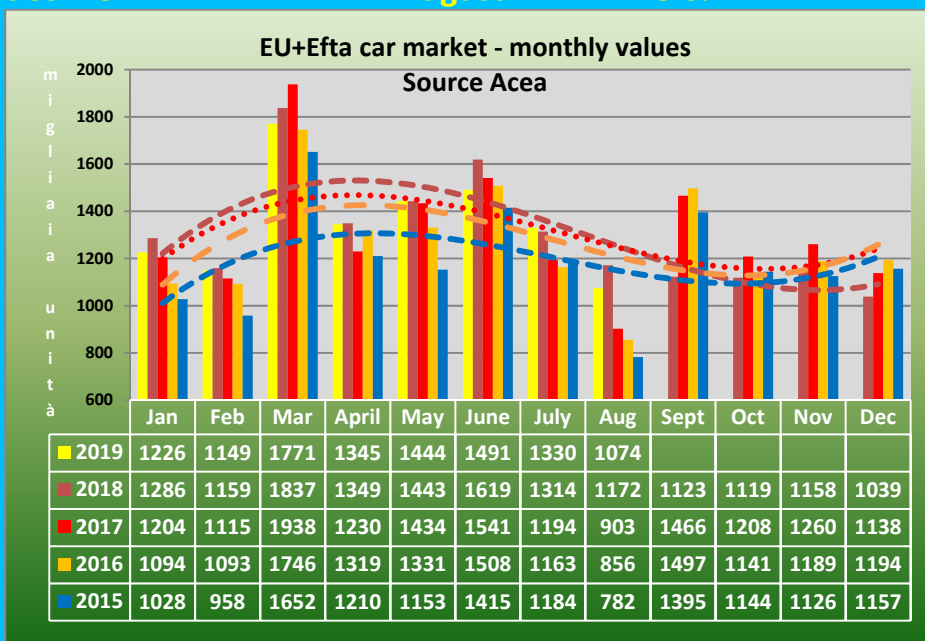


Torino, September 20, 2019

**European car market. Registrations July-August 2019**

**After a modest recovery in July (+ 1.2%) the European car market (EU+Efta) returns to decline in August: -8.6% in the month.**

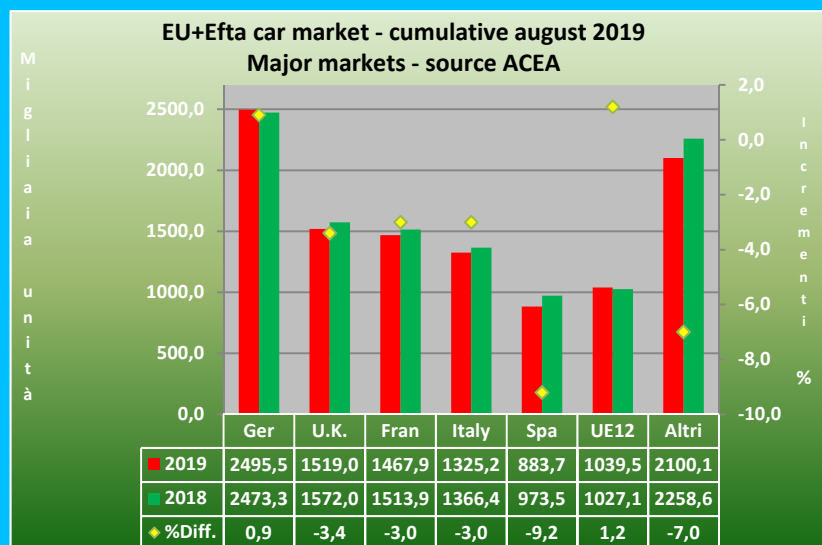


The August descent is also due to the high value of August 2018, due to advances on purchases fueled by the offer at advantageous prices of pre-WLTP cars, in view of the application of the new emissions test to all new cars registered from 1 September 2018.

Among the major markets, the largest losses in August occurred above all in Spain, which fell by 30.8%, followed by France (-14.1%), the Efta area (-

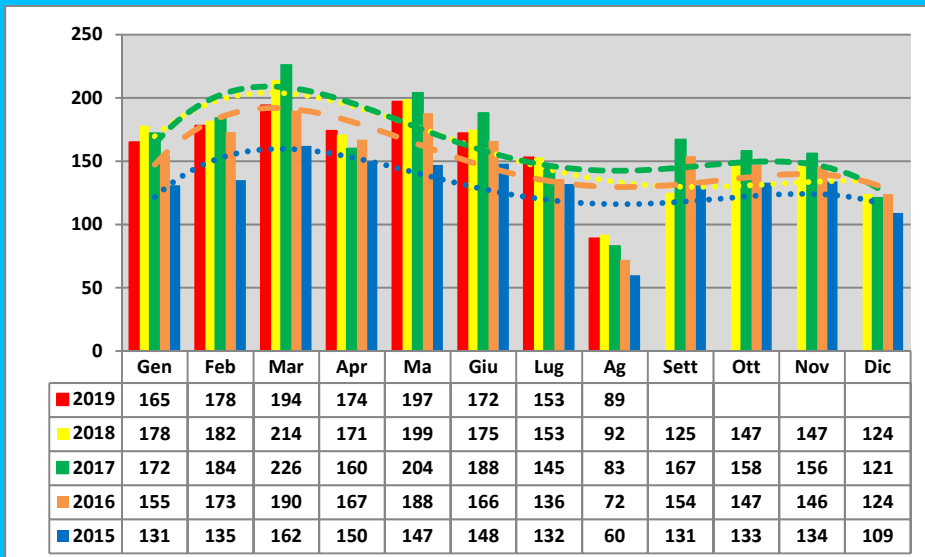
13.8%), and the EU12 (-9.5%), from Italy (-3%), from the United Kingdom (-1.6%) and from Germany (-0.8%).

In the cumulative figures for the first eight months of the year, only the results of the EU12 (+ 1.2%) [mainly due to Lithuania (+ 39.4%), Romania (+ 13.7%), and Hungary (+ 10.1%)], and Germany (+ 0.9%). Negative results for the EFTA area (-3.2%), France (-3.0%), Great Britain (-3.4%), Italy (-3.0%) and Spain (-9.2%).



As to Italy in particular down again in August the car market: -3.1% in the month. In the cumulative first eight months the demand fell by 3% to 1,325,162 units.

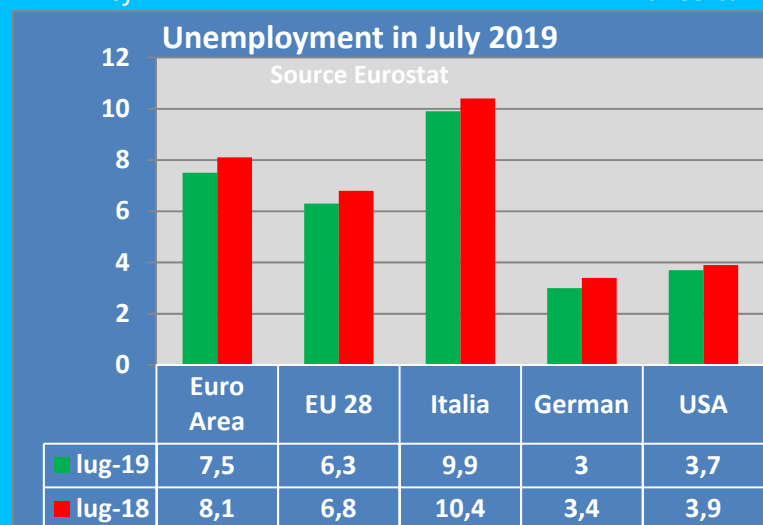
Monthly Registrations Trend. ('000 units) Source Min. Transports / Anfia / Unrae



According to Anfia "after the substantial stability of July, the car market returns to decline in August (-3.1%), also due to one working day less (21 working days in August 2019 against 22 in August 2018). In addition to the fact that August itself is a month with traditionally low volumes, it may have impacted the government crisis on purchasing decisions. It is therefore

hoped that the country will achieve political stability as soon as possible, in order to avoid a protracted climate of uncertainty.

"In an already difficult scenario for the car market, also the UNRAE hopes that a new Government will be fully operational as soon as possible, and that this will finally and seriously put on the agenda the revival of the automotive sector, one of the key sectors of our economy, which for too long has been suffering a crisis far more serious than that of the economy in general. It is absolutely necessary that the needs of public finances, although essential, continues the Unrae, do not once again see the car in the viewfinder of the tax authorities, with punitive measures that aim to make cash with excise duties, stamps, and various taxes, hitting consumers and businesses at the same time."



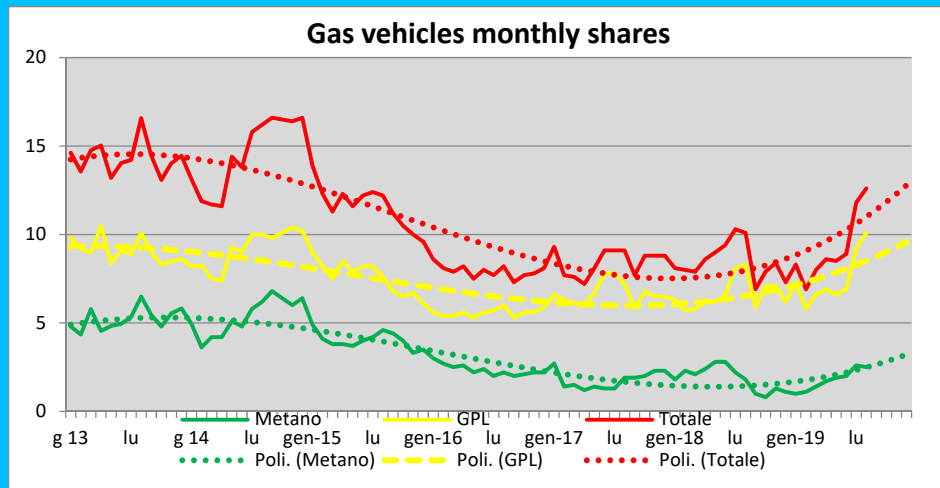
Probably convinced that following a government crisis the Democratic Party would have lined up for the return to elections (someone even talks that there would have been a tacit agreement between Salvini (Lega) and Zingaretti (PD), (up until a month ago contrary to agreements with the 5 Star Movement), Senator Salvini removed confidence in Prime Minister Conte at the beginning of August.

But surprisingly Sen Renzi came out in favor of a PD-5 Star Government, which was followed by the support of the Democratic Party to form a new Conte Government with the support of the Democratic Party and 5 Star Movement. In view of a possible parliamentary majority, President Mattarella entrusted to Prof Conte the task of forming a new

Government with the support also of the small formations of the left. Prof Conte managed to have the agreement between the 5 Stars and the whole left and the new government formation has already sworn in front of the President of the Republic and obtained the confidence of the Parliament.

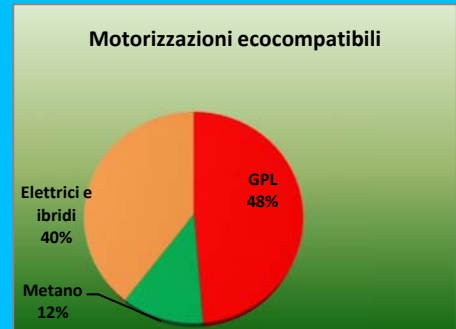
In July, unemployment figures rise slightly: 9.9% compared to 9.8% in June. They were at 10.4% in July last year. Youth unemployment also rose: 28.9% compared to 28.1% in June. It was 31.6% a year ago.

As for the automotive sector as a whole, according to preliminary ANFIA data, in June 2019 domestic car production decreased by 22.7% compared to the same month last year. In the first 6 months, car production fell by 19.9% compared



to a year ago.

The share of gas vehicles stood at 12.6% compared to 11.8% in July and also higher than that of August last year (10.1%). Together with electric and hybrid vehicles, the share of alternative-to-oil vehicles stood at 18.1% in August compared to 14.8% last year, almost exclusively due to hybrid electric vehicles. However, both LPG and CNG improve. In the month, diesel fell to 38.1% (it was 56.2% in August last year). Petrol vehicles cover 43.8% of the market in the month compared to 29.1% last year.



Consequently, with regard to eco-compatible engines, the proportions between the various alternatives continue to shift in favor of the electric and hybrid.

**Emilio di Camillo – [www.centrostudisubalpino.it](http://www.centrostudisubalpino.it) - september 2019**