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PRESS RELEASE

PLASTICS AND RUBBER PROCESSING MACHINERY, ALL INDICATORS STILL POSITIVE

Double digit growth continues for the plastics and rubber processing machinery, equipment, and moulds industry, represented by the trade association AMAPLAST. Based on the most recent economic survey by the MECS statistical studies centre, compared to the first three quarters of 2020, January-September 2021 showed average increase in revenues of +14% with a particularly positive trend observed in the domestic market and an even more impressive +41% in orders, again thanks to Italian customers, ensuring more than a six-month production horizon.

The good performance of the market in the first half of the year was consolidated by the results of the third quarter: in July-September 2021, turnover grew by 17% over the same period one year earlier and orders recorded an even more encouraging +30%. The increase in sales is larger than that recorded at the end of June and principally derives from the excellent tone of the domestic market, especially as regards machinery. Exports, on the other hand, are driven primarily by replacement parts.

As regards orders, the undeniably significant +30% actually represents lower growth than the peak recorded in the previous quarter, but is nevertheless quite impressive, sustained by the greater demand for machinery both in Italy and abroad, while the replacement parts segment appears somewhat less dynamic.

Expectations for the last quarter of the year remain strongly positive. Thanks particularly to commissions from international customers, the order portfolio is set to record +17% and revenues close to +60%. Meanwhile, warehouse stock levels remain close to stable with a slightly downward trend indicating increased delivery speeds.

On the applications front, packaging and medical show the most positive trend while construction and automotive are more static.

Of course there are concerns about factors that could compromise the intensity of the recovery in the Italian economy in general and in the plastics and rubber processing machinery industry specifically. In parallel with the escalation of raw materials and component prices - coupled with low availability and longer delivery times - serious issues have plagued logistics for over a year now, without any near-term resolution in sight. Meanwhile, the energy bill is beginning to weigh heavily on the books, threatening to make Italian production in the sector less competitive than that of foreign competitors.

Personal mobility also continues to be conditioned by measures in force to contain the pandemic: while some countries are cautiously reopening to travel, many other destinations in the world still have access restrictions (or restrictions on re-entry into Italy), making installation and repairs of plants and equipment problematic and generally hindering contact with customers, a significant issue for manufacturers of plastics and rubber processing machinery, with an average of 76% of their revenues deriving from exports.

