



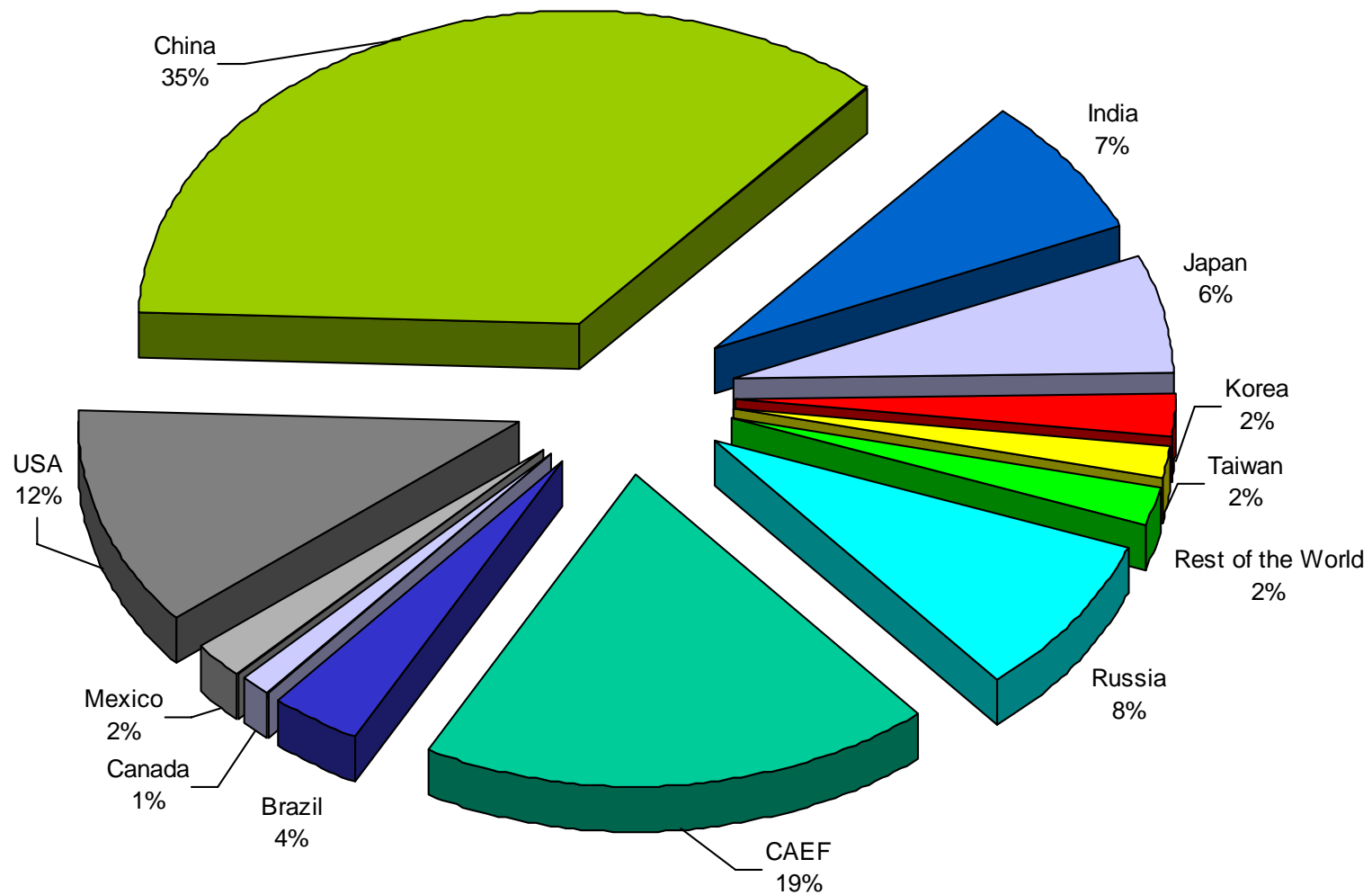
# European Foundry Industry

## Trends and Challenges

IFF 2010 - Barcelona

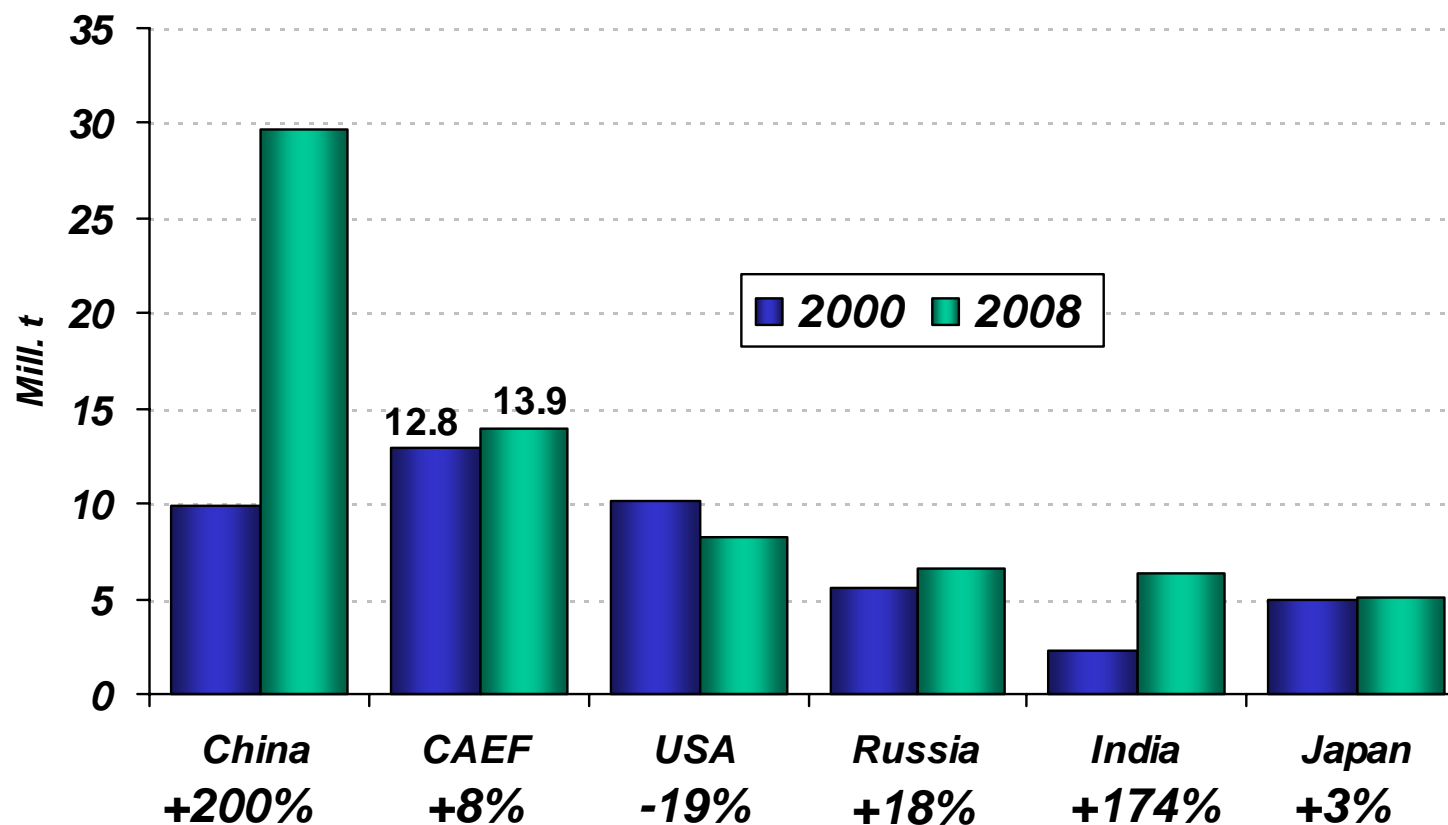
CAEF - The European Foundry Association

## Casting Production Main Regions



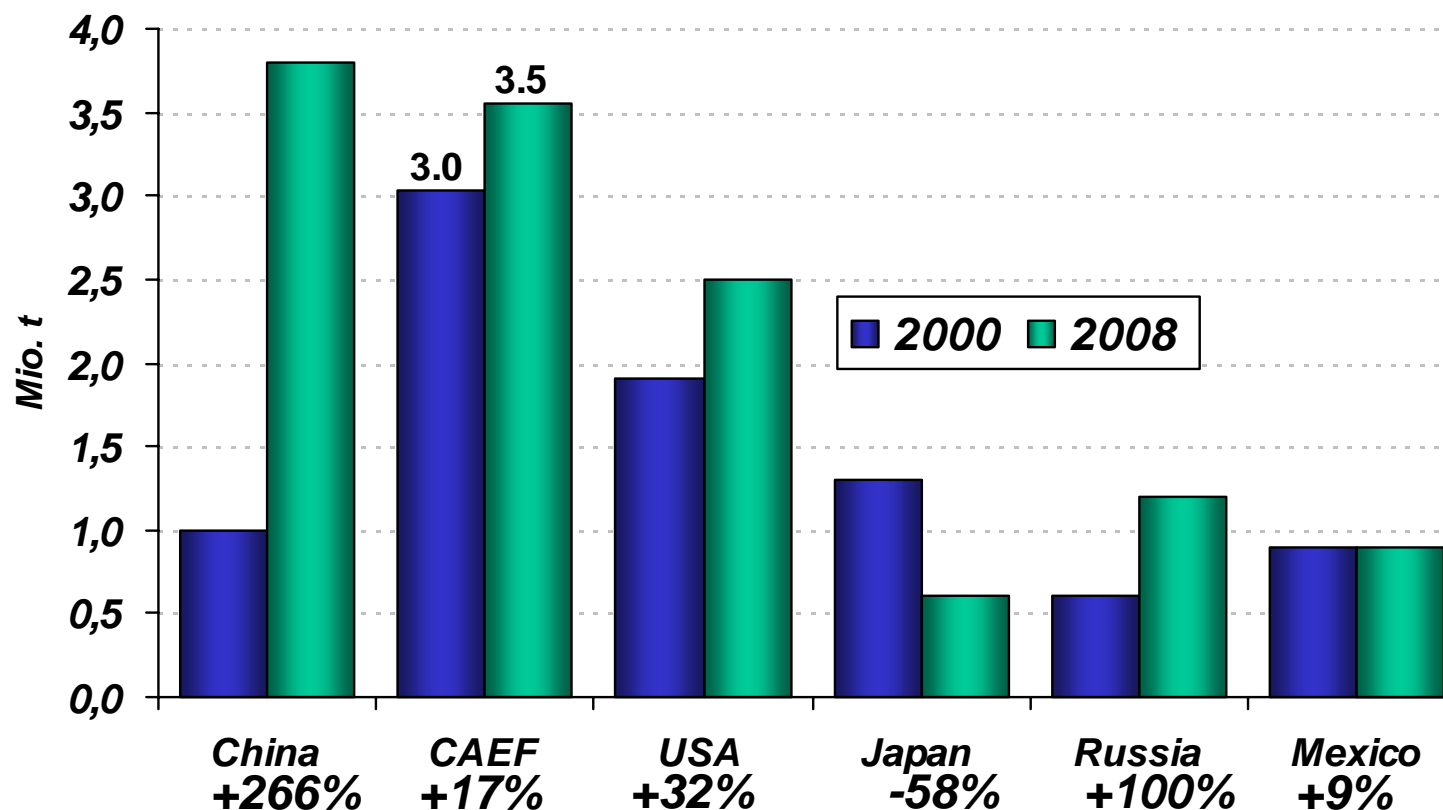
Source: CAEF, moderncasting, National Associations

## European Foundry-Industry Fe-Castings – Second Worldwide



Source: CAEF (2000 incl. Turkey) , moderncasting, National Associations

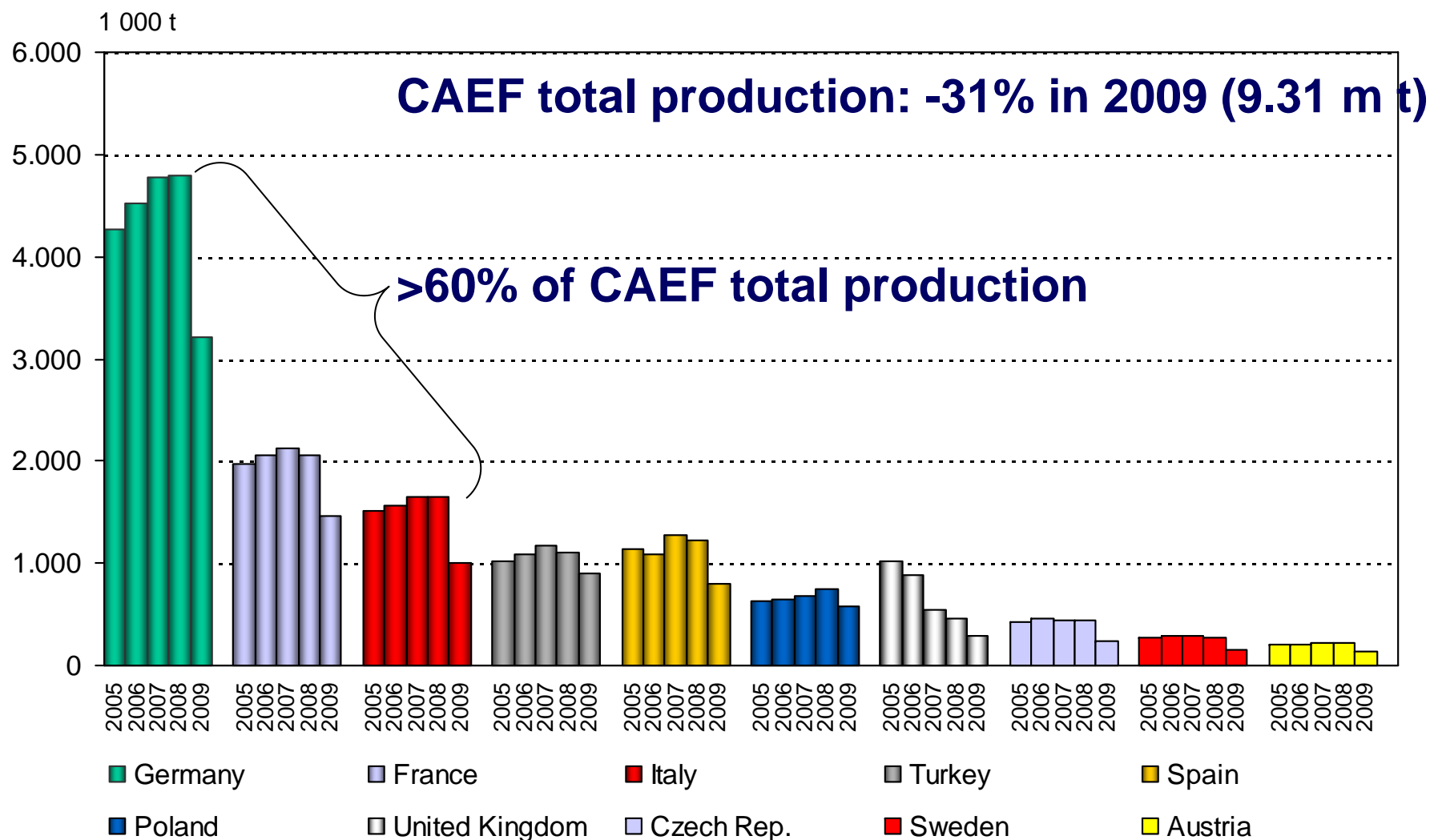
# European Foundry-Industry NF-Castings – Second Worldwide



Source: CAEF, moderncasting, National Associations

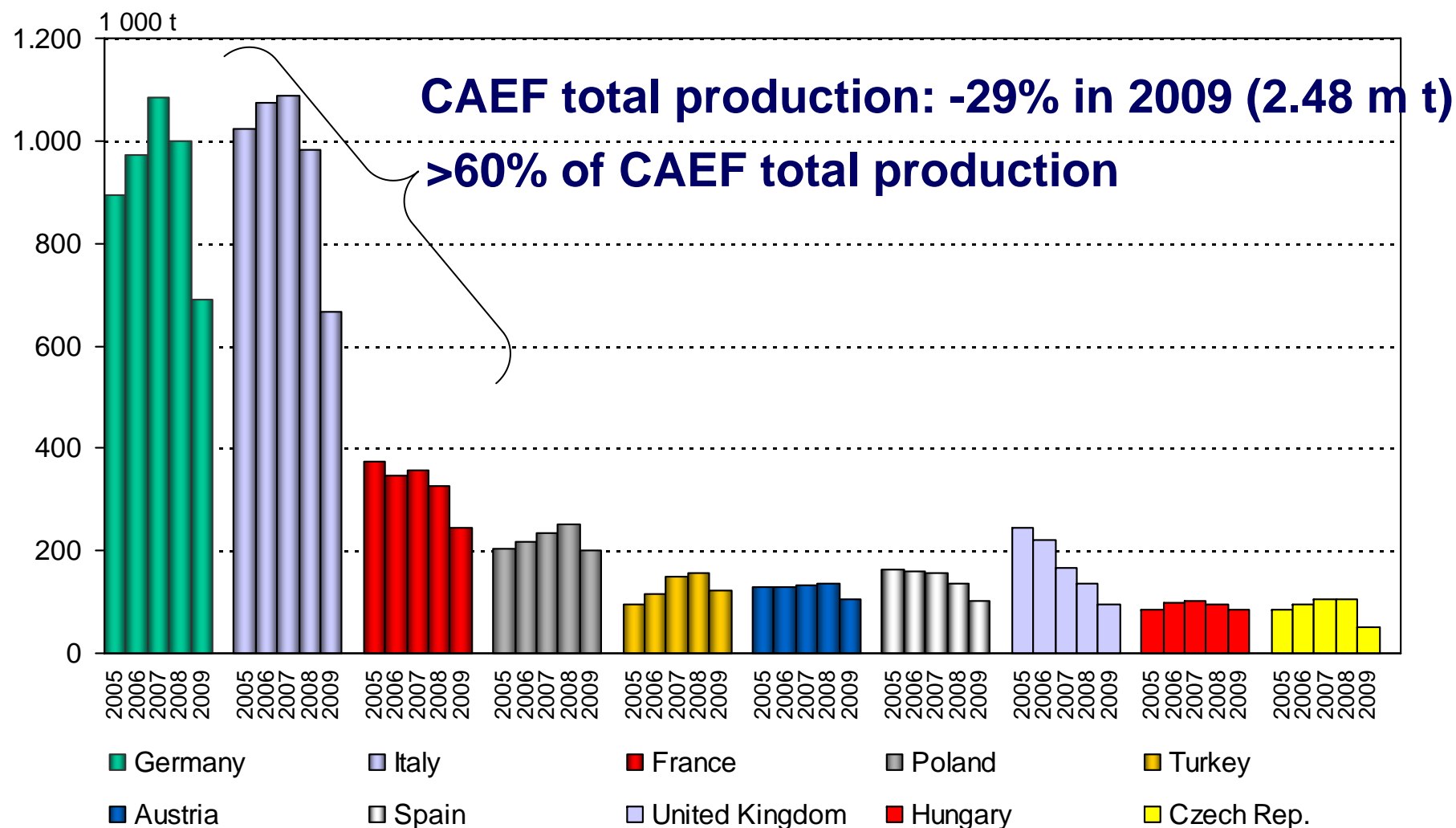


## Main European Producers of Ferrous Castings



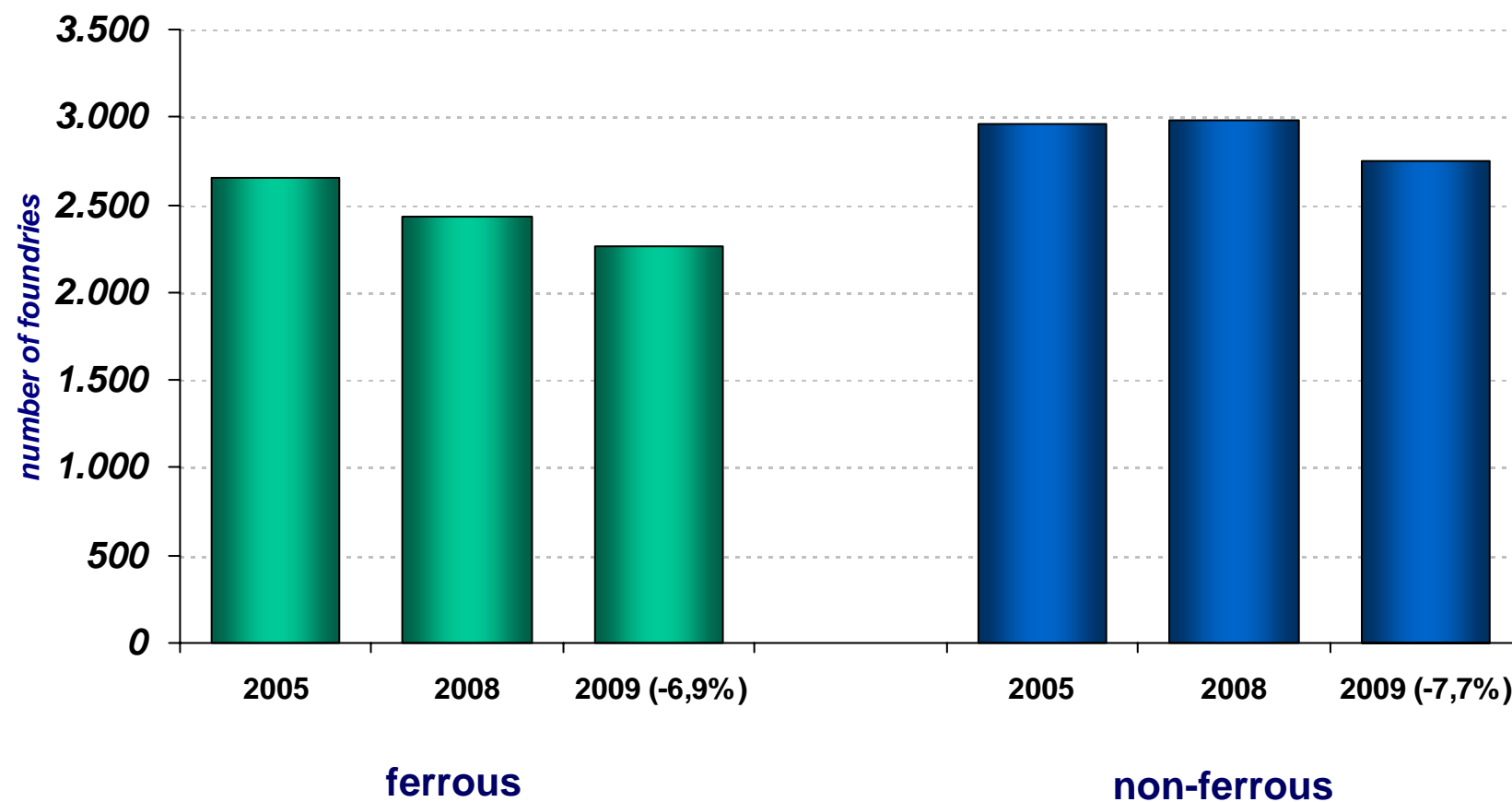
Source: CAEF

## Main European Producers of Non-Ferrous Castings



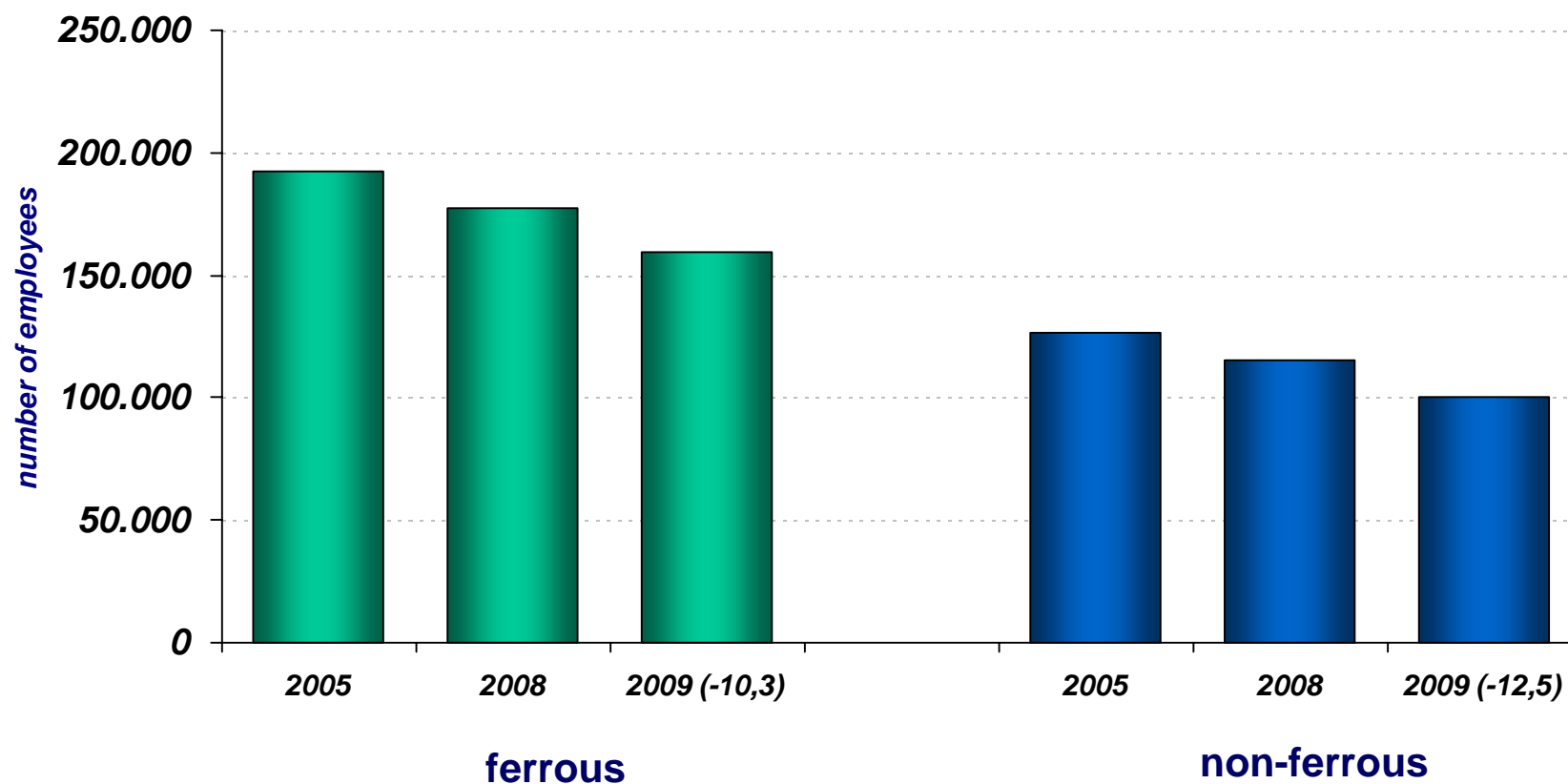
Source: CAEF

## CAEF Number of Foundries



Source: CAEF

## CAEF Employment in the Foundry Industry



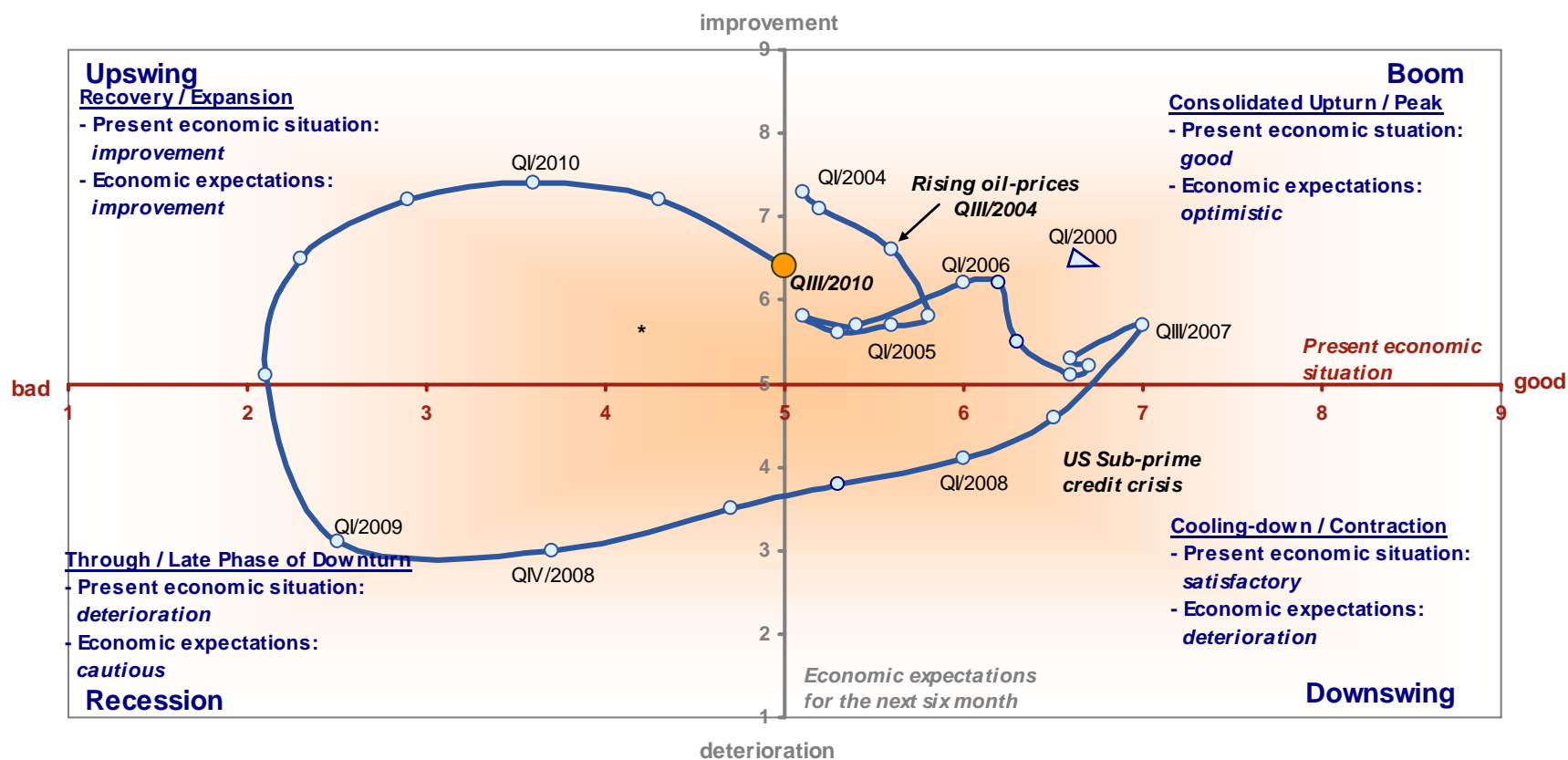
Source: CAEF



**Detailed Statistical data available soon**

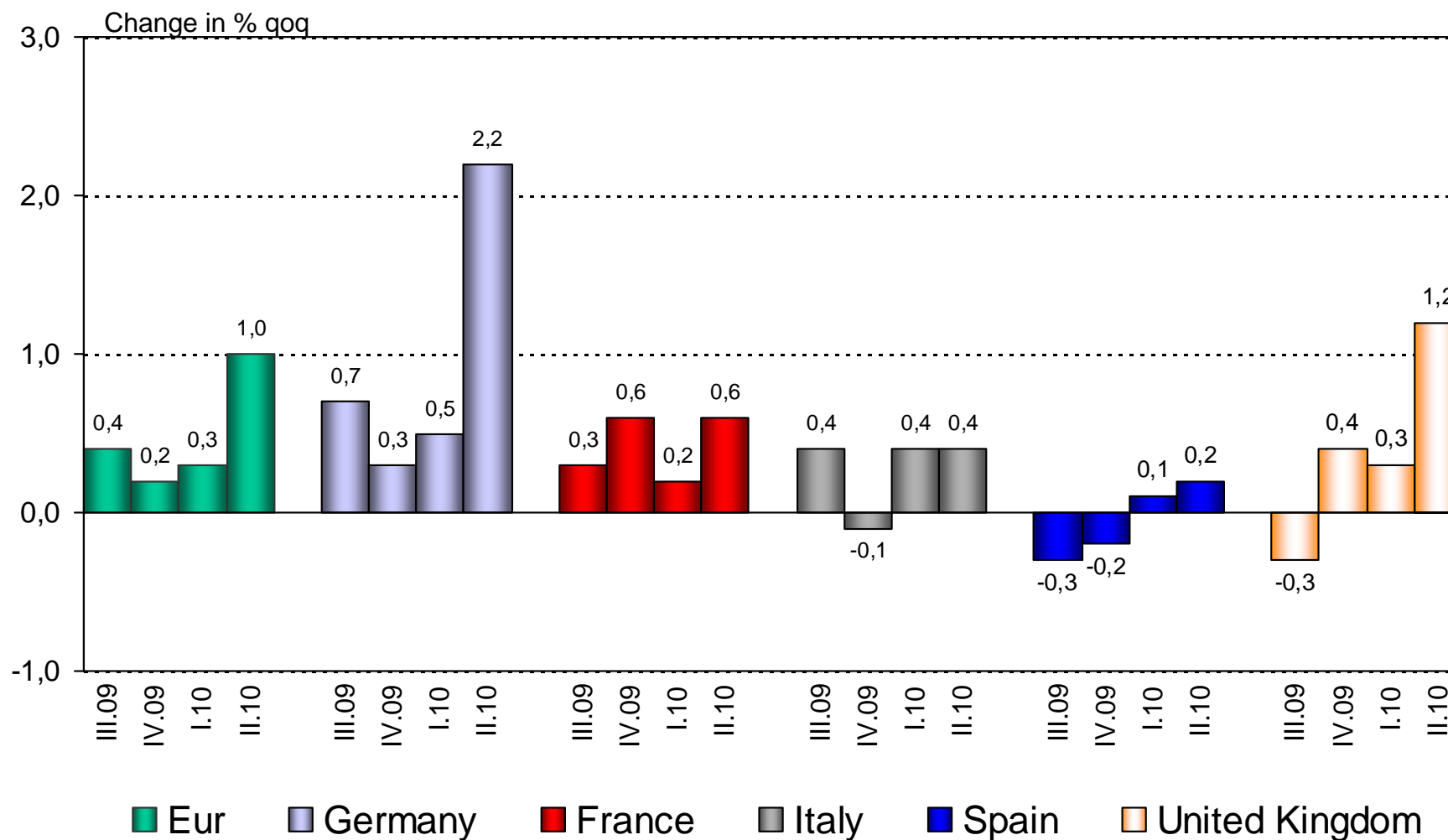


# World Economic Climate



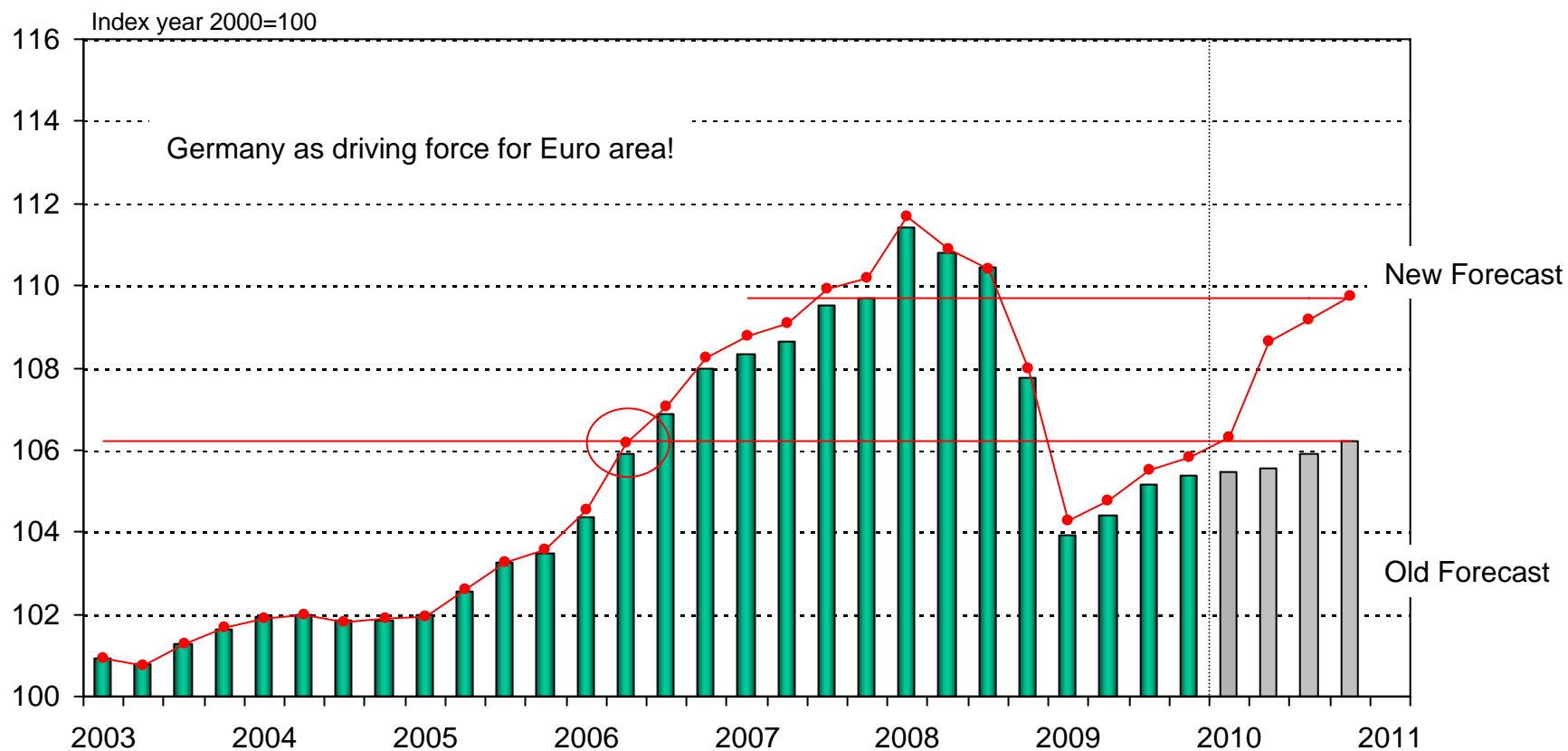
Source: ifo Munich, August 2010

## EU Gross Domestic Product, quarter over quarter



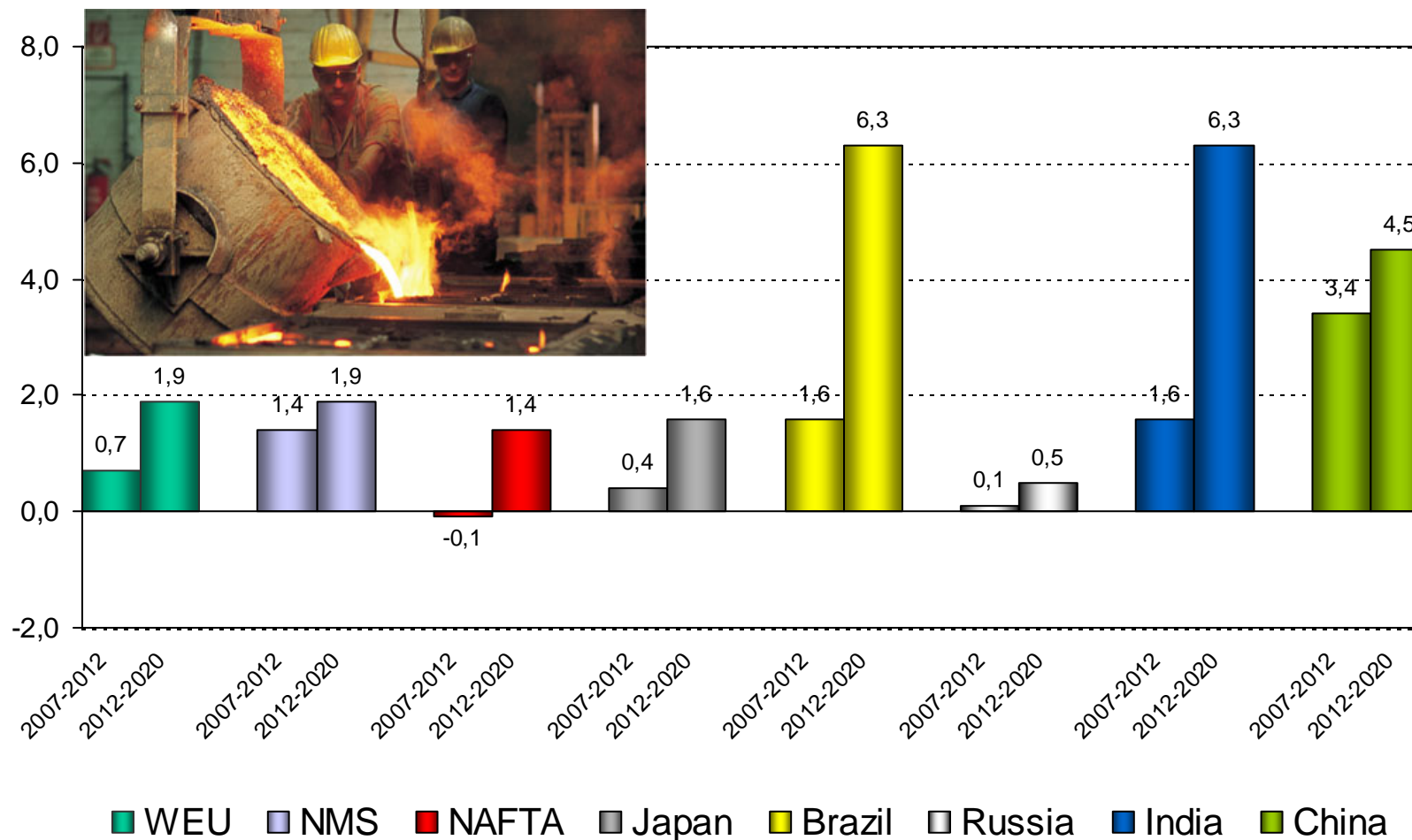
Source: Eurostat August 2010

## New Forecast GDP 2010, Example Germany



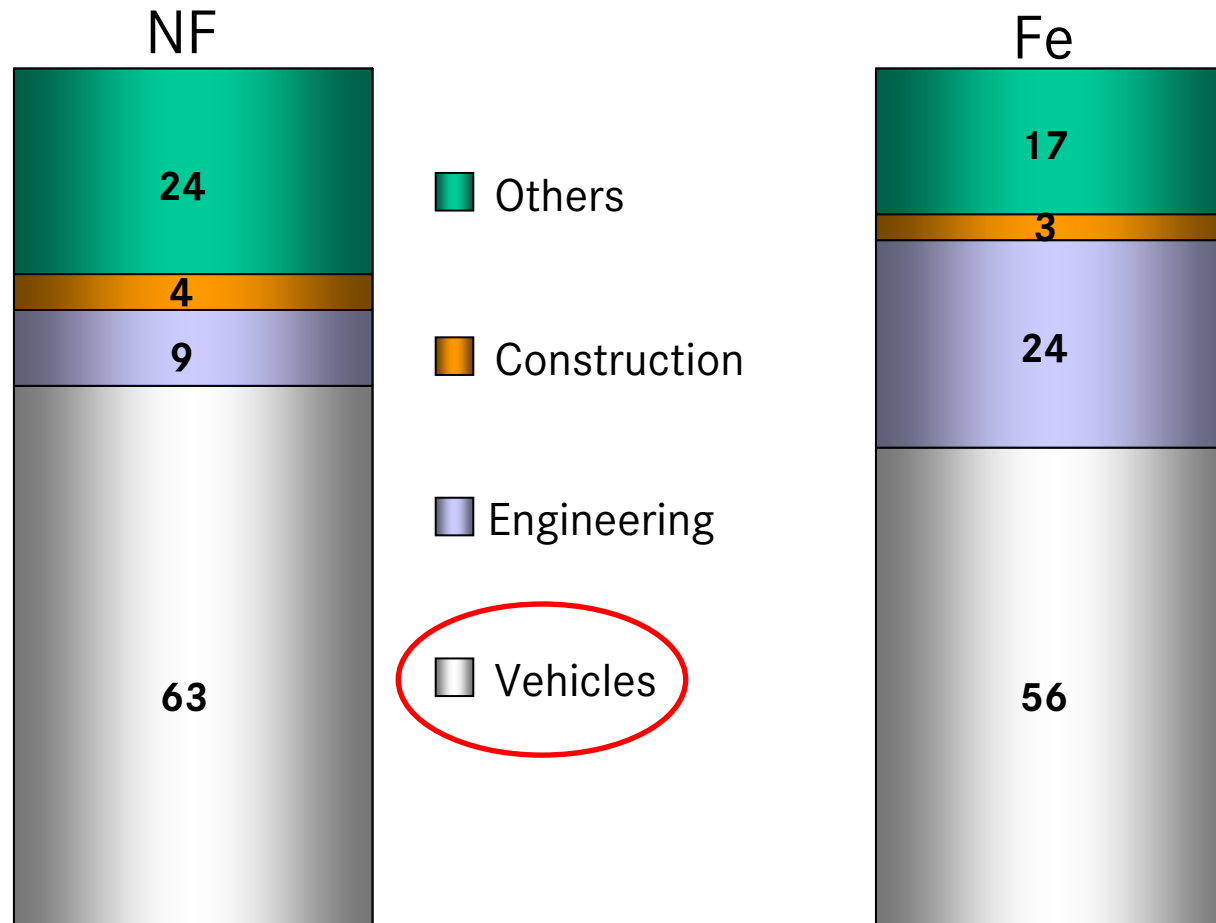
Source: Stat BA, III.2010 and IV.2010 = forecast rev. August 2010

## Development of Foundry Production until 2020



Source: Castings 2020

## Customer Structure for Castings in % (as example only)

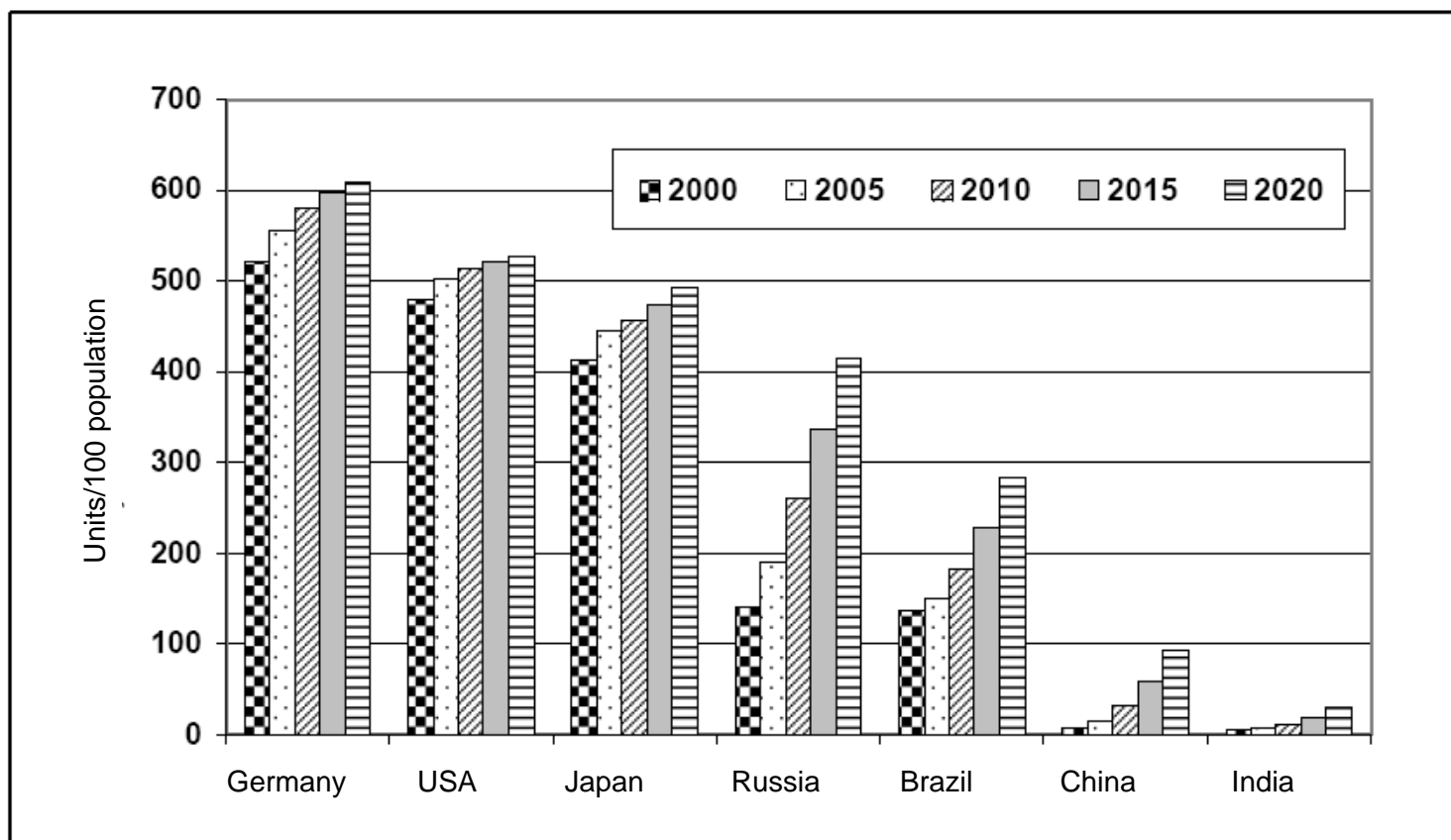


Source: BDG

## Automotive Supply

- Drop in production by 30%
- 2010 has been seen as a stepping stone to a real recovery
- Production of small vehicles still suffering in Europe
- Commercial vehicles recovering
- Two major trends
  - Market saturation in the Triad
  - Climate policy

## Vehicle Density in selected Countries (Passenger Cars/1000 Population)



Source: Castings 2020

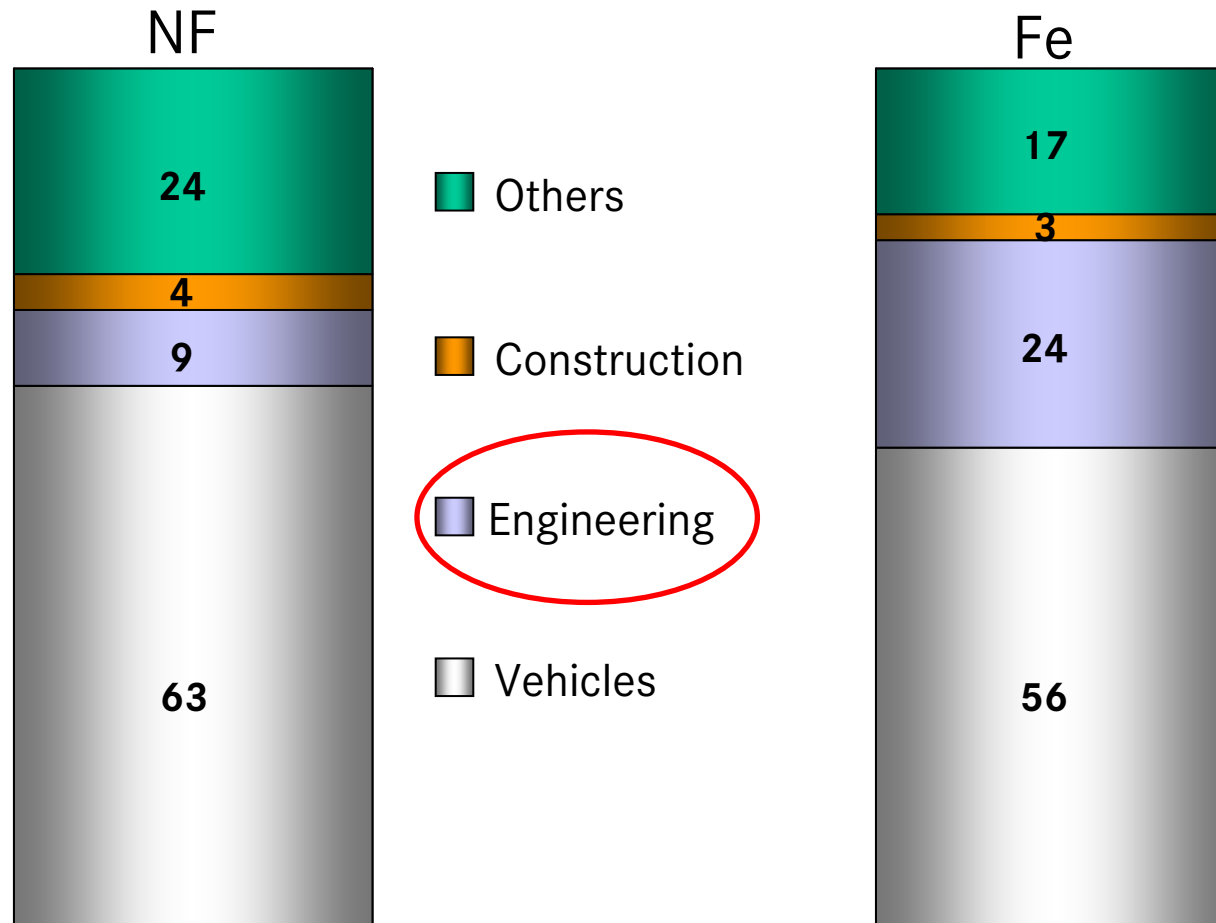
## Automotive Supply

- Capacities are being relocated to cost-effective locations
- Suppliers have to keep close contact to customers
  - Technological leadership
  - Partnership in development
  - Products of high quality
  - On-time delivery
  - (Total) cost efficiency
  - Internationalisation

## Automotive Supply

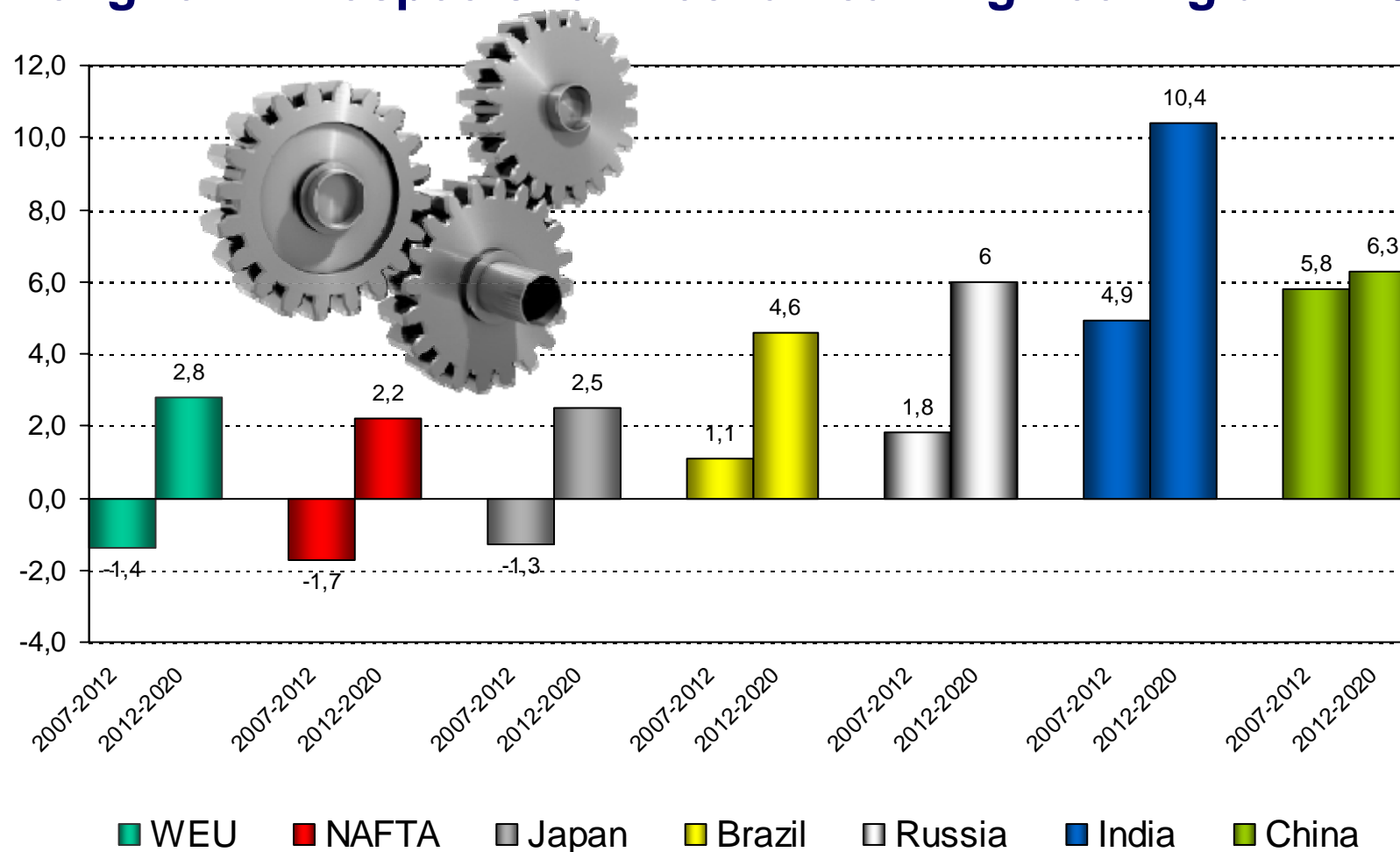
- Alternative powertrain concepts
  - Success of electric mobility depending i.a. on power generation
- Hybrid engines
  - Advantage under certain conditions
- Combustion engine
  - Will continue to play a significant role
  - Downsizing requires development of high-tech materials
  - 2020: 60% up to 77% of vehicles with optimised combustion engine

## Customer Structure for Castings in % (as example only)



Source: BDG

## Long-term Prospects for Mechanical Engineering until 2020



Source: Castings 2020

## General Engineering Supply

- Bottoming out in second half of 2009
- Very heterogenous development in different segments
- Global hunger for energy leads to growing
  - traditional and regenerative power generation demand
- Political decisions support this trend
- European supply industry will participate in global recovery of investment goods industry

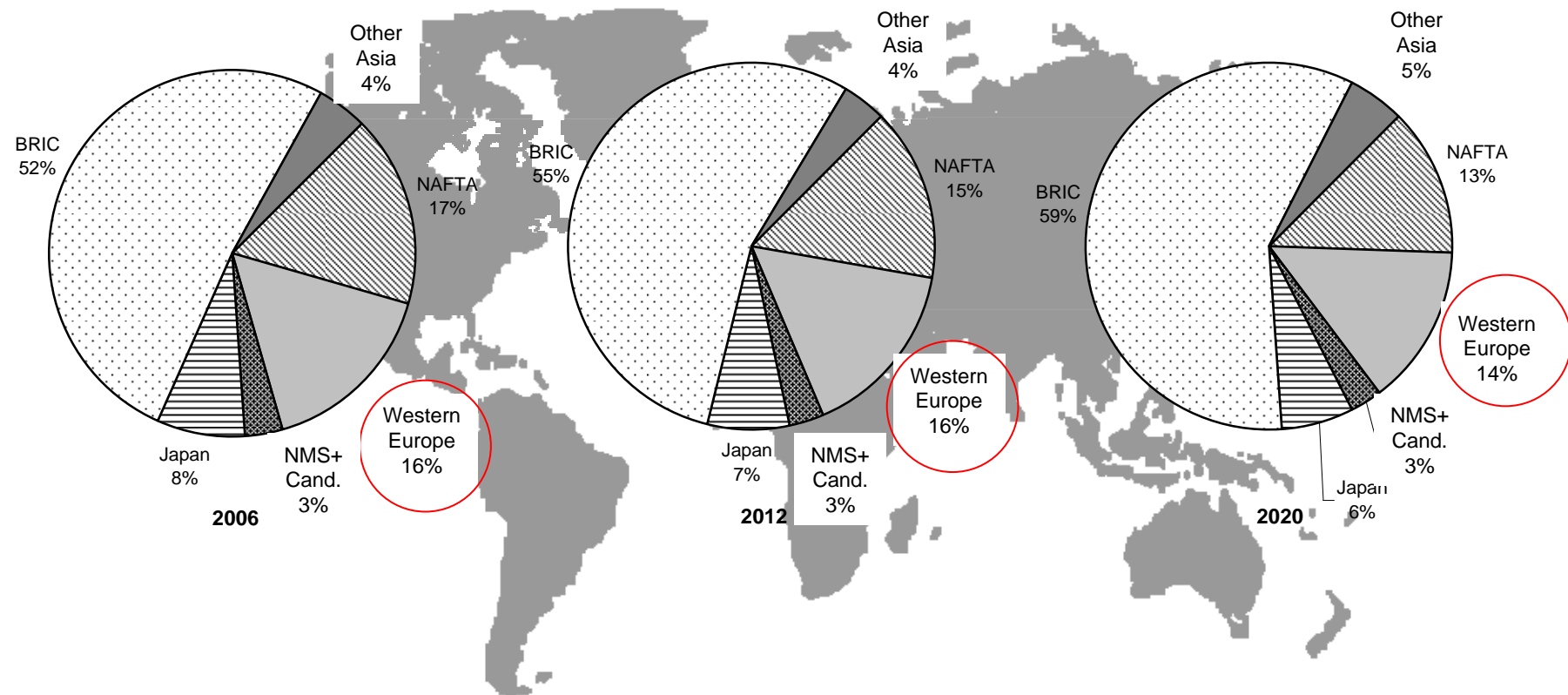
## Casting Production: Medium-term Forecast

Regions <sup>1)</sup>	production in K tons	rates of change (real) in %			
		ex-post	ex-ante		
	2000	2003-2008	prognosis: status 2009		prognosis: status 2008 2007-2012
			2009 - 2014	2010 - 2014	
WEU	13.290	0,5	-2,9	5,6	0,7
incl.: Germany		4,1	-2,4	6,3	
NMS <sup>2)</sup>	2.647	3,5	-1,3	5,9	1,4
NAFTA	15.852	-0,9	-4,1	5,1	-0,1
Japan	6.276	2,6	-4,9	7,5	0,4
BRIC	20.735	10,8	5,1	5,9	2,4
Others: Asia	3.016	3,0	2,2	6,5	-1,2
World	64.750	5,3	1,8	5,9	1,4

1) definition of regions by IWF; - 2) new member states and candidates.

Source: Castings 2020, update January 2010

# Regional Developments in Demand for Foundry Products



Source: Castings 2020

## Perspectives quite good in the long term



.... or even more?





**Thank you for your attention!**

If you have any queries please contact

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