

Agricultural Tractors 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-tractor-market>

> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 78.40 billion
Projected Forecast (2031)	USD 78.40 billion
Growth Rate (CAGR)	5.63 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

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

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

! [Agricultural Tractors Market Share by Power Output, 2025](images/chart_4.png)

! [Agricultural Tractors Market Share by Engine Type, 2025](images/chart_5.png)

! [Agricultural Tractors Market Growth Rate by Region](images/chart_6.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 78.40 Billion |

Market Size (2031) | USD 103.10 Billion |

Growth Rate (2026 - 2031) | 5.63 % |

Fastest Growing Market | Africa |

Largest Market | Asia-Pacific |

Market Concentration | Medium |

Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

Agricultural Tractors Market Analysis by Mordor Intelligence
The agricultural tractors market size is anticipated to increase from USD 74.5 billion in 2025 to USD 78.40 billion in 2026 and reach USD 103.10 billion by 2031, growing at a CAGR of 5.63% over 2026-2031. This growth is primarily attributed to the expansion of cultivated areas in regions such as Africa and South Asia, a stronger replacement cycle in North America and Western Europe driven by stricter emissions regulations, and increased investments in precision guidance and autonomy-ready platforms. The market exhibits uneven regional demand, with robust volume growth in India contrasting with weaker short-term conditions in parts of Western Europe. Competition in the market is increasingly focused on connected machines that integrate guidance capabilities, retrofit modules, and support for farm data workflows, in addition to delivering core field performance. In response, leading manufacturers are updating product portfolios, forming partnerships in precision technology, and expanding manufacturing operations in cost-effective locations. However, market growth is constrained by higher acquisition costs, tighter machinery financing conditions, and rising expenses related to emissions-compliant diesel systems.

Key Report Takeaways* By power output, the 40-100 HP segment led with the largest 42.9% of the agricultural tractors market share in 2025, while the agricultural tractors market size for the more than 200 HP segment is forecast to grow at the fastest 7.5% CAGR from 2026 to 2031.

* By drive type, the agricultural tractors market share for 2-wheel drive held the largest 71.8% in 2025, while the agricultural tractors market size for the 4-wheel drive is projected to expand at the fastest 7.6% CAGR from 2026 to 2031.

* By engine type, the agricultural tractors market share for diesel accounted for the largest 91.6% in 2025, while the agricultural tractors market size for electric is projected to grow at the fastest 18.6% CAGR from 2026 to 2031.

* By tractor type, the agricultural tractors market share for utility tractors accounted for the largest 46.5% in 2025, while the agricultural tractors market size for autonomous tractors is forecast to advance at the fastest 18.5% CAGR from 2026 to 2031.

* By geography, the agricultural tractors market share for Asia-Pacific held the largest 38.6% in 2025, while the agricultural tractors market size for Africa is projected to grow at the fastest 7.6% CAGR from 2026 to 2031.

Key Market Trends

Market Trends and Insights
Drivers Impact Analysis of Agricultural Tractors Market
Driver | (~) % Impact on CAGR Forecast | Geographic Relevance | Impact Timeline |

Government mechanization subsidy continuity | +1.1% | Global, with peak intensity in South Asia, Sub-Saharan Africa, and Eastern Europe | Medium term (2-4 years) |

Precision agriculture integration across installed fleets | +0.9% | North America, Western Europe, large-farm segments in Brazil and Australia | Medium term (2-4 years) |

Replacement demand for an aging tractor fleet | +0.8% | North America and Western Europe | Short term (≤ 2 years) |

High-horsepower and 4-wheel drive adoption on large farms | +0.7% | North America, Brazil, Eastern Europe, and Australia | Medium term (2-4 years) |

Retrofit-first autonomy and guidance upgrades | +0.5% | North America, Western Europe, and large commercial farm segments globally | Long term (≥ 4 years) |

Specialty-crop electrification in orchards, vineyards, and greenhouses | +0.3% | Western Europe, California, New Zealand, and select Asia-Pacific specialty crop zones | Long term (≥ 4 years) |

Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

The market remains moderately fragmented among global manufacturers, including Deere & Company, CNH Industrial N.V., AGCO Corporation, Kubota Corporation, and Mahindra & Mahindra Limited. These companies maintain their competitive edge through extensive dealer networks, integration of precision agriculture technologies, and diversified product portfolios spanning various horsepower categories. Global competition is increasingly shifting focus from mechanical performance to digital connectivity, telematics, and software-enabled fleet management capabilities. Meanwhile, regional manufacturers in China, India, and Eastern Europe are aggressively expanding in value-oriented segments, where affordability and localized manufacturing are key purchasing priorities for farmers.

Manufacturers are increasingly integrating hardware, precision technology, and distribution expansion into cohesive growth strategies. In 2026, Mahindra & Mahindra Limited announced plans for a large integrated tractor and automotive manufacturing facility in Nagpur to bolster long-term production capacity. Companies are also strengthening distribution partnerships in emerging agricultural economies to improve dealer access and after-sales support. These developments highlight the growing importance of technology ecosystems, software integration, and regional channel expansion alongside traditional tractor manufacturing capabilities.

Competitive opportunities are strongest in affordable precision farming systems, digital services tailored to smallholders, and infrastructure supporting autonomous equipment. Dealer consolidation is accelerating in developed markets as advanced tractors increasingly require specialized software diagnostics and connected fleet servicing capabilities. In 2025, AGCO Corporation finalized a settlement with Tractors and Farm Equipment Limited (Amalgamations Group) regarding brand use in India, Nepal, and Bhutan, refining its regional positioning strategy. Competition is increasingly centered on digital capabilities, aftermarket service execution, and regional distribution strength, rather than solely on engine performance and hardware reliability.

Agricultural Tractors Industry Leaders* Deere & Company

* CNH Industrial N.V.

* Kubota Corporation

* AGCO Corporation

* Mahindra & Mahindra Limited

* *Disclaimer: Major Players sorted in no particular order

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Component Component 3 Scope Of The Report Bottom

Global Agricultural Tractors Market Report ScopeA tractor is a farm vehicle that is used to pull farm machinery and provide the energy needed for the machinery to work. It helps to reduce the time required by farming operations and makes it easy. For this report, tractors used in agricultural operations in farming have been considered. The agricultural tractors market report is segmented by power output (less than 40 HP, 40-100 HP, 101-200 HP, and more than 200 HP), by drive type (2-wheel drive and 4-wheel drive), by engine type (diesel, electric, and hybrid), by tractor type (utility, row-crop, orchard and vineyard, and autonomous), 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 Power OutputLess than 40 HP |
40-100 HP |
101-200 HP |
More than 200 HP |

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 |
| Russia |
| United Kingdom |
| Italy |
| Rest of Europe |
Asia-Pacific | China |
| India |
| Japan |
| Australia |
| South Korea |
| Rest of Asia-Pacific |
Middle East | Saudi Arabia |
| Turkey |
| United Arab Emirates |
| Rest of Middle East |
Africa | South Africa |
| Egypt |
| Nigeria |
| Rest of Africa |

Frequently Asked Questions

What is the projected value of the agricultural tractors market by 2031?

The agricultural tractors market is forecast to reach USD 103.1 billion by 2031.

Which region leads global demand for agricultural tractors?

Asia-Pacific accounted for the largest 38.6% market share in 2025.

Which horsepower range is most important in tractor demand today?

The 40-100 HP segment led with the largest 42.9% market share in 2025.

What is driving growth rate in autonomous tractors?

Autonomous tractors are forecast to grow at the fastest 18.5% CAGR from 2026 to 2031.