Composites Germany – results of the 15th Composites Market Survey now available

- Extremely negative rating of current business situation
- Variety of developments expected in the future
- Varied expectations for application industries
- GRP continues to be growth driver
- Composites Index continues to decline

This is the fifteenth time that Composites Germany (www.composites-germany.org) has identified the latest KPIs for the fibre-reinforced plastics market. The survey covered all the member companies of the three major umbrella organisations of Composites Germany: AVK, Leichtbau Baden-Württemberg and the VDMA Working Group on Hybrid Lightweight Construction Technologies.
As before, to ensure a smooth comparison with the previous surveys, the questions in this half-yearly survey have been left unchanged. Once again, the data obtained in the survey was largely qualitative and related to current and future market developments.

Extremely negative rating of current business situation

Following the rather cautious rating of the prevailing business situation in the last survey earlier this year, the most recent survey is now continuing this trend. Partly due to the current impact of the coronavirus pandemic on numerous business segments and areas of application, many companies are facing negative circumstances. The general economic situation has been deteriorating further in recent weeks and months, and this is reflected in the negative ratings given by respondents. Ratings have reached the lowest figures since the surveys were started in January 2013 (see Fig.1).

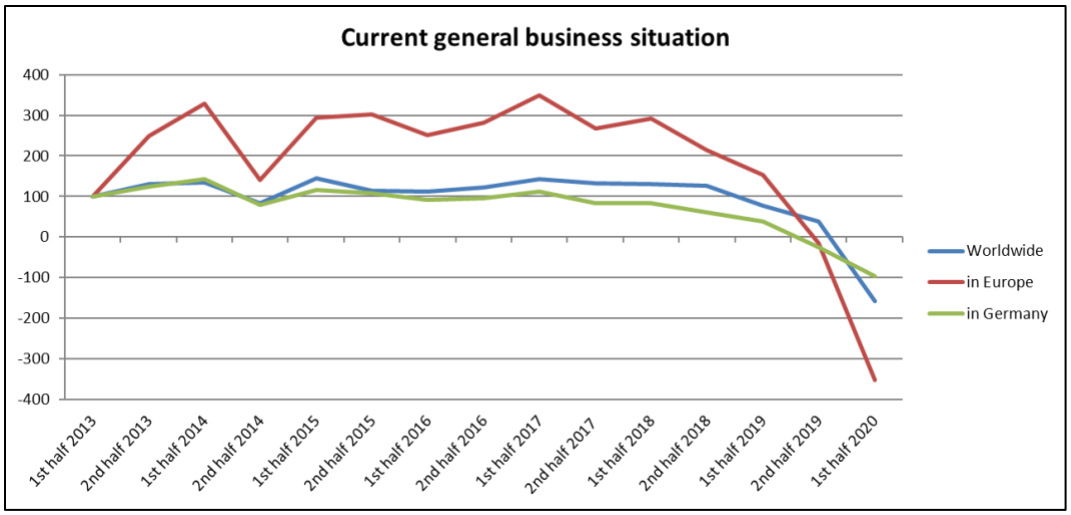


Figure 1: Composites Index: current general business situation

However, not only did companies give rather unfavourable assessments of the general business situation; they also continued to be pessimistic about their own situations (see Fig. 2).

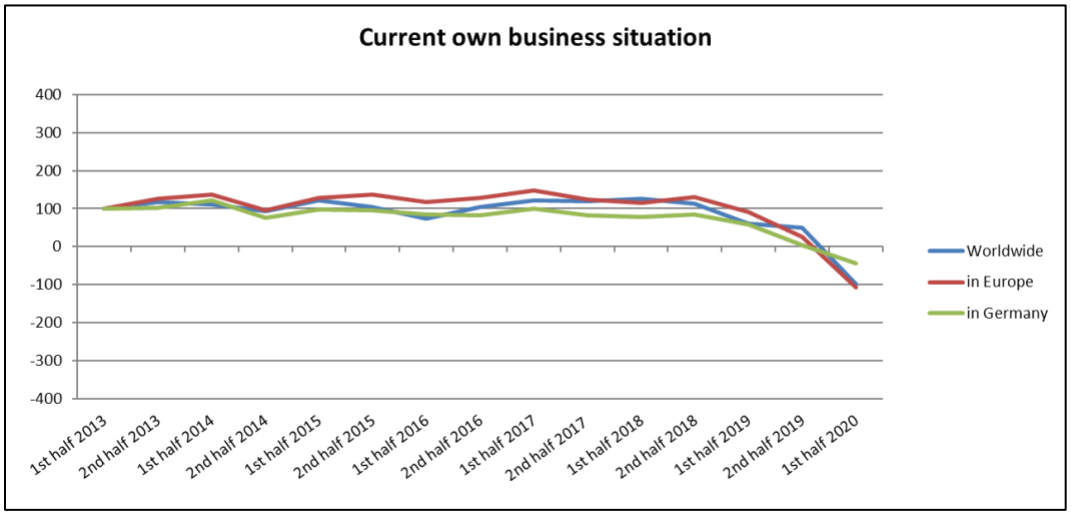


Figure 2: Composites Index: own current business situation

Although the tense situation is beginning to relax, e.g. in the automotive industry, and although the crisis has not yet taken full effect in other sectors, e.g. construction, many companies are nevertheless full of uncertainty. There has been a variety of opportunities and measures to stimulate industry and the economy in general, but it seems that they have not yet had the desired positive economic impact.

Variety of developments expected in the future

When asked about their expectations for future business developments, respondents give quite contrasting answers. While they are expecting to see an improvement in the general economic situation, both in Europe and worldwide, they are still pessimistic about the outlook for Germany (see Fig. 3), and also with regard to their own business situation in the future.

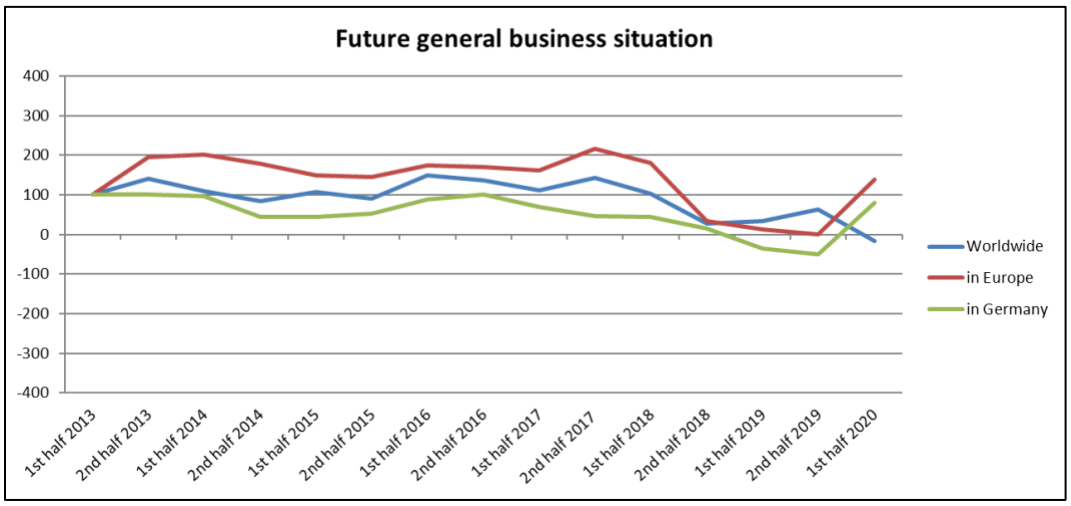


Figure 3: Assessment of general business situation in the future

Varied expectations for application industries

Like expectations for the development of the business situation, expectations for selected areas of application have also turned out to be extremely diverse.

The automotive and aviation industries are the main areas where respondents are expecting to see a deterioration in the market environment. However, other sectors, such as sports and leisure and infrastructure/construction, are expected to develop far more positively (see Fig. 4).

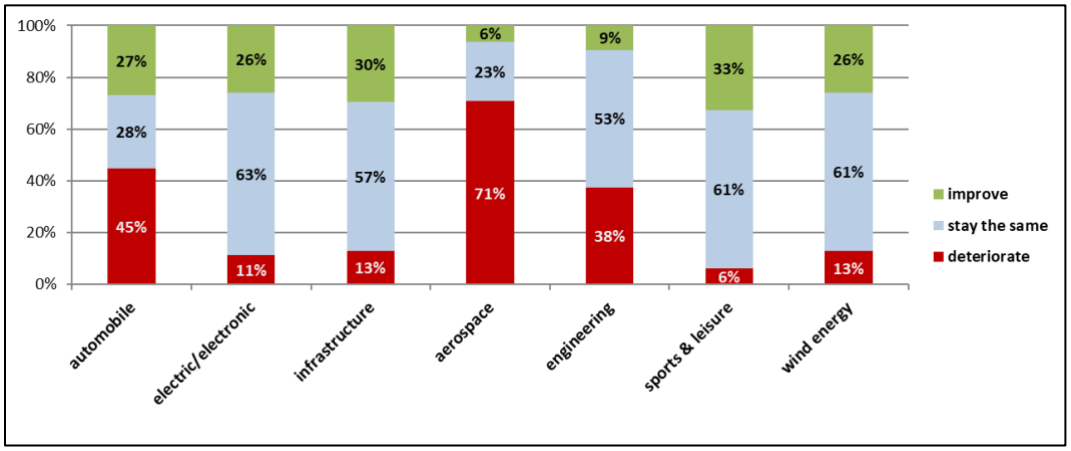


Figure 4: Assessment of the development of selected areas of application

Growth drivers developing at different rates

While, as in the last surveys, growth stimuli for the composites segment can mainly be expected to come from Germany, Europe and Asia as global regions, we can observe a paradigmatic shift with regard to materials.

Whereas, in the first 13 surveys, respondents always believed that the composites segment would receive its prevailing growth stimuli from CRP as a material, the current survey is now the second one where respondents have mentioned GRP as the most important material (see Fig. 4). Considering the number of times it is mentioned, this trend is in fact increasing.

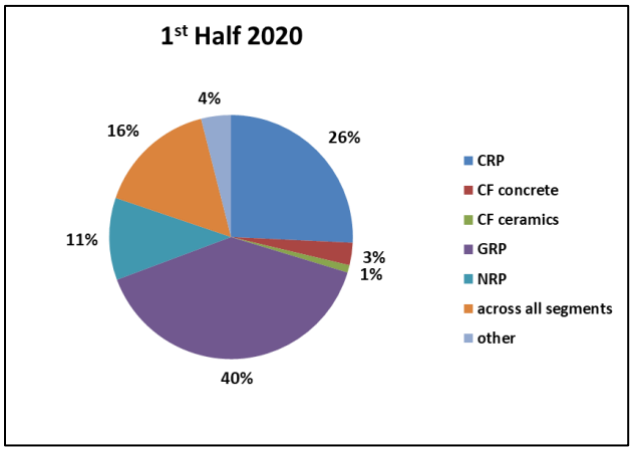


Figure 5: Growth drivers: materials

Composites Index continues to decline

The current situation has created major uncertainty, not only in the composites sector. The mood in companies continues to be negative. This is partly due to production losses and a sharp decline in both investment and consumer confidence caused by the coronavirus pandemic, and partly also due to political uncertainties and squabbles about economic policies. Many of the measures that have been taken still seem to be insufficient to create a positive environment. Although expectations of the future business situation are generally becoming more positive, this is not yet leading to a more positive assessment of the companies' own positions in the market. Following these assessments, the Composites Development Index is therefore continuing to fall, sometimes significantly (see Fig. 6).

It remains to be seen how the economy will develop in the rest of the year, especially in the autumn. Over the last few years there has been success in establishing composites in many new areas of application, thus achieving an almost consistently positive development. Composites therefore remain important materials for the future, not least because of their positive and diverse qualities, so that they will continue to find their way into industry, despite the current crisis.

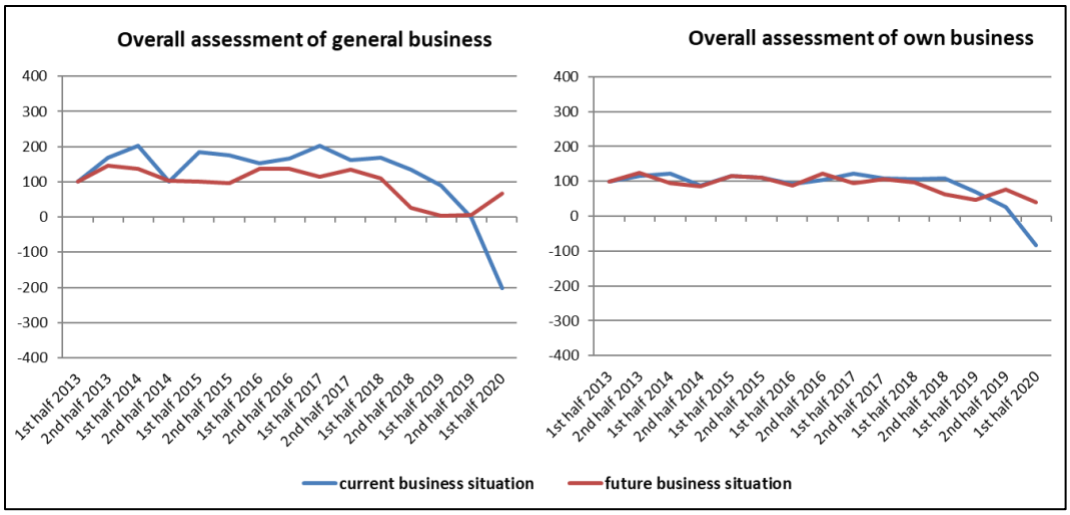


Figure 6: Composites Development Index

The next Composites Market Survey will be published in February 2021.

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About Composites Germany

With their trade association “Composites Germany”, the three strong organizations in the German lightweight / fiber composite industry want to strengthen the German composite industry particularly in the field of research, determine common positions and take overlapping interests into account.

AVK- Federation of Reinforced Plastics e.V., Leichtbau Baden-Württemberg and Working Group Hybrid Lightweight Technologies in the VDMA (VDMA) are bundling their powers to further the future oriented themes high performance composites and automated production technology which are particularly relevant in Germany.

Further information available at: http://www.composites-germany.org