Construction machine sales strengthening in Italy

Construction machine sales are strengthening around the globe. A report from the SaMoTer-Veronafiere Outlook reveals that 2,551 construction machines were sold in Italy over the period from January-September 2016. This represents a gain of 32% from the same period in 2015 and a further increase of 2.7% is estimated in Italy for the two-year period 2017-2018.

Worldwide, the first nine months of 2016 saw sales around the world of 496,500 earthmoving machines, a drop of around 5,500 less (1%) compared to the same period in 2015. The setback was particularly noticeable in the first quarter, although there was better overall stability in following months. The period January-September saw performances in emerging markets stand out, with China growing 8% and India jumping up by 51%. There was also an 11% gain in Western Europe. However sales fell by 3% in North America and 24% in Japan.

This sales trend in early terms was confirmed by the SaMoTer-Veronafiere Outlook, a construction sector observatory developed in partnership with international consultant Prometeia, with the support of Unacea, the Italian Association of construction machinery and equipment builders.

For the period January-August, sales in France climbed 42% and in Italy grew by 32%. Sales in Belgium grew 14% and a similar figure was posted for Germany, while sales in Spain grew by 10%. But machine sales fell by 12% in the UK following the result of the referendum to leave the EU.

In particular, with growth in 11 consecutive quarters, Italy has consolidated its recovery, but nevertheless still has to recoup losses in a sector that, following the economic crisis in 2008, shrunk by more than 80%. Sales in Italy especially involved mini excavators and telehandlers.

This trend is also reflected on a global scale, with worldwide sales of mini excavators up by 5% for a 23% share of the market. However crawler excavators accounted for a massive 24% of all construction machine sales.

The forecasts developed by the Prometeia Study Centre for the SaMoTer-Veronafiere Outlook indicate a slight recovery (+2%) in the last quarter, which should settle global sales of earthmoving machinery at 625,700 units (+0.4%). At the end of the year, Western Europe will make the most significant contribution to world demand for machinery, climbing back to a 26.6% share of the world market after the rock bottom figure of 18.8% posted in 2010.

Government data compiled by the British Construction Equipment Association (CEA) shows that the UK is a net exporter of construction equipment globally. But while exports globally have been on a decline since 2013, sales to the European Union have been stable. The result is that the EU is taking an increasingly larger share proportionally of all export sales.

In 2013, UK exports to the EU accounted for 35% of global sales. Because of fewer sales in other markets, EU sales now account for 47%, as of earlier this year.

However, Rob Oliver, chief executive of the CEA, warned that the UK government must understand that pulling out of the EU will have consequences for the manufacturing sector and should be ready to help ensure business confidence in the economy during this time of uncertainty. The government should start by not delaying any infrastructure decisions until after Britain has left the European Union.

Austria highway widening

STABAG will handle the contract to widen Austria’s A1 highway in Austria between Meltendorf and Pichlmo. The €22 million contract involves widening to three lanes and has a scheduled completion date of May 2018. The contract also includes widening eight bridges along the 5.1km section. Construction work is now underway on the project.