

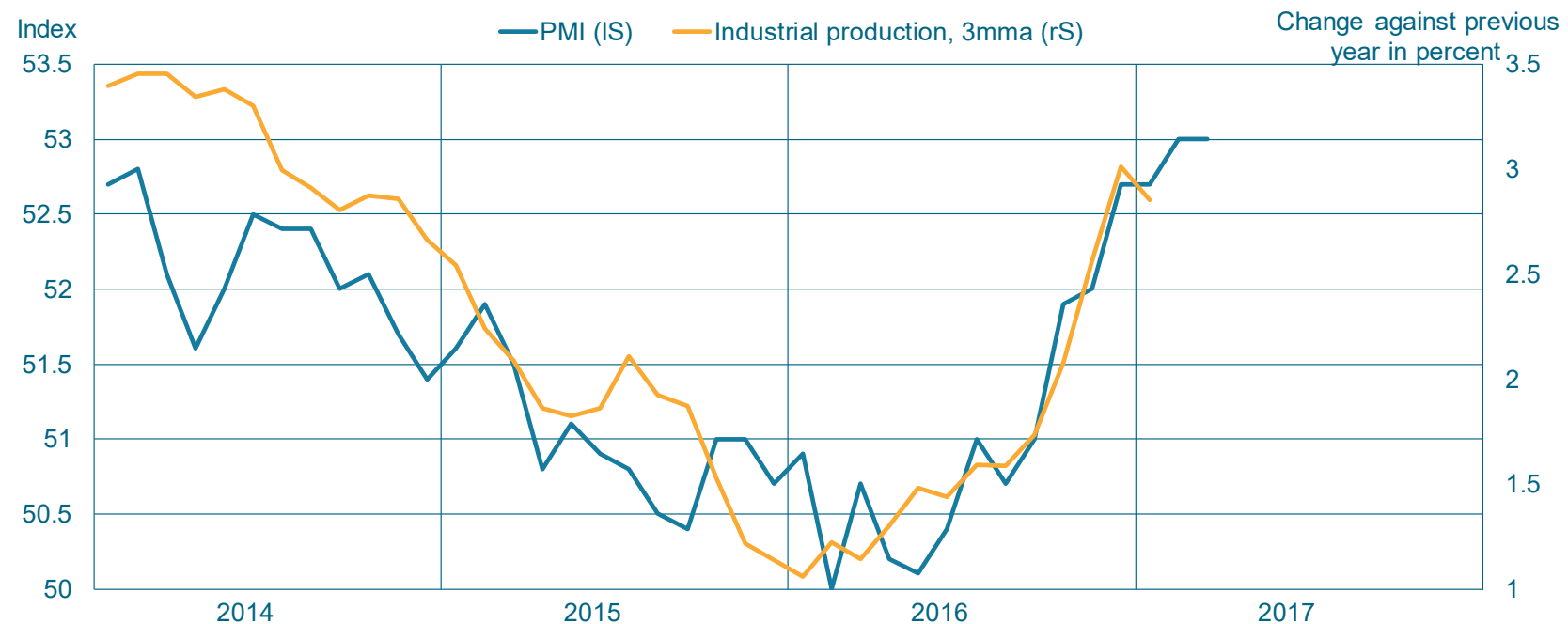
*Global Mechanical
Engineering Industry:*

Moderating Growth

International Fluid Power Summit meeting
Hanover, April, 3th 2019

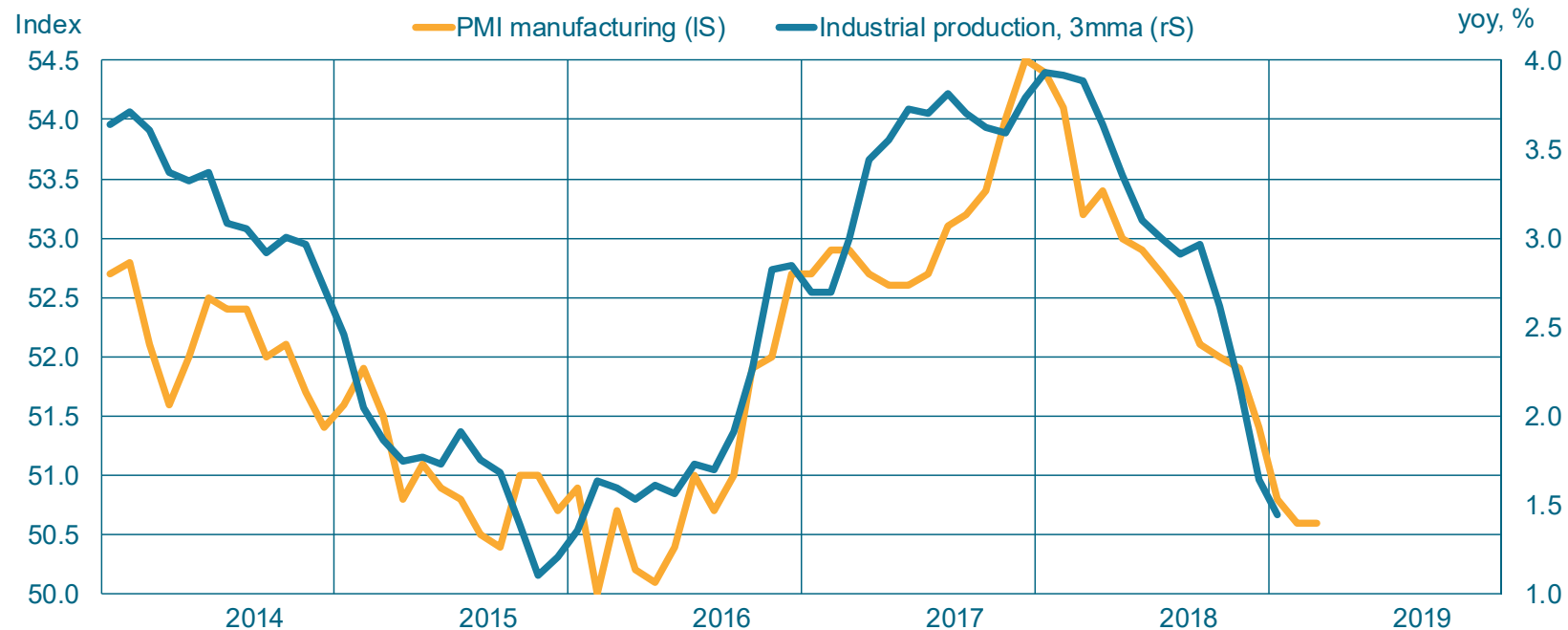
World: Industrial production and Purchasing Managers' Index

How it looked two years ago ...



Source: Macrobond

World: Industrial production and Purchasing Managers' Index ... and now



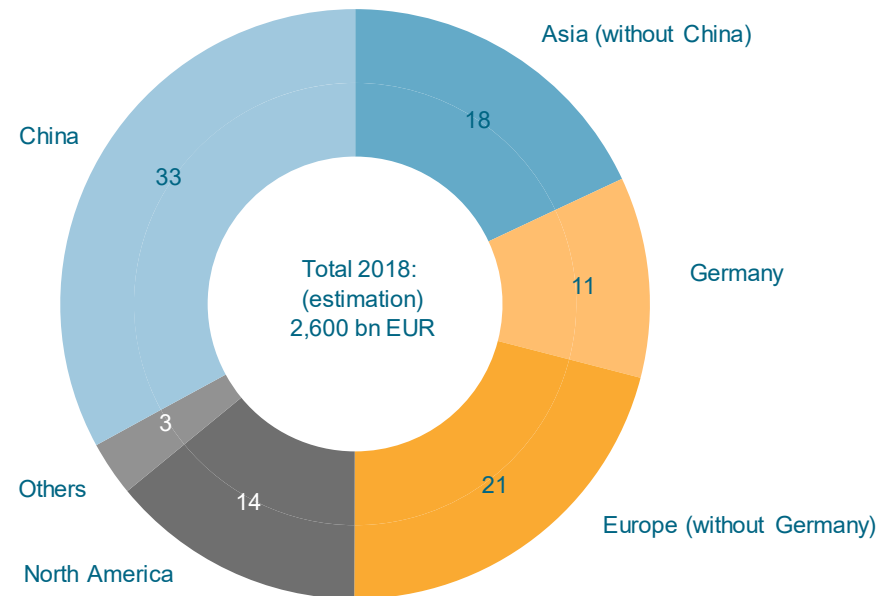
Source: cpb, IHS Markit, Macrobond, VDMA

World: Machinery turnover

New record high in 2018



Shares in %

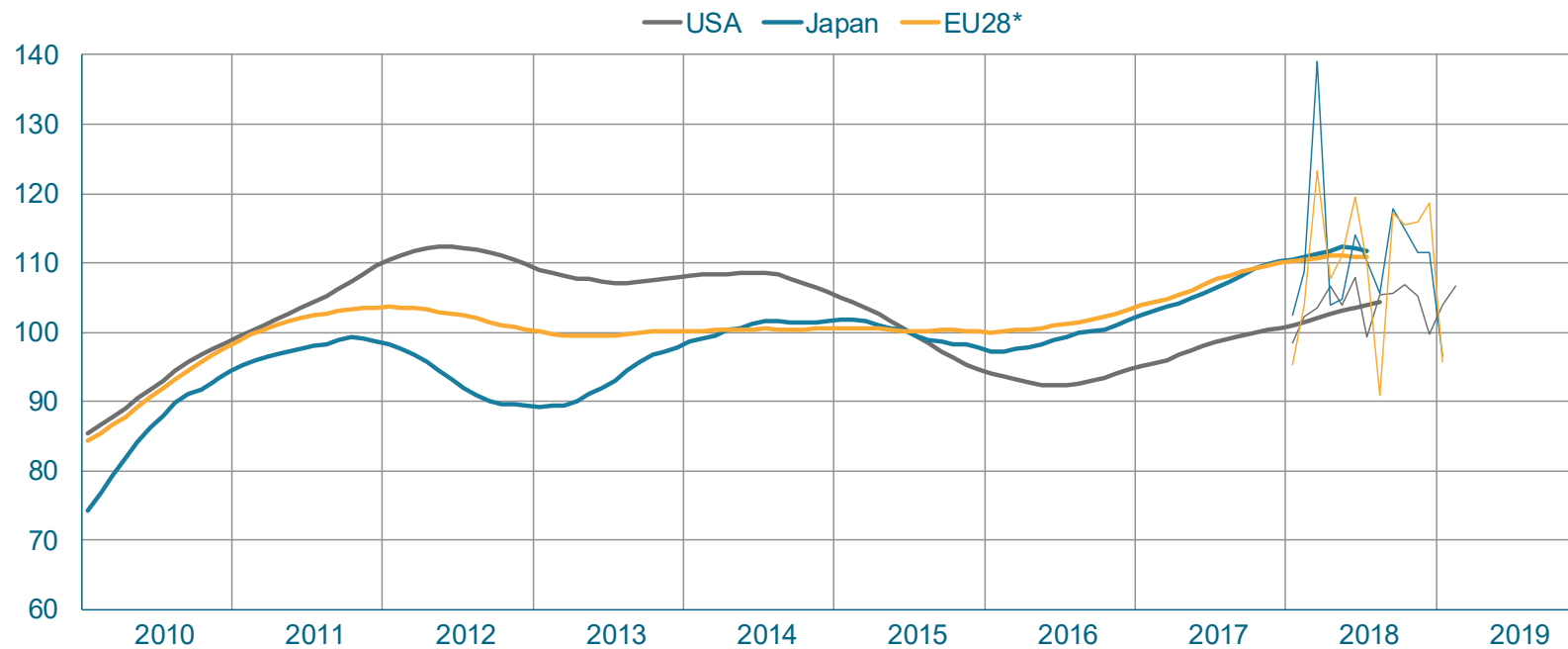


Source: VDMA

World: Development of machinery turnover

Lower momentum in the EU and Japan since Q4 2018

Volume index, 2015 = 100 and 12-months moving average



Source: National Statistics, VDMA, Macrobond

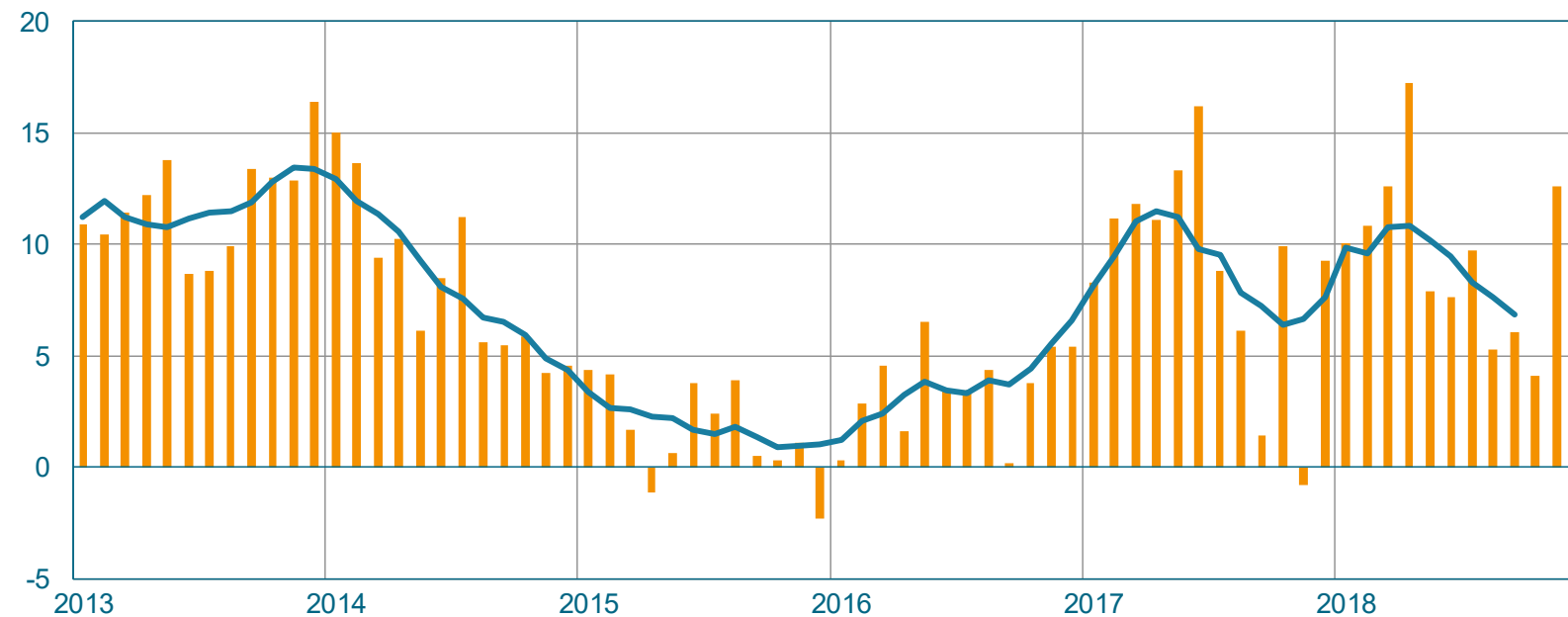
*) NACE rev. 2 28.

China: Nominal sales revenue of mechanical engineering

Dampening output growth



Year-over-year in percent and centered moving 7 month average

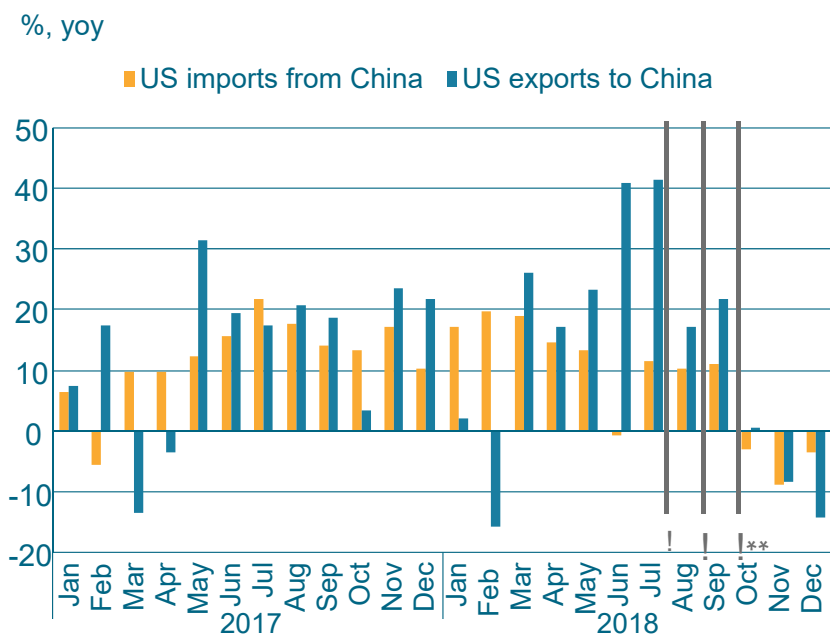


Includes ISIC groups 281 (General Purpose Machinery) and 282 (Special Purpose Machinery). Only enterprises with annual sales revenue exceeding 20 million RMB are considered. Based on revised figures for the previous year.

Source: NBS, VDMA

Bilateral US-machinery trade & Chinese exports

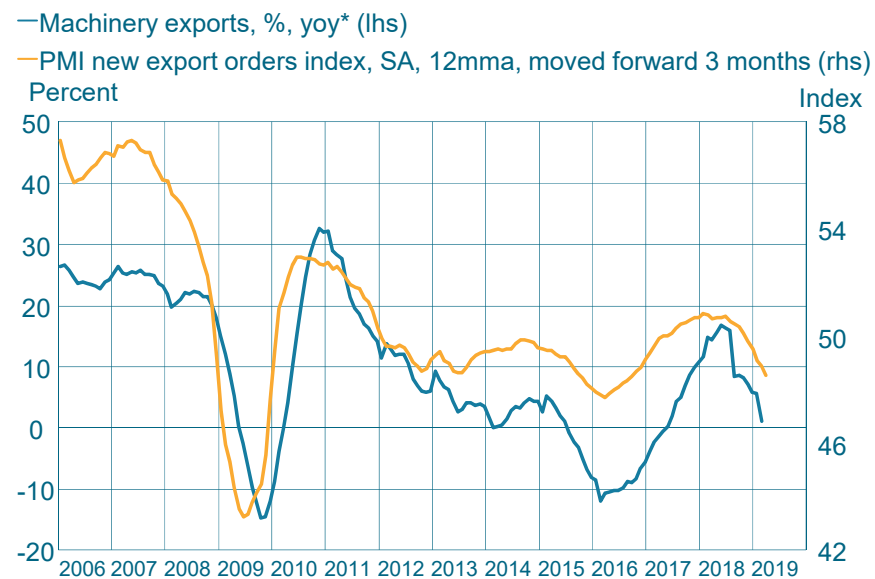
Trade dispute leaves visible traces



*) Chapter 84 in HS trade system: Nuclear reactors, boilers, machinery and mechanical appliances and parts thereof.

**) First, second and third round of US tariffs against China and Chinese retaliatory tariffs.

Source: USITC, VDMA.



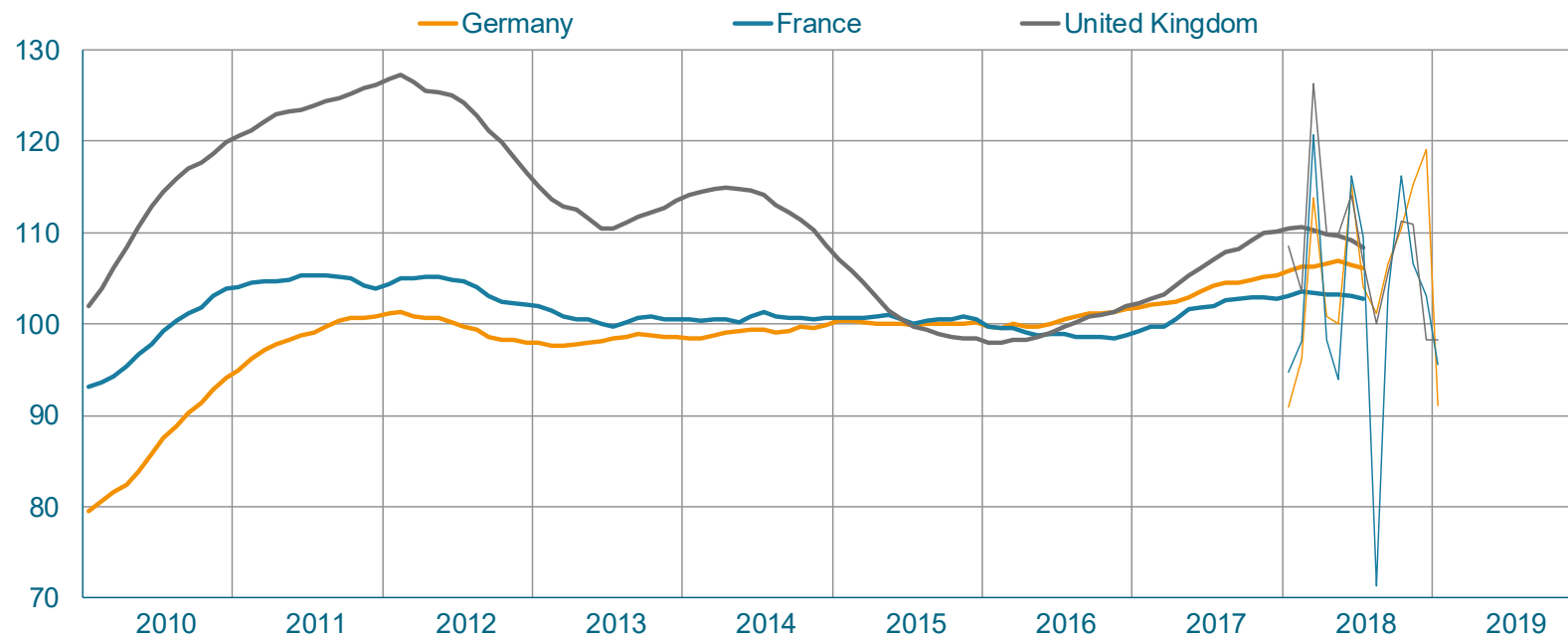
*HS 84, Machinery & Equipment.

Source: China General Administration of Customs, NBS, Macrobond, VDMA

Germany, France & UK: machinery production*

Slowdown in Q4 2018 - strongest in the UK

Volume index, 2015 = 100 and 12-months moving average



Source: National Statistics, VDMA, Macrobond

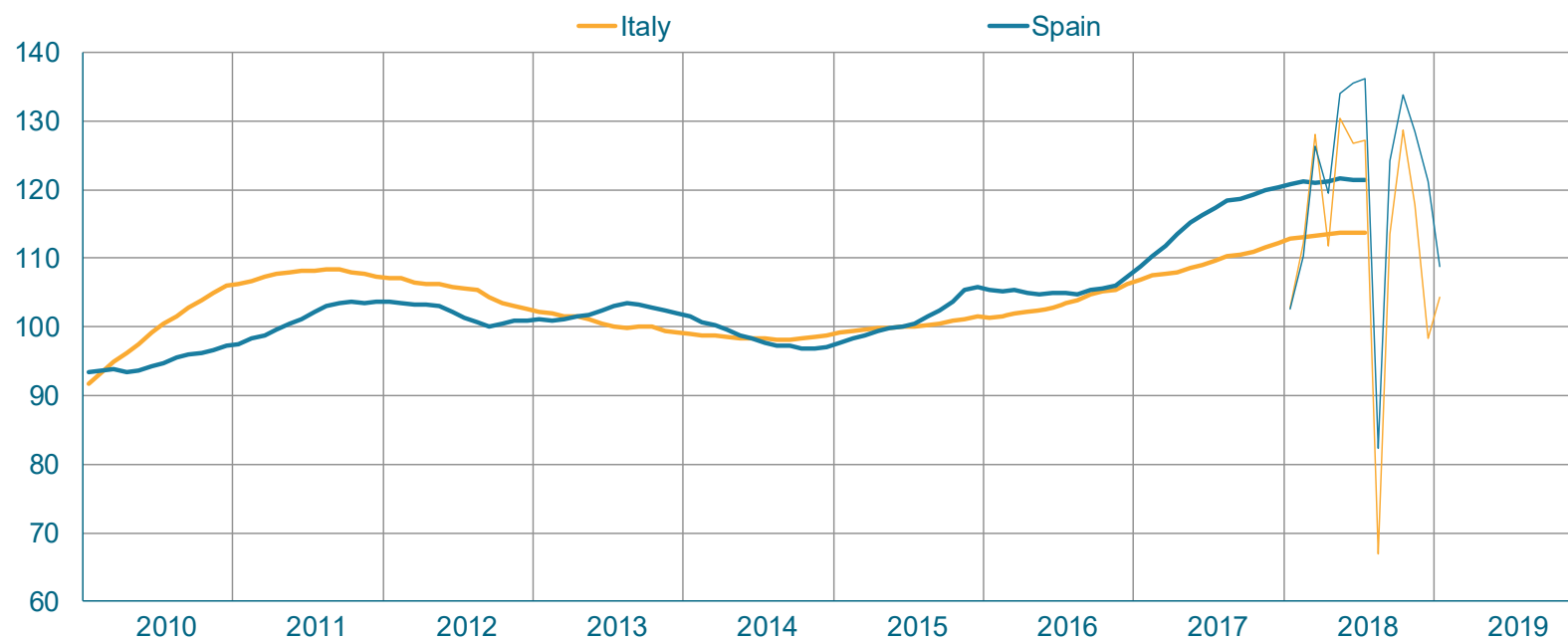
*) NACE rev. 2 28.

Italy & Spain: Machinery production*

Loss in speed



Volume index, 2015 = 100 and 12-months moving average



Source: National Statistics, VDMA, Macrobond

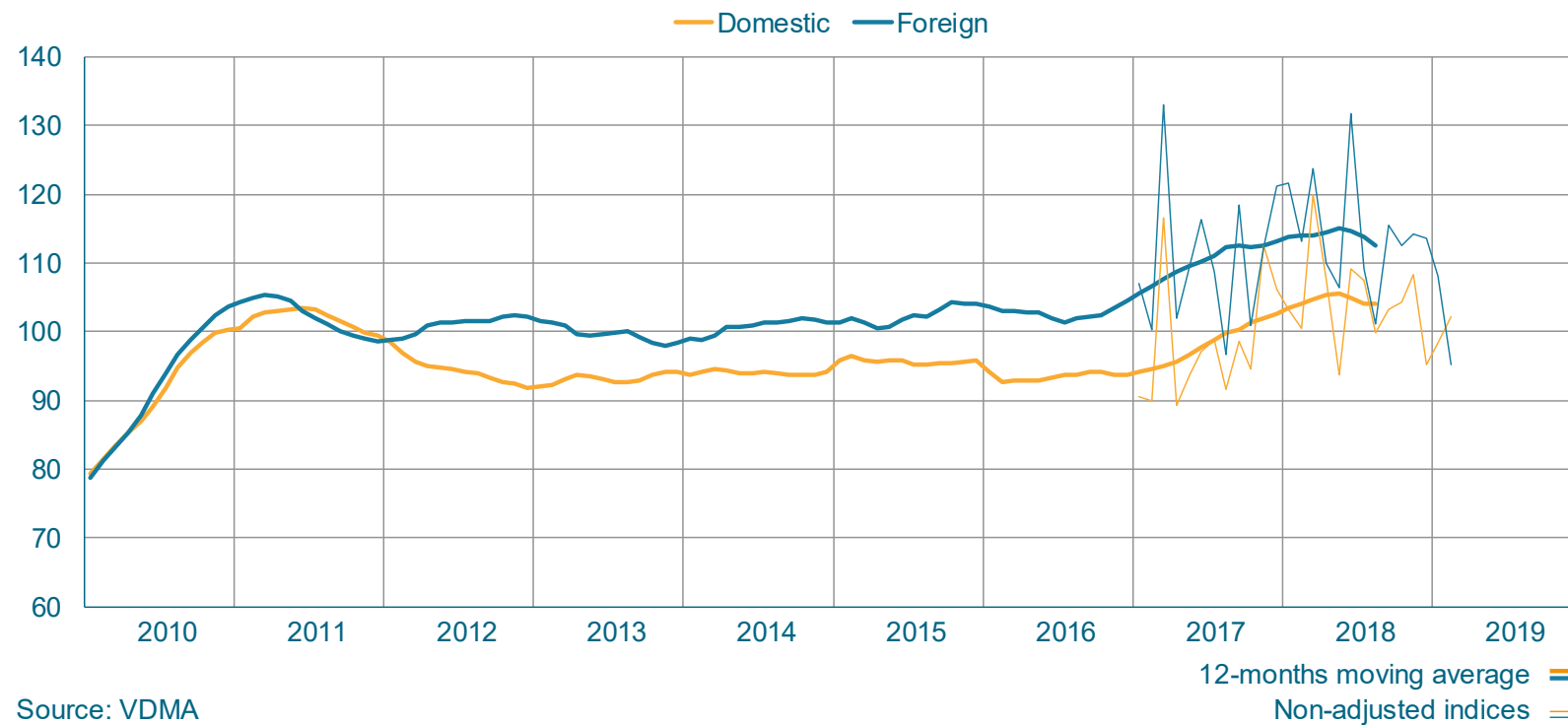
*) NACE rev. 2 28.

Germany: New orders in mechanical engineering industry

Weak result at the end of 2018 and no pleasing start into 2019



Volume index 2015 = 100



%, yoy

2018

Total: + 5%

Foreign: + 4%

Domestic: + 6%

Dec 2018 – Feb. 2019

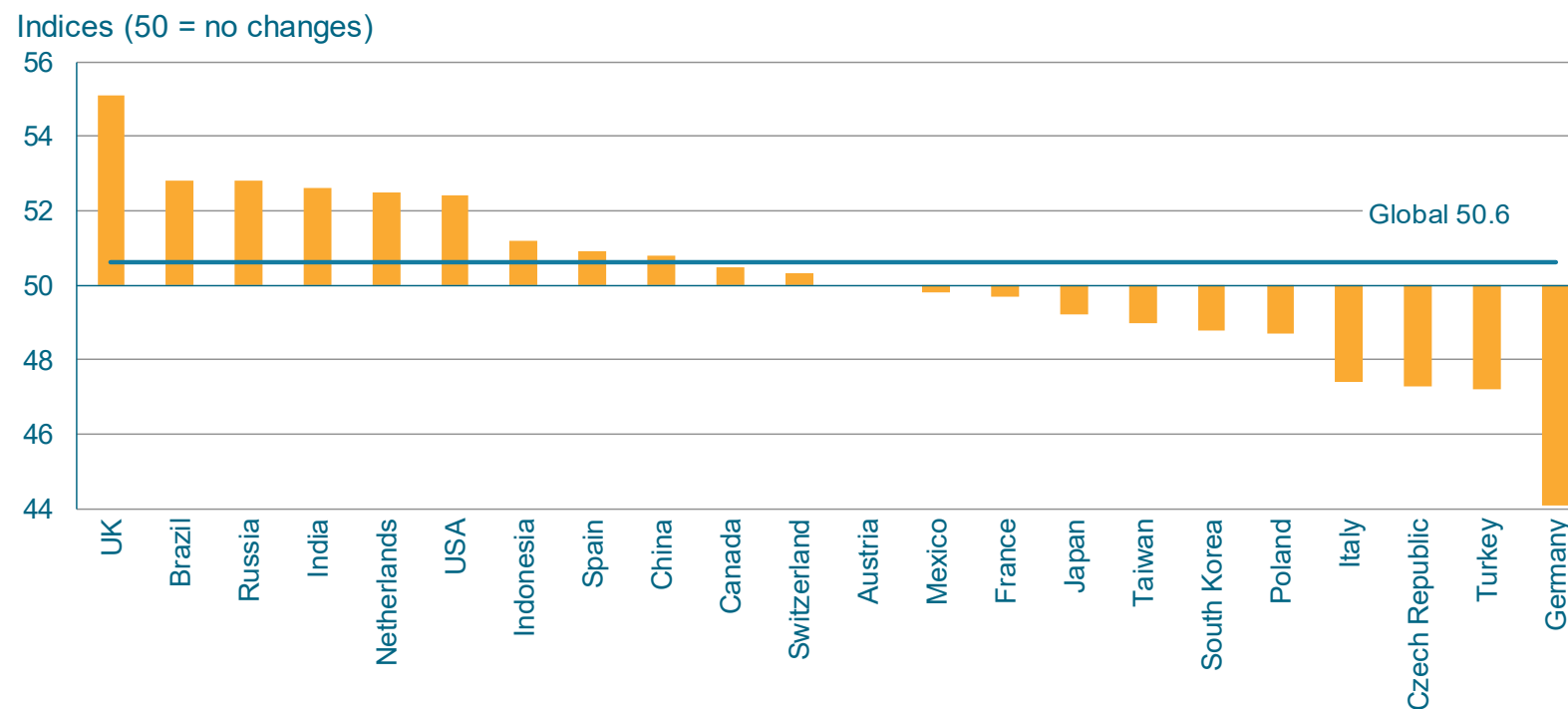
Total: - 9%

Foreign: - 11%

Domestic: - 5%

Purchasing Managers Indices Manufacturing, March 2019

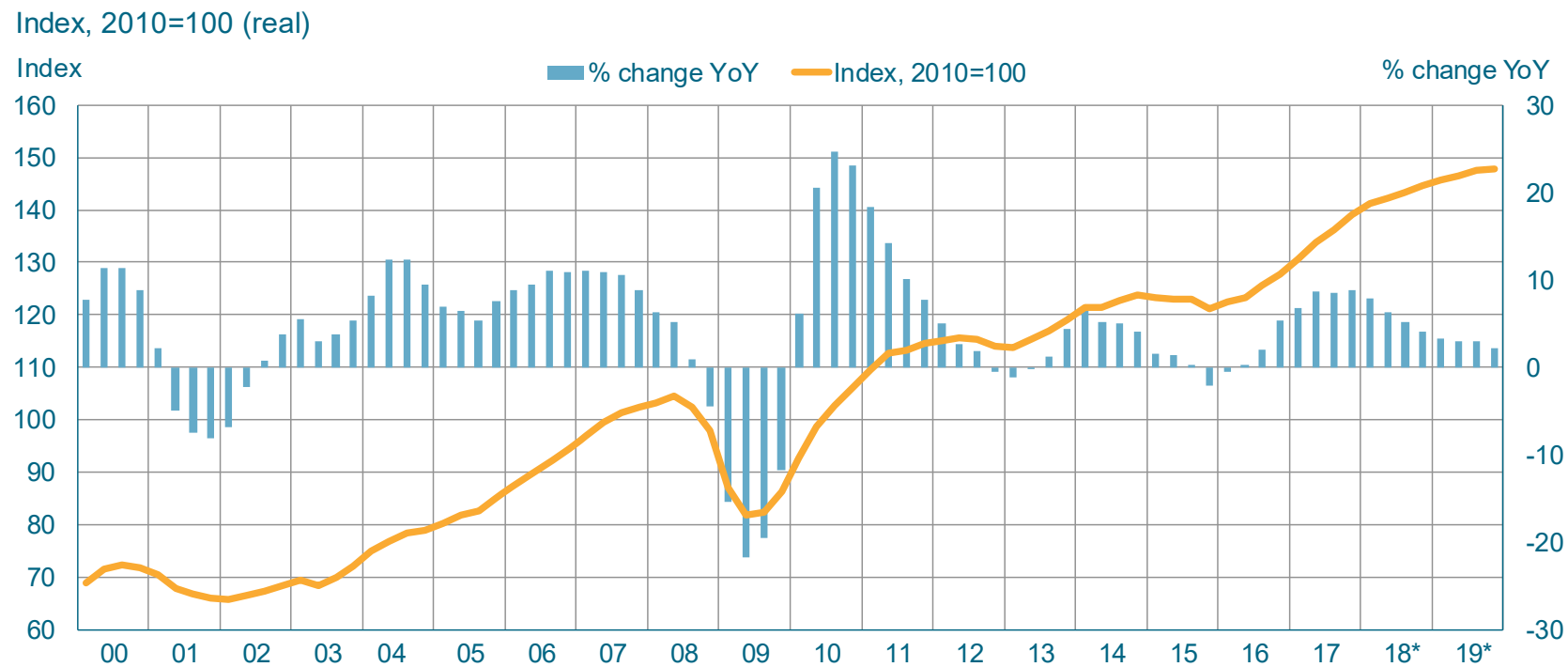
Heterogeneous and in total above the threshold



Source: IHS Markit, Macrobond, VDMA

World: Machinery production

Further growth at lower momentum



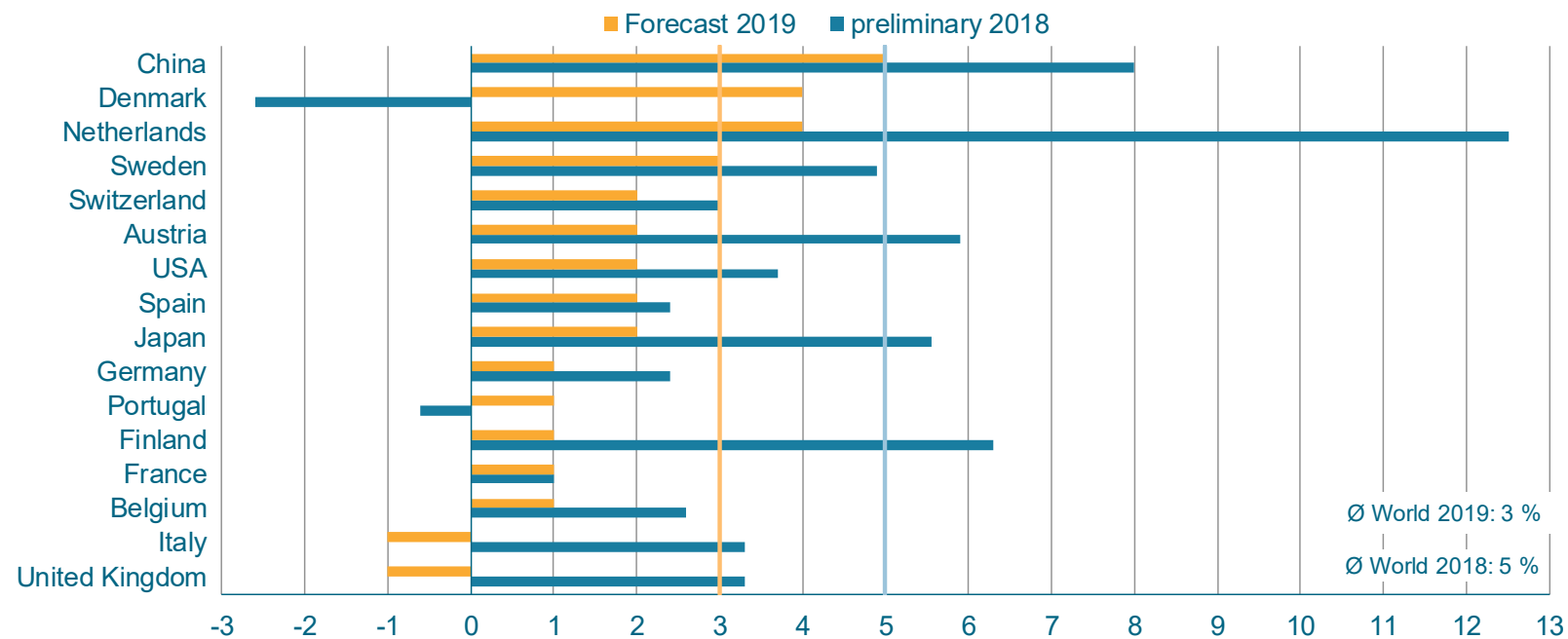
Source: Oxford Economics

* estimations/forecast.

International: Turnover in mechanical engineering

Only few countries above average

%, yoy, volume

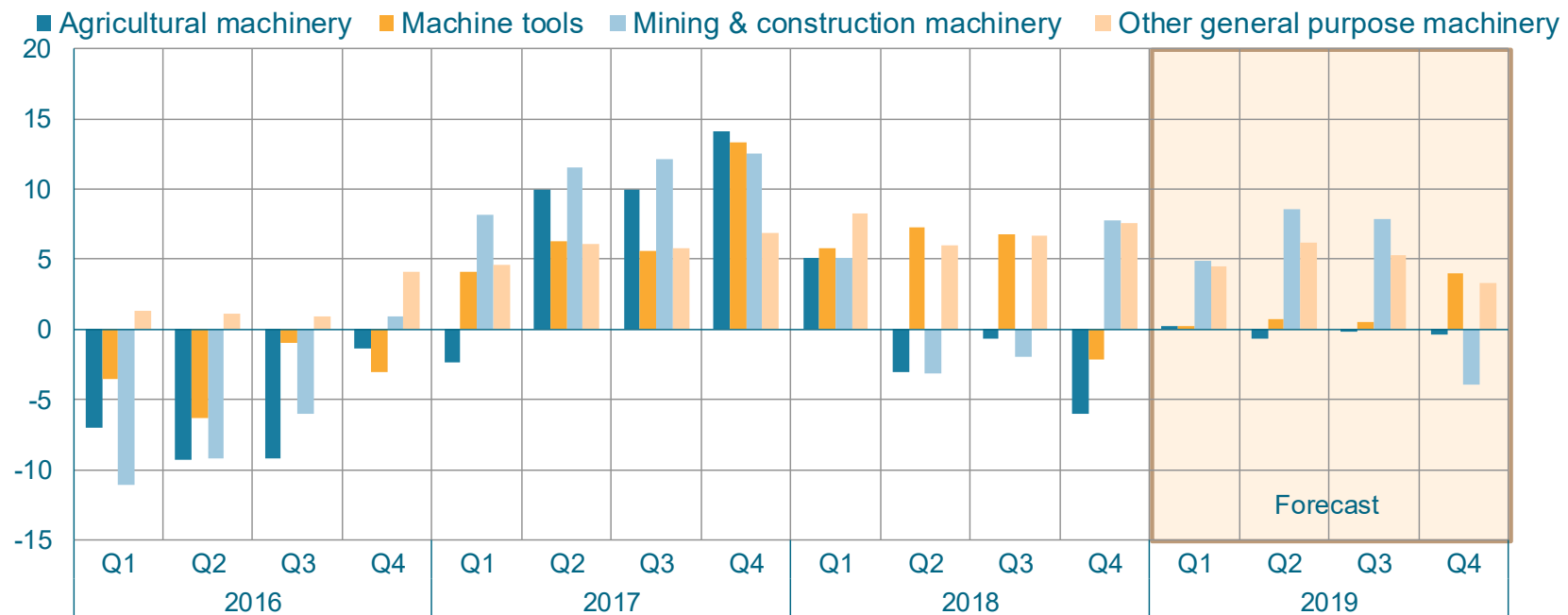


Source: VDMA (April 2019)

World: Output growth by engineering sectors

Partially growth prospects for suppliers

%, yoy, volume



Source: Oxford Economics



Thank you
Thank you
for your attention!