

### European Market for Passives 2013 and Outlook 2014

The members of the European Passive Components Industry Association (EPCIA) have discussed the market development in 2013 and the expected trend in 2014 at the occasion of the recent EPCIA meeting. EECA-EPCIA President Ralph Bronold summarizes:

*“After a decrease by 8% in 2012 the European Passives Components market started weak in 2013 but finished fairly strong. However, it ended with a minus of 4% compared to 2012. This results mainly from the overall soft economy, especially in the southern European countries. For 2014 the EPCIA members expect a slight recovery (plus 1%) of the Passive Components market in Europe. This will result in a total market volume of around 4.1 Bn. Euro overall for Passive Components in the current year.”*

*“After a strong decrease of the **Capacitors** market by 11% in 2012 and 5% in 2013, a **slight recovery by 3%** up to a volume of ca. 1.6 Bn. Euro **in 2014** is being forecasted.”*

*“The **Resistors** market is fluctuating much less: in 2013 the market has reached a similar level as in the previous year (750 Mio. Euro). For 2014 a slight recovery, up to a volume of 766 Mio. Euro (+3%), is expected.”*

*“The combined market for **Electromagnetic Components** and **RF-Filters** was also badly hit in 2012 (-6%) and in 2013 (-4%), down to a volume of only around 1.8 Bn. Euro. For 2014 the experts expect a market volume only at the level of the previous year.”*

#### Main European market segments for Passive Components

The **Automotive** sector is of particularly high importance, also for Passive Components, in Europe. Herein the German market shows a very positive development, supported by

ongoing strong Sales of premium class cars, especially to Export markets in China, U.S. or Russia. However, the European market for small and mid-sized cars is under pressure due to strong imports from Korean and Japanese car manufacturers. This has a significantly negative impact especially on car makers and 2nd tier suppliers in France, Italy and Spain.

The **Industrial** market, which is of similar importance as Automotive, shows a steadily increasing demand for energy-efficient drives and industry automation applications. Photo Voltaic and Wind Energy business has not yet improved substantially but shows first signs of improvement.

The overall outlook in the Industrial market for the last quarter of 2013 and beyond is fairly optimistic.

Sales of Passive Components to the global **Telecom** markets is being fostered by the rapidly increasing number of multi-featured smart phones but also by the need for more base stations due to the roll-out of LTE (4G) network services. However, the remaining European Players in these markets have drastically lost share over the last years, also resulting in a significantly lower Passives market in 2013. The 2014 outlook for Europe remains sceptical.

As already reported in the past, the **Consumer Electronics** market in Europe has almost vanished and is now supplied from China and Korea and therefore is meanwhile of negligible importance.

The **Distribution** market has developed better in the 2<sup>nd</sup> half after an almost flat start in 2013 and still shows a positive trend.

---

#### Further inquiries to:

EECA - EPCIA Chairman – Ralph M. Bronold  
Email: [Ralph.Bronold@epcos.com](mailto:Ralph.Bronold@epcos.com)

EECA - EPCIA Secretary: Dr. Marcus Dietrich  
Email: [dietrich@zvei.org](mailto:dietrich@zvei.org)