



## **CMEIG Media Release**

### **CMEIG market summary for 2004 and forecast**

The peak body for the construction and mining equipment industry (CMEIG) has finally received the sales data for 2004 in each of the plant categories. In 2004 record sales were recorded in hydraulic excavators, motor graders and skidsteer categories. Some detailed analysis of sales growth and a forecast for this year are outlined below.

#### **Hydraulic Excavators**

The excavator market hit a new record high at the end of 2004 with all sectors of the market growing considerably during the year. Overall market growth in 2004 was 24% while growth in the mini excavator market (< 8 tonne) was 38% reflecting the strong growth throughout the year in the residential construction market.

As the residential construction market eases so will demand for mini excavators; and it is expected that this sector of the market will decline by 10 - 15% during 2005. The overall excavator market should also decline by around 10%.

#### **Wheel Loaders**

Growth in the wheel loaders was less spectacular than that of the excavator market but still solid at 11%. This market has now bettered the previous high in February 1996 but appears to have reached its peak. Forecast for 2005 is for a slight decline in this market by around 6%.

#### **Crawler Dozers**

The dozer market was stronger than expected during 2004 with overall growth of 38% coming predominantly from growth in the mining sector. The market is expected to decline in 2005 by around 15%.

#### **Rigid Dump Trucks**

Exceptionally strong demand from the mining sector for additional truck capacity resulted in growth in this market for 2004 of 90%. The market continues to experience very high demand and subsequent long lead times for product. Even with this high demand the market could decrease slightly during 2005.

#### **Articulated Dump Trucks**

This market suffered a major decline in the middle of 2004 but recovered towards the end of the year to record 7% growth over the year. Demand for these products should remain fairly strong for 2005 and the market is expected to remain at around current levels.

## **Motor Graders**

This market has also risen to record high levels at the end of 2004 following very strong demand during the year following the easing of the drought in rural areas. Overall growth for the year was 35%. The market appears to have reached a peak at the end of 2004 and is expected to decline during 2005 by around 16%.

## **Backhoe Loaders**

This market was up and down during 2004 and finished the year with a slight increase of 2%. With the easing of the residential construction market this product sector is expected to decline during 2005 by around 11%.

## **Skidsteer Loaders**

The skidsteer loader market has also reached a record high at the end of 2004 due to very strong demand from the residential construction market. However this market also appears to have reached its peak and is expected to decline in 2005 by around 13%.

While most product markets are expected to decline slightly in 2005, the continuing demand in the residential construction market and the large numbers of infrastructure projects currently underway will ensure relatively high demand for products in 2005. With on-going high demand for resources, particularly coal and iron ore, demand for mining equipment is also expected to remain relatively high throughout 2005.

If you are interested in more information about the sales statistics, refer to CMEIG's web site at [www.cmeig.com.au](http://www.cmeig.com.au).

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