Press Release

IN JUNE THE ITALIAN AUTOMOTIVE PRODUCTION REGISTERS ANOTHER STRONG DOUBLE-DIGIT SLOWDOWN: -39.4%

Car production in decrease of 64% during the month and of 56% in the cumulate

Turin, August 6th 2020 – In June 2020, according to ISTAT data, **the Italian automotive production in its overall[1]** registers a trend of decrease of 39.4%, while it closes the first six months of 2020 with -39.6% (the same trend of variation of the period from January to May 2020).

Looking at the **each productive field of the sector**, the manufacturing of vehicles[2] (Ateco Code 29.1) see its index decreases of 39.8% in June 2020 respect to June 2019, while slowdown of 43.6% in the cumulate 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 13.6% during the month and of 34.3% in the cumulate, while the one related to the manufacturing of components and accessories for vehicles and their engines[3] slowdown of 43.8% during the month and of 38.2% in the cumulate.

According to ANFIA data, in June 2020 the **national car production** in Italy registers a decrease of 64% respect to the volumes in June 2019. The production in the first six months of the year reduced from 56% respect to the first half of 2019. From the overall of the car produced, the 55% is addressed to abroad, (it was the 51% in the first semester of 2019). The overall of the produced vehicles decrease of 47% and of 69% the production is addressed to the export.

The trend of the automotive production is located in a contest where the overall of the Italian industry production is in decrease in the last sixteen months in row: also in June 2020, in fact, the **index of the industrial production in the overall[4]** registers a double digit decrease, -13.7%, in slowdown of 18.3% in the first semester of 2020, at the trend level.

The **overall of the industry orders** (with the only exception of the Manufacture field), shows a trend of decrease of del 34.7% in May (last data available), with decreases on both markets (-34.4% the inner part -35,2% the international one). The larger negative variation has been noticed for the means of transport sector (-48.3%).

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

[2] As "vehicles" are meant cars and heavy and light commercial vehicles.

[3] Ateco Code 29.3, tires are not included.

[4] Corrected for the calendar effect: working days have been 21 in June 2020 against 20 in June 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 five months of 2020, the trend of decrease is of 22.9% (-24.3% the inner part and -20.7% the international one).

The **income of industry** (with the only exception of the Manufacture sector) is in slowdown of 30.5% during the month (-30.2% on the national market and on -31.2% on the international ones) and it closes with a -20.1% the period from January to May 2020 (-21.2% the inner market and -18.0% the international one).

"*The second three-months period of 2020, in spite of the reopening in May of production activities, including those of the automotive supply chain, is still heavily affected by the effects of the Covid-19 pandemic containment measures* – says **Gianmarco Giorda, Director of ANFIA**. *In June respect to May 2020, industrial production grew of 8.2% while the automotive sector one of 27.7%, a sign of the restart of the activities and of an improvement in the business confidence, but the variation respect to the previous year is still very negative. However, according to ISTAT data for June, in the second three-months period the Italian GDP fell strongly: -17.3%, the lowest value since the first three-months period in 1995.*

The situation is still concerning also in the Euro Area and in the EU27, where the industrial production show a trend in double-digit slowdown in May (last data available), of 20.9% and of 20.5%, with strong impacts on the Automotive production and on car manufacturers countries. Among major markets, in May 2020, the index of the automotive sector production in its overall registers the following decreases: Germany -53.6%, Spain -60.5%, France -66.9% and the U.K. -72.4%. The European Automobile Manufacturers' Association (ACEA) has been forced to re schedule the 2020 plans for the automotive registrations, imagining a slowdown of 25%.

Last July 21st, the EU leaders agreed a €750 billion package - the Recovery Plan - to help the recover of the European countries from the Covid-19 pandemic, safeguard jobs and support investment in green and digital transition. The positive outcome of the Italian Government's negotiations with Europe granted Italy a fund of 209 billion euros, a small part of which we hope will be dedicated to the definition of ad hoc measures, structured on the real needs of companies, to relaunch the automotive supply chain in this difficult phase of economic recovery and transition to new technologies".

For **the automotive sector in its overall, orders**[5] register a trend of decrease of 49.2% in May, with an inner part in slowdown of 50.0% and an international one of -48.2%. In the first five months of 2020 orders slowdown of 35.5%, with an inner part in decrease of 37.4% (-33.4% on the international markets).

For the **production of components and accessories for vehicles and their engines**, orders decrease of 50.7% in May (-53.0% on the national market, -48.5% for the international one), and of 30.7% in the cumulate (-35.2% national market and -26.9% international one).

[5] Unrefined Data. The update data for May will be published by ISTAT on August 27, 2020.

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In May 2020 (last data available), however, the value of the export of vehicles from Italy is about 1.05 billion of Euro, the 46% less respect to the same month in 2019, which means the 3.4% of the total exported, while the import values 1 billion of Euro (-69%) and the 4% of the total imported in Italy. Germany represent, in terms of value, the first the first country as destination for the export of vehicles from Italy with a share of 20%, followed by the U.S.A. and by France, respectively with a share of 18% and of 15%.

The **income of the automotive sector in the overall**, in the end, presents a negative variation of 52.5% in May (-54.8% the national income and -49.3% the international one). In the first five months of 2020, the income decreases of 37.2% (-40.0% the national income and -33.8% the international one).

In the end, the **income of the production of components and accessories for vehicles and their engines** presents a decrease of 49,2% during May, (-54.1% the inner part and -44.5% the international one). In the first five months of 2020 the index of the income registers a slowdown of 33.6%, with a inner part in decrease of 38.3% (-29.5% 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