



Press Release

THE ITALIAN AUTOMOTIVE INDUSTRY PRODUCTION IS IN SLOWDOWN OF 9.6% IN 2019, WHICH MEANS THAT DECEMBER SHOWED THE EIGHTEENTH NEGATIVE SIGN IN ROW (-11.5%)

In 2019, the produced volumes of vehicles have been lower than 14% respect to 2018: there is a necessity of an industrial policy to start over the production in Italy and to manage the productive transition addressed to the electrification

Turin, February 10th 2020 - According to ISTAT data, in December 2019, the **Italian vehicles production in its overall¹** registers a trend of decrease of 11.5%, with a negative sign, the eighteenth in row, which last since July 2018, in comparison with a December 2018 which registered a strong slowdown (-12.3%). In the whole 2019 the variation of trend is about -9.6%.

Looking at the each **productive field of the sector**, the manufacturing of vehicles (Ateco Code 29.1), after the restart of November, sees its index slowing down of 8.6% in December 2019 respect to the same month of 2018, in down of 13.9% in the whole 2019 respect to 2018; the one related to the manufacturing of bodies for vehicles, trailers and semitrailers (Ateco Code 29.2) grows of 2.8% in the month and of 6.7% in the cumulate, and in the end, the one related to the manufacturing of components and accessories for vehicles and their engines ² decreases of 17.2% in the month and of 8.1% in 2019.

According to ANFIA data, in December 2019 the **national car production** in Italy registers a slowdown of 25%, confirming the negative trend which characterized all months in 2019, closing the year with -19%. The strong slowdown of cars is given especially by the **decrease of the export**, that in 2019 registered 24%; the export of cars in 2019 is about the 54% of the production. The **overall production of cars** has been lower respect to the one in 2018 of 14% and of 66% addressed to the export.

The trend of the automotive production derive from a context where the Italian industrial production is in slowdown since ten months in row: also in December **the index of the industrial production in the overall³** decreases of 4.3% and registers a slowdown of 1.3% in the whole 2019, at the trend level.

The **overall of the industry orders** (with the only exception of the Manufacture field), presenting a slowing down of 4.3% during November, with decreasements on both

¹ Ateco Code 29: production of cars, car bodies, trailers and semitrailers and production of components and accessories for vehicles and their engines (no tires are included).

² Ateco Code 29.3, tires are not included.

³ Corrected for the calendar effect: working days have been 20 in December 2019 against 19 in December 2018 (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).

markets (-2.2% the inner part and -7.3% the international one) and a slowdown of 2.6% in the first eleven months 2019 (-0.9% the inner part and -5% the international one).

“With the tenth slowdown in row registered in December 2019, in spite of a working day more respect to December 2018, the Italian industrial production closes negatively the year, bringing down also by the not good trend of the automotive sector - says Gianmarco Giorda, Director of ANFIA. This is not a matter that concern Italy only, since also in few of the major European markets the issues related to the automotive industry are reflected on the productive levels of the industry in the overall. On the base of the last data available, in November the industrial production decreases, in terms of trend, of 1.5% in the Euro area and of 1.3% in the UE28 one. It was already registered, last month, in all the five major European countries the slowdown of the volumes of the car production in 2019 respect to 2018.

The weakly period which the sector is going through in Europe, together with the impact of the problems related to the international trades - last but not least the one about the production downtime in China with as result the possible blocks of supplies to the Italian and European automotive supply chain - effected also on the Italian cars export trend - with a contraction of 24% in 2019 - and on the automotive components.

In October 2019 (last data available), the value of the components exportations of the direct supply chain⁴ registers a trend of decrease of 4.7%, with strong slowdown in few of the major European markets: -2.7% Germany, -6.8% the U.K., -12.6% France. These effects concern, even though in the cumulate since the beginning of 2019 while the export of Italian components keep the positive sign (+0.2%).

In parallel, according to ISTAT survey on the purchasing intentions for cars in the next 12 months underlines a trend of worsening, on the basis of which ANFIA estimated a projection of the 2020 car market with 1.9 million of units, with a negative trend of sales in the first half of the year.

In the end, it is necessary for this sector an industrial policy for the restarting of the production in Italy and to manage the productive transition addressed to the electrification, able to develop an appropriate industrial ecosystem and to see positive effects on the market.

ANFIA hopes that from the automotive table launched by MISE few months ago, and inflected also on industrial policies, could born measures at short and medium term in support of our supply chain”.

In the automotive sector in the overall, orders⁵ decrease of 4.1% in November, with an inner part in slowdown of 4.2% (-4% on the international markets). In the cumulate of the first eleven months of 2019, orders slowdown of 10.6%, especially because of an inner part in slowdown of 14.1% (-5.9% the ones of the international markets).

The contraction of the orders is one of the fact that impact on the trend of the production of components, in slowdown of 17.2% in December and of 8.1% in 2019 and of course on the exportations.

⁴ Source: ISTAT - Exportations of the components supply chain (Ateco Code 29.3), which does not include components of the other economic activities, for examples tires which are included in the Ateco Code Ateco 22 instead “Rubber goods”.

⁵ Unrefined Data The update data for October will be published by ISTAT on February 21st 2020.



In particular, for **components and accessories for vehicles and their engines**, orders decrease of 5.3% in November (-9.1% for the national market, -1.4% for the international one) and -8.2% in the cumulate (-14.1% national market and -2.5% the international one).

In November 2019 (last data available), the value of the **export of vehicles** from Italy is about 1.79 billion of Euro, unvaried respect the same month in 2018, the 4.5% of the total exported. The import of cars, instead, values 2.98 billion of Euro in slowdown of 2.6%, representing the 8.4% of the total imported in Italy. The United States of America still represent, in terms of value, the first country as destination for the export of vehicles from Italy with a share of 20%, followed by France and Germany, respectively with a share of 15% and of 14%.

The **income⁶ of the automotive sector** in the overall, in the end, shows a negative variation of 4.1% in November (-6.6% the national income and -0.7% the international one). In the first eleven months of 2019, the income is in slowdown of 8.2% (-12% the national income and -3.1% the international one).

The **income of industry** (with the only exception of the Manufacture sector) registers a slowdown of 3.1% during the month (-2.2% on the national market and -4.6% on the international ones) and it closes the period from January to November 2019 with -0.4% (-0.4% the national market and -0.5% the international one).

Also the **income of the production of components and accessories for vehicles and their engines** shows a slowdown of 3.6% during the month, because of a slowdown of the inner part (-5.7%) and of the international one (-1.7%). In the period from January to November 2019 the index of the income registers a slowdown of 6.1%, with an inner part in decrease of 12.9% (+0.6% the international income).

ANFIA - Italian Association of the Automotive Industry - is one of the leading Italian Trade Associations, members of CONFINDUSTRIA.

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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