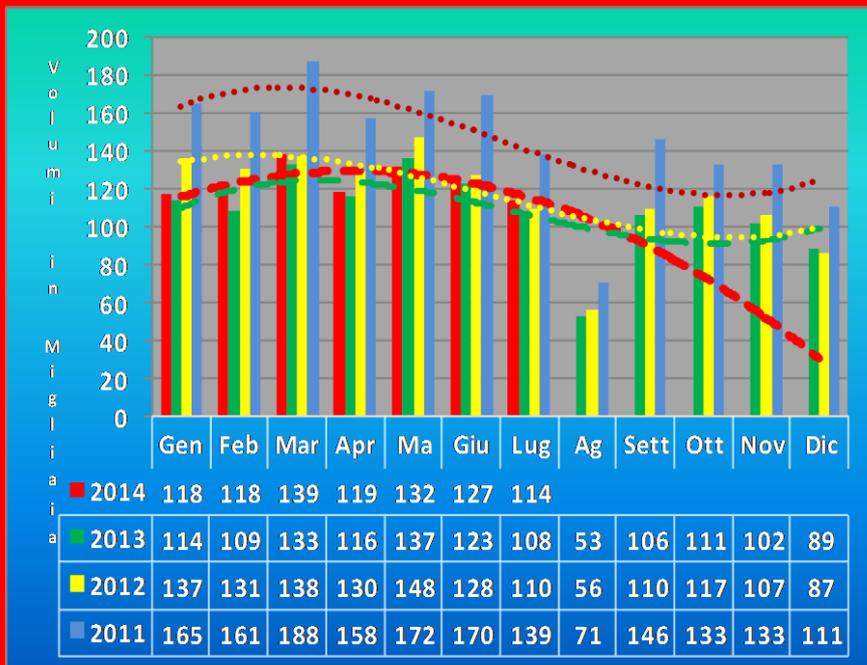


## Italian Car Market - July 2014 Registrations

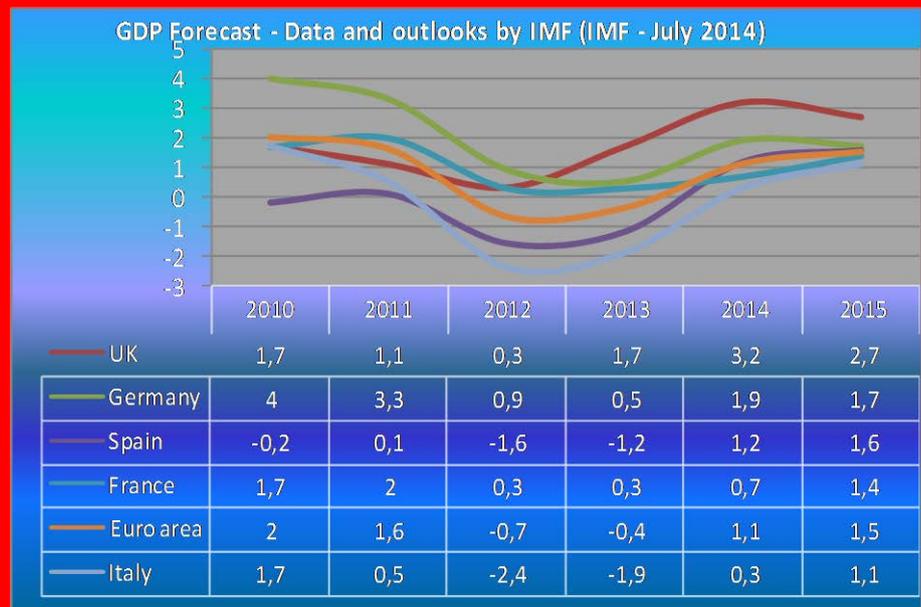
Remained positive in July the Italian car market: 113,777 units were registered , up 5% on July last year. In the first seven months, the cumulative increase over the previous year gets to +3.7% to 871 334 units. Falls in the period, the share of the Fiat Group, from 29.1% last year to 27.5% this year.

Monthly registrations. ('000 Units) Source Transport Min / Anfia / Unrae



Although July confirms a positive trend, the modest share of purchases of private customers suggests a weakness in demand that prevents from reassuring about the expected structural change of the Italian car market and is therefore difficult to draw any positive indications for the coming months, also because the comparison is always with the data extremely negative of last year, already the lowest since 2007. Meanwhile of course we hope that the market will keep the positive trend which has started in the first seven months, the reduction in the

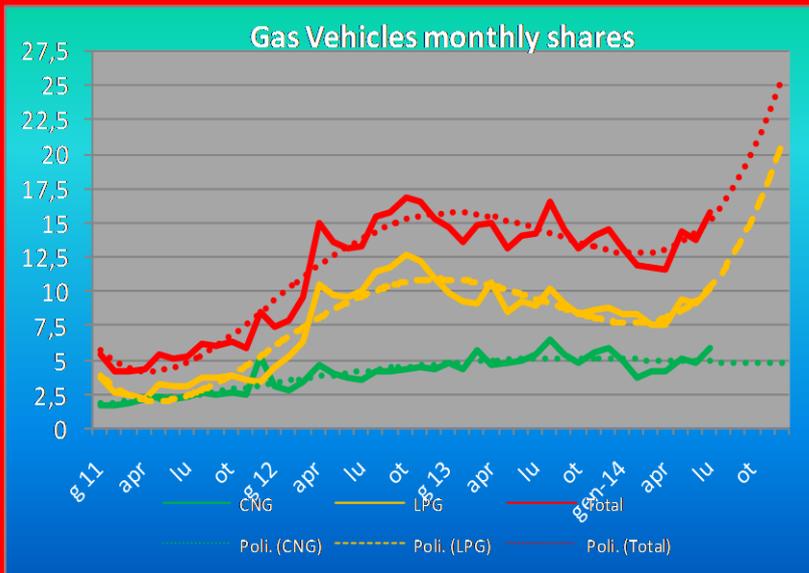
growth occurred in the second quarter suggests that we should keep cautious about future trends. This in light of the still frail economic outlook of our country, as also appears from the latest Monetary Fund forecasts that lower the GDP forecast for this year to 0.3%, by far the lowest among the major European economies . Despite all the talk of flexibility, stability law does not leave much hope, given that the real problem is not the deficit but the debt that continues to rise.



Even the recent statements of Cottarelli who reported that reductions in spending identified have already been committed to other expenses, without any possibility of lowering the tax burden confirm that we are far from a solution of our problems that can begin only with a sharp decrease of the tax burden on businesses and households and relative decrease of public expenses. This leaves practically unchanged the problems facing our economy that fails to exit the recession despite the short period of the last quarter of

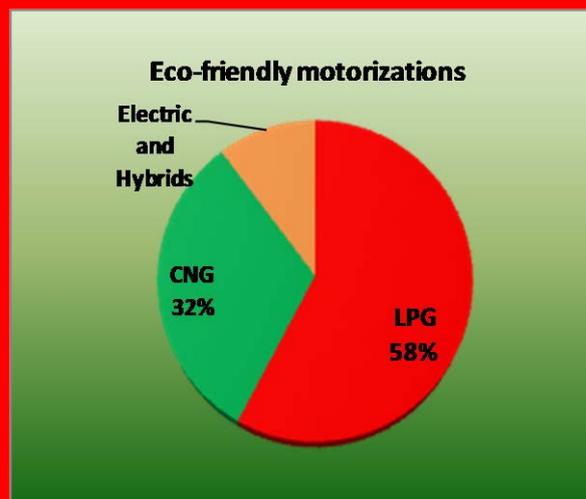
last year, when GDP grew by 0.1%. In fact, the first quarter of this year has chilled the hopes of recovery, with a further decline of 0.1%. And ISTAT has recently supplied a negative outlook of GDP in the 2nd quarter, which will be reconfirmed still down. Unemployment appears to decrease in June, an improvement of 0.3 points (12.3%) on May, but still higher than last year. Increases further unemployment among young people that rose to 43.7%, up 0.6 percentage points compared to May and by 4.3 points in trend comparison. Meanwhile, for the Democratic Party, led by Matteo Renzi, despite the great success in elections to the European Parliament, is becoming increasingly difficult to approve the reforms, including those essential to ensure a positive attitude in the European Union towards our needs.

Grew up in July the market for gas-powered vehicles, with a 15.8% share, significantly higher than that of last year in July (14.2%).



Together with the share of electric and hybrid alternative fuel vehicles came in July to 17.1%, a significant increase compared to last June and July of last year (15.5%). In the first seven months cumulative gas vehicles accounted for 13.2% of the market, but still down compared to the same period last year (13.9%). The diesel stood in the month at 55.6%, higher than the 54.5% of last year, and gasoline drops further to 27.3%, compared to 29.9% last year. In the cumulative diesel ended the period at 55.9% against 53.7% last year. The petrol cars down from

31.4% to 29.3%. As for the engines, the proportions of the various eco-friendly alternatives is even more in favor of the gas engines, leaving only 10% to electric and hybrid cars, despite major investments of the latter engines and related media campaigns and promotions



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