



Press Release

THE ITALIAN AUTOMOTIVE PRODUCTION FALLS DOWN IN MARCH BECAUSE OF COVID-19 EMERGENCY: -55.8%

**It is fundamental to start measures for the relaunch of the market to save
the national production of the whole supply chain**

Turin, May 11th 2020 - During March 2020, according to ISTAT data, **the Italian automotive production in its overall¹** registers a trend of decrease of 55.8%, while it closes the first three months of 2020 with -21.6%. During the first two months of 2020 the variation of trend registered -1.5%.

Looking at the each productive field of the sector, the manufacturing of vehicles (Ateco Code 29.1) sees the same index slowing down of 62.6% in March 2020 respect to March 2019, while decreases of 24.4% in the first three 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) slowdown of 64.4% during the month and of 28.5% in the cumulate in the end the one related to the manufacturing of components and accessories for vehicles and their engines² decreases of 48.7% during the month and of 20.4% in the cumulate.

According to ANFIA data, in March 2020 the **national car production** in Italy registers a strong decrease, -64%, while, in the first three months of 2020, the production reduced of 27%. The 51% of the cars produced are addressed to foreign markets. Between January to March 2020, have been produced about 180,000 cars, the 24% less respect the same period of 2019, among them, the 64% have been exported.

The trend of the automotive production is located in a contest where the overall of the Italian industry production is in slowdown for thirteen months in row: also in March 2020, in fact, **the index of the industrial production in the overall³** decreases of 29.3% in slowdown of 11.3% on average of the first three months of the year, at trend level. Among the most relevant negative variations, the one of the manufacturing of means of transport (-52.6%), while the lower decrease concerned the food industry, beverages and tobacco (-6.5%).

The **overall of the industry orders** (with the only exception of the Manufacture field), shows a trend of decrease of 2.6% during February (last data available), with decreases on both markets (-4.2% the inner part and -0.2% the international one) and a decrease of 2.3% at level trend in the first two months of 2020 (-2.5% the inner part and -1.8% 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 22 in March 2020 against 21 in March 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).

The **income of industry** (with the only exception of the Manufacture sector) registers an increase of 0.9% during the month (-0.3% on the national market and +3.2% on the international ones) and it closes with +0.8% from January to February 2020 (+0% the national market and +2.1% the international one).

“During March, the Italian industrial production was strongly affected by the measures applied to fight against the Covid-19 outbreak: from March 12th, in fact, to manage the health emergency have been introduced government measures which brought to a stop for the production and to the closing of non-essential commercial services, up to a partial reopening of some production activities starting from the last days of April - says Gianmarco Giorda, Director of ANFIA.

According to the first of the two ISTAT surveys, published on April 16th, almost two thirds of industrial companies in Italy had to suspend their activities, which shows that the secondary sector and to which 59.3% of the employees of the suspended activities belong, was the most pervasively affected.

The consequences of the measures to fight the pandemic have been severe also in the other main European countries, with a fall down of the industrial production, in March of 16.8% in France and of 14.2% in Germany.

To relaunch the automotive sector, in line with the other main European countries, also in Italy are necessary extraordinary measures, not only in an economic and in a fiscal way to help companies, but also in terms of stimulating demand for cars, in a moment where the consumer and companies sentiment is low - for the first ones, in March, the index decreases from 110.9 to 101 and for the second ones from 97.8 to 81.7 - and where the productive activities risk to stay close also after the restart because of the high number of vehicles stocked. To restart the production of our supply chain means to save the employment levels and the contextually, use it as a flywheel to the relaunch for the whole national economy”.

For the **automotive sector** in its overall, **orders**⁴ show a trend of slowdown of 7.2% in February - which followed by the trend of increasement of 9.1% registered in January 2020 - with an inner part in slowdown of 6.6% and an international part with -8%. In the first two months of 2020, instead, orders show a positive sign 0.9%, thanks to an inner part in growth of 4.8% (-3.4% foreign markets).

For the **production of components and accessories for vehicles and their engines** orders register an increase of 0.4% in February (-0.2% for the national market, +0.9% for the international one), while it decreases of 1.8% in the cumulate (-3.9% national market and -0.3% the international one).

In February 2020 (last data available), the value of the **export of vehicles** from Italy is about 1.86 billion of Euro, the 4.9% more respect the same month of 2019, the 4.6% of the total exported. The import of cars, instead, values, 3.06 billion of Euro in increase of 6.3%, representing the 9% 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

⁴ Unrefined Data. The update data for February will be published by ISTAT on May 15th 2020.



vehicles from Italy with a share of 18%, followed by France and Germany, respectively with a share of 15% and of 14%.

The **income⁵ of the automotive sector** in the overall, in the end, presents a positive variation of 5.3% in February (+5.8% the national income and +4.8% the international one). In the first two months of 2020, the income grows of 5.6% (+6.3% the national income and +4.6% the international one).

In the end, the **income of the production of components and accessories for vehicles and their engines** presents an increase of 0.8% during February, (-0.4% the inner part and +2% the international one). In the first two months of 2020 the index of the income registers a slowdown of 1%, with a inner part in decrease of 0.3% (+0.6% in 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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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

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