



UE-EFTA: the result for December (-4.8%) reduces the market growth for 2017 to +3.3% with 15.6 million new registrations.

The sales of new diesel cars are falling and the average CO₂ emissions are rising in some large markets, such as the UK and Germany.

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The countries of the European Union extended to the EFTA, recorded 1,136,552 new registrations in December 2017, down by 4.8% compared to the same month of 2016, according to data released by ACEA.

In the EU/EFTA, the decrease in volumes amounted to 57 thousand cars, of which 27 thousand in the 5 major markets (Germany, UK, France, Italy, and Spain). The five major markets have registered 72.5% of the EU28-Efta market, with 823,838 cars (-3.2%).

In the EU15+EFTA area, the market totalled 1,028,142 new registrations (-5.3%).

In the EU New Member States area, the market totalled 108,410 new registrations (the same volume of 2016), equal to 9.5% of the EU/EFTA market. In Poland, sales of new cars in the month grew by 9.8% and in the Czech Republic fell by 9%, with the two countries accounting for 63% of the December EU12 market.

In January-December 2017, vehicle registrations of the EU extended to the EFTA amounted to 15,631,687, up by 3.3%, equal to 500 thousand registrations more than in January-December 2016.

In the EU15+EFTA area, in the same period, the market totalled 14,323,102 new registrations (+2.5%), with an increase on 2016 of over 351 thousand new cars.

In the EU12, the market totalled 1,308,585 new registrations, 12.8% on 2016. The Polish market grew by 16.9% from January to December 2016 and represents 37% of the EU12 market.

In 2017, the five major markets registered 72.3% of the EU28-EFTA market, with 11,298,055 cars (+2.4%).

EU-Efta - NEW PASSENGER CAR REGISTRATIONS

	December 2017	December 2016	% chg
EU15+EFTA ¹	1,028,142	1,085,278	-5.3
EU12	108,410	108,453	0.0
EU ² +EFTA	1,136,552	1,193,731	-4.8
<i>5 major markets³</i>	823,838	850,877	-3.2
<i>% on total market</i>	72.5%	71.3%	
	Year 2017	Year 2016	% chg
EU15+EFTA ¹	14,323,102	13,971,490	2.5
EU12	1,308,585	1,160,288	12.8
EU ² +EFTA	15,631,687	15,131,778	3.3
<i>5 major markets³</i>	11,298,055	11,032,471	2.4
<i>% on total market</i>	72.3%	72.9%	

¹ Efta include Islanda Norway Swiss

² excl. Malta

³ Germany, France, UK, Italy, Spain

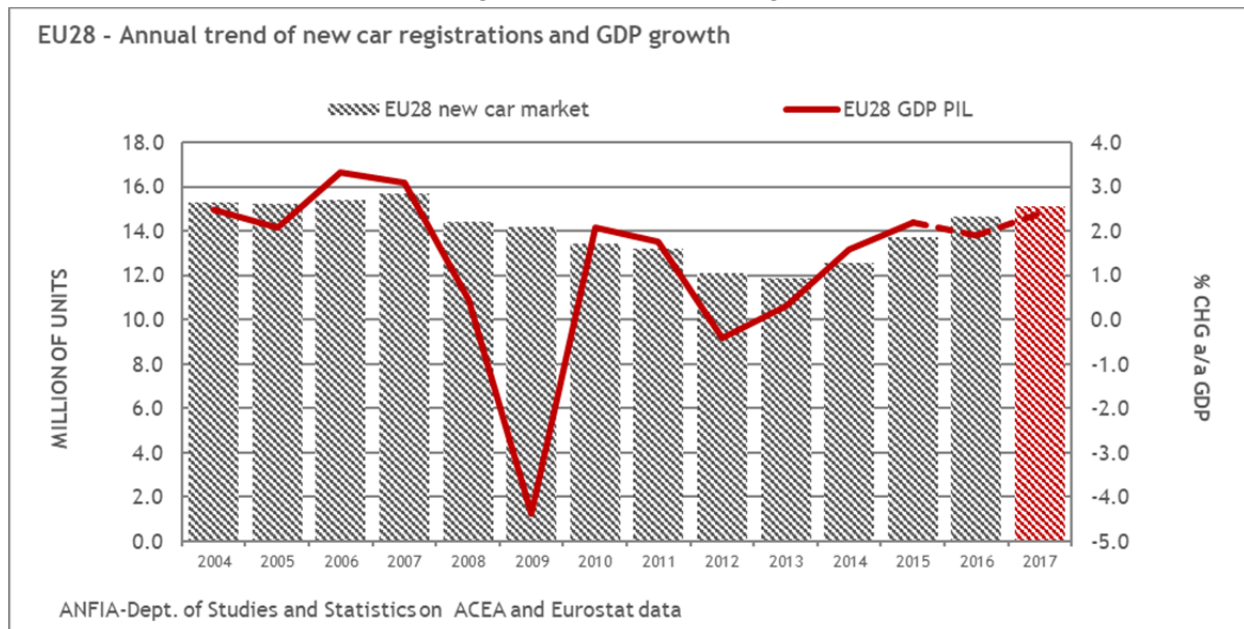
Registrations of the FCA Group declined by 16% in December (over 40% of the European decline is attributable to the Italian market), with 62,200 units sold and a market share of 5.5%, compared to 6.2% in December 2016. The FCA Group ranks 7th for volumes sold in the month, behind the VW, PSA, Renault, BMW, Ford and Daimler Groups. Jeep sales increased in the month by 12%. In the 2017 cumulative, the FCA Group recorded a growth trend of 5.2% and a market share of 6.7% (6.6% in 2016), behind the Volkswagen, PSA (including Opel) and Renault groups.

After the growth of 8.2% in the first quarter of 2017, the European market decelerated sharply in April-June, with a trend increase of just 1.1%, which almost halved the growth of 4.6% in the first half of the year. In the second quarter, the share of diesel vehicles sold in Europe already showed a significant decline in the major markets such as Germany, the United Kingdom and France. These massive and rapid changes exceed the adaptation capacity of the sector and generate imbalance in the production mix, creating excesses in stocks and the need to resort to short-term measures, such as incentives and “0 km”. New registrations increased by 1.3% in the third quarter, followed by a 2.3% increase in the fourth quarter due to market increases of around 6% in October and November.

The main reason for the slowdown is due to the UK market, which has been among the most dynamic for several years, but which has reversed its trend, for the first time in 60 months, in April 2017. Furthermore, it has emerged that not only in the United Kingdom, but also in other major markets, dealerships are saturated with vehicles in stock, increasing due to the use of short-term commercial policies. Furthermore, the rapid decline in diesel car sales in many European markets is forcing manufacturers to quickly adapt the product mix to the demand. Here is how the diesel car market is changing in 2017: in Germany the fall is 13%; in France the decrease is 5%, in the UK the fall is 17% and 9% in Spain. In contrast, Italy, where the diesel market recorded an annual increase of 7%, determined by a +21% sales of diesel cars to companies, while sales of diesel cars to the private sector fell by 6%.

This trend requires manufacturers to revise their sales and production plans. Diesel cars produce lower CO₂ emissions than petrol cars, whose sales are increasing; this is a factor that negatively affects the decrease in the average CO₂ emissions of new registered cars.

Car registration trend and GDP growth



The economic growth in the euro zone is expected to increase by 2.4% in 2017, the highest annual growth rate recorded since 2007 (Eurozone Economic Outlook, 10. 1.2018 Istat).

EUROPEAN UNION¹ – CAR REGISTRATIONS PER COUNTRY

EUROPEAN UNION¹ - NEW CAR REGISTRATIONS

provisional data

	December		% chg	Gennaio/Dicembre		% chg
	2017	2016	17/16	2017	2016	17/16
AUSTRIA	25,651	25,662	-0.0	353,320	329,604	+7.2
BELGIUM	28,072	33,523	-16.3	546,558	539,519	+1.3
BULGARIA	3,064	3,555	-13.8	31,244	26,370	+18.5
CROATIA	2,024	3,383	-40.2	50,412	43,015	+17.2
CYPRUS	713	846	-15.7	13,080	12,671	+3.2
CZECH REPUBLIC	19,967	21,913	-8.9	271,595	259,693	+4.6
DENMARK	16,516	19,394	-14.8	221,818	222,917	-0.5
ESTONIA	1,498	1,304	+14.9	25,020	22,429	+11.6
FINLAND	8,068	8,151	-1.0	118,581	119,000	-0.4
FRANCE	193,372	194,372	-0.5	2,110,748	2,015,177	+4.7
GERMANY	253,950	256,533	-1.0	3,441,262	3,351,607	+2.7
GREECE	5,396	4,765	+13.2	88,083	78,873	+11.7
HUNGARY	10,832	9,750	+11.1	116,265	96,552	+20.4
IRELAND	159	434	-63.4	131,355	146,649	-10.4
ITALY	121,100	125,062	-3.2	1,970,497	1,825,892	+7.9
LATVIA	1,299	1,144	+13.5	16,692	16,359	+2.0
LITHUANIA	1,967	1,418	+38.7	25,865	20,320	+27.3
LUXEMBOURG	2,844	3,065	-7.2	52,775	50,561	+4.4
NETHERLANDS	17,528	35,505	-50.6	417,075	381,885	+9.2
POLAND	48,011	43,721	+9.8	486,352	416,123	+16.9
PORTUGAL	17,058	16,988	+0.4	222,134	207,330	+7.1
ROMANIA	6,967	9,331	-25.3	105,083	94,919	+10.7
SLOVAKIA	8,029	8,010	+0.2	96,085	88,163	+9.0
SLOVENIA	4,039	4,078	-1.0	70,892	63,674	+11.3
SPAIN	102,943	96,888	+6.2	1,234,931	1,147,009	+7.7
SWEDEN	34,958	37,281	-6.2	379,393	372,318	+1.9
UNITED KINGDOM	152,473	178,022	-14.4	2,540,617	2,692,786	-5.7
EUROPEAN UNION	1,088,498	1,144,098	-4.9	15,137,732	14,641,415	+3.4
EU15 ²	980,088	1,035,645	-5.4	13,829,147	13,481,127	+2.6
EU12 ³	108,410	108,453	-0.0	1,308,585	1,160,288	+12.8
ICELAND	905	706	+28.2	21,277	18,442	+15.4
NORWAY	16,077	13,602	+18.2	158,650	154,603	+2.6
SWITZERLAND	31,072	35,325	-12.0	314,028	317,318	-1.0
EFTA	48,054	49,633	-3.2	493,955	490,363	+0.7
EU + EFTA	1,136,552	1,193,731	-4.8	15,631,687	15,131,778	+3.3
EU15 + EFTA	1,028,142	1,085,278	-5.3	14,323,102	13,971,490	+2.5

SOURCE: NATIONAL AUTOMOBILE MANUFACTURERS' ASSOCIATIONS

¹ Data for Malta n.a.

³ Member States having joined the EU since 2004

² Member States before the 2004 enlargement

Major European Markets

Results of the Major European Markets.

In 2017, 11.3 million new passenger cars were registered in the 5 major European markets, 2.4% more than in 2016 and 4% less than the pre-crisis volumes in 2007. In Italy and Spain, where the financial and economic crisis has been heavier, the market, though constantly growing since 2014, is lower than the 2007 volumes, respectively by 21% and 23.5%. In Germany, a market volume of less than 3 million was recorded in 2009 only and, at the end of 2017, new registrations exceeded the 2007 volumes by 9%. The English market, on the other hand, has been growing since 2012 and has reached the historical 2016 sales record with over 2.69 million new registrations; although down 5.7%, the volumes registered in 2017 represent the 3rd largest market in the last decade. In 2017 the French market returned to the 2007 levels.

MAJOR EUROPEAN MARKETS- ANNUAL REGISTRATION TREND OF NEW CARS

Source: ANFIA on data of National Associations

Annual volumes

in million	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	% Chg 17/16	% Chg 17/07
GERMANY	3.15	3.09	3.81	2.92	3.17	3.08	2.95	3.04	3.21	3.35	3.44	2.7%	9.3%
UK	2.40	2.13	1.99	2.03	1.94	2.04	2.26	2.48	2.63	2.69	2.54	-5.7%	5.7%
FRANCE	2.11	2.09	2.30	2.25	2.20	1.90	1.79	1.80	1.92	2.02	2.11	4.7%	0.1%
ITALY	2.49	2.16	2.16	1.96	1.75	1.40	1.30	1.36	1.58	1.83	1.97	7.9%	-21.0%
SPAIN	1.61	1.16	0.95	0.98	0.81	0.70	0.72	0.86	1.03	1.15	1.23	7.7%	-23.5%
5 major markets	11.77	10.64	11.22	10.14	9.88	9.13	9.04	9.53	10.37	11.03	11.30	2.4%	-4.0%

Index Base 2007=100

Index	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GERMANIA	100	98	121	93	101	98	94	96	102	106	109
UK	100	89	83	84	81	85	94	103	110	112	106
FRANCIA	100	99	109	107	104	90	85	85	91	96	100
ITALIA	100	87	87	79	70	56	52	55	63	73	79
SPAGNA	100	72	59	61	50	43	45	53	64	71	76
5 major markets	100	90	95	86	84	78	77	81	88	94	96

Diesel cars in the 5 major markets. The market for new diesel cars of the five major markets suffered a sharp decline in 2017: -8% compared to the volumes of 2016, equal to 460 thousand less cars. The market underwent significant downsizing in the years 2008, 2009 and 2013. In the five major European markets, diesel car sales are 22% less than the volumes of 2007, with a share that has fallen to 45% of the market, 11 points less than the 2007 share. The decline in the diesel market has favoured petrol cars and hybrid cars. The change taking place in the European market, occurs beyond the actual environmental shortcomings of the diesel, which is a virtuous engine in terms of efficiency, and therefore, thanks to fuel consumptions lower than those of equal capacity petrol engines, produces lower specific CO₂ emissions, but more critical for nitric oxide emissions (NOX), i.e. those at the centre of the *dieselgate* and particulates scandal.

MAJOR EUROPEAN MARKETS- ANNUAL REGISTRATION TREND OF NEW DIESEL CARS

Source: ANFIA on data of National Associations

in million	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	% chg 17/16	% chg 17/07
Germany	1.50	1.36	1.17	1.22	1.50	1.49	1.40	1.45	1.53	1.54	1.34	-13.2%	-11.0%
UK	0.97	0.93	0.83	0.94	0.98	1.04	1.13	1.24	1.28	1.29	1.07	-17.1%	10.2%
France	1.56	1.62	1.63	1.59	1.60	1.38	1.20	1.15	1.10	1.05	1.00	-5.0%	-36.1%
Italy	1.39	1.09	0.90	0.90	0.97	0.75	0.70	0.75	0.87	1.04	1.11	6.9%	-19.7%
Spain	1.14	0.80	0.67	0.69	0.57	0.48	0.48	0.57	0.65	0.65	0.60	-8.6%	-47.9%
5 major markets	6.56	5.81	5.20	5.35	5.61	5.14	4.91	5.15	5.42	5.57	5.11	-8.2%	-22.1%
% on tot. Market	56%	55%	46%	53%	57%	56%	54%	54%	52%	50%	45%		

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The increasingly restrictive regulations regarding the car and its emissions (currently set at 95 g/km of average emissions of carbon dioxide by 2021) will progressively increase the costs of adapting diesel engines. Producing *small diesel cars* will not be convenient for manufacturers. An excessively rapid exit of diesel cars from the market will make it more difficult to achieve the environmental objectives, since the decline of diesel is only partly offset by alternative powered cars.

Hybrid cars are a cross between combustion engine and electric cars and are not all the same. Only full hybrid cars can travel for short distances - and at limited speed - in electric mode (which includes the plug-in version, with lower emissions, which allows recharging the batteries via a mains cable). They are suitable above all in urban environments and less in long motorway sections (the combustion engine is always used while traveling at a speed of 130 km/h for long distances, while the lack of decelerations prevents the batteries from recharging). Purchase price and maintenance costs (due to the more complex technology and batteries) are higher than a petrol or diesel car. Driving behaviour is also key to achieving maximum environmental benefits. Finally, driving modes (combustion or electric) and driving style are factors that are difficult to verify and measure in order to quantify the effective advantage in reducing overall emissions from the circulation of traditional hybrid cars.

A detailed overview of the five major European markets:



In Germany, 253,950 new cars were registered in December 2017, -1% on December 2016.

The cars registered to private individuals amount to 36% of the market (+6% on December 2016), while "commercial vehicles" amount to 64% (-4.5%). Sales of petrol cars grew by 14% and represent 62% of the market, while diesel cars recorded a decrease of 24% with a 33.4% share; the alternative powered cars are 4.5% of the market.

In January-December 2017, 3,421,262 new cars were registered (+2.7%), of which 69% German brands, a share that fell to 61% for German brands manufactured in Germany. Cars registered to private individuals represent 36% of the market, while the commercial cars account for 64%. In the market distribution for fuel type, petrol cars occupy 58% of the market, diesel cars fall to 39% (46% in 2016) and alternative fuel cars amount to 3.4%.

Sales of alternative fuel cars are divided into: 84,675 hybrid cars (2.5% of the market, +76% increase), of which 29,436 plug-in hybrids (+114%); 4,400 LPG cars (0.1% share); 3,723 methane cars (0.1% share), 25,056 electric cars (0.7% share, +120% increase). Overall, this is a market of about 118 thousand cars (+81%).

In 2017 the average CO₂ emissions of the new registered cars rose to 127.9 g/km (0.5 g/km above the 2016 average), an effect determined by the fall of the diesel car market (-13% on 2016, that in volumes means over 200 thousand cars), which have lower emission levels than petrol cars (220 thousand more cars sold in 2017).

The Fiat brands grew in 2017 (+9%), especially Alfa Romeo, with an increase of 42%, the best performance of the German market after that of Tesla, up by 75% (3,332 new registrations).

The used car market was down 8% in December, while from the beginning of the year it totalled 7,298,282 ownership transfers (-1.4%). Overall, the German market transferred 10.8 million cars between new and used cars in the year.
(KBA data)



In France, the car market recorded 193,372 new registrations in December 2017, down by 0.5% compared to December 2016 (+9.4% for the same number of working days) and 2,110,748 registrations in the whole of 2017, +4.7%. The French brands recorded an annual increase of 6.7%, with a share of 54.5% of the 2017 market.

In 2017, diesel car registrations lost 5% of the market (a fall of over 52 thousand units) and the share decreased to 47.3% (52% in 2016 and 73% in 2012). Petrol cars, with 47.6% of the market, gained 3.8 points compared to 2016, thanks to a 14% increase in sales. The alternative fuel car market represents 5.1% of the market, with 108 thousand eco-friendly cars, of which 24,910 electric cars (+14.5% and a 1.18% share), 11,868 plug-in hybrids (+60% and a 0.56% share), 69,679 hybrids (+37% and a 3.3% share).

In January-December, sales of the FCA group grew by 10%, thanks to the good performance of the Alfa Romeo (+26%), Fiat (+9%) and Jeep (+9%) brands.

The used car market in 2017 amounted to 5,668,604 units, +0.6%. (CCFA data)



In Spain, the market in December totalled 102,943 new registrations, up 6.2% on December 2016. In 2017, total car registrations totalled 1,234,931 units (+ 7.7%).

According to the sales channels, the market for the year is broken down as follows: 639,451 sales to private individuals (+4.4% and a share of 51.7%), 370,442 sales to companies (+12.8% and a share of 30%) and 225,058 sales for rental (+9.2% and a 18% share).

The sales of diesel cars in the year represents 48.3%, petrol 46.6%; hybrids + electric are 5.1%. SUVs of all sizes acquired 35.6% of the market in 2017. FCA brands do well, with an annual increase of 11% for Fiat, 27% for Alfa Romeo, 23% for Jeep and 33% for Maserati.

The average age of circulating cars remains high, 12 years. According to industry associations, measures are needed to rejuvenate the fleet and to withdraw the older and more polluting cars from circulation.

(ANFAC data)



In December 2017, 152,473 cars were registered in the **United Kingdom**, down for the ninth consecutive month (-14.4% on December 2016) and 2,540,617 cumulatively, the third highest volume of the decade, although down 5.7%, the first in the last 6 years. Sales to private individuals in the year recorded a decline of 6.8% and a share of 44.2%. Company fleets record volumes down by 4.5% with a 52% share. In December, sales of diesel cars declined by 31%, while the market share for the whole of 2017 fell to 42% with a loss of almost 220 thousand units (-17%). "Many buyers hesitate to choose a diesel car due to the rhetoric against diesel and for fear that taxation will affect this engine," said SMMT in its statement, reiterating that the new generation diesel cars offer lower long-haul consumption and emissions and savings in terms of fuel costs¹. On the other hand, the share of new petrol cars grew by 4.3 points, with a market share of 53.3%; in December, alternative fuel cars acquired a 5.6% share of the market and 4.7% cumulatively (+35% the annual increase in volumes sold). In 2017, traditional hybrid cars recorded an increase of 40% and electric (battery) 32.5%, while plug-in hybrid cars increased by 25.5%. Together, battery-powered electric cars and plug-in hybrid cars represent 1.9% of the market cumulatively from the beginning of the year.

The British traditional hybrid car market is the largest among the EU countries with 72,523 cars in 2017 (+40%), followed by France (69,679) and Italy (63,398), and the first of the plug-in hybrids (33,666), ahead of Germany (29,436) and France (11,868). Since the launch of the Plug-in Grant incentive plan, in January 2011, 127,509 cars were incentivised.

The Abarth and Maserati brands are on the rise, with increases of 12% and 19% respectively in 2017.

The CO₂ emissions of the new cars sold have increased for the first time since 1997: 121.04 g/km being the average for 2017, an increase of 0.8% compared to 2016. After 19 consecutive declines (up to 2016), in 2017 a trend reversal is recorded.

According to SMMT, the British industry association, "the industry has spent billions of pounds on investments in advanced engine, fuel and battery technologies to help reduce CO₂ emissions. Customers gather the benefits of this investment in fuel savings with more efficient engines and therefore a reduction in costs compared to previous models. Diesel cars, which have more fuel efficient engines, emit on average 20% less CO₂ with respect to the equivalent performance petrol engine vehicle. It is disappointing, says SMMT, to see this progress weakened by the backlash against the cleaner and lower-emission diesel, with the recent drop in sales being the main cause of this CO₂ emissions increase".

¹ Average diesel fuel bill savings: £132, all car average; £287, dual purpose (SUV); £311 upper medium D-Segment (family); £412, executive. Based on SMMT MVRIS data, AA fuel price data and National Travel Survey 2016 average mileage of 10,400.



In December 2017, the car market in Italy exhibits the second negative sign of 2017 (after the fall in April), due largely to calendar effects, being that December 2017 totalled two working days less than December 2016 (18 working days in December 2017 against 20 in December 2016). In December, more than 121 thousand cars were registered, 3% less than in December 2016.

The market in January-December totalled 1.97 million new registrations (+7.9%). In the year just ended, the trend of gradual growth, which started in 2014 after six consecutive years in decline, continued and the volumes achieved exceeded the symbolic threshold of 1.9 million units, confirming Italy as the fourth EU market after Germany, United Kingdom and France. This result was also possible thanks to the promotional campaigns of car manufacturers and sales networks, since the demand for new cars is still rather weak.

The share of the national brands, FCA Group, Ferrari, Lamborghini and Dr Motor, is equal to 29% of the total market, unlike the sales of the French and German national brands which hold respectively 54.5% and 69% of the total market in 2017.

In 2017, more than half of the sales involved diesel powered cars, with volumes up 7% compared to 2016. The "*dieseldate*" scandal by Volkswagen and the failure to respect the energy and environmental performance of vehicles declared by some car manufacturers, as well as the imposition of restrictions or traffic circulation stoppages, especially for diesel cars, due to the high levels of smog in many Italian cities, have not limited the diffusion of diesel cars in the Italian market, which closed 2017 at a high, 56.4% (57% in 2016), unlike what has happened in many European countries. They saw a reduction in the influence of the diesel market, Germany at 39% (46% in 2016), UK at 42% (48% in 2016), France at 47% (52% in 2016).

Alternative fuel cars in Italy have attained 11.7% of the market, up 24% on volumes in 2016; the sector is composed of: 6.5% petrol-LPG cars, 1.7% petrol-methane cars, 0.1% electric cars, 3.4% hybrid cars (including plug-ins). The volumes of the alternative fuel car market make Italy the first market in Europe and the second market after Norway for its market share. These results, obtained thanks to the development of gas engines, have allowed our country to achieve a fleet of over 911 thousand natural gas cars and 2.2 million LPG cars (2016 data) and to have the largest distribution network in Europe. Sales of hybrid cars (excluding plug-in hybrids) were 63 thousand, up 71%. Italy has become the third market in Europe for hybrid cars (excluding plug-in). The volumes of plug-in hybrid cars doubled in 2017. The main target of the hybrid car market (including plug-in) is the private sector, which, with 48 thousand units, accounts for 72% of the hybrid car market. A total of 1,967 electric cars were sold, of which only 14% registered to private individuals (280 cars from the beginning of the year, +33%), while cars registered to companies were 86% (1,687 cars from the beginning of the year, +45%). Electric cars have recorded an increase of 43% since the beginning of the year, with average monthly sales in 2017 equal to 164 units.

The average CO₂ emissions of the new cars sold in 2017 fell slightly (-0.3%) compared to the average levels of 2016. According to ANFIA, calculations on data from the Ministry of Infrastructures and Transport, the average emissions for 2017 are 112.6 g/km. According to these preliminary data, we can assume that the increase in the average CO₂ emissions of the new cars sold did not occur because the "diesel" market in Italy held.

According to ACI data, net ownership transfers amounted to 2,950,500 in 2017, an increase of 4.7% and mini-transfers amounted to 2,402,503, +8.5%, equal to 45% of all changes of ownership, which were over 5.35 million (+6.4%). In 2017, increases of 2.8% were observed for car scrapping with 1,411,354 cases compared to 1,372,683 in 2016. Considering the positive balance for cars between first registrations and scrapping (provisional data), the circulating fleet should record a new increase of 1.5% on 31-12-2017.

New EU Member States Area

The market for new cars in the new EU Member States area totalled 1.31 million units registered with an increase of 12.8% on 2016 and 2.2% on 2007. All markets of the area show to be growing in 2017.

More than 100 million people live in this area and 12.5 cars are sold per 1000 inhabitants, against an average of 34 in the EU15 and 35 in the EFTA.

UE12 NEW MEMBER STATES - ANNUAL REGISTRATIONS TREND OF NEW CARS

Source: ANFIA on ACEA data

in million	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	% Chg 17/16	% Chg 17/07
Volumes	1.28	1.26	0.87	0.86	0.84	0.80	0.80	0.91	1.03	1.16	1.31	12.8%	2.2%

The main markets of the area are those of Poland and the Czech Republic:



In December 2017, registrations in Poland were 48.011 with a 9.8% growth, the 33rd consecutive increase. Since the beginning of the year, 486,352 new cars have been registered, 16.9% more than in 2016. The market for new cars registered to private individuals accounts for 30% of the total market, equal to 147,413 cars, up by 9.7%, while the market for new cars registered to companies totalled 338,939 units (+20.3% on 2016), 70% of the market. The new cars market is joined by that of imported used cars, registered for the first time in Poland, and in 2017 the market is worth 869.364 cars (-8.7%): 9.8% of these cars has up to 4 years of age, 36.9% from 5-10 years and 53.3% over 10 years. Despite the introduction of cars over 10 years old, the Government has planned that "one million electric vehicles will be used on Polish roads by 2025": with this objective the Government intends to support the development of an innovative local industry. A detailed electro-mobility development plan was published, with three phases of actions, including the provision of incentives for the purchase of electric vehicles and the construction of charging infrastructures. The Polish government has planned a series of incentive measures for the development of electro-mobility, which also includes the purchase of a fleet of electric buses by 2020. The development of electric mobility in Poland aims to support local industry, both regarding the production of electric vehicles as well as components.



In the Czech Republic 271,595 new cars were registered in 2017, with a trend increase of 4.6%. With a fleet exceeding 5 million cars, the average age is quite high: 14 years. There are 48 cars per 100 inhabitants.

To complete the data on the European continent, we also report the results of Turkey and Russia:



The passenger car market in Turkey, after a 23.5% growth in 2015 and 5% in 2016, recorded in November (last month available), 75,956 new registrations, a decrease of 21% after the 11% increase in October. In January-November 2017, with 623,065 cars registered, the trend decrease was 4%.



The *light vehicle* market in Russia recorded a growth trend in December 2017 of 14% with 166,013 new registrations. The 2017 market closes with an increase of 11.9% and 1,595,737 units sold. The following brands dominate the 2017 market: Lada (20% share), Kia (11%), Hyundai (10%), Renault (9%), Toyota (6%) and VW (6%). According to Business Monitor International, the light vehicle market is expected to grow up to 2021, with volumes that, at the end of the period, will still remain lower than the high levels reached in 2013. The planned increase in VAT in 2019 will likely drive many consumers to buy cars by the year 2018; expectations for the new year remain very positive, also thanks to a positive climate of confidence for consumers and interest on car loans that continue to decline, which contributes to improving the accessibility of new cars with credit. Finally, the somewhat low number of car owners suggests a potential growth of the market, especially in rural areas. In 2018 market support measures introduced in July 2017 continued, the government announced a series of new leasing programs that provide discounts for those buying a car for the first time and for large families.

Global market

Worldwide sales of cars - 2017 (preliminary data)

In 2017, world sales of cars reached 71.3 million, with a growth of 2.5%, according to estimates by Business Monitor International. Emerging markets contributed to the growth: Brazil (+10%), Argentina (+24%), China (+1.4%) and Russia.

In the traditional economies, the passenger car market (excluding light trucks) increased in Japan (+5.8%) and in Western Europe (+2.5%). In the NAFTA area, the passenger car segment (37% of the light vehicle market) recorded a fall of 10.5% in 2017 (US -11.5%, Canada -3.7%, Mexico -7.7%), while the light truck segment (many of them used as passenger cars) grew by 4.7%.

The Business Monitor International projection for 2018 is 73.91 million cars (+3.6% on 2017); Emerging markets will drive growth in the new year, especially the areas of Latin America and MENA (Middle East and North Africa, down in 2017).

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Sales for non-European countries - December and the year 2017

Light vehicle sales in the NAFTA area, despite a decrease of 6% in December 2017, exceeded the threshold of 20 million new registrations for the third consecutive year (20,697,614 LVs). The USA and Mexico declined respectively by 2% and 5%, partly offset by the 4% growth in the Canadian market.

Sales in the United States in 2017 amounted to 17,134,733, down 1.9%. This volume exceeds 17 million units for the 3rd consecutive year. Sales of imported light vehicles (LV) decreased by 0.2% and domestic production sales by 2.4%.

FCA registered 2,042,173 light vehicles (-8.4%) with a 12% share. Ford recorded a decrease of 1.2% cumulatively (14.7% share), while for GM sales decreased by 1.4% cumulatively (17.5% share). The downsizing of the passenger car sector continued (35.5% of the LV market), which lost 11.5% of sales in the year, while the light truck segment increased by 4.4%.

Sales of alternative fuel *light vehicles* closed the year with an increase of 12.5% and 555,834 units, 3.2% of the total light vehicles market; these include over 192 thousand light vehicles at zero or very low emissions (99 thousand LV electric, 91 thousand plug-in hybrids, 2,300 fuel cells), up 26% on 2016 volumes. The vehicle segment is down 3.3% and represents 70% of the alternative fuel market, while the light truck segment (30% of the market) recorded an increase in sales of 82%.

(Ward's data)

In Canada, the market for light vehicles dropped by 1.2% in December with 123.996 registrations, while in 2017 the market amounted to 2.034.288 units, an increase of 4.4%.

In Mexico, the *light vehicle* market fell sharply: -17.6% in December with 158,553 registrations, which contributed to the contraction in the overall annual sales of 4.6% with 1,528,593 units sold.

In Brazil, the passenger car market closed with 171,954 units in December 2017, +1.2%. The market has been growing since May and increased by 9.9% over the year, with 1,856,097 new registrations. From the peak of 2012 with over 3.1 million cars sold, 4 consecutive years of contraction followed.

In Argentina, the December market grew with a double-digit variation: +22.7%, with 63,211 sales to dealers. The collective since the beginning of the year is up 24% and exceeds 642 thousand units.

In Japan, the market recorded a decline of 0.8% in December, with 330,300 new registrations. The cumulative growth is 5.8%, with 4.386.378 registrations.

China, in 2016, led the strong performance of individual demand, sales of cars with engine capacities up to 1.6 L, supported by tax breaks (cutting the tax on the purchase of new cars from 10 to 5%) to address demand for cars with lower energy consumption and emission levels (17.6 million units sold, including "small SUVs" and a trend growth of 21%). Thanks to the support of the demand, the Chinese market achieved a new sales record (24.4 million cars). For 2017, the tax on the purchase of new cars with engine capacities up to 1.6 L was raised to 7.5%. This innovation had an anticipatory effect on sales in the last quarter of 2016, which grew by 18%, a factor that led to a slowdown in demand in the first few months of 2017.

In the last month of the year, the passenger car market amounted to 2,653,000 units, down by 0.7%. For the full year, sales totalled 24,718,300 new cars with a growth of 1.4%, a new record.

AUTO SALES	periodo	2017	2016	VAR. %	periodo	2017	2016	VAR. %
USA (LV)	december	1,595,793	1,681,568	-5.1	jan/dec	17,134,733	17,464,777	-1.9
CANADA (LV)	december	123,996	125,524	-1.2	jan/dec	2,034,288	1,947,674	4.4
MEXICO (LV)	december	158,553	192,307	-17.6	jan/dec	1,528,593	1,601,826	-4.6
NAFTA (LV)	december	1,878,342	1,999,399	-6.1	jan/dec	20,697,614	21,014,277	-1.5
BRAZIL	december	171,954	169,998	1.2	jan/dec	1,856,097	1,688,289	9.9
ARGENTINA ⁽¹⁾	december	63,211	51,528	22.7	jan/dec	642,624	518,637	23.9
EU28+EFTA	december	1,136,552	1,193,731	-4.8	jan/dec	15,631,687	15,131,778	3.3
TURKEY	november	75,956	95,783	-20.7	gen/nov	623,065	648,894	-4.0
RUSSIA (LV)	december	166,013	145,665	14.0	jan/dec	1,595,737	1,425,786	11.9
JAPAN	december	330,300	332,824	-0.8	jan/dec	4,386,378	4,146,458	5.8
CHINA	december	2,653,000	2,672,264	-0.7	jan/dec	24,718,300	24,376,902	1.4

⁽¹⁾ SALES TO DEALERS

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