

Press Release

TREND INVERSION FOR THE INDEX OF THE ITALIAN AUTOMOTIVE INDUSTRY PRODUCTION, IN DOUBLE-SIGIT GROWTH IN OCTOBER (+14.5%), AFTER 27 TRENDS OF DECREASE MONTHS IN ROW

A recovery - with the cars production volumes with +55% during the month - activated and maintained thanks to the incentive measures in support of the demand of the past months, of which the goal is the re founding of the financial plan currently in discussion in front of a worrying decrease (-8%) of the market in November, with the conclusion of the incentives but also to avoid the redundancy payment in the next months

Turin December 11th, 2020 - In October 2020, according to ISTAT data, the **Italian automotive production in its overall¹** registers a trend of growth of 14.5%, while it close the first ten months of 2020 with -26.4%.

Looking at **each productive field of the sector**, in October 2020 the index of the manufacture of motor vehicles² (Ateco code 29.1) registers the fourth positive variation in row per year, +39.5%, while decreases of 21.9% 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) stays in double-digit slowdown both in the month (-21%) and in the cumulate (-29.5%), and the one related to the manufacturing of components and accessories for vehicles and their engines³ grows of 2.1% in the month and it decreases of 30.5% in the cumulate.

According to ANFIA data, the **national car production** in Italy is on the recovery path since last July, registering, in October 2020, a strong increase of 55%, which brings the trend of decrease in the progressive 2020 to -27%.

The automotive production sector is set in a context of an Italian industrial production in the overall is in slowdown again at the trend level: in October 2020, **the index of the industrial production in the overall⁴** closes with -2.1% in slowdown of 12.9% in the first ten months of the year.

¹ Ateco 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

³ Ateco Code 29.3, tires are not included

⁴ Corrected for the calendar effect: working days have been 22 in October 2020 again 23 in October 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).**

Italian Association of Automotive Industry (ANFIA)

The **overall of the industry orders** (with the only exception of the Manufacture field), show a trend of growth of 3.2% in September (last data available), with positive variation on both markets (+5.1% the inner part and +0.4% the foreign one). In the first nine months of 2020, the trend of decrease is of 14.4% (-14.6% the inner part and -14.2% the foreign one).

The **income of industry** (with the only exception of the Manufacture sector) is in slowdown of 1.6% during the month (-1.7% on the national market and -1.4% on the international ones) and it closes with -14.5% the period from January to September 2020 (-14.7% the national market and -13.9% the international one).

“After 27 decreases in row (since July 2018), in October, the index of the Italian automotive industry production registers a double-digit growth (+14.5%) - says Gianmarco Giorda, Director of ANFIA. This trend inversion, in October, is underlined by the already mentioned fourth positive trend of variation, the highest, in the index of the motor vehicles production (+39.5%), and by another, stronger, growth of the national car production during the month (+55%). A recovery initiated and maintained thanks to the incentive measures in support of the demand of the past months and of which the goal is the re founding of the financial plan currently in discussion in front of a worrying decrease (-8%) of the car market in November, once incentives ended, and also to avoid the redundancy payment in the next months - from January to October 2020, the authorized hours for the redundancy payment in the automotive sector increased 154% respect to the same period in 2019.

After a growth of 18.8% for the orders in September, also for the index of the production of components and accessories for vehicles and their engines reverses the negative trend of the past months (+2.1%), a result which impacts also the gradual recovery of the car production volumes in the European major markets, in October of 7% in Germany and of 3% in Spain, respectively the first and the second the first and the second country for the production of cars, in Europe per year.

At the situation level, the seasonally adjusted index of production for the automotive sector in the overall, in October it shows an increase of 8.7%.

The index of the industrial production in the overall shows a new negative trend (with consumer goods with -4.1% and manufacture of means of transportation with +5.6%), but at the situation level, the seasonally adjusted index for October 2020 is in growth of 1.3% (with consumer goods with +0.7%)”.

For the **automotive sector** in its overall, **orders**⁵ register a trend of growth of 25.3% in September, thanks to a double-digit growth both for the inner part (+30.1%) and both the international one (+19.3%). In the first nine months of 2020, orders decrease of 20.5%, with an inner part in slowdown of 18.9% (-22.3% the foreign markets).

⁵ Unrefined Data. The update data for October will be published by ISTAT on December 16th 2020.

For the **production of components and accessories for vehicles and their engines**, the orders register a double-digit increase of 18.8% in September (+17.9% for the national market, +19.5% for the foreign market), and a slowdown of 20.8% in the cumulate (-23.7% the national market and -18.3% the foreign one).

In September 2020 (last data available), however, the export of motor vehicles in Italy represents 2.04 billion of Euro, the 6% more respect to the same month of 2019, which means 5% of the overall exported, while the import represents 2.39 billion of Euro (-13.5%) and the 7% of the overall 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 17.5%, followed by Germany and France, with shares about 15%.

In the first nine months of 2020, the motor vehicles export represent 12.3 billion of Euro, in slowdown of 20%, while the import reaches 16.1 billion of Euro, in slowdown of 34%. The negative balance is about 3.7 billion of Euro.

The **income⁶ of the automotive sector** in the overall, in the end, presents a positive variation of 7.8% in September (+11.4% the national income and +2.7% the foreign one). In the first nine months of 2020, the income decreases of 25.2% (-26.9% the national income and -22.9% the foreign one).

In the end, the **income of the production of components and accessories for vehicles and their engines** presents an increase of 11.2% in September, (+17.2% the national part and +6% the foreign one). In the first nine months of 2020 the index of the income registers a slowdown of 22.7%, with an inner part in decrease of 25.4% (-20.4% the foreign 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.

⁶ Unrefined Data. The update data for October will be published by ISTAT on December 16th 2020



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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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