

Capital Goods

Decent export growth of earth-moving machinery in Sep; Domestic excavator sales improved

What's new? China Construction Machinery Association (CCMA) released last night (12 Oct) the data for earth-moving machinery sales in Sep. Exports of both excavators and loaders grew 21% YoY. Domestic sales of excavators grew 7% YoY, improving from ~4% growth in Jul and Aug. Domestic sales of wheel loaders grew 14% YoY in Sep, with growth rate similar to that in Aug. Against the backdrop of high oil price, sales of electric models continued to surge. Electric ratio of wheel loaders stayed high at ~33% (China: 59%, exports: 10%), while that of excavators reached 1.2% (China: 2.2%, exports: 0.5%) in Sep.

- **Implications.** The marginal improvement of domestic excavator sales growth should help support market sentiment given the recent concerns on China demand. On the export side, the continuous sales growth suggests that Chinese players' penetration in emerging markets remains on track. In particular, the high oil price offers good opportunities to boost export of electric models.
- **Stock ideas.** Following the recent sector pullback, we expect **SANY Heavy (6031 HK / 600031 CH, BUY)**, **Zoomlion (1157 HK / 000157 CH, BUY)** and **Jiangsu Hengli (601100 CH, BUY)** to gain traction again from the perspective of undemanding valuation, high dividend pay-out and decent growth outlook. Meanwhile, we continue to like **SANY International (631 HK, BUY)** for its overseas large mining trucks penetration.

Major construction machinery sales in Sep 2026

	Sales volume (units)			Change (YoY)		
	Total	China	Export	Total	China	Export
Earth-moving						
Excavator	22,717	9,911	12,806	14%	7%	21%
Wheel loader	12,419	5,773	6,646	18%	14%	21%

Source: CCMA, CMBIGM

Note: The sales data for other construction machinery will be released by CCMA later this month

OUTPERFORM
(Maintain)

China Capital Goods Sector

Wayne FUNG, CFA

(852) 3900 0826

waynefung@cmbi.com.hk

Related reports:

Weichai Power – Generac & Amazon deal positive to Weichai – 17 Sep 2026 ([link](#))

Capital Goods – Key takeaways from investors calls after sector pullback – 17 Sep 2026 ([link](#))

Capital Goods – Weak crane sales in Aug due to sluggish China demand – 16 Sep 2026 ([link](#))

SANY Heavy – 2Q26 net profit +17% YoY after FX impact – 31 Aug 2026 ([link](#))

Weichai Power – High visibility of AIDC gensets; SOFC to offer upside potential – 31 Aug 2026 ([link](#))

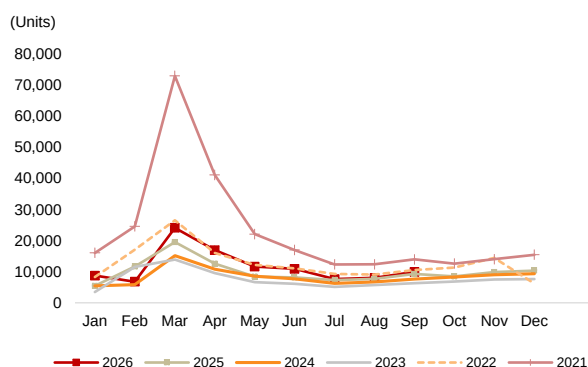
Weichai Power – Net profit in 2Q26 +57% YoY helped by other income and expense control; Rising AIDC power contribution – 28 Aug 2026 ([link](#))

Sinotruk (Hong Kong) – 1H26 net profit +26% YoY; above expectation; Dividend payout raised – 27 Aug 2026 ([link](#))

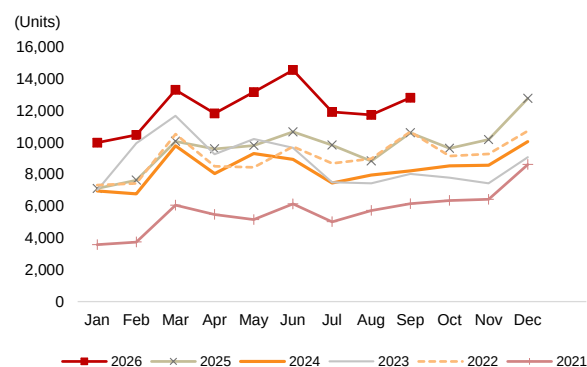
SANY International – Net profit in 2Q26 +7%, beating expectation – 27 Aug 2026 ([link](#))

Jiangsu Hengli – Key takeaways from post-results call – 25 Aug 2026 ([link](#))

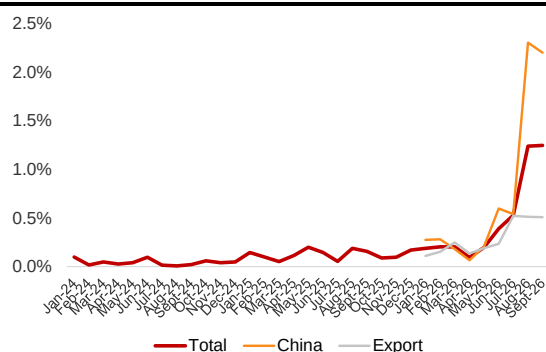
Jiangsu Hengli - Net profit -3% YoY in 2Q26 but largely due to FX loss; strong revenue growth and EBIT – 25 Aug 2026 ([link](#))

Figure 1: Monthly excavator sales in China

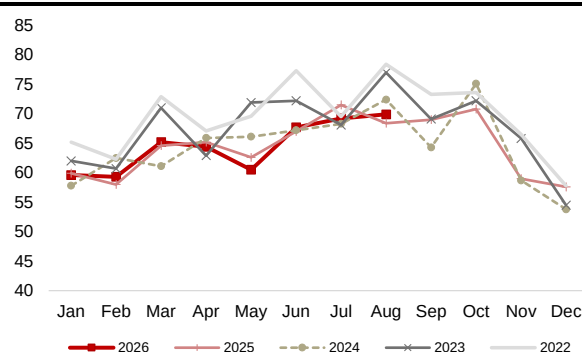
Source: CCMA, CMBIGM

Figure 2: Monthly excavator export volume

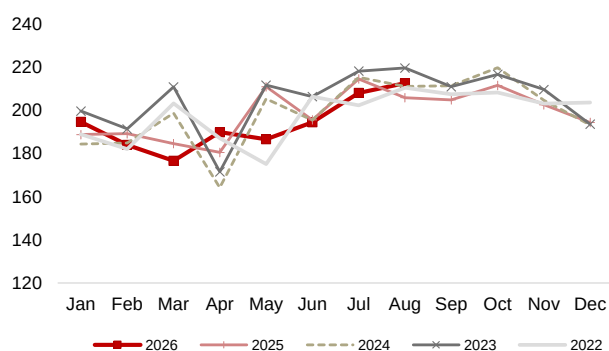
Source: CCMA, CMBIGM

Figure 3: Electric excavator as a percentage of total excavator sales

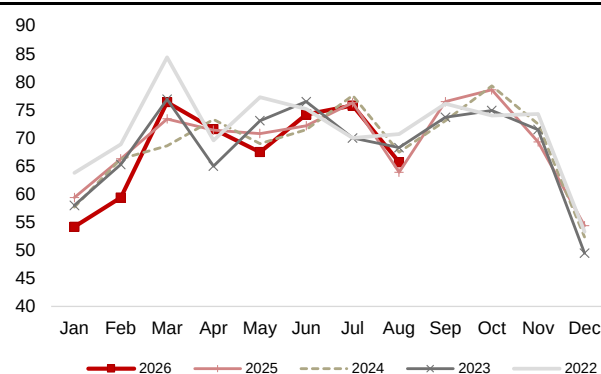
Source: CCMA, CMBIGM

Figure 4: Komatsu excavator monthly utilisation hours in North America

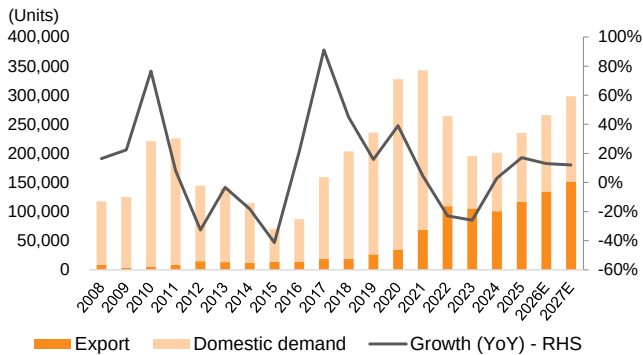
Source: Komatsu, CMBIGM

Figure 5: Komatsu excavator monthly utilisation hours in Indonesia

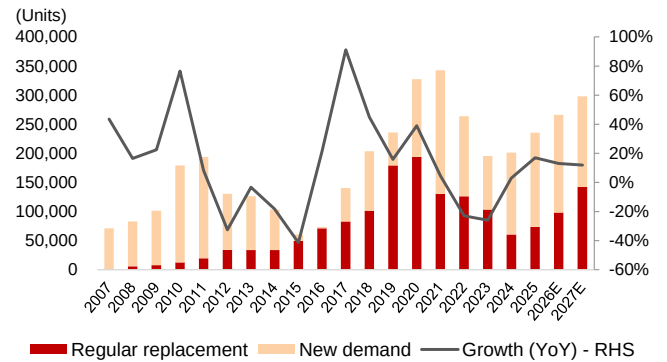
Source: Komatsu, CMBIGM

Figure 6: Komatsu excavator monthly utilisation hours in Europe

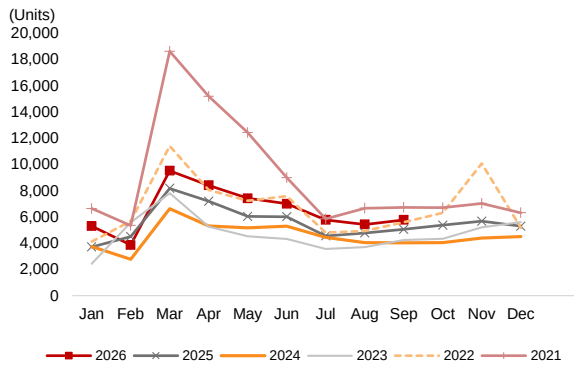
Source: Komatsu, CMBIGM

Figure 7: CMBI excavator sales projection (breakdown by region)


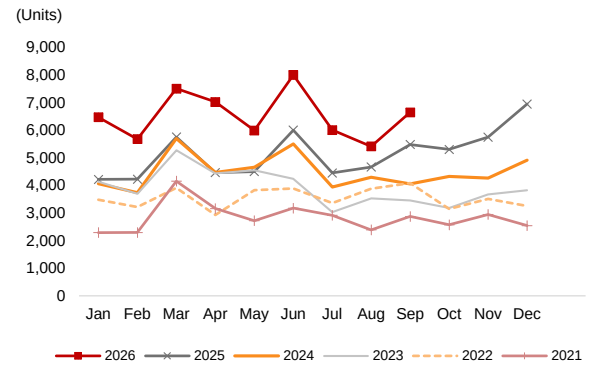
Source: CCMA, CMBIGM estimates

Figure 8: CMBI excavator sales projection


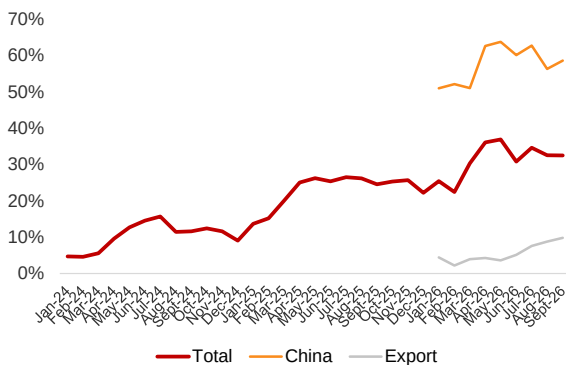
Source: CCMA, CMBIGM estimates

Figure 9: Monthly wheel loader sales in China


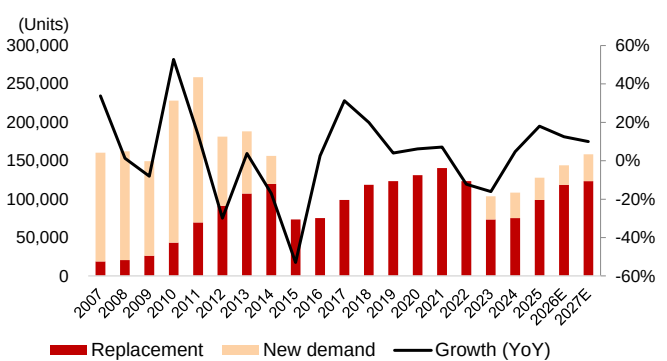
Source: CCMA, CMBIGM

Figure 10: Monthly wheel loader export volume


Source: CCMA, CMBIGM

Figure 11: Electric wheel loader as a percentage of total wheel loader sales


Source: CCMA, CMBIGM

Figure 12: CMBI wheel loader sales projection


Source: CCMA, CMBIGM estimates

Figure 13: 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
Forklift	Low	Low	n/a	High
Aerial work platform	Medium	Low	n/a	High

Source: CMBIGM

Disclosures & Disclaimers

Analyst Certification

The research analyst who is primary responsible for the content of this research report, in whole or in part, certifies that with respect to the securities or issuer that the analyst covered in this report: (1) all of the views expressed accurately reflect his or her personal views about the subject securities or issuer; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific views expressed by that analyst in this report. Besides, the analyst confirms that neither the analyst nor his/her associates (as defined in the code of conduct issued by The Hong Kong Securities and Futures Commission) (1) have dealt in or traded in the stock(s) covered in this research report within 30 calendar days prior to the date of issue of this report; (2) will deal in or trade in the stock(s) covered in this research report 3 business days after the date of issue of this report; (3) serve as an officer of any of the Hong Kong listed companies covered in this report; and (4) have any financial interests in the Hong Kong listed companies covered in this report.

CMBIGM Ratings

BUY	: Stock with potential return of over 15% over next 12 months
HOLD	: Stock with potential return of +15% to -10% over next 12 months
SELL	: Stock with potential loss of over 10% over next 12 months
NOT RATED	: Stock is not rated by CMBIGM
OUTPERFORM	: Industry expected to outperform the relevant broad market benchmark over next 12 months
MARKET-PERFORM	: Industry expected to perform in-line with the relevant broad market benchmark over next 12 months
UNDERPERFORM	: Industry expected to underperform the relevant broad market benchmark over next 12 months

CMB International Global Markets Limited

Address: 45/F, Champion Tower, 3 Garden Road, Hong Kong. Tel: (852) 3900 0888 Fax: (852) 3900 0800

CMB International Global Markets Limited ("CMBIGM") is a wholly owned subsidiary of CMB International Capital Corporation Limited (a wholly owned subsidiary of China Merchants Bank)

Important Disclosures

There are risks involved in transacting in any securities. The information contained in this report may not be suitable for the purposes of all investors. CMBIGM does not provide individually tailored investment advice. This report has been prepared without regard to the individual investment objectives, financial position or special requirements. Past performance has no indication of future performance, and actual events may differ materially from that which is contained in the report. The value of, and returns from, any investments are uncertain and are not guaranteed and may fluctuate as a result of their dependence on the performance of underlying assets or other variable market factors. CMBIGM recommends that investors should independently evaluate particular investments and strategies, and encourages investors to consult with a professional financial advisor in order to make their own investment decisions.

This report or any information contained herein, has been prepared and distributed in Hong Kong by CMBIGM under its regulatory framework for the regulated activities licensed and regulated by the Securities and Futures Commission of Hong Kong. The report is solely for the purpose of supplying information to the clients of CMBIGM or its affiliate(s) to whom it is distributed. This report is not and should not be construed as an offer or solicitation to buy or sell any security or any interest in securities or enter into any transaction. Neither CMBIGM nor any of its affiliates, shareholders, agents, consultants, directors, officers or employees shall be liable for any loss, damage or expense whatsoever, whether direct or consequential, incurred in relying on the information contained in this report. Anyone making use of the information contained in this report does so entirely at their own risk.

The information and contents contained in this report are based on the analyses and interpretations of information believed to be publicly available and reliable. CMBIGM has exerted every effort in its capacity to ensure, but not to guarantee, their accuracy, completeness, timeliness or correctness. CMBIGM provides the information, advices and forecasts on an "AS IS" basis. The information and contents are subject to change without notice. CMBIGM may issue other publications having information and/ or conclusions different from this report. These publications reflect different assumption, point-of-view and analytical methods when compiling. CMBIGM may make investment decisions or take proprietary positions that are inconsistent with the recommendations or views in this report.

CMBIGM may have a position, make markets or act as principal or engage in transactions in securities of companies referred to in this report for itself and/or on behalf of its clients from time to time. Investors should assume that CMBIGM does or seeks to have investment banking or other business relationships with the companies in this report. As a result, recipients should be aware that CMBIGM may have a conflict of interest that could affect the objectivity of this report and CMBIGM will not assume any responsibility in respect thereof. This report is for the use of intended recipients only and this publication, may not be reproduced, reprinted, sold, redistributed, directly or indirectly, to any other person, published in whole or in part for any purpose without prior written consent of CMBIGM.

Additional information on recommended securities is available upon request. If there is any inconsistency between the Chinese and English versions of this Important Disclosure, the English version shall prevail.

For recipients of this document in the United Kingdom

This report has been provided only to persons (I) falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended from time to time) ("The Order") or (II) are persons falling within Article 49(2) (a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc.") of the Order, and may not be provided to any other person without the prior written consent of CMBIGM.

For recipients of this document in the United States

CMBIGM is not a registered broker-dealer in the United States. As a result, CMBIGM is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. The research analyst who is primary responsible for the content of this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA"). The analyst is not subject to applicable restrictions under FINRA Rules intended to ensure that the analyst is not affected by potential conflicts of interest that could bear upon the reliability of the research report. This report is intended for distribution in the United States solely to "major US institutional investors", as defined in Rule 15a-6 under the US, Securities Exchange Act of 1934, as amended, and may not be furnished to any other person in the United States. Each major US institutional investor that receives a copy of this report by its acceptance hereof represents and agrees that it shall not distribute or provide this report to any other person. Any U.S. recipient of this report wishing to effect any transaction to buy or sell securities based on the information provided in this report should do so only through a U.S.-registered broker-dealer.

For recipients of this document in Singapore

This report is distributed in Singapore by CMBI (Singapore) Pte. Limited (CMBISG) (Company Regn. No. 201731928D), an Exempt Financial Adviser as defined in the Financial Advisers Act (Cap. 110) of Singapore and regulated by the Monetary Authority of Singapore. CMBISG may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, as defined in the Securities and Futures Act (Cap. 289) of Singapore, CMBISG accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact CMBISG at +65 6350 4400 for matters arising from, or in connection with the report.