

Machine Tools Market Size, Share & Forecast 2026–2034 | USD 152.0 Billion by 2034

The machine tools market is expected to reach USD 152.0 billion by 2034, exhibiting a CAGR of 3.73% during 2026–2034.

ST. BROOKLYN, NY, UNITED STATES, March 24, 2026 /EINPresswire.com/ -- According to a research report by IMARC Group, the global machine tools market size was valued at USD 109.3 Billion in 2025. The market is projected to reach USD 152.0 Billion by 2034, exhibiting a growth rate (CAGR) of 3.73% during 2026–2034. The market is primarily driven by the rising demand for precision engineering in sectors such as automotive, aerospace, and electronics, alongside rapid technological advancements in CNC and digital manufacturing technologies, and the growing shift towards smart manufacturing and Industry 4.0.



Market at a Glance:

Base Year - 2025

Forecast Years - 2026–2034

Historical Years - 2020–2025

Market Size in 2025 - USD 109.3 Billion

Market Forecast in 2034 - USD 152.0 Billion

Market Growth Rate (CAGR) - 3.73%

Explore Growth Opportunities in the Machine Tools Market - Grab IMARC Sample Report for evaluation: <https://www.imarcgroup.com/machine-tools-market/requestsamplereport>

Key Market Drivers:

Technological Advancements and Innovation:

The growing automation, Internet of Things (IoT), and Artificial Intelligence (AI) in machine tools are improving the precision and efficiency of manufacturing operations, which are expected to contribute to the growth of the machine tools market. The number of IoT connected devices worldwide increased by 13% to 18.8 Billion. It increased even more in automotive, aerospace and defense industries that require very high precision in their devices. However, Computer Numeric Control (CNC) machines have been in increasing demand due to their higher precision and flexibility over conventional machines, as well as their ability to make more complex, high-quality products.

Increase in Manufacturing Activities in Developing Countries:

Growing manufacturing industry of developing countries The manufacturing industry in developing nations, including China, India, and Brazil, is steadily growing due to several government efforts and the establishment of manufacturing hubs. India's manufacturing sector is expected to reach USD 1 Trillion by 2025-26. The auto and electronics manufacturing industries of these nations are expected to grow, and accordingly make greater use of modern machine tools. In addition, the demand for machine tools has been supported by the move of foreign direct investment (FDI) into these countries to support worldwide supply chains.

Rising Demand for Automation in Manufacturing:

Automation of manufacturing is an area where demand for machine tools has grown, due to its ability to improve productivity, lower costs, and increase competitiveness in the global marketplace. Used in conjunction with automated systems like robots and AI, they make manufacturing faster, higher quality, and less error-prone than relying solely on humans. They are most common in the automotive, aerospace, and consumer electronics industries. Businesses operating in the Industry 4.0 space received three hundred and nineteen percent additional annual investment between 2011 and 2021, reaching USD 2.2 Billion in 2021. The investment focus was on smart and connected machine tools for predictive maintenance and real-time analytics.

Shift Toward Multi-Axis and Hybrid Machine Tools:

Increases in the use of multi-axis and hybrid machine tools are allowing more complex and precise parts to be made with fewer setups. Increased automation of aerospace and marine manufacturing facilities is causing demand for high-speed machining centers. The increasing demand for lightweight sustainable materials is another factor driving the adoption of advanced cutting technologies. Manufacturers shifting to next-generation sustainable composites require high-speed, wear-resistant, and specialized machine tools for efficient processing of these materials.

Machine Tools Market Segmentation Analysis:

By Tool Type:

- Metal Cutting
- Metal Forming
- Accessories

Metal cutting leads the market with around 60.8% of market share in 2025 due to its extensive use across manufacturing sectors. Metal cutting tools are essential for shaping metal components with high accuracy in automotive, aerospace, defense, construction, and general engineering. CNC-based metal cutting tools are increasingly crucial as firms focus on automation, consistency, and productivity. The continued move towards electric vehicles and sophisticated industrial machinery is further boosting demand for high-performance, long-lasting cutting tools.

By Technology Type:

- Conventional
- CNC (Computerized Numerical Control)

CNC holds the largest market share at around 71.1% in 2025. CNC technology supports automated, high-precision, and reproducible machining operations critical for high-volume and high-complexity manufacturing. It is extensively implemented across milling, turning, grinding, and other metal cutting machines serving automotive, aerospace, electronics, and medical device industries. The move towards intelligent factories and Industry 4.0 is increasing CNC adoption, as these devices are compatible with digital monitoring, remote diagnostics, and predictive maintenance.

By End Use Industry:

- Automotive
- Aerospace and Defense
- Electrical and Electronics
- Consumer Goods
- Precision Engineering
- Others

Automotive leads the market with around 34.6% of market share in 2025. Machine tools play a central role in producing critical car parts such as engine blocks, transmission systems, drive shafts, and braking components. The growth of electric vehicles (EVs) is revamping the demand scenario, driving investments in sophisticated machining systems for battery enclosures, electric powertrains, and lightweight materials such as aluminum and composites. Automotive manufacturers depend significantly on CNC-based metal cutting tools to deliver high production

volumes with consistent quality and dimensional precision.

By Region:

- Asia Pacific
- Europe
- North America
- Latin America
- Middle East and Africa

Asia Pacific leads the market with the largest machine tools market share of over 48.6% in 2025, fueled by industrialization, robust manufacturing performance, and favorable government policies. Countries like China, Japan, South Korea, and India are major manufacturing bases for automotive, electronics, aerospace, and heavy machinery industries. China leads aided by programs like “Made in China 2025,” while India is experiencing increased demand due to government initiatives such as “Make in India.” Japan and South Korea specialize in precision engineering and CNC technology innovation.

Connect for Detailed Segmentation Analysis - Speak to an Analyst:

<https://www.imarcgroup.com/request?type=report&id=1414&flag=C>

Key Regional Insight: Asia Pacific’s Strategic Position:

Asia Pacific is the most impactful region driving the direction and tempo of machine tools market expansion. With China as the production and consumption leader, the region benefits from a strong supply base, minimal production expenses, and increasing demand for automated and digitized machine tools. India’s domestic electronics production surged from USD 29 Billion in 2014–15 to USD 101 Billion in 2022–23, fueling demand for precision machining. Rising semiconductor manufacturing and PCB production is creating demand for high-speed milling and laser cutting machines. Miniaturization trends are compelling manufacturers to integrate high-precision grinding and micro-machining solutions.

Competitive Landscape in the Machine Tools Industry:

The global machine tools market is shaped by a mix of multinational leaders and agile regional players competing based on product quality, price, technological advancement, and geographical reach. Players are shifting focus towards diversifying product portfolios to cater to automotive, aerospace, construction, and general manufacturing industries. Continuous advances in automation and intelligent tools are emerging as major differentiators. Manufacturers are investing heavily in R&D to create precision tools with enhanced durability and efficiency. Sustainability initiatives such as energy-efficient production technologies are increasingly becoming competitive priorities.

Key Machine Tools Market Players Include:

- Allied Machine & Engineering Corp.
- Amada Co., Ltd.
- DMG Mori Co., Ltd.
- Falcon Machine Tools Co., Ltd.
- General Technology Group Dalian Machine Tool Co., Ltd.
- Hyundai WIA Corporation (Hyundai Motor Group)
- JTEKT Corporation
- Komatsu NTC Ltd.
- Makino Inc.
- Okuma Corporation
- Trumpf SE + Co. KG
- Yamazaki Mazak Corporation

Market Drivers, Challenges & Opportunities:

Major Market Drivers:

- Rising demand for precision manufacturing in automotive and aerospace sectors.
- Rapid industrial automation and adoption of CNC technology.
- Increased metal cutting and forming applications across industries.
- Growing investments in smart factories and Industry 4.0.
- Supportive government policies promoting domestic manufacturing.

Key Challenges:

- High initial capital investment and maintenance costs for advanced machine tools.
- Skilled labor shortages limiting effective deployment of sophisticated CNC systems.
- Supply chain disruptions affecting availability of critical machine tool components.

Emerging Opportunities:

- Expansion of EV manufacturing driving demand for specialized machining systems.
- Integration of AI, IoT, and real-time analytics in CNC machine tools.
- Growing investments in semiconductor and defense manufacturing facilities.
- Emerging economies transitioning from manual to CNC-based production.

Conclusion: Machine Tools Market Outlook to 2034:

The machine tools market forecast indicates sustained global expansion through 2034, supported by rising precision manufacturing demand, accelerating industrial automation, and the widespread adoption of CNC and digital manufacturing technologies. As manufacturers

increasingly prioritize smart factory integration, sustainable machining, and customized production, the industry is adapting through significant technological upgrades and portfolio diversification.

With Asia Pacific driving volume growth and mature economies in Europe and North America expanding through advanced CNC investments and Industry 4.0 adoption, the machine tools market size and growth outlook remain strongly positive — positioning the industry for continued long-term global expansion.

About the Author:

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Elena Anderson

IMARC Services Private Limited

+ +1 201-971-6302

[email us here](#)

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