

**MEETING "UCIMU-SISTEMI PER PRODURRE"
IN 2016 POSITIVE OUTCOME FOR THE ITALIAN MACHINE TOOL INDUSTRY
IN 2017 A CONTINUOUS GROWTH**

**The orders of machine tools rose by 9.9% in the first six months of 2017.
+24.8% domestic orders; +5.6% foreign orders.**

Massimo Carboniero, President of UCIMU: "It is necessary to extend the measures of the National Plan Industry 4.0"

Cinisello Balsamo, 6 July 2017. **The 2016 outcome of the Italian machine tool, robot and automation manufacturing industry is positive:** it registered increases for all main economic indicators, except for exports.

Fifth among manufacturing countries, after the revision of the time-series data carried out by the US association, **Italy confirmed its third place among exporters and gained one position in the consumption ranking, where it came in fifth**, as a testimony to the liveliness of its domestic demand.

The positive trend reported since 2014 will continue throughout 2017 - the year in which **production, export and consumption will grow**, also supported by the measures of the National Plan Industry 4.0 – and it will drive both the deliveries of manufacturers in the domestic market and imports. No other country, among the leaders of the sector, will record such significant increases as those obtained by Italy.

This is in short the framework presented this morning by the President, **Massimo Carboniero**, on the occasion of the annual general meeting of UCIMU-SISTEMI PER PRODURRE members, which was also attended by the Minister of the Economic Development, **Carlo Calenda**, in interactive video-conference from Rome, and by the Vice-President of the National CONFINDUSTRIA, with responsibility for industrial policy, **Giulio Pedrollo**.

In particular, in **2016, production increased by 6.4%, amounting to 5,552 million euro**. The outcome was due to the positive trend of the **manufacturers' deliveries in the domestic market, grown by 25.7%, to 2,300 million**. On the contrary, **exports** suffered a setback. After **going down by 4%, to 3,252 million euro**, the value of exports went back to the levels of 2014, completely cancelling the rise achieved in 2015.

In 2016, the major destination markets of the Italian product offering turned out to be: Germany (377 million, + 1%), the United States (352 million, -9.4%), China (315 million, -6.9%), France (224 million + 23.2%), Poland (137 million, +7.2%), Spain (116 million, +14%), Mexico (99 million, +29.3%) and Turkey (87 million, -5.1%).

A strongly positive performance was registered with regard to **consumption**, which showed **a double-digit increase for the third consecutive year, reaching 3,859 million euro**, i.e. **15.3% more** versus 2015.

The positive trend of the Italian industry of the sector **will be confirmed even in 2017**, as highlighted by the forecast data processed by the Studies Dept. of UCIMU. In particular, **production will go up by 6.7%, to 5,925 million euro**. **Consumption** will attain **4,250 million euro**, i.e. **10.1% more** versus 2016, driving both the **manufacturers' deliveries in the domestic market**, - expected to **grow by 12% to 2,575 million** - and **exports (+7.5%)**.

Exports will be back to a positive sign: with a 3% upturn they will reach the value of 3,350 million euro. The trend registered with regard to the sales of machine tools abroad in the first three months of the year confirms the awaited recovery. The export/output ratio that has decreased since 2014 due to the recovery of Italian demand, will go down again, attaining 56.5%.

Massimo Carboniero, President of UCIMU-SISTEMI PER PRODURRE, pointed out: "In a situation of general regression regarding the world industry of the sector, Italy proved to have the means and the strength to grow and to grow again, compared to what it already did in the previous two-year period. Owing to this trend, **the turnover of the sector exceeded 8 billion euro**".

"In addition, in 2017 – went on **Massimo Carboniero** – the forecasts show that our country will do even better: all the main economic indicators will grow, including exports, - a result that is already improving in the first quarter of the year - but, most of all, consumption will rise again".

"Actually, - added **Massimo Carboniero** – the provisions included in the National Plan Industry 4.0 have already produced their first effects, as highlighted by the trend of the orders collected by the manufacturers in the Italian market. After the +22.2% in the first quarter of 2017, the index of the orders collected by the Italian manufacturers in the domestic market recorded a 28.5% upturn in the second quarter, as a testimony to the tendency to acquire new machinery and new technologies for plant connectivity".

According to the data processed by the Studies Dept. of UCIMU-SISTEMI PER PRODURRE, **the index of machine tool orders, collected in the second quarter of 2017, reported a 17.2% increase** compared with the same period of 2016, showing an absolute index value of 136.2 (Base 2010=100).

The positive trend was due both to the **good performance of the orders collected by the Italian manufacturers abroad** and to the **excellent outcome obtained in the domestic market**.

More in detail, **the index of foreign orders grew by 13.8%**, compared with the same period of the previous year, highlighting an absolute index value of 124.

On the domestic front, a strong growth of the orders index continued, increasing by 28.5% and totalling an absolute value of 180.5 in the period April-June 2017.

On a six-monthly basis, the index showed a 9.9% upturn, attaining an absolute value of 162. A good performance was obtained with regard to the **foreign orders**, which increased by **5.6%** (absolute value 146,1); **the orders index was very positive, highlighting a 24.8% growth** compared with the first six months of 2016 and reaching an absolute value of 208.4.

"Nevertheless, even at the end of 2017, according to the forecasts, we will not have recovered all the ground lost in the recession years. The relaunch of the manufacturing SMEs' competitiveness has just begun and more time is necessary for them to adopt the provisions and start their investment plans".

"For this purpose, it might be useful to transform the **Super-Depreciation into a structural provision**, also in order to adjust the current depreciation coefficients that do no longer correspond to the actual lifetime of goods".

"Moreover, considering that the companies are showing great interest in undertaking a digital re-organisation in their own facilities, it should be appropriate to evaluate and include **the Hyper-Depreciation** even in the next Budget Law, **extending its validity one year longer** than the current deadline".

"We do not intend to distort the purpose of the measure – continued the President of UCIMU-SISTEMI PER PRODURRE - this is a way to ensure the necessary period of time for these special measures to produce the awaited effects, also because the activation of digitalisation and interconnection processes will generate new and continuous investments in the mid and long term, all to the benefit of the country's economy and of the competitiveness of the Italian manufacturing industry, also encouraging the introduction of young human resources, in response to the companies' need for new professional profiles".

"For this reason - concluded **Carboniero** – we think that the work being performed by the Ministry of Economic Development in terms of professional training is essential, it is indispensable if the transformation activated by the machines should become an actual change. But this is not enough. It is necessary to act on the **fiscal and social-security contribution policies, first of all by zeroing the tax wedge for young employees** and by further reducing it for all other employees".

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