



EUROPEAN  
RENTAL  
ASSOCIATION

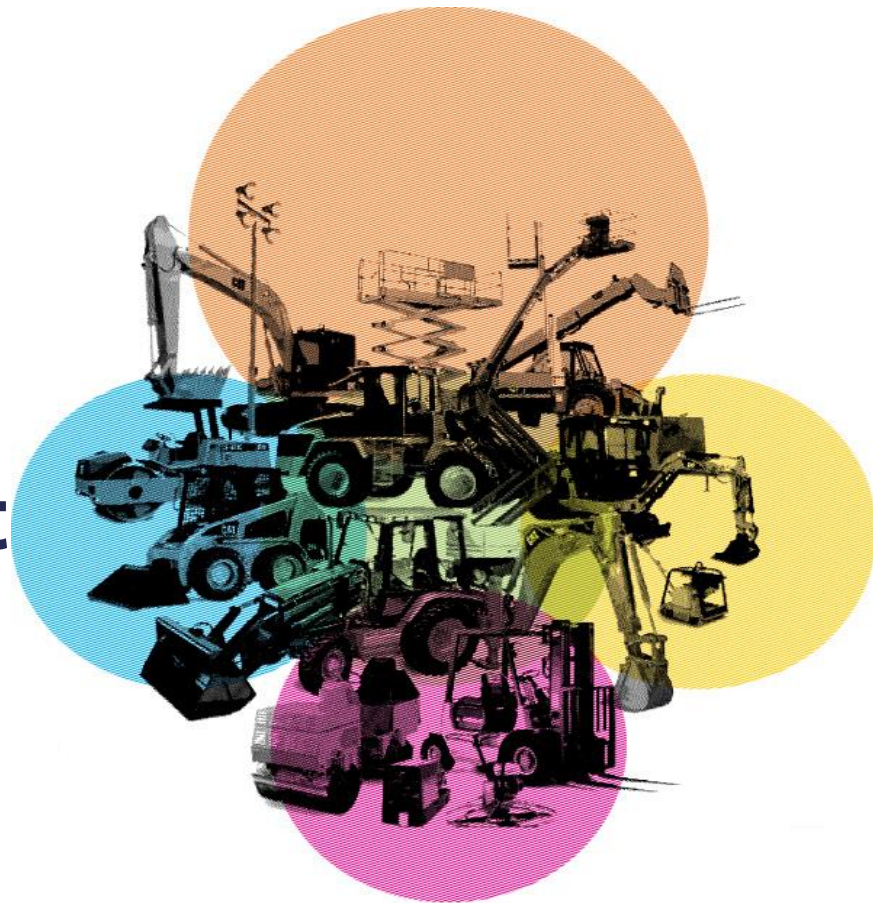
# Trends in the European equipment rental market

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ERA Secretary General



*Please react on Twitter, @era\_rental*



- 2022 Experiencing difficulties including:
  - Russia-Ukraine situation casting shadow over 2022 with increase in prices of commodities over **9% in 2022**
  - China lockdown leading to supply chain disruptions with Exports to Europe of machinery equipment & tools to **fall 11%** and Shipping costs to Europe **to increase 41% in 2022**
- EU GDP growth falling from **3.7%** to at most **2.4%** (*April forecast*)
- Increasing inflation rates deteriorating the Market situation in Europe 2022 with construction output to fall from **3.5%** to **1.6%**
- Interest rates increases will start impacting the Market in 2023

- ▶ Construction growth will experience uneven situations
- ▶ New 2022 construction forecast is significantly lower
- ▶ Equipment rental will outperform construction in 2022
- ▶ Large rental markets see growth forecast fall more in 2022
- ▶ While small rental markets will see higher growth in 2023

## CONSTRUCTION GROWTH WILL EXPERIENCE UNEVEN SITUATIONS

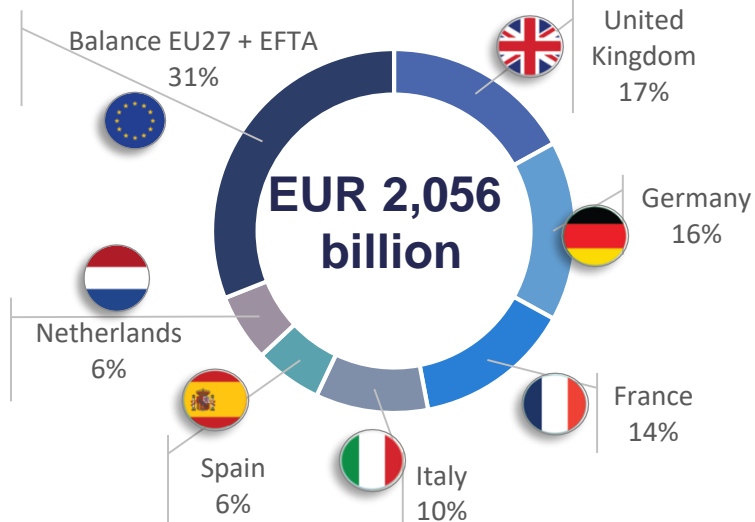
### Construction Overview

Forecast 2022 Update

Rental Overview

Forecast 2022 Update

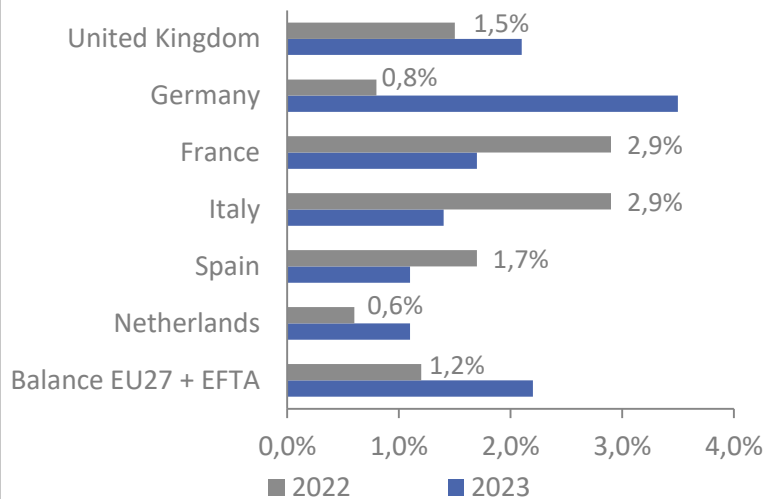
### Total construction – 2021 [Euro billion]



Source: IHS Markit

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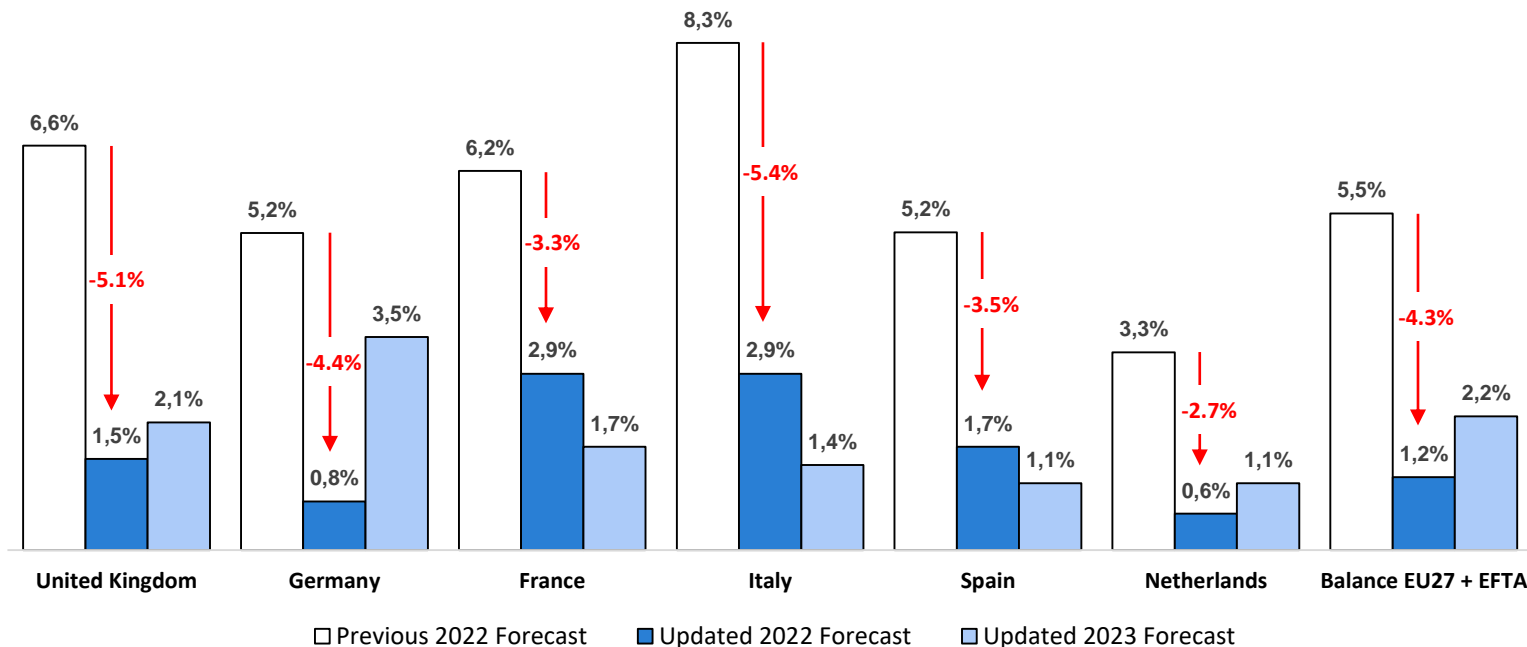
### Total construction forecast [Percent growth]



Source: IHS Markit

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## NEW 2022 CONSTRUCTION FORECAST IS SIGNIFICANTLY LOWER



Source: IHS Markit

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Construction Overview

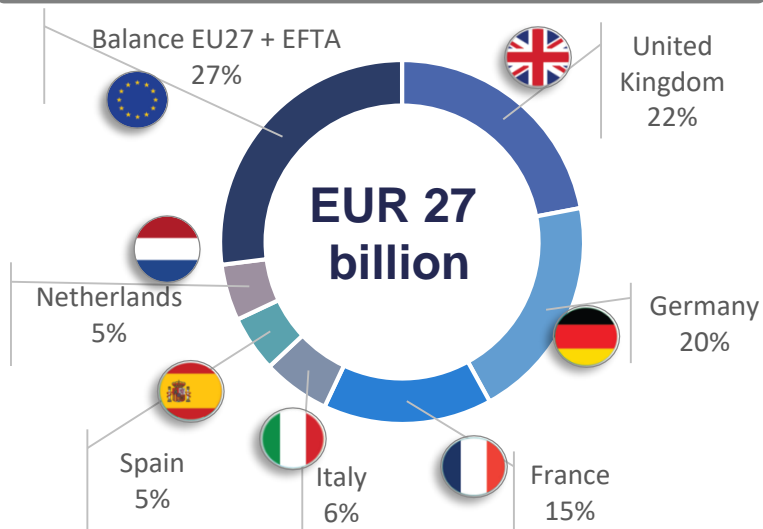
Forecast 2022 Update

Rental Overview

Forecast 2022 Update

## EQUIPMENT RENTAL WILL OUTPERFORM CONSTRUCTION IN 2022

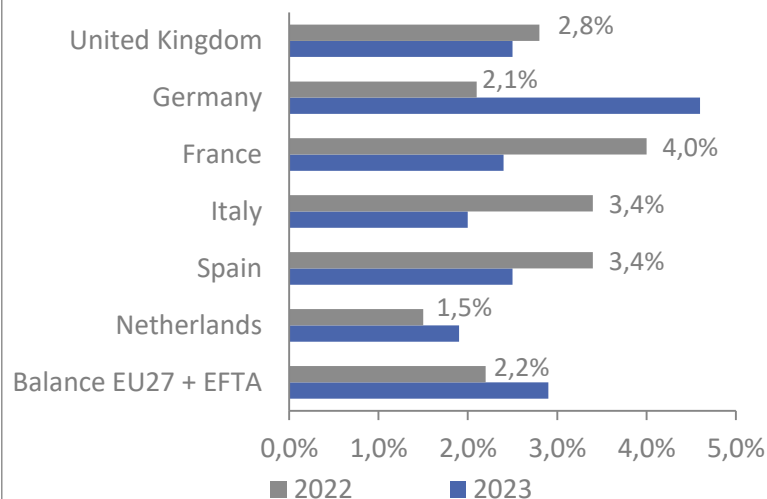
Total equipment rental – 2021 [Euro billion]



Source: IHS Markit

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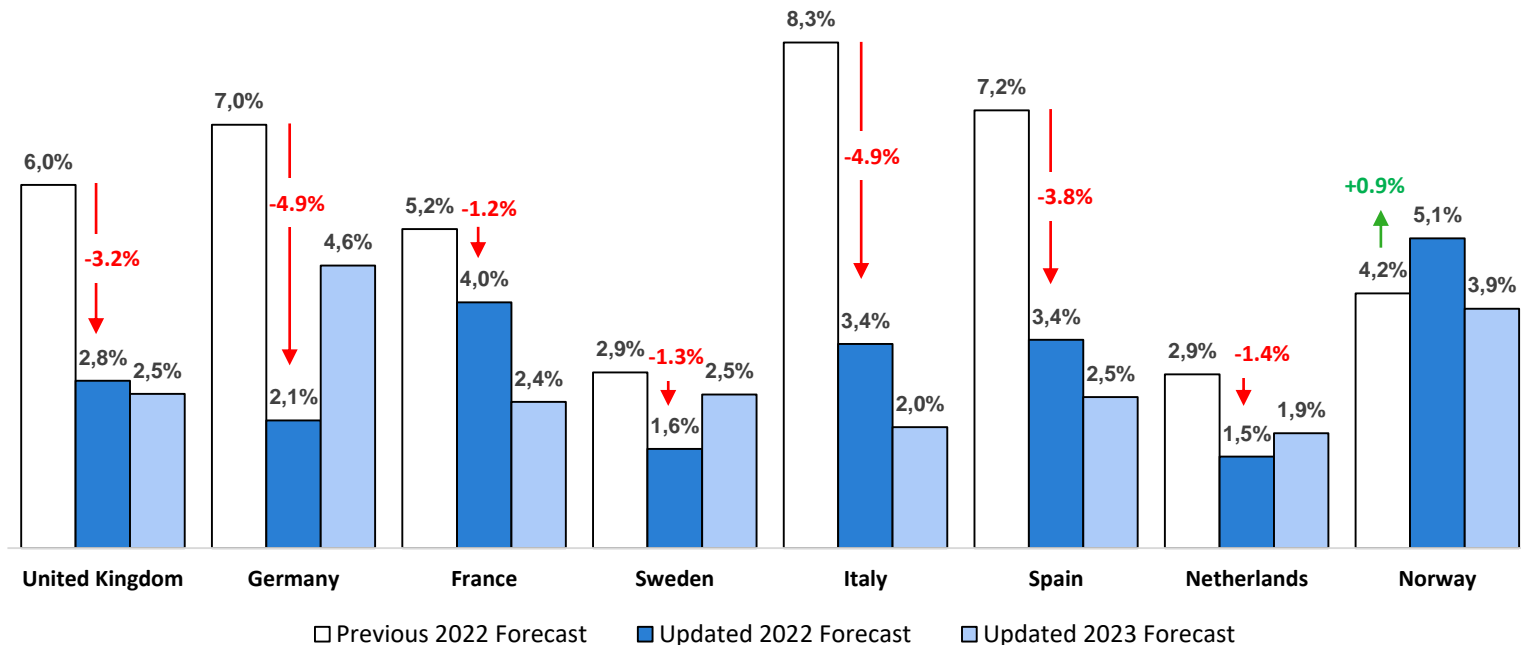
Total equipment rental forecast [Percent growth]



Source: IHS Markit

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## LARGE RENTAL MARKETS SEE GROWTH FORECAST FALL MORE IN 2022



Source: IHS Markit

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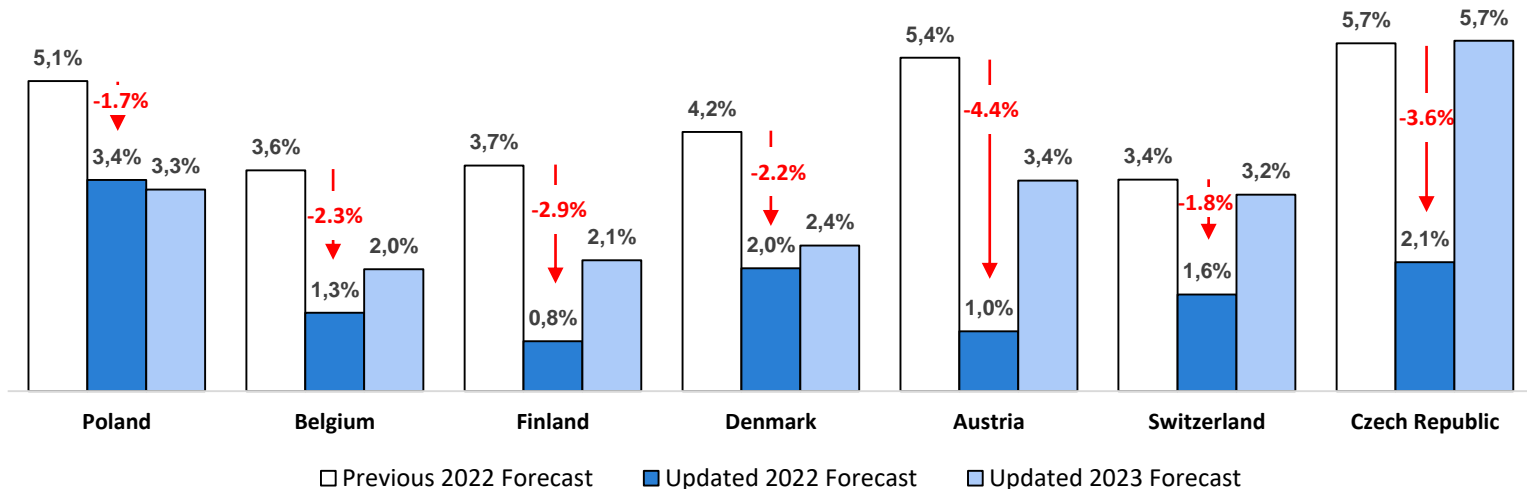
## WHILE SMALL RENTAL MARKETS WILL SEE HIGHER GROWTH IN 2023

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Source: IHS Markit

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