

# BFPA UK

## Current position in the UK Fluid Power industry

Chris Buxton – BFPA Director & CEO



## CETOP – Market update; Key market trends

October 2021

# Primary market trends:-

- **Current business pipelines are very good.**
- **But! – Serious supply chain problems! Can't meet demand!**
- **Price increases now being passed onto the customer**
- **This is causing general inflation. (Now 3.2% against government targets of 2%.)**
- **Post-Covid effects still apparent. (UK Furlough scheme ended in September – could lead to a rise in unemployment.) Stealth taxes likely to pay for the cost of COVID response.**
- **Serious problems with recruiting and retaining skilled staff – particularly at technician level.**
- **Fuel shortages due to an absence of HGV drivers delivering to stations**
- **All of the above exacerbated due to Brexit issues. i.e. new UKCA Mark, cross border tariffs, Northern Irish problem & foreign workers being unable or unwilling to work in the UK. (e.g. HGV drivers – temporary work visas proposed!)**



## Current Fluid Power figures for August 2021:-

<b>Hydraulics:-</b>		<b>Hydraulic Mobile Orders</b>	<b>Hydraulic Industrial &amp; Other Orders</b>	<b>Hydraulic Total Orders</b>	<b>Hydraulic Mobile Sales</b>	<b>Hydraulic Industrial &amp; Other Sales</b>	<b>Hydraulic Total Sales</b>
		<b>% Change</b>					
<b>Aug./Jul.</b>	<b>2021</b>	-27.5	15.0	-15.4	2.0	15.0	5.8
<b>Aug.</b>	<b>2021/2020</b>	56.7	66.7	60.4	49.0	31.3	42.9
<b>Jan.-Aug.*</b>	<b>2021/2020</b>	96.0	26.4	68.4	49.2	3.8	32.4
<b>Apr.-Aug.**</b>	<b>2021/2020</b>	153.7	50.3	109.5	80.6	11.0	53.1

\*Calendar (1<sup>st</sup> January to 31<sup>st</sup> December) year to date percentage change

\*\*Fiscal (1<sup>st</sup> April to 31<sup>st</sup> March) year to date percentage change

UK orders fell in August but shipments improved slightly compared to July.

Mobile orders in August fell by a huge 27.5% to 84.9, the lowest level since August 2020.

Industrial orders however showed an increase of some 15% up to 110.4 in August which was a good result.

## Current Fluid Power figures for August 2021:-

<b>Pneumatics:-</b>		<b>Core Pneumatic Sales</b>	<b>Not Core Pneumatic Sales</b>	<b>Total Pneumatic Sales</b>
		<b>% Change</b>		
<b>Aug. / Jul.</b>	<b>2021</b>	-4.2	13.9	-1.2
<b>Aug.</b>	<b>2021/2020</b>	31.3	-1.1	23.5
<b>Jan. – Aug.*</b>	<b>2021/2020</b>	16.4	3.7	14.1
<b>Apr. – Aug.**</b>	<b>2021/2020</b>	20.2	-1.4	16.0

Core pneumatic shipments in August dropped by 4.2% compared to the previous month, but this was still a good result and 31.3% higher than August 2020.

By the end of August 2021, year-to-date core pneumatic shipments were 16.4% above, and not core sales 3.7% ahead January to August 2020.

Respondents' year-to-date overall UK sales were 14.1% higher than January to August 2020, and 5.2% ahead of the first eight months of 2019.

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### Questions?

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