Agricultural Machinery Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Indoor Farming & Farm Mechanization (Agriculture & Agribusiness)

> **Source:** https://www.mordorintelligence.com/industry-reports/agricultural-machinery-market
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 193 billion
Projected Forecast (2031)	USD 193 billion
Growth Rate (CAGR)	6.71 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

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![Major players in Agricultural Machinery industry](images/chart_2.png)

![Agricultural Machinery Market Size](images/chart_3.png)

![Agricultural Machinery Market Share by Type, 2025](images/chart_4.png)

![Agricultural Machinery Market Share by Automation Level, 2025](images/chart_5.png)

![Agricultural Machinery Market Growth Rate by Region](images/chart_6.png)

![Agricultural Machinery Market Concentration](images/chart_7.png)

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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market OverviewStudy Period | 2021 - 2031 |
Market Size (2026) | USD 193 Billion |
Market Size (2031) | USD 267 Billion |
Growth Rate (2026 - 2031) | 6.71 % |
Fastest Growing Market | North America |
Largest Market | Asia-Pacific |
Market Concentration | Medium |
Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

Agricultural Machinery Market Analysis by Mordor IntelligenceThe agricultural machinery market size is projected to grow from USD 180.9 billion in 2025 to USD 193.0 billion in 2026 and USD 267.0 billion by 2031, registering a CAGR of 6.71% during 2026-2031. The market maintains a strong demand base due to challenges in securing farm labor, rising wage costs, and the need for higher output from fewer farms. According to the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA), in the United States, the average gross wage for all hired farm workers reached USD 19.10 per hour in October 2024, a 3% increase from the previous year, further strengthening the economic rationale for mechanized field operations. Policy support for fleet renewal and digital adoption in major farming economies is also influencing the market. However, in early 2026, demand softened in North America and Europe, leading to delayed purchases rather than eliminating long-term replacement needs. Deere & Company reported a net income of USD 656 million for the first quarter of fiscal year 2026, down from USD 869 million in the previous year, reflecting cyclical pressures currently affecting the agricultural machinery market.

Key Report Takeaways* By type, tractors led with the largest 35.90% of the agricultural machinery market share in 2025, whereas the harvesting machinery segment is projected to expand at a 6.00% CAGR from 2026 to 2031.
* By automation level, manual equipment held the largest share of the agricultural machinery market size at 46.0% in 2025, while automatic systems recorded the fastest CAGR at 6.17% from 2026 to 2031.
* By geography, Asia-Pacific held the largest share of 36.8% in the agricultural machinery market in 2025, while North America recorded the fastest CAGR of 7.20% from 2026 to 2031.

Key Market Trends

Market Trends and InsightsDrivers Impact Analysis of Agricultural Machinery Market*Driver | (~) % Impact on CAGR Forecast | Geographic Relevance | Impact Timeline |
Farm labor scarcity and wage inflation | +1.6% | Global, highest intensity in North America, Europe, and East Asia | Short term (≤ 2 years) |
Precision agriculture and telematics integration | +1.8% | Global, early adoption concentrated in North America and Europe, scaling in Asia-Pacific | Medium term (2-4 years) |
Subsidies and mechanization credit support | +1.3% | Asia-Pacific, South America, and North America | Short term (≤ 2 years) |
Farm consolidation and output-per-acre pressure | +1.0% | North America, Europe, and emerging areas of South America | Medium term (2-4 years) |
Custom hiring and equipment-as-a-service expansion | +0.7% | Global, with fastest uptake in South Asia and Sub-Saharan Africa | Medium term (2-4 years) |
Regenerative and low-emission equipment funding | +0.6% | North America, Europe, and South America | Long term (≥ 4 years) |
Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

The agricultural machinery market is moderately fragmented. The leading group comprises the top five companies: Deere and Company, CNH Industrial N.V., AGCO Corporation, Kubota Corporation, and CLAAS KGaA mbH. These companies maintain their position through broad product portfolios, extensive dealer networks, financing capabilities, and increasing digital integration. Other established manufacture rs, such as SDF S.p.A., Yanmar Holdings Co., Ltd., and Argo Tractors S.p.A., compete by leveraging regional expertise, product specialization, and a strong presence in specific agricultural equipment categories. Additionally, niche players, including irrigation specialists, India-focused tractor manufacturers, and implement companies, hold strong positions in particular segments. This multi-tiered structure promotes active competition while preventing the market from becoming highly concentrated.

Competition is intensifying in areas where precision software, automation, and recurring service revenue intersect with traditional equipment sales. AGCO Corporation’s PTx Trimble structure exemplifies this trend, providing a robust digital platform that complements its hardware offerings and extends into retrofit, guidance, and autonomy functions. Similarly, CLAAS KGaA mbH demonstrated its commitment to innovation by maintaining research and development spending at EUR 319.9 million (USD 346 million) in fiscal year 2025, despite a slight decline in overall revenue. These developments highlight that product leadership in the agricultural machinery market increasingly depends on automation and connectivity capabilities, alongside traditional factors like engine power and machine size.

The agricultural machinery market is also creating opportunities for companies that can deliver advanced capabilities to farms unable to afford premium autonomous platforms. For instance, Mahindra and Mahindra Limited is defending its market share in India through rapid product updates. In March 2026, the company launched the Mahavator and Mahavator HD heavy-duty rotavator range and continued promoting orchard spraying solutions via its M.I.T.R.A platform. These initiatives suggest that the most sustainable competitive advantage lies in integrating machinery, software, agronomic data, and post-sale services to enhance farm outcomes throughout the entire operating cycle.

Agricultural Machinery Industry Leaders* Deere & Company

* AGCO Corporation

* Kubota Corporation

* CNH Industrial N.V.

* CLAAS KGaA mbH

* *Disclaimer: Major Players sorted in no particular order

Component Component 3 Scope Of The Report Bottom

Global Agricultural Machinery Market Report ScopeAgricultural machinery encompasses mechanical equipment and tools utilized in farming activities, including land preparation, planting, irrigation, crop protection, harvesting, and post-harvest processing. These machines enhance operational efficiency, minimize labor dependency, boost productivity, and facilitate large-scale modern agricultural practices across various crop systems. The Agricultural Machinery Market Report is segmented by type (tractors, soil preparation and cultivation machinery, planting and seeding machinery, harvesting machinery, spraying and crop protection machinery, hay and forage machinery, and irrigation machinery), by automation level (manual, semi-automatic, and automatic), and by geography (North America, South America, Europe, Asia-Pacific, Middle East, and Africa). The market forecasts are provided in terms of value (USD).

By TypeTractors | By Horsepower | Less than 40 HP |
 | | 40 HP to 99 HP |
 | | 100 HP and Above |
 | |
 | By Tractor Type | Compact Utility Tractors |

	Utility Tractors
	Row Crop Tractors
	Orchard and Vineyard Tractors
Soil Preparation and Cultivation Machinery	Plows
Harrows
Cultivators and Tillers
Planting and Seeding Machinery	Seed Drills
Planters
Broadcast Spreaders
Transplanters
Harvesting Machinery	Combine Harvesters and Threshers
Forage Harvesters
Specialty Crop Harvesters
Spraying and Crop Protection Machinery	Self-Propelled Sprayers
Trailed and Mounted Sprayers
Aerial and Drone-Enabled Spraying Systems
Hay and Forage Machinery	Mower-Conditioners
Balers
Rakes and Tedders
Irrigation Machinery	Sprinkler Irrigation
Drip Irrigation
Mechanized Pivot Systems

Segmentation Accordion Item

By GeographyNorth America | United States |
 | Canada |
 | Mexico |
 | Rest of North America |
South America | Brazil |
 | Argentina |
 | Rest of South America |
Europe | Germany |
 | France |
 | United Kingdom |
 | Italy |
 | Russia |
 | Rest of Europe |
Asia-Pacific | China |
 | India |
 | Japan |
 | Australia |
 | Rest of Asia-Pacific |
Middle East | Saudi Arabia |
 | United Arab Emirates |
 | Turkey |
 | Rest of Middle East |
Africa | South Africa |
 | Nigeria |
 | Rest of Africa |

Frequently Asked Questions

What is the current value of agricultural machinery demand worldwide in 2026?

The agricultural machinery market stands at USD 193.0 billion in 2026.

Which product category leads global equipment demand?

Tractors are the largest type segment, accounting for 35.9% of total market value in 2025.

Which automation tier is growing the fastest?

Automatic systems are projected to grow at a 6.17% CAGR from 2026 to 2031.

Why are farmers investing in more advanced equipment even during a weak cycle?

Labor is tighter, wages are higher, and larger farms need more acres covered per pass, so the payback from efficient and connected machines is improving even when purchase timing is delayed.