

Global Electro Market

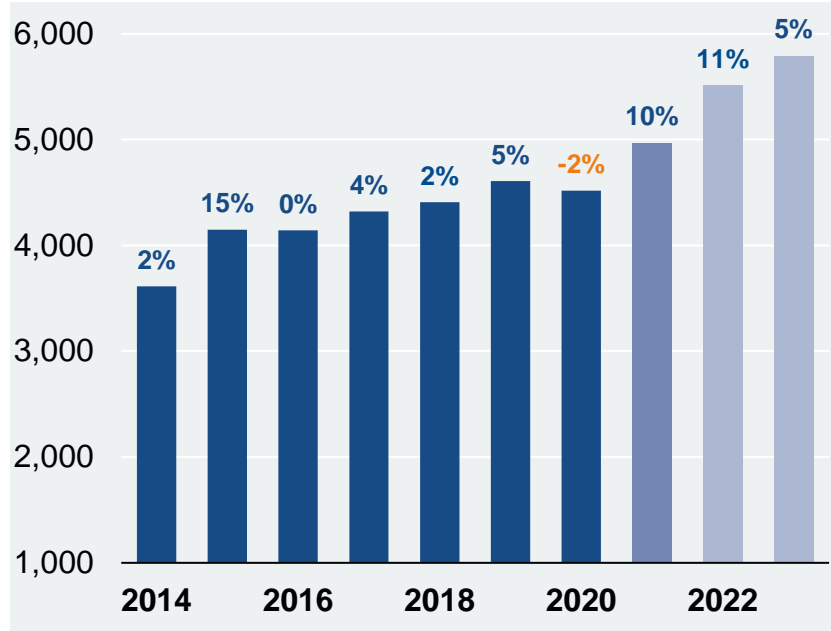
– Outlook until 2023

July 2022

Global Electro Market

– Double-digit growth in both 2021 and 2022

billion €, change on year earlier



2021 estimate, 2022 and 2023 forecast

Source: National statistical offices and ZVEI's own calculations

According to preliminary calculations in the ZVEI's updated outlook, the global market for goods of the electro and digital industry came – in nominal terms – to €4,967bn in 2021. The corresponding growth of 10% (compared to the previous year) reflects the strong recovery after the first year of the COVID-19 pandemic. A double-digit increase (+11%) is also expected for 2022, although part of it should be due to the inflationary environment. In 2023 growth could slow down to 5%. (Please have in mind that all the forecasts are based on fixed exchange rates.)

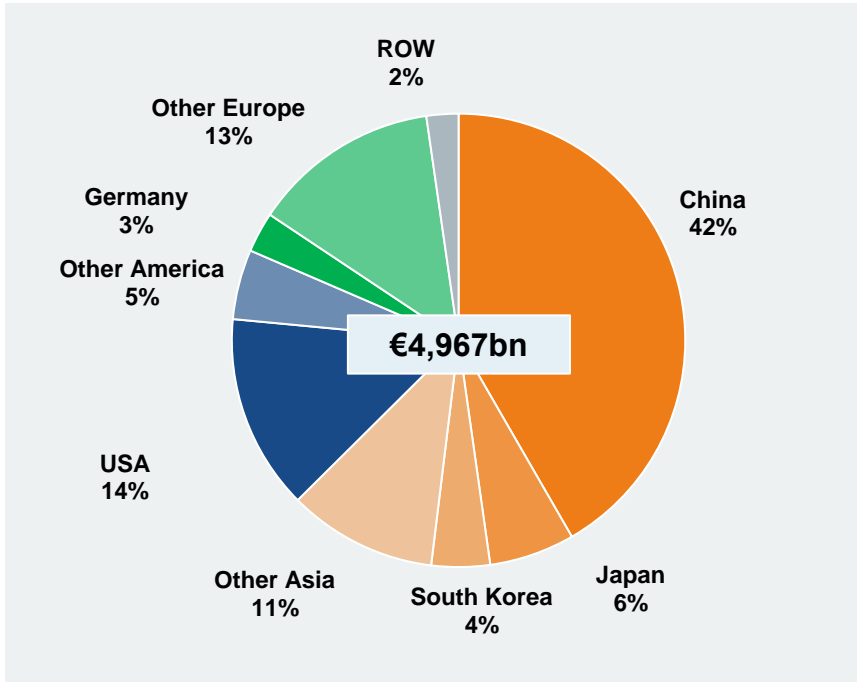
The industrialized countries account for only 40% of the global market. By growing 8% in 2021, they came to a market volume of €2,063bn. Here, the ZVEI projects a plus of 9% for 2022 followed by an expansion of 3% in 2023. Considering the emerging markets, they stood for a market size of €2,904bn (+11%) in 2021. For 2022 and 2023 the ZVEI predicts increases of 13% and 7%, respectively.

The ZVEI Global Electric Market Outlook covers 53 countries in total. Together they represent 95 percent of the global market.

Global Electro Market

– Asia is the biggest and most dynamically growing market

2021, shares in the global market



Source: National statistical offices and ZVEI's own calculations

The Asian electro market accounted for €3,106bn in 2021 – a plus of 10%. For 2022 and 2023 the ZVEI assumes growth rates of 13% and 7%, respectively. Thus, Asia is not only the biggest (continental) market, but also the continent that keeps developing most dynamically.

The Chinese market represents a volume of €2,069bn or 41.6% of the global market. As the largest single country market China is even bigger than the combined market of all industrialized countries. After it soared by 12% last year, the market volume in the People's Republic should – according to ZVEI's projections – advance by 14% and 8% in 2022 and 2023, respectively.

Japan's market gained 4% to €303bn in 2021, which corresponds to the third position in the global country ranking and a share of 6.1%. For 2022 a plus of 8% is forecasted, followed by 4% in 2023.

The electro market in South Korea rose by 10% to €207bn in 2021. With a share of 4.2% in the global market it is the fourth biggest country market worldwide. According to the ZVEI forecast, the South Korean market should be able to grow by 12% this year and by 4% in 2023.

Global Electro Market

– Europe and America with a strong development in 2022 as well

Markets by regions	2020 billion €	2021* %	2022** %	2023** %
World	4,516	10	11	5
Industrialized countries	1,907	8	9	3
Emerging markets	2,609	11	13	7
Europe	747	8	8	3
EU	504	8	9	5
Euro area	391	8	9	5
America	862	9	8	3
Asia	2,823	10	13	7
Africa	36			
Australia/Oceania	48			

* Estimates based on fixed exchange rates; ** Forecasts based on fixed exchange rates
Source: National statistical offices and ZVEI's own calculations

The American market for products of the electro and digital industry grew by 9% to €940bn in 2021. As a result, its share in the global market was at 18.9%. In 2022 the American market could rise by 8%. Finally, its dynamic should be more moderate in 2023 (+3%).

The U.S. market amounted to €692bn in 2021, which corresponds to a growth rate of 9% and the second place in the country ranking. Expansion should continue at the same pace in 2022 (+9%) and come down to 2% in 2023.

Increasing by 8% in 2021, the development of the European market was only slightly behind the growth in the Asian and American markets. With it, the European market volume came to €806bn or 16.2% of the global market. After advancing by the same rate (+8%) in 2022, the growth rate should recede to 3% in 2023.

The German electro market was at €143bn in 2021 – a plus of 11% (compared to 2020) and position 5 in the country ranking. With expected increases of 10% (in 2022) and 7% (in 2023) the development could continue.

Global Electro Market

– Country specific forecasts (1)

Electric markets by countries (alphabetically)	2020 billion €	2021* %	2022** %	2023** %
1. Egypt	5.2	10	7	5
2. Argentina	1.1	-1	2	1
3. Australia	39.8	7	9	5
4. Belgium/Luxembourg	13.9	8	8	4
5. Brazil	47.8	11	7	3
6. Bulgaria	3.3	8	4	4
7. China	1,847.2	12	14	8
8. Denmark	11.3	9	9	4
9. Germany	128.4	11	10	7
10. Finland	9.1	3	9	3
11. France	70.8	9	8	4
12. Greece	5.2	3	3	3
13. United Kingdom	72.2	7	9	3
14. Hong Kong	12.2	8	3	4
15. India	80.0	13	12	9
16. Indonesia	27.0	7	10	6
17. Iran	14.7	8	6	6
18. Ireland	5.4	4	8	6

Electric markets by countries (alphabetically)	2020 billion €	2021* %	2022** %	2023** %
19. Israel	26.0	0	7	0
20. Italy	50.8	9	9	3
21. Japan	290.9	4	8	4
22. Canada	57.4	5	8	4
23. Latvia	1.5	4	2	2
24. Lithuania	1.8	0	4	4
25. Malaysia	49.3	9	17	5
26. Mexico	56.2	9	11	5
27. New Zealand	5.6	10	3	3
28. Netherlands	32.8	6	9	4
29. Norway	13.3	3	12	4
30. Austria	14.8	6	8	3
31. Philippines	19.7	8	8	7
32. Poland	28.6	8	11	7
33. Portugal	6.8	5	13	6
34. Romania	10.5	7	9	3
35. Russia***	61.2	4		

* Estimates based on fixed exchange rates; ** Forecasts based on fixed exchange rates; *** Forecasts for Russia and Ukraine are suspended from 2022 on
Source: National statistical offices and ZVEI's own calculations

Global Electro Market

– Country specific forecasts (2)

Electric markets by countries (alphabetically)	2020 billion €	2021* %	2022** %	2023** %
36. Saudi Arabia	22.4	3	8	6
37. Sweden	20.6	6	8	3
38. Switzerland	32.2	8	9	3
39. Singapore	33.5	9	9	2
40. Slovakia	11.7	8	12	6
41. Slovenia	3.3	2	5	4
42. Spain	31.5	2	10	5
43. South Africa	11.8	6	11	7
44. South Korea	188.2	10	12	4
45. Taiwan	58.9	14	12	3
46. Thailand	12.6	4	5	0
47. Czech Republic	21.7	5	11	6
48. Turkey	30.9	14	12	0
49. Ukraine***	4.7	6		
50. Hungary	14.5	6	12	5
51. USA	635.1	9	9	2
52. United Arab Emirates	34.0	5	6	6
53. Vietnam	30.6	5	9	3

* Estimates based on fixed exchange rates; ** Forecasts based on fixed exchange rates; *** Forecasts for Russia and Ukraine are suspended from 2022 on
Source: National statistical offices and ZVEI's own calculations

In its Global Electro Market Outlook the ZVEI considers 53 single country markets. The corresponding forecasts depend on both different country specific growth potentials and the extent of the losses in 2020 (keyword: base effect). The latter reduces the differences between projections for emerging markets (which usually grow faster) and industrialized countries – this holds particularly for 2021.

The ten largest electro markets (looking at single countries) are – in this order – located in China, the USA, Japan, South Korea, Germany, India, the UK, France, Taiwan and Russia. Thus, five of the top ten markets are in Asia, four in Europe and one in America. In total, the top ten country markets represent more than three quarters of the electro market worldwide. Please note that Russia could have been the last time among the top ten country markets in 2021.

Global Electro Market

– Sub-branches (1)

Markets by sub-branches	2020 billion €	2021* %	2022** %	2023** %
Automation	532	7	9	5
Electric drive systems	136	9	16	5
Switchgear, controlgear, industrial control systems	185	9	11	5
Measurement technology and process automation	211	5	3	6
Power engineering	247	2	7	5
Electrical installation systems	107	6	10	2
Medical engineering	118	8	5	5
Communication technology	418	7	3	4
Information technology	421	8	13	4
Domestic electric appliances	257	8	2	3
Lighting	116	6	9	4
Consumer electronics	231	7	7	3
Electronic components and systems	1,054	16	21	8

* Estimates based on fixed exchange rates; ** Forecasts based on fixed exchange rates
Source: National statistical offices and ZVEI's own calculations

The ZVEI Global Electro Market Outlook also contains international forecasts for twelve sub-branches of the electro industry as well.

Here, the ZVEI assumes annually growing market volumes for all sub-branches in the years from 2021 to 2023. On the one hand, this rather positive assessment hand closely related to ongoing important trends like electrification and digitalization. On the other hand, the forecasts are made for nominal market volumes and are therefore influenced by the current inflationary environment.

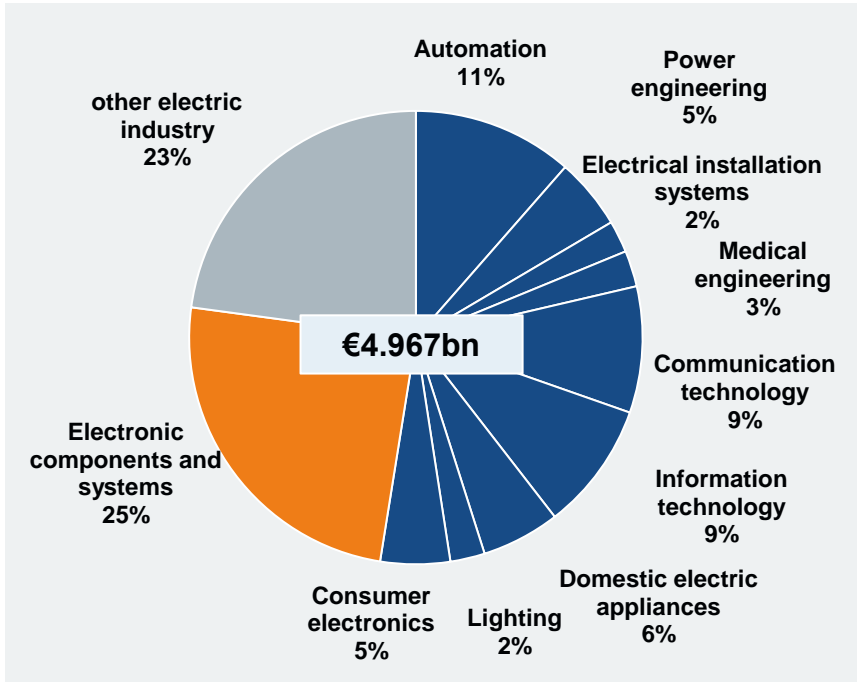
The expected growth rates for 2022 are especially high for the sub-branch of electronic components and systems, where ZVEI projects an increase of the global market volume of 21%. Double-digit growth is also forecasted for information technology (+13%) and electrical installation systems (+10%) in 2022.

The global automation market could grow by 9% in the current year, with electric drive systems surging by 16% and switchgear, controlgear, industrial & control systems climbing by 11%. In contrast, the plus for measurement technology & process automation is assumed to be more moderate (+3%) in 2022.

Global Electro Market

– Sub-branches (2)

2021, shares in the global market



Source: National statistical offices and ZVEI's own calculations

ZVEI's model-based calculations indicate growth for the sub-branch lighting as well (+9% in 2022). Moreover, power engineering and consumer electronics could both rise by 7% in this year.

For the global markets of medical engineering (+5%), communication technology (+3%) and domestic electric appliances (+2%) the dynamic should be more moderate.

In 2023 expansion pace might decelerate for all the considered sub-branches. Still, electronic components are expected to exhibit the highest growth rate (+8%), followed by automation, medical engineering and power engineering (+5% for all of them).

Finally, information & communication technology as well as lighting could advance by 4% in the next year. The forecasts for consumer electronics and domestic electric appliances (both +3%) and electrical installation systems (+2%) are slightly behind.

Contact

Jürgen Polzin

Manager
Economic Policies and Statistics

Phone: 069 6302-230
Mail: juergen.polzin@zvei.org

Matthias Düllmann

Data Analyst
Economic Policies and Statistics

Phone: 069 6302-329
Mail: matthias.duellmann@zvei.org

ZVEI e. V.

Electro and Digital Industry Association
Lyoner Straße 9, 60528 Frankfurt am Main