



Press Release

A NEW DOUBLE-DIGIT SLOWDOWN, IN AUGUST, FOR THE ITALIAN AUTOMOTIVE INDUSTRY PRODUCTION (-13.8%)

Another positive sign, registered for the first time in July, of the index of the motor vehicles manufacturing (+5.9% in August), in line with the strong recover of the cars productive volumes

Turin, October 9th 2020 - In August 2020, according to ISTAT data, the **Italian automotive production in its overall¹** registers a trend of decrease of 13.8%, while it closes the first eight months of 2020 with -34.5%.

Looking at the **each productive field of the sector**, the manufacturing of vehicles² (Ateco Code 29.1) registers the second positive variation in row per year, +5.9% in August 2020, while decreases of 34.6% in the cumulate of 2020 respect to the same period of 2019; the one related to the manufacturing of bodies for vehicles, trailers and semitrailers (Ateco Code 29.2) is stable during the month (-0.2%) and it decreases of 30.8% in the cumulate, while the one related to the manufacturing of components and accessories for vehicles and their engines³ decreases of 27.7% during the month and of 35.9% in the cumulate.

According to ANFIA data, in July 2020 the **national car production** in Italy show a strong recover signal, with over than 20,000 units produced during the month against the almost 11,000 produced in August 2019. The production in the first eight months of the year, reduced, of 44% instead, respect to the same period of 2019.

The trend of the automotive production is located in a contest where the overall of the Italian industry production is in balance after 18 months in slowdown in row: in August, in fact, the **index of the industrial production in the overall⁴** closes with -0.3%, while keeps to go on the negative trend in the first eight months of the year (-15.4%), at the trend level.

The **overall of the industry orders** (with the only exception of the Manufacture field), show a trend of decreases of 7.2% in July (last data available), with reductions on both markets (-7% the inner part and -7.4% the international one). All the other sectors show negative results.

¹Ateco Code 29: production of cars, car bodies, trailers and semitrailers and production of components and accessories for vehicles and their engines. (tires are not included).

² With "Motor Vehicles" are meant cars and heavy and light commercial vehicles.

³Ateco Code 29.3, tires are not included.

⁴Corrected for the calendar effect: working days have been 21 in August 2020 as in August 2019 (Manufacture field is not included). Since the beginning of 2018, the index of the industrial production published by ISTAT, based on 2015=100 (until the past month it was based of 2010=100).

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In the first seven months of 2020, the decrease trend is of 18.7% (-19.4% the inner part and -17.8% the international one).

The **income of industry** (with the only exception of the Manufacture sector) is in slowdown of 8% during the month (-6.2% on the national market and of -11.4% on the international ones) and it closes with -17.2% the period from January to July 2020 (-17.7% the national market and -16.5% the international ones).

"In August, the index of production of the Italian Automotive Industry still shows a double-digit slowdown (-13.8%), pretty similar to the one of last July - says Gianmarco Giorda, Director of ANFIA. In the eighth month of 2020, is replayed also the positive sign, registered for the first time in July, of the motor vehicle manufacturing (+5.9% in August), again in line with the strong recovery of the cars productive volumes which has been underlined by us as preliminary data. At the economic level, the increase in the seasonally adjusted index of the Italian Automotive production supply chain in the overall during August is about 6.2%.

In the meantime, the trend of Italian industrial production in the overall (with the only exception of the Manufacture sector) is improving, the index in August finally balance at the trend level (-0.3%, against -8% registered in July 2020). Respect to July 2020, the seasonally adjusted index of industrial production in August increases of 7.7%, the fourth positive economic variation in row.

In spite of a still very negative final balance for the automotive production in the first 8 months of the year, in slowdown of 34.5%, with car volumes in decrease of 44% respect to the same period in 2019, it is positive that the Italian automotive market is recovering, the car sector registers +10% in September, mainly thanks to the incentive measures entered into force, and with the best performance among the major European markets for the second month in row, followed by Germany (+8%). In September, also recover the demand of light commercial vehicles (+19%), trucks (+34% the increase for the vehicles registrations) and heavy trailers and semi-trailers (+20%). Always during September, in Italy, both consumer confidence (from 101 to 103.4) and business one improved (the composite index grow from 81.4 to 91.1), good sign for the coming months.

Finally, it remains a priority to launch a plan for structural and strategic interventions in support of the green and digital transition in the automotive sector, which is in strong evolution, to be defined as a matter of urgency within the Recovery Plan, so to keep the Italian supply chain competitive even in front of difficult challenges in progress".

For the **automotive sector** in its overall, **orders**⁵ registers a trend of decrease of 3.2% in July with an inner part in slowdown of 4.1% and a foreign part in decrease of -2.1%. In

⁵ Unrefined Data. The update data for July will be published by ISTAT on October 15th 2020.



the first seven months of 2020 the orders decrease of 27.3%, with an inner part in slowdown of 28.4% (-26% the international markets).

For the production of components and accessories for vehicles and their engines, the orders register a slowdown of 3.4% in July (-0,2% on the national market, -6.4% for the international one), and of 26.8% in the cumulate (-30% national market and -24% the international one).

In July 2020 (last data available) however, the value of the export of vehicles from Italy is about 2.09 billion of Euro, the 5.7% more respect to the same period of 2019, which means the 5% of the total exported, while import represents 1.8 billion of Euro (-26%) and the 5.6% of the total imported in Italy. The U.S.A. represent, in terms of value, the first country as destination for the export of vehicles from Italy with a share of 19%, followed by Germany and France, respectively with share of 16% and of 15%.

The income of the automotive sector in the overall, in the end, presents a negative variation of 0.9% in July (+6.3% the national income and -8.5% the international one). In the first seven month of 2020, the income decreases of 31.9% (-34.4% the national income and -28.7% the international one).

In the end, the income of the production of components and accessories for vehicles and their engines presents a decrease of 5.4% in July, (-1.6% the inner part and -9% the international one). In the first seven months of 2020 the index of the income registers a slowdown of 28.6%, with an inner part in decrease of 32.3% (-25.3% the international income).

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ANFIA - Italian Association of the Automotive Industry

Born in March 1912, over these one hundred years, ANFIA mission has always been to represent the interests of its associate members and ensure effective communication between the Italian motor vehicle industries on the one hand, and the Public Administration and Italian political bodies on the other, with regard to all technical, economic, fiscal, legal, statistical and quality-related issues referred to the automotive sector. The Association is structured in three product-based Groups, each one chaired by a President. Components: motor vehicle parts and components manufacturers; Car Coachbuilders and Designers: companies working in the sector of design, engineering and style of motor vehicles and/or parts and components for the automotive sector; Motor vehicles: motor vehicles manufacturers in general, including trucks, trailers, camper vans, special means of transport.

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The Automotive Production Chain in Italy

5.529 companies

274.000 employees (direct and indirect), more than 7% of the employees in the Italian manufacturing sector

105.9 billion Euros of turnover, which means 11% of the Italian manufacturing sector turnover and of 6.2% of the Italian GDP

76.3 billion Euros of tax levy of motorization

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