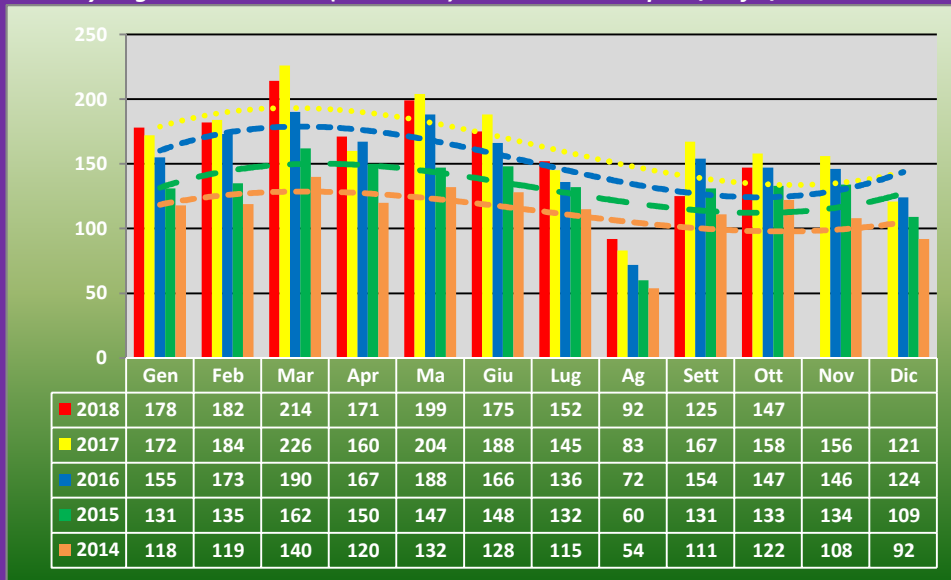


## Italian Auto Market: new cars registrations in October 2018

The Italian car market continues to decline in October: -7.4% in the month with 146,655 units registered. In the first ten months of the year 1,638,364 units were registered, 3.2% less than the same period last year.

Monthly Registrations Trend ('000 unità) Source Min. Trasporti/Anfia/Unrae

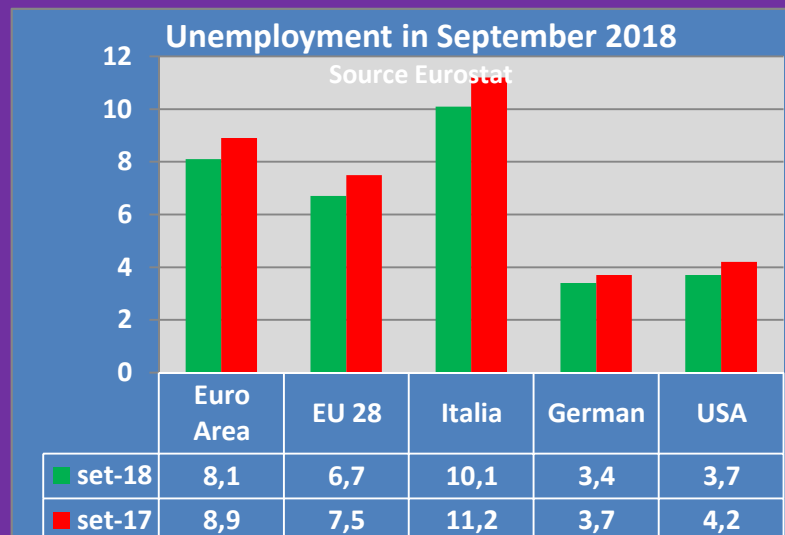


According to Anfia: "In October the car market, still partially influenced by the new WLTP regulation, responsible for an anticipation of sales in the summer months and the consequent sharp decline in September, again fell (-7.4%), but decidedly more contained than the previous month. In this

context, the Italian manufacturer is focusing on the quality of sales with good signs of growth in the most profitable channels - sales to individuals, fleets and long-term rentals - in the face of a reduction in volumes in the less remunerative.

According to Unrae: Although the primary objective of central and local administrations should be to renew the ancient Italian car fleet, the measures introduced, disconnected and in some cases destined to demonize some engines with respect to the highest environmental objective, they do nothing but generate uncertainty in the consumer who - in many cases - defers the moment of choice and replacement of the car and does not support the virtuous process of modernization of the circulating fleet "

UNRAE, in its continuous contacts with central and territorial institutions, firmly affirms the need to put in place an infrastructure plan adapted to modern technologies and a harmonization of interventions related to the mobility of citizens, in compliance with the principle of technological neutrality, the only way, in the short term, able to meet the emission limits indicated by European standards and to provide for the necessary renewal of the oldest park that at 30 June 2018,

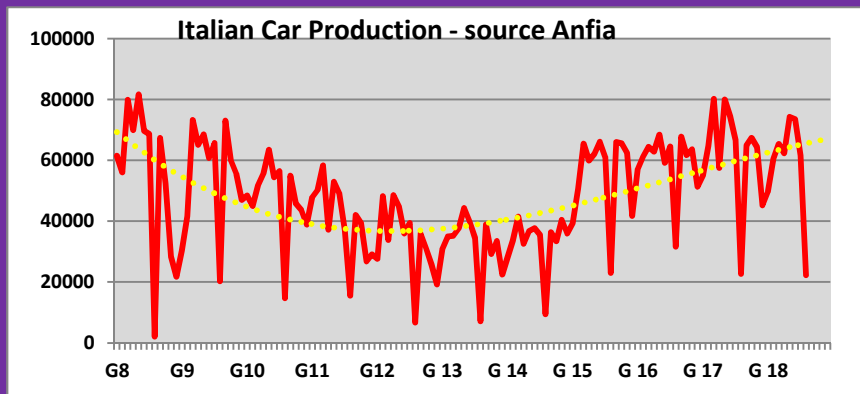


according to the most recent UNRAE estimates, counted 37, 6 million cars, with over 34% before the Euro 4, then registered before 2006 ”.

According to the press (Money.it) the Budget Law 2019 has arrived in Parliament. After a delay of more than ten days and the numerous controversies arrived after the rejection by the European Commission, the Budget Law 2019 obtained the “stamping” by the President of the Republic and is preparing to start its parliamentary procedure.

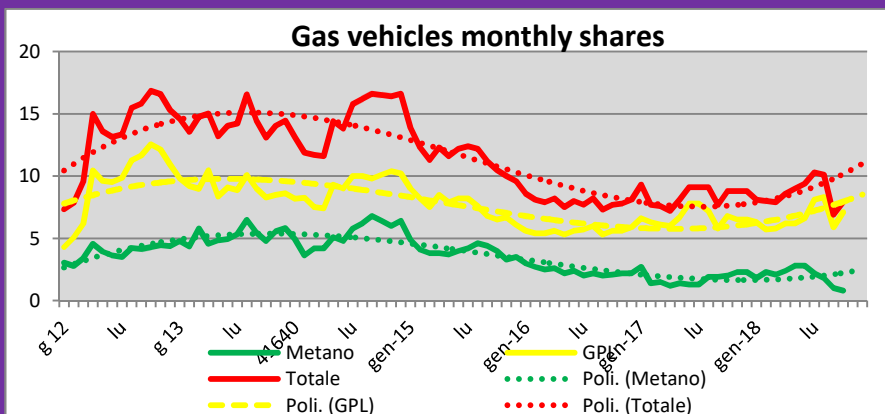
In the meantime, the unemployment rate rose again in September to 10.1%, compared to 9.8% last August. Youth unemployment remained substantially stable compared to August, (31.6% against 31.3%), but down compared to 34.6% a year ago.

Regarding the automotive sector as a whole, according to preliminary data of ANFIA, in August 2018 the domestic production of cars amounted to over 22,000 units, down 2% compared to August 2017. In the first eight months of the year in progress, the production of cars recorded a decrease of 6% (almost 470,000 cars) compared to the same period of 2017.



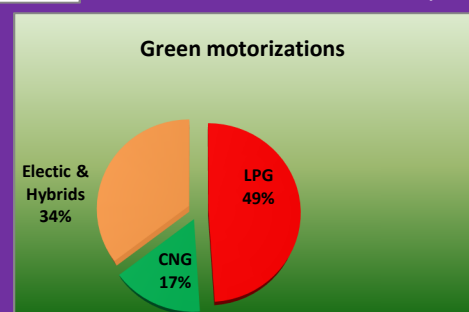
to the same period of 2017.

It goes up to 7.1% in October, compared to 6.9% last month, but still down compared to the same month last year (8.8%), the share of gas vehicles.



Together with electric and hybrid, the share of vehicles with alternative fuels to oil stood at 14.2% in October compared to 13.4% last month, thanks to the hybrid and electric engines. The methane contribution continues to decline. In the month the diesel dropped to 44% compared to 47.9% last month and 55.5% last year.

Cumulatively in the first ten months the share of diesel drops to 52.4% compared to 56.7 a year ago. Gasoline vehicles rose to 41.7% in the month compared to 38.7% in September and 31.9% in August. In the first 10 months rise to 34.3% compared to 31.9% in the first 10 months of last year. This situation was created by the "demonization" campaigns of diesel cars that are confusing and frightening customers, also in light of the impact on the residual value of their car.



As a result, for what concerns the environmentally friendly engines, the proportions between the various alternatives in October continue to shift in favor of the electric vehicles.

**Emilio di Camillo – [www.centrostudisubalpino.it](http://www.centrostudisubalpino.it) - November 2018**