

The italian plastics and rubber  
processing machinery industry

## 2013 overview

(summary)



**Assocomplast**

ITALIAN PLASTICS AND RUBBER  
PROCESSING MACHINERY AND MOULDS  
MANUFACTURERS' ASSOCIATION

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Excerpt from the full version presented on June 10, 2014 at the annual Assembly  
of ASSOCOMAPLAST Members.

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<b>Evolution of the sector over the past decade</b>	<b>1</b>
<b>Italian foreign trade in the 2010-2012 three-year period</b>	<b>5</b>
<b>Prospects for 2014</b>	<b>13</b>

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SOURCES: ASSOCOMAPLAST, ISTAT and other statistical institutes of the mentioned countries  
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The ten-year trend for the Italian industry of machinery, moulds and equipment for plastics and rubber is marked by the all-too-familiar nadir that affected the wider national and international economy during the global economic crisis, whose worst point was in 2009. All the macro variables considered in this report (production, export, import, domestic market and balance of trade) follow a similar pattern - as many of the charts in the document show - highlighting the points in time and indicators worst hit by the downturn, and those where there has instead been a reaction to the crisis.

It is interesting to look at the tables showing the percentage change during the three-year period from 2011 to 2013. Over that span of time we can see some encouraging trends in production, imports and exports, also thanks to a prompt reaction to the crisis on the part of our sector. Yet if we consider a longer time horizon, spanning the last 10 years, the picture appears somewhat different. In fact, as table 1 shows, the 2011-2013 trend appears more favourable, with just one negative percentage change value (for the domestic market), while all the others are positive. In contrast, the ten-year trend reveals a rather static sector, in which production, for example, grew only 0.4%.

Despite timid signs of recovery in Italy's domestic market during the first months of 2014, national demand remains without a doubt the weak point of a sector that faces a deeply troubled Italian processing industry. The domestic market in fact recorded significant declines during the last two years (-5.8% in 2012 and -5.4% in 2013) as well as a negative average percentage change over the three-year period (-3.5%) Its performance over the ten-year period was slightly better (-1.1%).

Exports in 2013 - despite a fluctuating trend over the course of the year - closed the year essentially in line with 2012 (down slightly, by less than 1%). This stability of foreign sales enabled Italian equipment makers to compensate for the continuing weakness of the domestic market. Note that exports in 2013 accounted for over 65% of the Italian sector's total revenues, which declined by 2.5% from 2012 due to the aforesaid stagnation of demand within Italy. On the other hand, over a medium to long-term horizon, production continues to show a positive trend: +2.7% over the 2011-2013 period, and +0.4% over the past ten years.

It should also be noted that the export figures reported by ISTAT do not include the sizable share of Italian-made equipment sold to Italian contractors that, in their turn, supply foreign clients with turnkey installations incorporating those components.

Looking at the regional breakdown of export destinations for Italian equipment makers we can immediately say that the slight overall downturn in foreign sales of the past year (-0.8%) conceals exceptions such as: Africa,

which accounts for 5.8% of the total and leapt forward 23% from 2012; South America, which accounts for 8.2% of the total, up 9.6 percentage points; and the Middle East, with 4.0% of the total (+3.8%).

We can here briefly mention the two main competitors of Italian equipment makers, which are Germany and the now well-consolidated China. In 2013 German equipment makers saw their exports increase by just over 1%, marking a slowdown from 2012 when they rose 2.7% from the preceding year.

China's exports are also showing signs of deceleration, though still with ample positive increases year on year. In 2013 China's foreign sales increased by around 6 percentage points, compared to a much stronger growth of 30 percentage points in 2012.

An even more interesting result is the trend for Chinese imports, which show a gradual decline from 2010 to today. Three years ago, China's imports rose by 28.3%, while in 2013 the overall trend was negative (-5.8%). Possibly, this reflects an improved ability of Chinese equipment-makers to satisfy demand from domestic processors. It should be pointed out that domestic Chinese demand is often not for the highest-quality technology - a niche where European manufacturers continue to be unchallenged.

**TABLE 01**

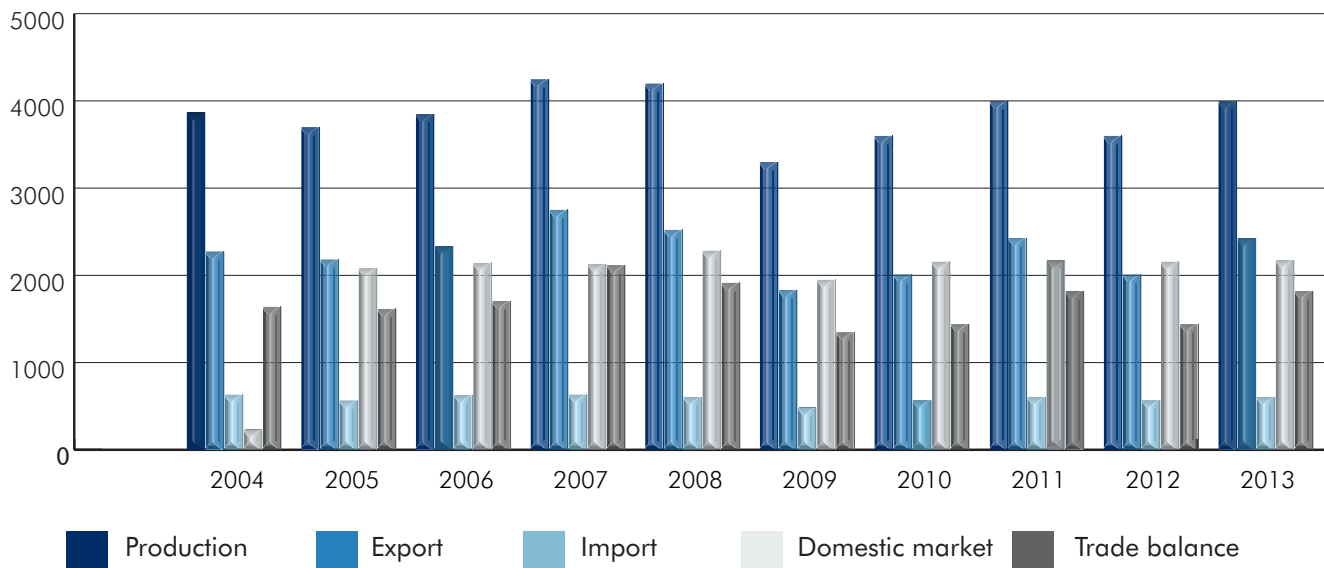
**ITALIAN MARKET OF PLASTICS AND RUBBER PROCESSING MACHINERY, EQUIPMENT AND MOULDS  
(MILLION EUROS)**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>Δ % 13/12</b>	<b>average Δ% three years</b>	<b>average Δ% ten years</b>
production	4,000	4,000	3,900	-2.5	2.7	0.4
export	2,430	2,575	2,550	-1.0	8.2	1.5
import	605	625	590	-5.6	1.2	-0.1
domestic market	2,175	2,050	1,940	-5.4	-3.5	-1.1
<b>trade balance (positive)</b>	<b>1,825</b>	<b>1,950</b>	<b>1,960</b>	<b>0.5</b>	<b>10.8</b>	<b>2.1</b>

TREND FOR ITALIAN PRODUCTION, EXPORT, IMPORT AND TRADE BALANCE FOR PLASTICS AND RUBBER PROCESSING MACHINERY, EQUIPMENT AND MOULDS (MILLION EUROS)

01

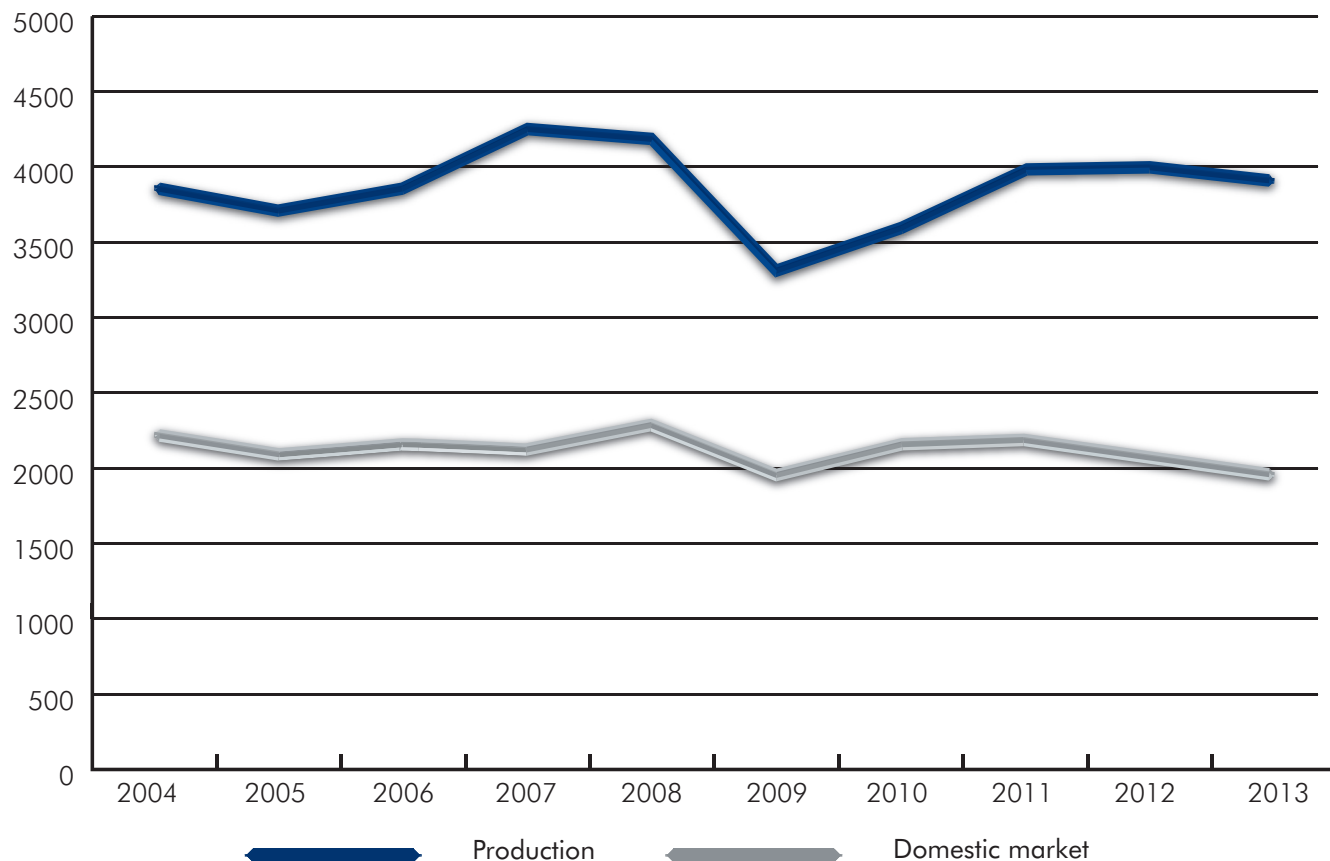
chart



TREND FOR ITALIAN PRODUCTION AND DOMESTIC MARKET

02

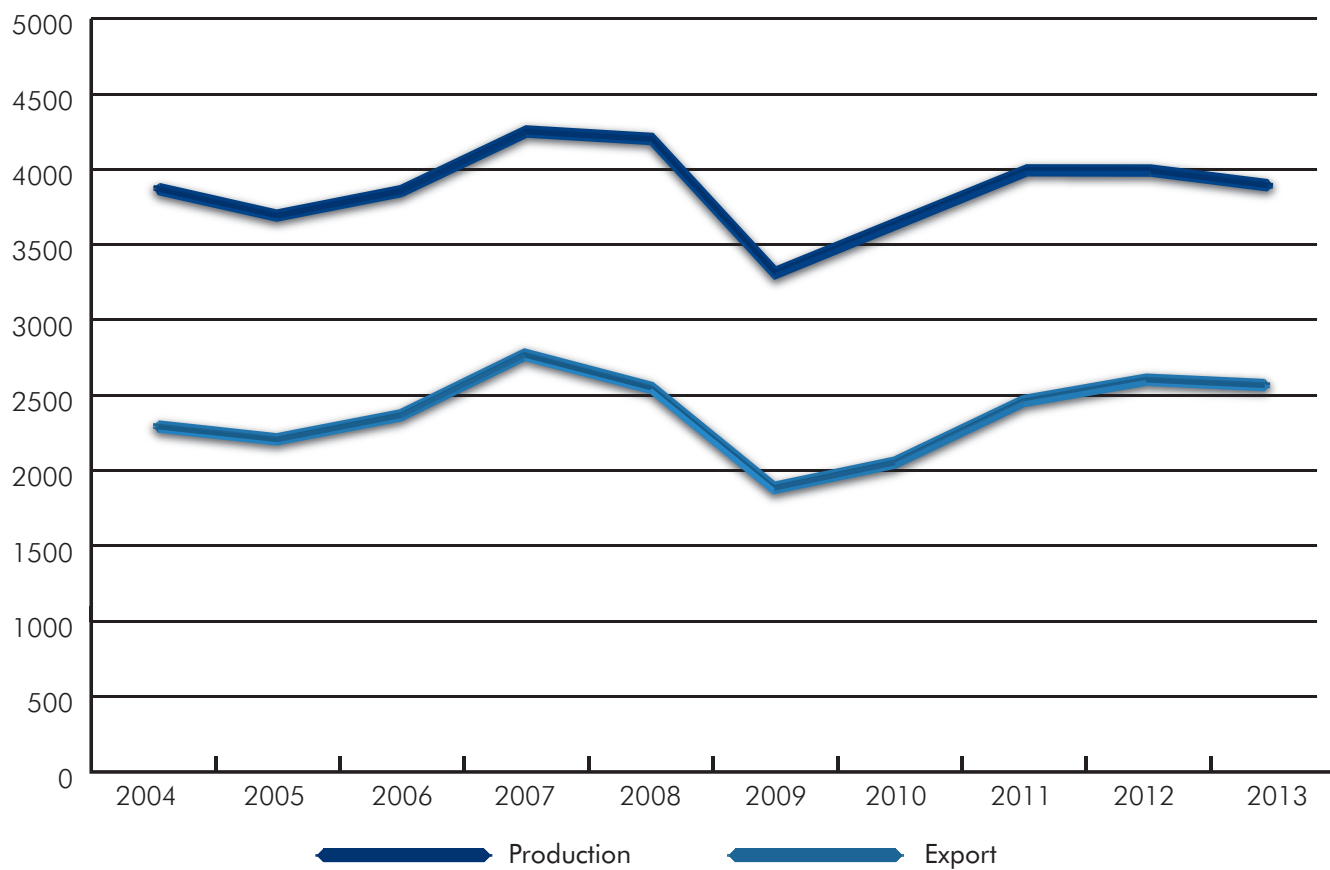
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TREND FOR ITALIAN PRODUCTION AND EXPORT

03

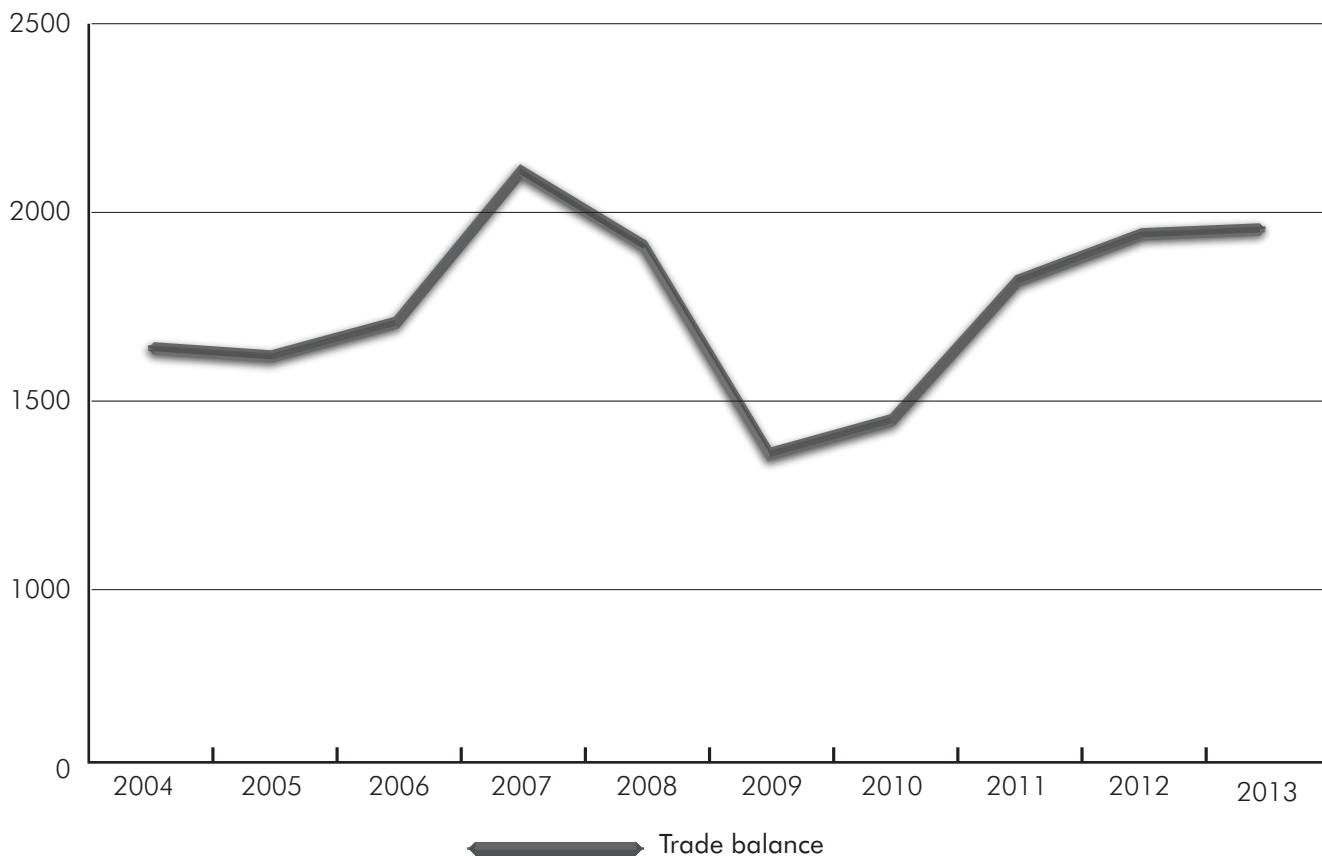
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TREND FOR ITALIAN TRADE BALANCE

04

chart



For the details of the sector's imports and exports, refer to table 2 which shows the aggregate values for trade flows in both directions, the percentage changes and annual trends at the quarterly and monthly level.

Compared to 2012, Italian imports in the sector were down overall in 2013 (-5.6%), reflecting the economic situation and, in particular, a domestic processing industry that is virtually "paralysed", as we have noted many times.

The same negative trend also reappears when we look at the most important technologies singly: imports of extruders went from +19.4% in 2012 to -56% in 2013. The principal supplier country in 2013 was Austria, with purchases amounting to some 3.7 million euros, and down from 2012 when Italy purchased around 3.2 million euros worth of extruders from that country. Taking into consideration the generally high unit value of extruders, it is interesting that in 2012 the top supplier of this technology was Germany, from which Italy purchased some 18 million euros worth, but only 3.3 million euros in 2013.

Also down were imports of thermoforming machines, which went from +55.2% to -66%, for a total value of 2.5 million euros in 2013, and came principally from China, from which Italy purchased around 790 thousand euros worth, up 9.7% compared to 2012.

**TABLE 02**
**ITALIAN IMPORT-EXPORT OF PLASTICS AND RUBBER PROCESSING MACHINERY, EQUIPMENT AND MOULDS  
(JANUARY-DECEMBER - 000 EUROS)**

	import			export		
	2011	2012	2013	2011	2012	2013
flexographic printing machines	22,773	15,937	17,670	119,287	128,958	126,644
plants for mono- and multifilaments	3,237	5,034	1,277	56,302	49,611	26,582
injection moulding machines	82,786	68,795	67,371	120,337	96,435	126,778
extruders	25,127	30,009	13,052	287,696	312,285	300,741
blow moulding machines	16,693	9,777	9,221	129,035	152,246	135,630
thermoforming machines	4,837	7,509	2,493	76,369	49,433	45,463
presses for tyres and inner tubes	1,514	2,221	1,975	32,780	28,645	38,807
presses	17,251	7,873	11,882	73,431	77,065	72,291
machines for moulding or forming	13,311	15,813	13,090	145,713	149,540	148,742
machines for reactive resins	1,044	1,483	2,906	30,023	35,596	41,685
machines for foamed products	5,503	5,023	3,036	30,743	28,859	35,286
equipment for size reduction	3,529	2,736	3,015	21,214	20,302	19,905
mixers	7,107	2,973	1,637	26,813	30,993	27,280
cutting, splitting and peeling machines	3,127	4,089	2,765	10,030	15,604	10,175
other machines	24,157	44,031	38,105	332,740	345,603	347,320
parts and components	138,203	138,660	144,121	351,781	353,996	360,138
moulds	237,071	262,636	256,265	585,396	697,466	688,446
<b>total</b>	<b>607,270</b>	<b>624,599</b>	<b>589,883</b>	<b>2,429,690</b>	<b>2,572,636</b>	<b>2,551,914</b>

Italian purchases of injection machines likewise fell, going from nearly 68.8 million euros in value terms in 2012 to 67.4 million in 2013 (-2.1%). Italy's top supplier of injection machines in 2013 was Germany, with purchases worth around 25 million, down 6% from the preceding year. In 2012 Italy's top supplier of this technology was Austria, for a value of 23.8 million euros, which declined to 19.6 million in 2013 (Germany in that same year was close behind, with 23.5 million).

**TABLE 03**
**MAIN SOURCE COUNTRIES FOR ITALIAN IMPORTS OF PLASTICS AND RUBBER PROCESSING MACHINERY, EQUIPMENT AND MOULDS (000 EUROS)**

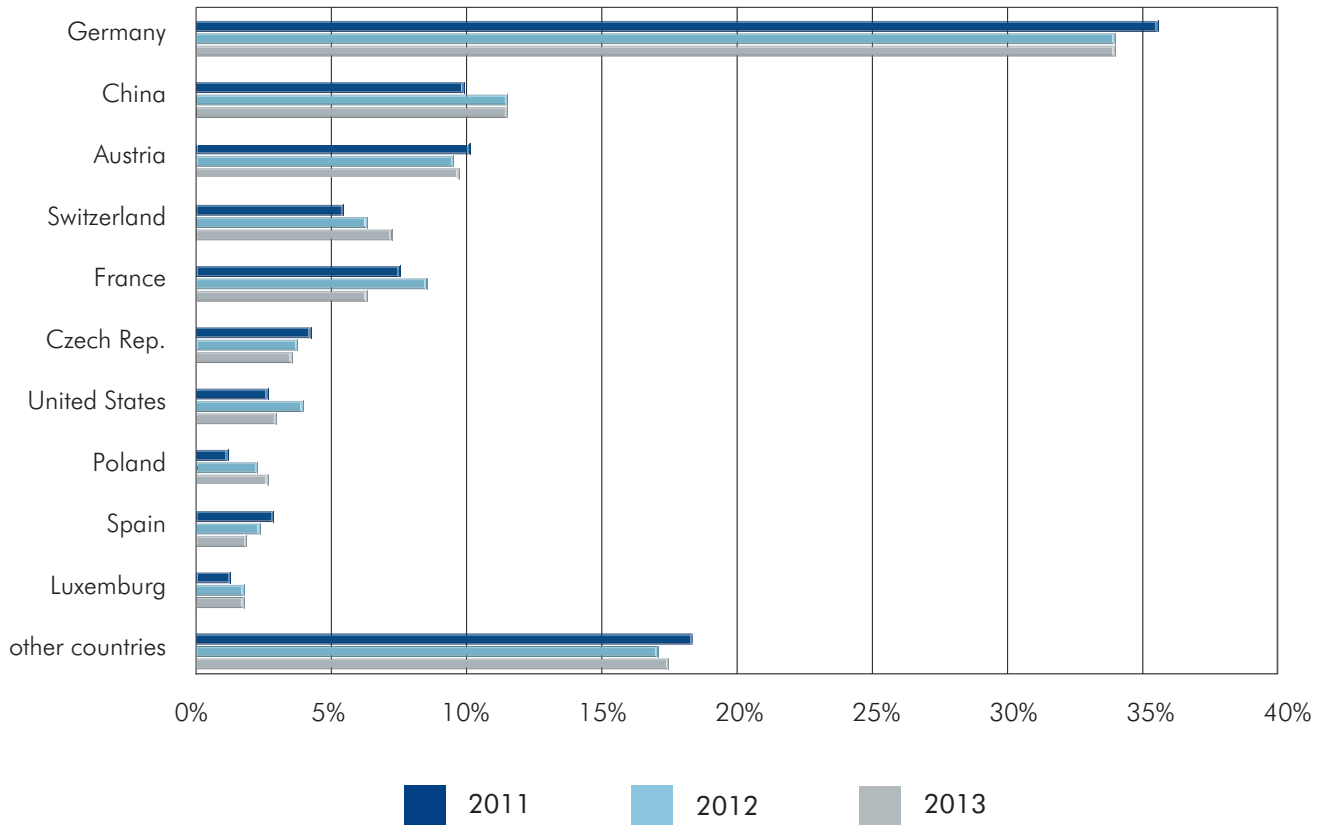
	2011	% out of total	Δ % 11/10	2012	% out of total	Δ % 12/11	2013	% out of total	Δ % 13/12
Germany	217,253	35.8	7.1	213,790	34.2	-1.6	201,906	34.2	-5.6
China	60,510	10.0	23.3	70,735	11.6	16.9	68,241	11.6	-3.5
Austria	62,017	10.2	8.0	58,084	9.6	-6.3	57,649	9.8	-0.7
Switzerland	33,397	5.5	7.0	38,615	6.4	15.6	43,340	7.3	12.2
France	45,875	7.6	-3.0	51,991	8.6	13.3	37,807	6.4	-27.3
Czech Rep.	26,308	4.3	30.9	23,334	3.8	-11.3	21,344	3.6	-8.5
United States	16,317	2.7	-18.6	23,988	4.0	47.0	17,468	3.0	-27.2
Poland	7,373	1.2	-15.3	14,203	2.3	92.6	15,954	2.7	12.3
Spain	17,894	2.9	-22.3	14,403	2.4	-19.5	11,339	1.9	-21.3
Luxemburg	7,937	1.3	157.0	10,708	1.8	34.9	10,881	1.8	1.6
other countries	112,390	18.5	4.3	104,749	15.3	-6.8	103,955	17.6	-8.8
<b>world</b>	<b>607,270</b>	<b>100.0</b>	<b>6.4</b>	<b>624,599</b>	<b>100.0</b>	<b>2.9</b>	<b>589,883</b>	<b>100.0</b>	<b>-5.6</b>

Purchases of blow moulding machines similarly saw a slowdown (-5.7%), going from 9.8 to 9.2 million euros. The top supplier in 2013 was Germany, with a value of 4.6 million (-6% from 2012).

For what concerns imports of moulds, although these also fell from the preceding year (-2.4%) to reach a total value of around 256 million euros, moulds continued to account for the largest share of total imports (43.4%, and up from 2012 when the share was 42%). Moulds were purchased mainly from Germany (28.4% of total moulds purchased by Italian manufacturers) and China (17%). As already noted, to better evaluate the imports of moulds, it would be interesting to also take into account outsourced productions that are "made in China" but "designed in Italy".

For what concerns the geographical regions of provenance of Italy's imports, table 3 confirms the widespread trend toward cutting down on foreign technology imports. The percentage variations for 2013 compared to 2012 are all negative, with the exceptions of Switzerland, from which Italy prevalently purchased injection machines (14.8% of total purchases from that country) and moulds (53%), and Poland, where moulds once again account for the largest share (86.4%).



**MAIN SOURCE COUNTRIES FOR ITALIAN IMPORTS OF PLASTICS AND RUBBER PROCESSING MACHINERY, EQUIPMENT AND MOULDS (% SHARE OUT OF TOTAL)**


The steepest drops, at the individual country level, were for France and the United States. From France, Italy purchased fewer mono and multi-filament plants (-99%), injection machines (-83%), and thermoforming machines (-66%), but bought more extruders (+10%) and blow moulding machines (+38%). Italian imports from the US were down for extruders (-83%) and thermoforming and blow moulding machines (-100%), but picked up for injection machines (+58%).

Germany, from which Italy imported less in 2013 (-5.6%), continues to be the top foreign supplier (but also the principal destination country of Italian exports), accounting for around 34% of Italian purchases, prevalently focused on injection moulding technology (12.4% of the total imports from Germany) and moulds (28.5%).

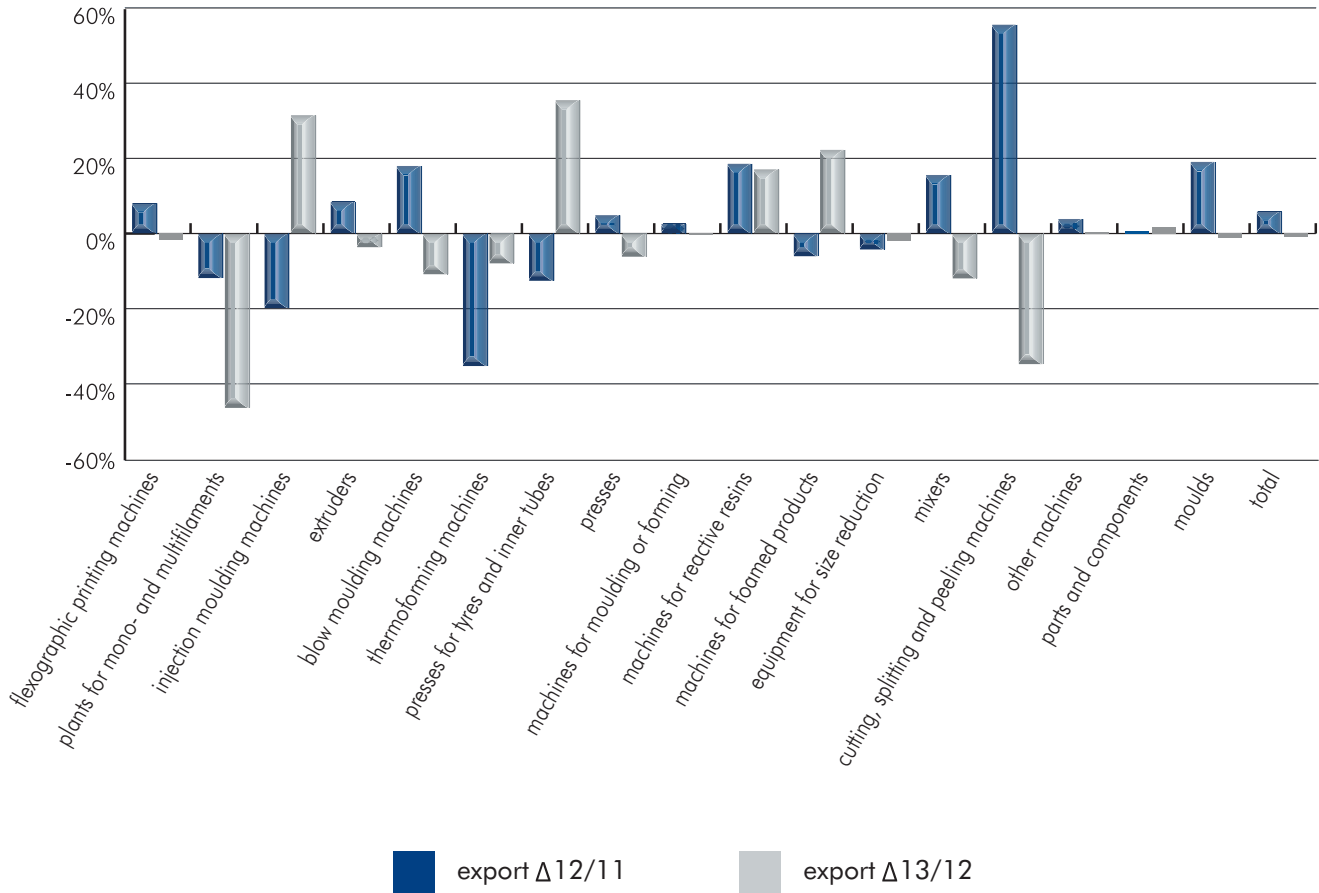
A relatively stable situation also emerges in Austria, from which Italy purchased mainly injection machines for a value of approximately 19 million euro (34% of the total) and moulds (around 24%).

Turning now to Italian exports, which as we have said account for a notable share of the sector's total revenues, it is worth briefly looking at the trends for

ITALIAN EXPORTS OF PLASTICS AND RUBBER PROCESSING MACHINERY, EQUIPMENT AND MOULDS

06

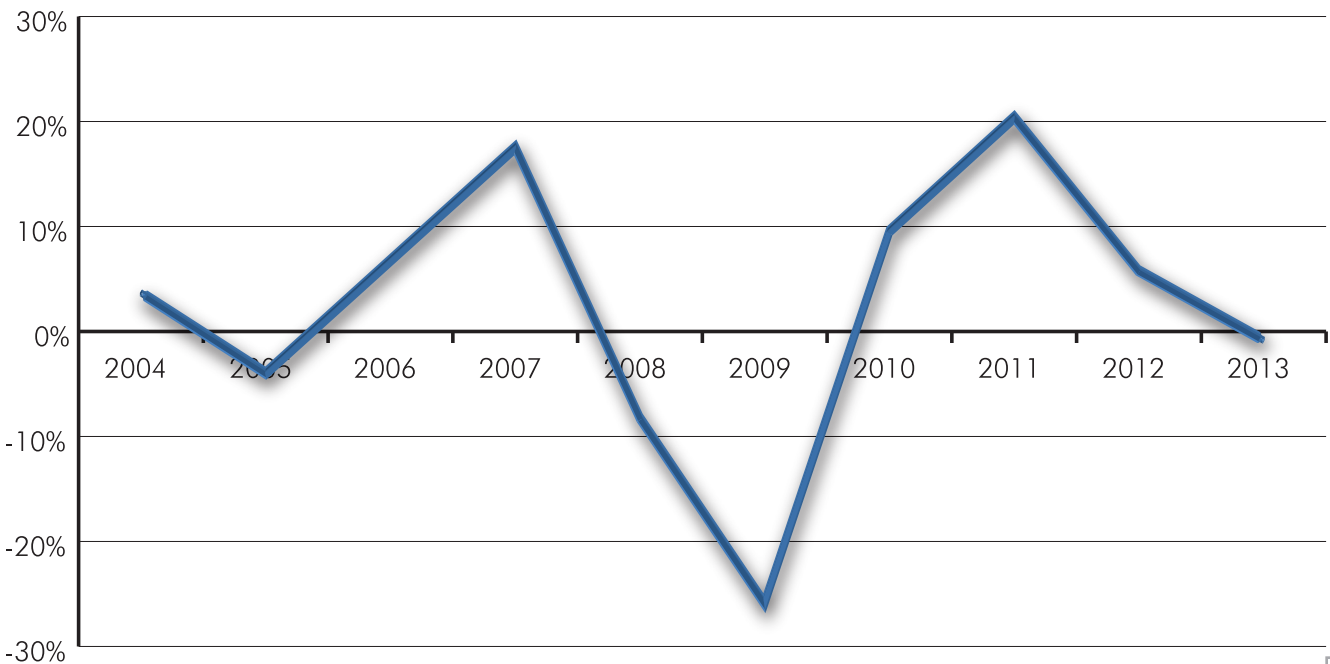
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TREND FOR ITALIAN EXPORTS OF PLASTICS AND RUBBER PROCESSING MACHINERY, EQUIPMENT AND MOULDS

07

chart



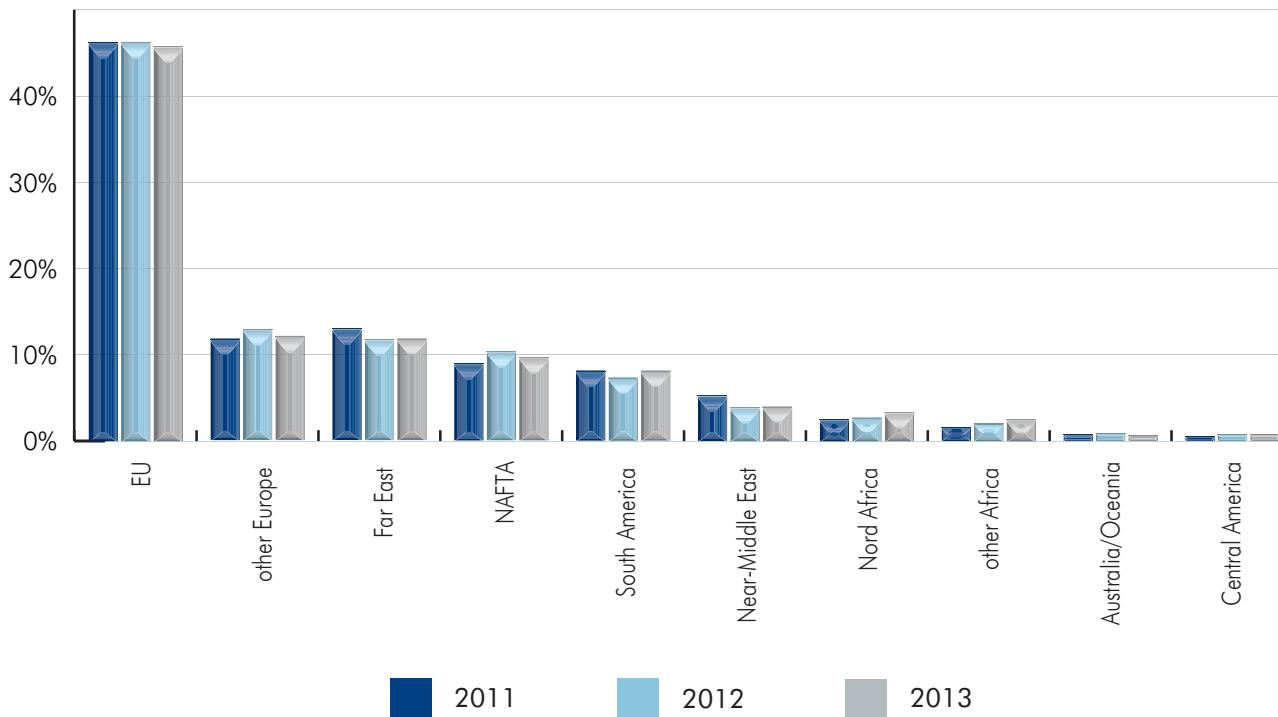
the most important equipment categories, irrespective of the generic and/or aggregated results.

As we can see in table 2, the most interesting result is the one for injection machines, which were up +31.5% (for a total of 127 million euros, amounting to 5% of the total). The top purchasers of this technology include: Brazil, in first place, which bought nearly 10 million worth of goods from Italy (+12.7%) in 2013; Mexico, with purchases worth nearly 7 million (+39%); and Peru, which

**ITALIAN EXPORTS OF PLASTICS AND RUBBER PROCESSING MACHINERY, EQUIPMENT AND MOULDS BY REGION (total % for 2011-2013)**

08

chart



went from around 2 million to more than 6 million euros in 2013 (+180%). Extruders, which accounted for nearly 12% of Italy's total exports in this sector, for a value of around 301 million euros, fell by -3.7%. Looking at the main destination countries of this technology in 2012, the decline in sales in 2013 affected Germany, although it still retained its first place, with purchases worth 25.3 million euros (-3%), France, with 19.1 million (-24%), Russia, with 18.2 million (-28%), Turkey, 14.7 million (-8%) and Poland, 12.5 million (-13%).

For blow moulding, too (5.3% of Italian exports in 2013), the downward trend touched -10.9% to around 136 million euros. Looking at the main destination countries in 2012, there were declines for the US, which purchased equipment worth around 6.1 million (-70%), France, with 6.4 million (-10%), Russia, 6.7 million (-4%), Brazil, 3.5 million (-42%) and China with 3.5 million (-41%). In

2013 the top destination country for blow moulding machines was Russia, with a value of some 6.7 million euros (-4.1%).

Similarly, exports of thermoforming machines in 2013 saw a slowdown toward all destination countries, with a decline in total value from 49.4 to 45.5 million (-8%), relative to 2012. By way of example, we can mention here the 2013 figures for those countries that were the top importers of this technology in 2012: Germany, for a total value of 2 million in 2013 (-70%), France with 1.2 million (-74%), India, 1.9 million (-37%), United Kingdom 2.3 million (-26%) and Brazil with 1.3 million (-52%). In 2013, the top destination country for thermoforming machines was China, with a value of around 8.3 million (compared to 2.5 million in 2012).

Looking at the broader destination quadrants, table 4 shows that there was a decline (-1.9%) in Italian exports within the EU. The same is true for the NAFTA area, which also declined in 2013 (-7%).

For what concerns emerging markets, the most important area is the African continent, which is attracting growing interest among the major equipment makers. Italians sales to Africa grew 23%, to reach a total value of around 149 million euros. Germany, despite appearing to neglect Africa as an export destination, also added some 20 percentage points for a value of around 20 million. Meanwhile, China, which has been present in Africa far longer than European equipment manufacturers, reached 290 million with its latest increase of 10% over 2012.

**TABLE 04**

**ITALIAN EXPORTS OF PLASTICS AND RUBBER PROCESSING MACHINERY. EQUIPMENT AND MOULDS  
BY REGION (MILLION EUROS)**

	<b>2011</b>	<b>% out of total</b>	<b>Δ % 11/10</b>	<b>2012</b>	<b>% out of total</b>	<b>Δ % 12/11</b>	<b>2013</b>	<b>% out of total</b>	<b>Δ % 13/12</b>	<b>average Δ% 11-13</b>
EU	1,138,322	46.9	23.4	1,207,003	46.9	6.0	1,184,638	46.4	-1.9	8.7
other Europe	292,252	12.0	28.9	335,966	13.1	15.0	314,611	12.3	-6.4	11.5
Far East	321,216	13.2	31.8	305,215	11.9	-5.0	306,080	12.0	0.3	7.9
NAFTA	221,111	9.1	16.6	268,854	10.5	21.6	250,148	9.8	-7.0	9.7
South America	198,567	8.2	4.5	191,007	7.4	-3.8	209,276	8.2	9.6	3.3
Middle East	127,733	5.3	23.0	99,321	3.9	-22.2	103,093	4.0	3.8	-0.2
North Africa	61,078	2.5	-4.8	68,488	2.7	12.1	85,035	3.3	24.2	9.8
other Africa	39,852	1.6	-2.2	52,255	2.0	31.1	63,621	2.5	21.7	16.0
Australia/Oceania	17,304	0.7	18.6	24,195	0.9	39.8	15,903	0.6	-34.3	2.9
Central America	12,255	0.5	-24.1	20,333	0.8	65.9	19,509	0.8	-4.1	6.5
<b>world</b>	<b>2,429,690</b>	<b>100.0</b>	<b>20.8</b>	<b>2,572,636</b>	<b>100.0</b>	<b>5.9</b>	<b>2,551,914</b>	<b>100.0</b>	<b>-0.8</b>	<b>8.2</b>

TABLE 05

**MAIN DESTINATION COUNTRIES FOR ITALIAN EXPORTS OF PLASTICS AND RUBBER PROCESSING MACHINERY, EQUIPMENT AND MOULDS (000 EUROS)**

	2011	% out of total	Δ % 11/10		2012	% out of total	Δ % 12/11		2013	% out of total	Δ % 13/12	average Δ% 11-13
Germany	352,669	14.5	13.4	Germany	376,793	14.6	6.8	Germany	364,810	14.3	-3.2	5.5
France	156,632	6.4	31.9	France	174,122	6.8	11.2	France	144,983	5.7	-16.7	6.9
China	147,968	6.1	21.8	United States	159,244	6.2	32.8	United States	143,096	5.6	-10.1	5.6
United States	119,942	4.9	6.8	China	138,551	5.4	-6.4	Poland	125,110	4.9	4.8	3.7
Russia	112,686	4.6	60.2	Russia	131,686	5.1	16.9	China	120,880	4.7	-12.8	19.8
Poland	107,512	4.4	41.1	Poland	119,379	4.6	11.0	Russia	119,538	4.7	-9.2	16.2
Turkey	96,117	4.0	33.9	Turkey	89,611	3.5	-6.8	UK	92,918	3.6	7.4	9.0
Brazil	90,064	3.7	-8.3	Spain	87,578	3.4	2.0	Spain	85,619	3.4	-2.2	-4.5
Spain	85,845	3.5	-1.8	UK	86,483	3.4	33.9	Turkey	80,217	3.1	-10.5	-2.8
Mexico	73,420	3.0	35.4	Mexico	83,780	3.3	14.1	Mexico	79,239	3.1	-5.4	13.5
India	67,252	2.8	63.1	Brazil	81,167	3.2	-9.9	Brazil	78,751	3.1	-3.0	24.1
UK	64,595	2.7	-4.3	Czech Rep.	61,738	2.4	9.5	Czech Rep.	64,776	2.5	4.9	-1.4
Czech Rep.	56,361	2.3	63.0	India	52,823	2.1	-21.5	Rumania	43,563	1.7	-17.4	8.0
Rumania	53,621	2.2	82.2	Rumania	52,716	2.0	-1.7	Switzerland	43,424	1.7	22.9	13.9
Austria	43,653	1.8	51.9	Austria	45,719	1.8	4.7	Argentina	40,264	1.6	45.7	11.9
Saudi Ar.	42,063	1.7	26.1	Saudi Ar.	37,813	1.5	-10.1	Austria	40,250	1.6	-12.0	6.5
Slovakia	39,833	1.6	123.9	Serbia	36,070	1.4	572.8	Slovakia	38,050	1.5	22.2	28.8
Switzerland	38,831	1.6	-19.5	Switzerland	35,329	1.4	-9.0	India	36,267	1.4	-31.3	-9.1
Argentina	33,485	1.4	6.4	Slovakia	31,138	1.2	-21.8	Saudi Ar.	29,485	1.2	-22.0	-2.2
Belgium	32,439	1.3	16.5	South Africa	28,459	1.1	54.5	Japan	27,982	1.1	185.9	0.2
<b>total 'top 20'</b>	<b>1,814,988</b>	<b>74.7</b>	<b>22.5</b>	<b>total 'top 20'</b>	<b>1,910,198</b>	<b>74.3</b>	<b>7.7</b>	<b>total 'top 20'</b>	<b>1,799,221</b>	<b>70.5</b>	<b>-4.5</b>	<b>6.7</b>
other countries	614,702	25.3	16.0	other countries	662,438	25.7	0.9	other countries	752,693	29.5	9.2	12.4
<b>world</b>	<b>2,429,690</b>	<b>100.0</b>	<b>20.8</b>	<b>world</b>	<b>2,572,636</b>	<b>100.0</b>	<b>5.9</b>	<b>world</b>	<b>2,551,914</b>	<b>100.0</b>	<b>-0.8</b>	<b>8.2</b>

Turning now to the other major emerging regions, Italy's exports to South America and the Middle East in 2013 closed respectively up +9.6% and +3.8%.

Table 5 shows the changes in the ranking of the top 20 destination countries of Italian machinery and equipment for plastics and rubber processing. Although there were no significant changes in the top spots (Poland and the United Kingdom moved up a few places, at the expense of China and Russia, which slipped down one place, and Turkey, which went down by two), we notice opposite trends within Europe. The declines for Germany and France, respectively by -3.2% and -16.7%, are in contrast with the good results for Poland (+4.8%), the United Kingdom (+7.4%), Czech Republic (+4.9%), Slovakia (+22.2%), and Switzerland (+22.9%). Meanwhile, across the ocean, there was a noteworthy rise in exports to Argentina (+45%, to around 40 million euros).

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Germany, in particular, which accounts for around 14% of our sector's exports for a value of approximately 356 million euros, confirms its traditional position as Italy's top trade partner, again signifying the interest in "Made in Italy" equipment, even among our chief competitors. Even so, however, in 2013 Germany purchased fewer injection machines (-5.7%) to reach a value of around 4.2 million, and fewer extruders (-2.9%) for a total that is now around 25.3 million. Substantial drops also affected blow moulding machines (-39%) for a total of 3.3 million, and thermoforming machines (-70%) for around 2 million euros.

Sales to French processors (5.7% of the Italian sector's exports in 2013) similarly declined in 2013, by -16.7%. In 2013 Italy sold France fewer injection machines, going from a total value of around 7 million to just over 2 million euros (-69%), and fewer extruders (-24%), to reach a total value of 19 million. A similar trend affected blow moulding machines (-10%) and thermoforming machines (-74%).

The United States remains in third place, with purchases from Italy down by around 10% to reach a total value of just over 143 million. In detail, US processors purchased fewer injection machines (-5.5%) for a total value of around 5 million last year, more extruders (+109%) to reach a value of around 13 million, and fewer blow moulding machines (-69%). There was a big leap in exports of thermoforming machines, for which the market was virtually non-existent in 2012, while in 2013 some 4 million worth were sold.

A positive surprise was the rise in exports to Polish processors, amounting to a total of 125 million in 2013. Italy sold this country more injection machines (+35.4%) for a value of around 5 million, fewer extruders (-13%, for around 12 million), and fewer blow moulding machines (-40%), while sales of thermoforming machines were stable (around 850 thousand).

Italian exports toward the United Kingdom amounted to nearly 93 million euros (+7.4%). This growth was mainly due to UK purchases of injection machines (+13.7%), for a value of around 3.5 million, and of extruders (+5.2%) for around 7 million.

It is difficult predict how the sector will perform in 2014. For Italy, the uncertainty is currently amplified by the extreme fragility of the domestic economy, overly susceptible to changes in the multiple variables in play, whether economic, political or social. Further obscuring the future outlook are the questions surrounding certain important international markets, which must inevitably affect any prediction of Italy's performance.

Various experts maintain that the deep recession of the Italian economy - the second in six years - has now finished, but its effects linger on. These effects include lower total and per capita GDP, reduced production capacity and a decline in domestic demand, to name only the purely economic ones.

These observations might seem beside the point given that - as previously noted - exports account for nearly 70% of the sector's total revenues.

Yet it is also true that - if not in the short term, at least in the medium to long term - the weakness of the so-called "Italy system" cannot fail to eventually also negatively influence export-oriented firms.

If in Italy the cost of money is higher than in Germany, if the long-awaited flexibility of the labour market fails to happen, if funds for export promotion are cut rather than increased, if the credit crunch continues etc. all this must evidently impact on the competitiveness of Italian firms.

What is more, on the EU economic policy front, a shift toward less restrictive fiscal strategies and more flexible budget deficit parameters is widely regarded as essential. This applies especially for Italy, which is suffering under the constraints imposed by Brussels.

For what concerns foreign markets, the recovery of the United States (propelled, among other things, by its new-found energy independence thanks to by shale gas exploitation, and the phenomenon of "reshoring", meaning the return to American soil of many manufacturing plants that had previously offshored, especially to China) is certain to be a significant growth factor. To be sure, the euro/dollar exchange rate, stuck for some now between 1.35 and 1.4, will tend to slow export flows to the US. Yet it is also true that the United States does not have a solid and well-established rubber and plastics equipment-making industry.

Another interesting country in the American continent is Mexico, whose economy, closely linked to that of the US (consider for example the "maquiladoras": foreign-owned or foreign-controlled factories located in Mexico that assemble or process components temporarily imported on a duty free basis), continues to show strong growth.

A less favourable outlook is that of Brazil, whose economy is experiencing a slowdown. But this can be looked upon as a cyclical phenomenon, especially

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considering how Brazil continued to post enviable growth rates during the difficult years of 2009 and 2010.

In Europe, the great unknown quantity remains Russia: it is in fact difficult to quantify now what repercussions the Ukraine crisis may have on our sector.

VDMA, the Association of German competitors, seems very worried about a probable/likely fall in orders, also in view of the fact that Russia is the third-largest destination market for them (while it is only the sixth for Italy).

Meanwhile, in Asia, China continues to be an important destination market despite a significant deceleration of its rate of growth (down from double-digit GDP increases to single-digit rises).

In fact, as also emerged from a series of meetings with Chinese trade associations during Chinaplas 2014, the demand for advanced technology is continually increasing. As a result, in China today, it is the medium and low-end local producers that are facing difficulties, rather than the high-end Chinese manufacturers or the European ones.

A separate mention goes to India which continues to be most aptly described as “a land of very great, but unfulfilled, potential”.

The Indian market is difficult to penetrate not just because of local competitors (which also exist in China), but also due to its organisational and - especially - logistical complexity (consider the transport problems). So it is no coincidence that India is not among the top ten destination markets for Italian and German exports.

Bearing in mind that the above is only a brief overview of some of the countries regarded as most important for mould and equipment makers (but the list could be much longer), the expectations for 2014 are moderately optimistic.

Although it is true that orders were below expectations in the first months of the year, exports are expected to recover (setting aside the Russian variable) during the second half of the year.

There have even been some weak signs of recovery within the Italian domestic market, which it is hoped will continue to gather strength over the next few months, also with the help of stimulus initiatives such as the new Sabatini law.

In conclusion, it is hoped that 2014 will close with exports up a few percentage points, and a recovery of the Italian market that might enable production of machines, moulds and equipment to return to a positive trend.