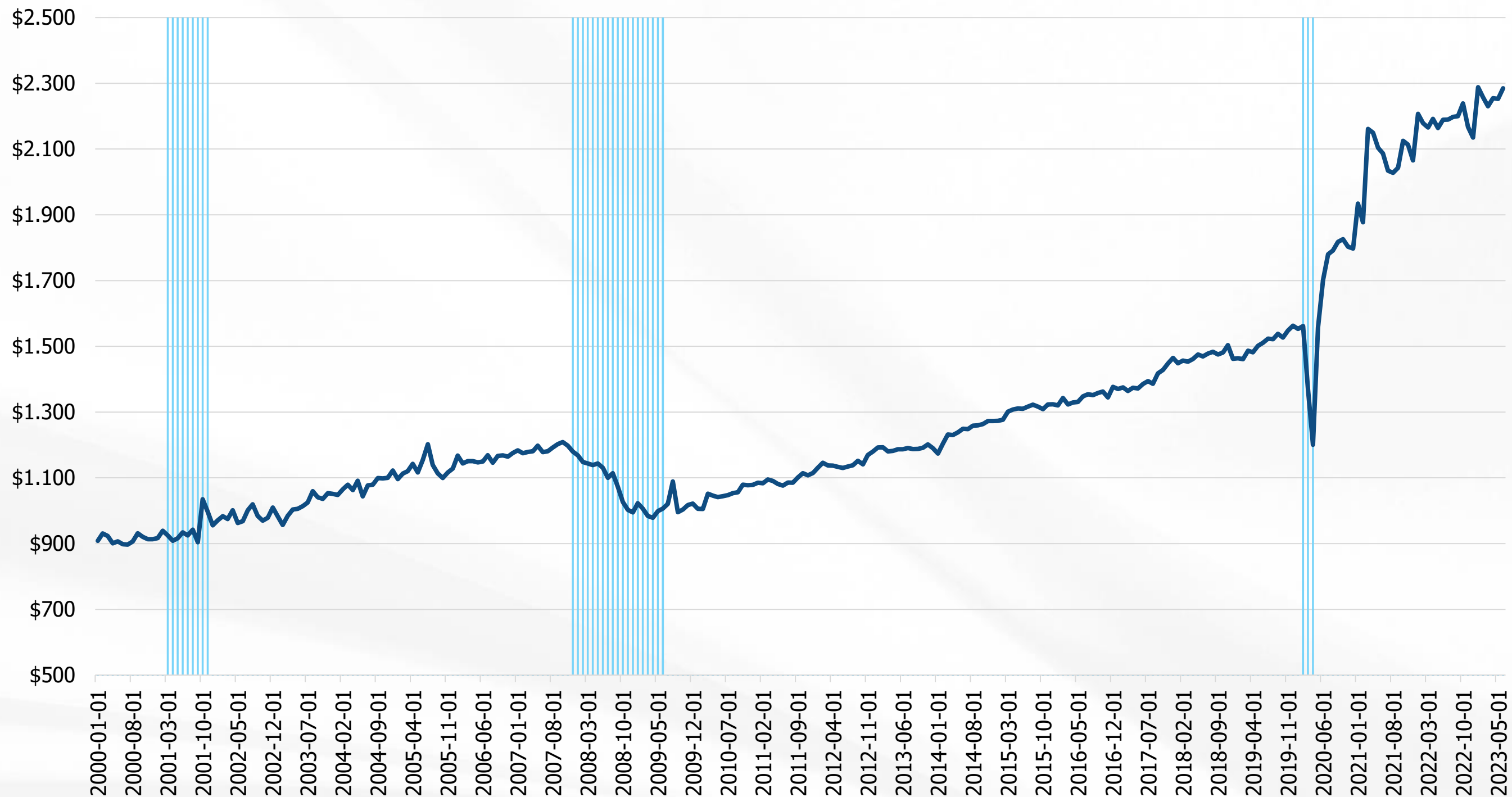




CONSUMER SPENDING

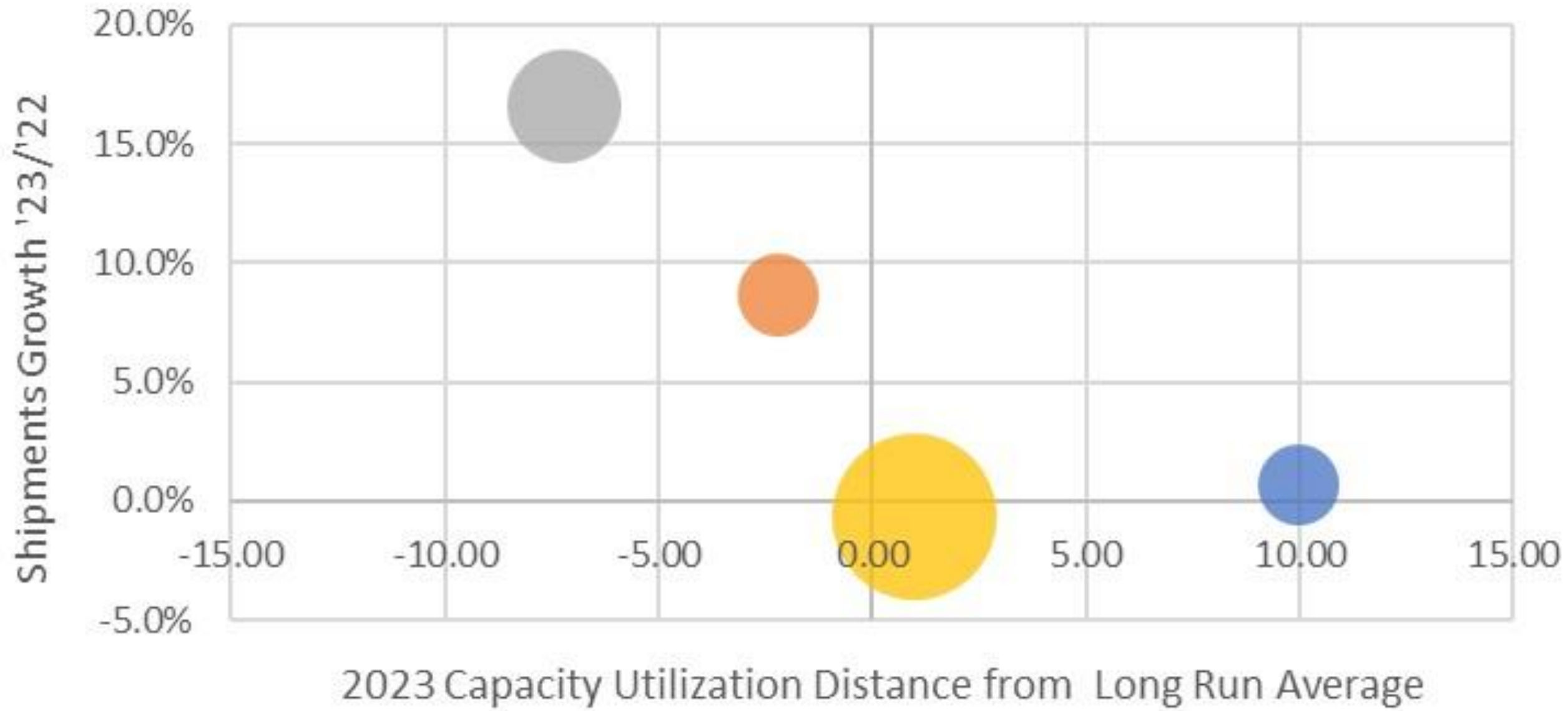


Personal Consumption Expenditure: Durable Goods





Growth In Shipments vs. Distance From Average Capacity Utilization



- Construction, Farm, Mining Machinery
- Automotive
- Aerospace
- Fabricated Metal Products

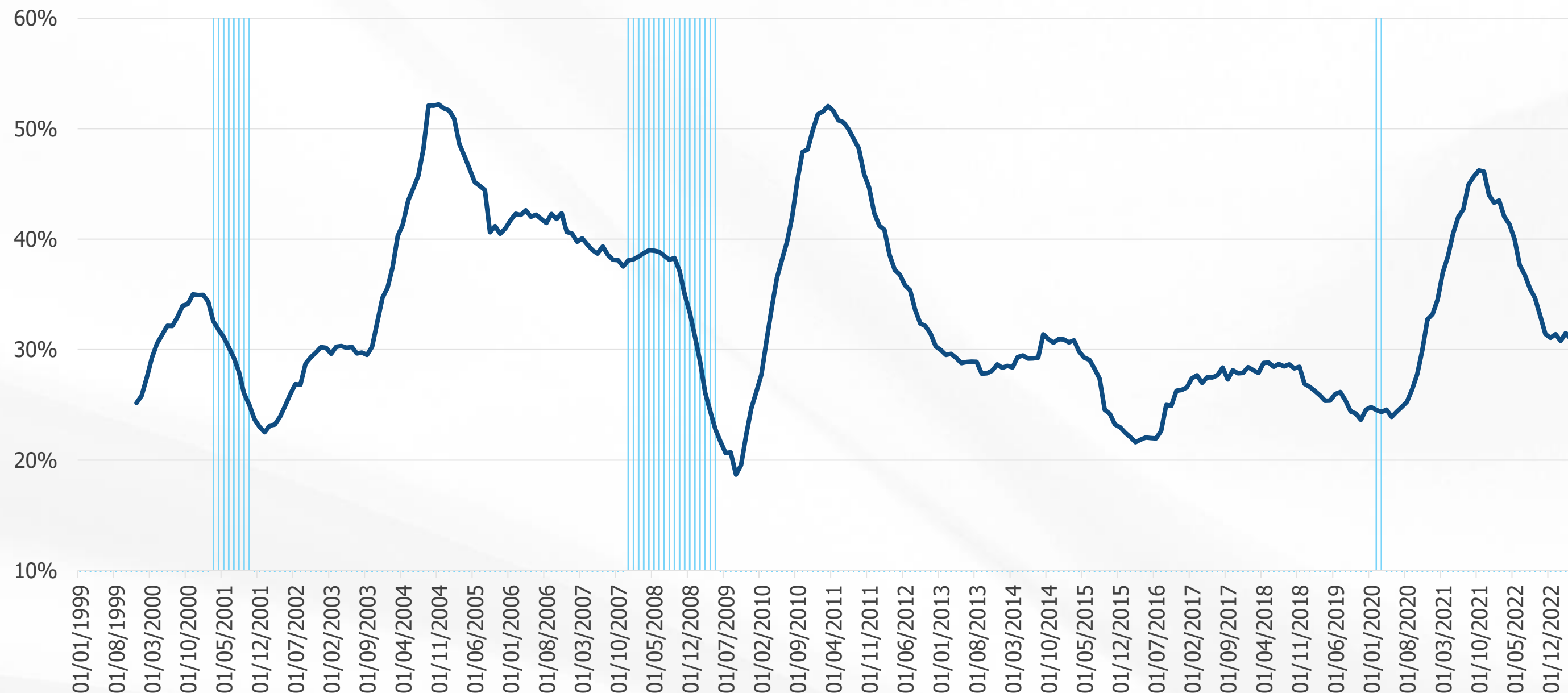




MANUFACTURING TECHNOLOGY: SHARE OF JOB SHOP ORDERS

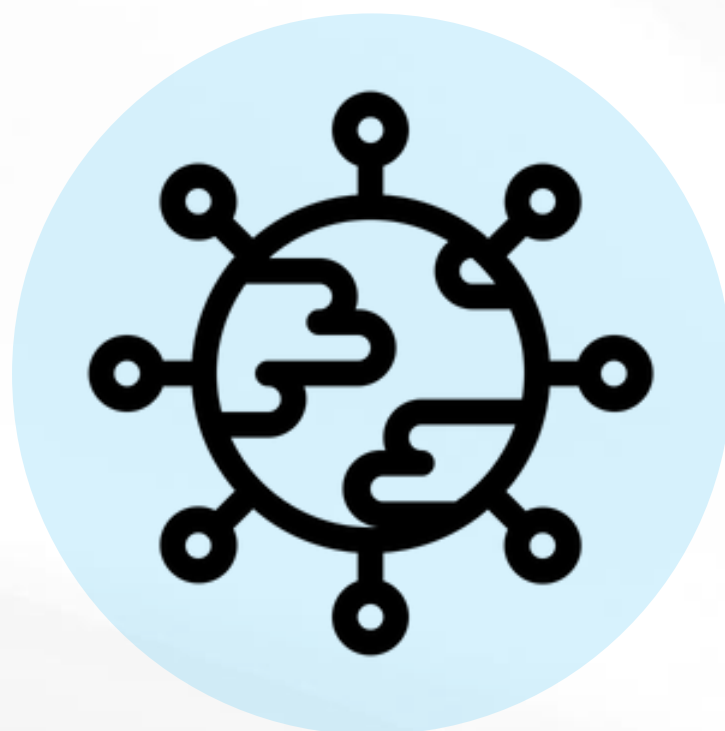


Share of Monthly Orders from Job Shops (12mma)





NEW GAME NOW



PANDEMIC



WAR



NATURAL DISASTER

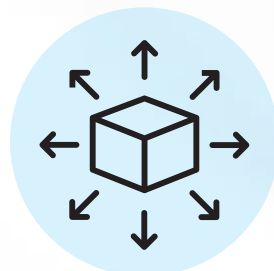




SUPPLY CHAIN REIMAGINED



RESHORING/FDI



DISVERSIFIED SOURCES



NOT LOW-COST DOLLAR



MAKE IT WHERE YOU CONSUME IT



TOTAL COST OF CREATION (TCC)





TRANSFORMATIVE TECH LEVEL THE PLAYING FIELD



AGILITY/VELOCITY



FUNDING



INFRASTRUCTURE



AI FOR AI



INNOVATION/ENTREPRENEURIALISM





MACHINE TOOLS RULE BUT....



✦ **HYBRID**

✦ **COGNITIVE
AUTOMATION**

✦ **ADDITIVE**

✦ **MaaS**

✦ **ROBOTICS**

✦ **PouM**

✦ **DIGITAL TWIN**





Q&A Session



cecimo
European Association of Manufacturing Technologies



中国机床工具工业协会
China Machine Tool & Tool Builders' Association



Japan Machine Tool Builders' Association

THE ASSOCIATION FOR
**MANUFACTURING
TECHNOLOGY**





THANK YOU!
See you in 2025

