



Press Release

FOR THE TWENTIETH MONTH IN ROW THE ITALIAN AUTOMOTIVE PRODUCTION IS IN DECREASE DURING FEBRUARY (-1%)

The first two months of 2020 close with -1.5%, but what concerns are especially the effects on the currently productive stop, a situation that this sector could not tolerate any longer

Turin, April 9th 2020 - During February, according to ISTAT data, the Italian automotive production in its overall¹ registers a trend of decrease of 1%, in slowdown for the twentieth month in row, but in increase respect to January (+2.2% the variation of situation). In the first two months of 2020 the trend of variation is of -1.5%.

Looking at the each productive field of the sector, the manufacturing of vehicles (Ateco Code 29.1) sees the same index during February 2020 respect to February 2019, while it decreases of 1.9% in the first two months 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) decreases of 12.7% during the month and of 5.3% in the cumulate, in the end the one related to the manufacturing of components and accessories for vehicles and their engines² decreases of 7% during the month and of 3.9% in the cumulate.

According to ANFIA data, in February 2020 the national car production in Italy registers, after the slowdown of 6.8% in January, a decrease of 3% and it closes the first two months of 2020 with -5%. 2020 opened with a stop in double figures slowdown which characterized the monthly trend of 2019 (with the only exception of November).

The trend of the automotive production is located in a contest where the overall of the Italian industry production is in slowdown for twelve months in row: also in February, the index of the industrial production in the overall³ decreases of 2.4% in slowdown of 1.3% in the average of the two first months of the year, at trend level.

The overall of the industry orders (with the only exception of the Manufacture field), shows a trend of decrease of 1.8% during January (last data available), with slowdown on both markets (-0.6% the inner part and -3.4% the international one) with a decrease of 1.9% at the trend level in the whole 2019 (+0.2% the inner part and -4.9% the international one).

¹Ateco Code 29: production of cars, car bodies, trailers and semitrailers and production of components and accessories for vehicles and their engines.

²Ateco Code 29.3, tires are not included.

³Corrected for the calendar effect: working days have been 20 in February 2020, like in February 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).

“During February 2020, the Italian industry production registers for the twelfth month in row, a decrease, while this slowdown for the automotive supply chain, is the twentieth in row - says Gianmarco Giorda, Director of ANFIA.

For the automotive sector, even if the contraction registered in February is lower respect to the previous month and even if it shows the first two months of 2020 with a closing of -1.5%, against -9.6% in the whole 2019, the beginning of the current year confirmed a trend of decrease. This scenario contextualized by the current stop of the production, needed measure to contain the COVID-19 outbreak, has a severe impact on the whole supply chain. This sector could not tolerate this situation any longer and it asks to restart the production as soon as possible, in a gradual and in a reasoned way and especially, guaranteeing the respect of all the safety measures needed to safeguard workers and to keep fighting the coronavirus. It is fundamental the support of the economic and the tax measures already entered into force and that will arrive from the Government to help companies to overcome this phase, guaranteeing liquidity, restarting the investments and safeguarding the employment of one of the most innovative and driving sectors of our economy. In parallel it is also fundamental that the restart could be jointly and coordinated at the level of the main European markets, facing a sector based on complicated and globalized supply chains. For example, the trade of parts between Italy and Germany, in 2019, values 8.55 billion of Euro, among them 4.63 of the exportations from Italy and 3.92 billion of importations”.

For the **automotive sector** in its overall, **orders**⁴ registers a trend of increase of 9.1% in January - with an outstanding improvement respect to the trend of December 2019 - with an inner part in double figure growth, +17.6% (+0.8% on the international markets). It has to be underlined that January 2020 in comparison with January 2019 where orders were in strong contraction (-14.7%, divided this way -20.6% toward to the inner market and -8% toward to the international one. In 2019, orders, closed with -9.9%, especially because of an inner part in slowdown of 13% (-5.8% the international part).

The contraction of the orders is one of the factors that impact on the trend of the **production of parts**, which, after an index in slowdown of 8.1% in 2019 and a decrease of 0.6% in January 2020, during February, as already mentioned, contracts of 7%.

In particular, for the **production of components and accessories for vehicles and their engines** orders register a decrease of 3.6% in January (-7.6% for the national market, -0.9% for the international one), while 2019 closed with -7.6% (-13.3% the national market and -2% the international one).

The negative trend of the 2019 orders had a strong impact on the Italian components export which in the whole year decreases of 2.3% (21.97 billion of Euro the value of the export)⁵ after 4 years in row of growth, even if the positive firm of balance of trade values 6.53 billion of Euro, lower of 2.7% respect to 2018.

⁴ Unrefined Data. The update data for February will be published by ISTAT on April 22nd 2020.

⁵ ANFIA elaboration on ISTAT data for product code which include automotive parts given by Ateco Codes for other economic activities (for example: rubber).



In January 2019, (last data available), the value of the **export of vehicles** from Italy is about 1.47 billion of Euro, the 5.3% more respect to the same month of 2019, the 4% of the total exported. The import of cars, instead, values 2.58 billion of Euro and results in increase of 8.4%, representing the 7.2% 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 16.5%, followed by France and Germany, respectively with a share of 16% and of 14%.

The **income⁶ of the automotive sector** in the overall, in the end, presents a positive variation of 5.8% in January (+7% the national income and +4.5% the international one). It is the same line of reasoning valid for the orders, the comparison with January 2019 strongly negative where the income was in trend of slowdown of 15.1% (-19.8% on the national market and -9.3% on the international one).

In the whole 2019, the income was in slowdown of 7.8% (-11.7% the national income and -2.4% the international one).

The **income of industry** (with the only exception of the Manufacture sector) registers a growth of 0.6% during the month (+0.3% on the national market and +1% on the international ones) while 2019 closed with -0.3% (-0.3% the national market and -0.2% the international ones).

In the end, the **income of the production of components and accessories for vehicles and their engines** presents a decrease of 2.9% during January, with slowdown on the both markets (-5.7% the inner part and -0.7% the international one). In 2019, the index of the income registered a slowdown of 5.4%, with an inner part in slowdown of 11.8% (+0.9% the international income).

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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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⁶ Unrefined Data. The update data for February will be published by ISTAT on April 22nd 2020