

Capital Goods

Domestic crane demand continues to recover

China Construction Machinery Association (CCMA) has just released the full set of construction machinery sales data for Oct. Domestic sales of truck cranes and crawler cranes remained strong (+42%/+54% YoY in Oct), which we believe were driven by energy projects and wind power installation. Exports in Oct were strong across different types of machinery (except AWP & truck cranes). The strong data reaffirms our view that the recovery of non-earth-moving machinery demand is underway, which will serve as a sector catalyst. Maintain **BUY** on **Zoomlion (1157 HK / 000157 CH)**, **SANY Heavy (600031 CH)** and **Jiangsu Hengli (601100 CH)**. On the contrary, we remain cautious on **Zhejiang Dingli (603338 CH, HOLD)** due to weak AWP industry sales (-39% YoY in Oct).

Highlights on non-earth-moving machinery in Oct:

- **Truck cranes: +15% YoY.** Domestic sales grew 42% YoY in Oct, accelerating from +41% in Sep and +28% in Aug. The export trend was volatile, with sales slightly dropping 4% YoY in Oct, versus +8% YoY in Sep and -25% YoY in Aug.
- **Crawler cranes: +71% YoY.** Domestic sales surged 54% YoY in Oct (decelerated from +67% in Sep), representing YoY growth for five consecutive months. Exports surged 80% YoY in Oct, sharply accelerating from 18% YoY in Sep, representing the highest monthly growth YTD.
- **Forklifts: +16% YoY.** Domestic sales grew 16% YoY in Oct, slowing from 29% YoY in Sep. Exports remained resilient, growing 15% in Oct (accelerated from 14% YoY in Sep).
- **Tower cranes: -7% YoY.** Domestic sales declined 17% YoY in Oct (dragged by weak property investment), but improved from -29% YoY in Sep. The sales have seen a gradual improvement since Jul. Exports grew 15% YoY in Oct, slowing from 28% YoY in Sep.

Major construction machinery sales in Oct 2025

	Sales volume (units)			Change (YoY)		
	Total	China	Export	Total	China	Export
Earth-moving						
Excavator	18,096	8,468	9,628	8%	2%	13%
Wheel loader	10,673	5,372	5,301	28%	33%	23%
Others						
Truck crane	1,422	738	684	15%	42%	-4%
Crawler crane	336	97	239	71%	54%	80%
Tower crane	329	199	130	-7%	-17%	15%
Forklift	114,250	70,388	43,862	16%	16%	15%
Aerial work platform	9,120	3,856	5,264	-39%	-42%	-36%

Source: CCMA, CMBIGM

Downstream applications of construction machinery in China

Type of machinery	Infrastructure	Property	Mining	Manufacturing
Excavator	High	Medium	Low	Low
Wheel loader	Medium	Low	High	Low
Truck crane	High	Low	n/a	Low
Tower crane	n/a	High	n/a	n/a
Concrete machinery	Medium	High	n/a	Low
Coal mining equipment	n/a	n/a	High	n/a
Mining transport truck	n/a	n/a	High	n/a
Aerial work platform	Medium	Low	na	High

Source: CMBIGM

OUTPERFORM
(Maintain)

China Capital Goods Sector

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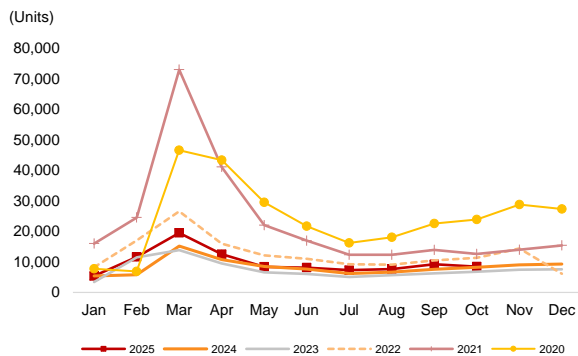
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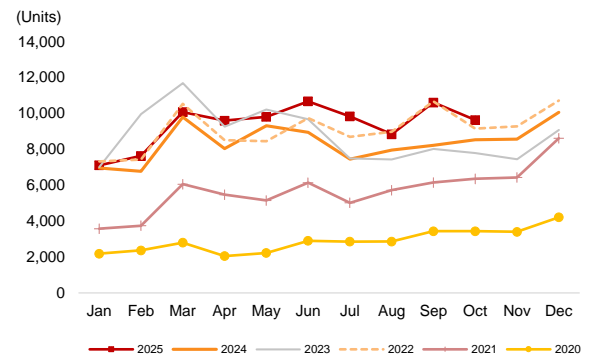
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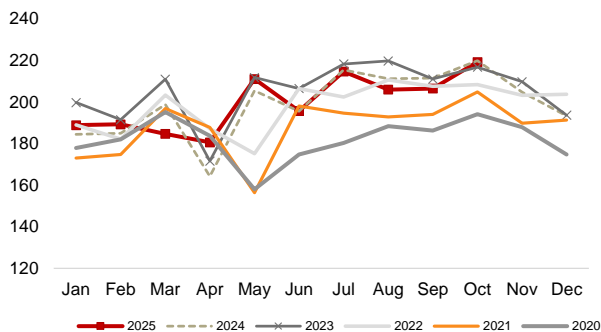
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Figure 1: Monthly excavator sales in China

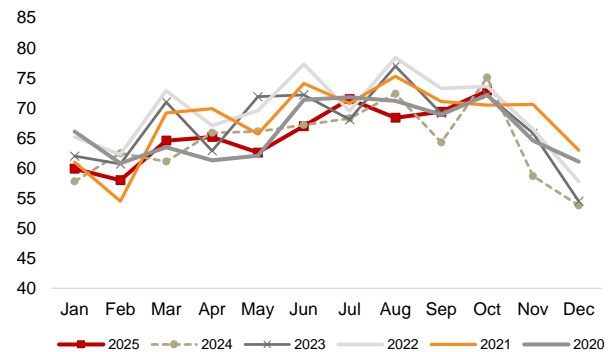
Source: CCMA, CMBIGM

Figure 2: Monthly excavator export volume

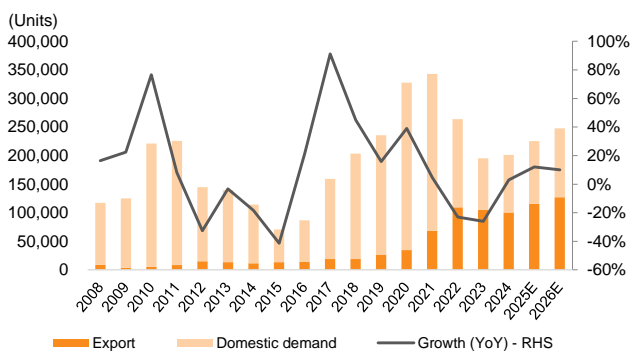
Source: CCMA, CMBIGM

Figure 3: Komatsu excavator monthly utilisation hours in Indonesia

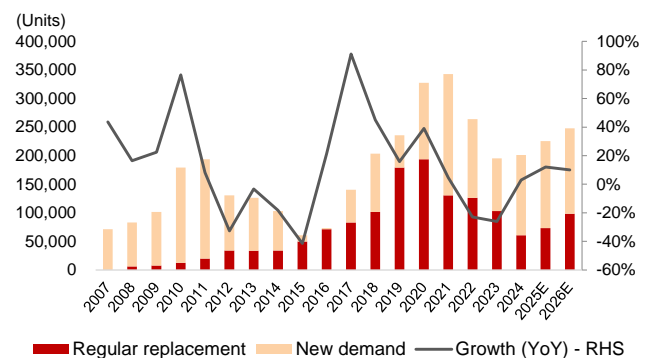
Source: Komatsu, CMBIGM

Figure 4: Komatsu excavator monthly utilisation hours in North America

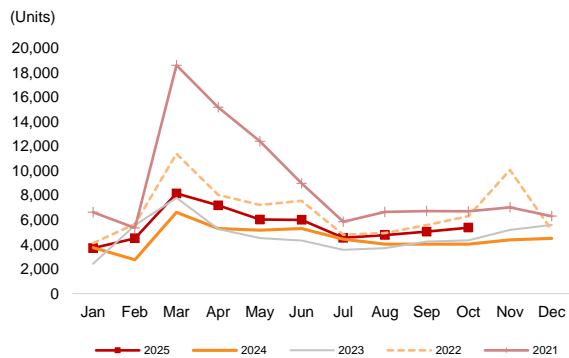
Source: Komatsu, CMBIGM

Figure 5: CMBIGM excavator sales projection (breakdown by region)

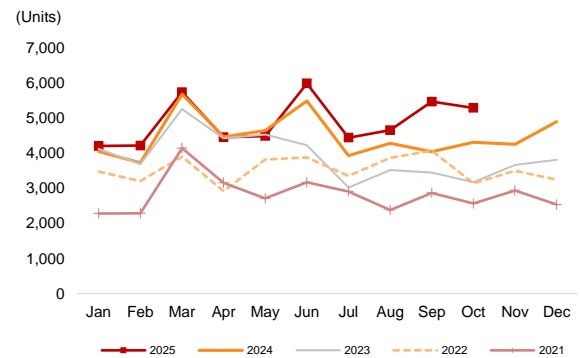
Source: Komatsu, CMBIGM estimates

Figure 6: CMBIGM excavator sales projection

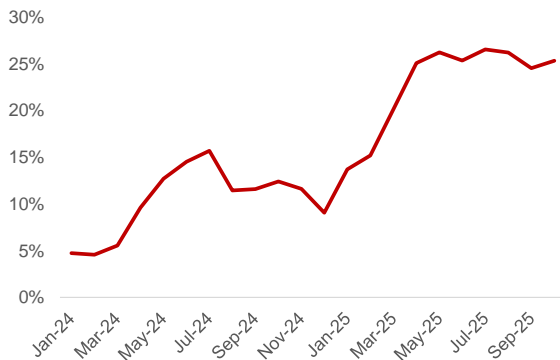
Source: CCMA, CMBIGM estimates

Figure 7: Monthly wheel loader sales in China

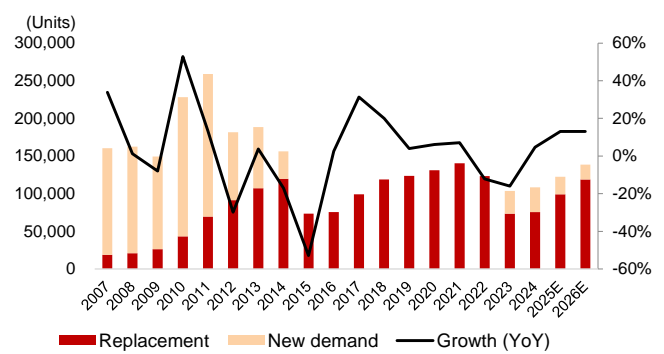
Source: CCMA, CMBIGM

Figure 8: Monthly wheel loader export volume

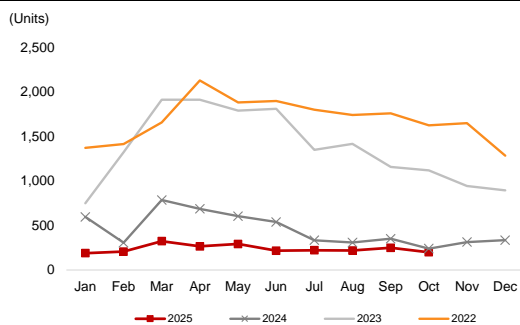
Source: CCMA, CMBIGM

Figure 9: Electric wheel loader sales as a percentage of total wheel loader sales

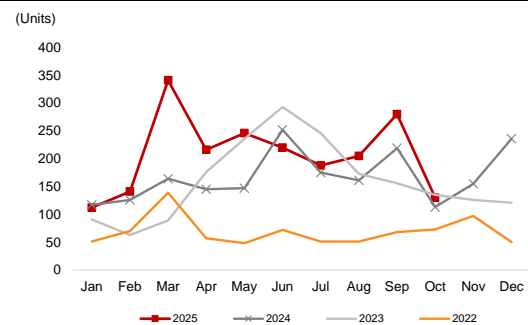
Source: CCMA, CMBIGM

Figure 10: CMBIGM wheel loader sales projection

Source: CCMA, CMBIGM estimates

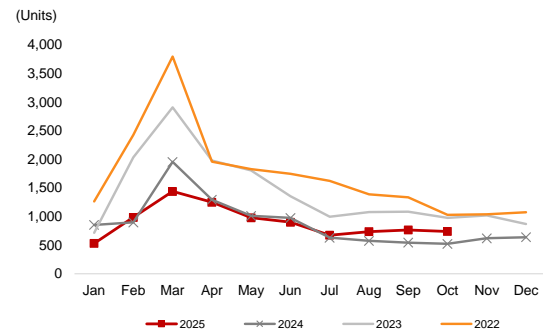
Figure 11: Tower crane monthly sales in China

Source: CCMA, CMBIGM

Figure 12: Tower crane monthly export volume

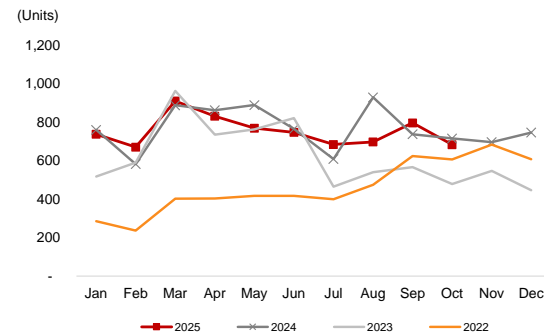
Source: CCMA, CMBIGM

Figure 13: Truck crane monthly sales in China



Source: CCMA, CMBIGM

Figure 14: Truck crane monthly export volume



Source: CCMA, CMBIGM

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