

Press release

A REVERSAL OF THE TREND (-1.8%) IN THE PRODUCTION RATE OF THE ITALIAN AUTOMOTIVE INDUSTRY IN AUGUST 2021, COMPARED WITH AUGUST 2020, WHICH WAS STILL IN DOUBLE-DIGIT DECLINE (-14.4%), BUT WITH A RECOVERY IN THE MOTOR VEHICLE MANUFACTURING SECTOR, WHICH NOW, HOWEVER, FOR THE SECOND MONTH IN A ROW, SHOWS A MUCH SHARPER DROP THAN IN JULY

Production levels for the automotive supply chain as a whole were 15.9% below pre-pandemic August 2019 levels in the eighth month of this year, while in 2021, cumulative volumes were down 8.6% compared to the same period in 2019.

Passenger car production, according to preliminary ANFIA data, continued to fall in double digits during the month, closing at -65.5% compared to July 2020 and -35.6% compared to August 2019

Turin, 11th October 2021 - In August 2021, according to ISTAT data, the **manufacturing output of the Italian automotive industry as a whole¹** recorded a drop of 1.8%, compared to August 2020 (but fell by 15.9% when compared to August 2019), while in the first eight months of 2021 it increased by 43.9% (-8.6% compared to January-August 2019).

Looking at **individual industry sectors**, the index for motor vehicle manufacturing² (Ateco code 29.1) fell by 37.4% in August 2021 and increased by 42.9% in the first eight months of 2021 compared to the same period in 2020. The manufacture of bodies for motor vehicles, trailers, and semi-trailers (Ateco code 29.2) increased by 8.8% in the month and 32.9% cumulatively. The manufacture of parts and accessories for motor vehicles and their engines (Ateco code 29.2) increased by 8.8% in the month and 32.9% cumulatively³ growth of 28.6% in August and 49.3% in January-August 2021.

According to preliminary data from ANFIA, **domestic car production** is down 65.5% for the month but up 38.8% for the first eight months of 2021 versus the same period in 2020. Compared to 2019, the number of cars produced was down 35.6% in August and 22.1% in the first eight months of 2021.

The automotive manufacturing sector has been part of the overall Italian growing industrial production trend since March 2021, after 24 months of decline. In August 2021, the overall industrial production⁴ index closed at +0.0% compared to August 2020

¹Ateco code 29: manufacture of motor vehicles, manufacture of bodywork for motor vehicles, trailers and semi-trailers and manufacture of parts and accessories for motor vehicles and their engines (excluding tyres).

²"Motor vehicles" means passenger cars and light and heavy commercial vehicles.

³Ateco code 29.3, does not include tyres.

⁴ Corrected for calendar effects: there were 22 working days in August 2021 compared to 21 in August 2020 (excluding Construction). As of 2018, industrial production indices are published by ISTAT using the new reference base 2015=100 (until last month the base was 2010=100).

(but -0.7% compared to August 2019). It is up 16.1% in the first eight months of this year compared to the same period in 2020 (but down 2.1% compared to January-August 2019).

Turnover in the manufacturing industry in the strictest sense (excluding the Construction sector) was up 15.3% in July, the latest figure available (+15.5% on the domestic market and +15.1% on foreign markets) and closed the first seven months of 2021 at +27% (+28.9% on the domestic market and +23.3% on the foreign market).

"The growth trend in Italian automotive production that began in March 2021 was interrupted in August, when the index marked a negative trend change of 1.8% compared to August 2020, which had closed with a double-digit fall (-14.4%) - comments Gianmarco Giorda, Director of ANFIA.

For the second month in a row, the index for the manufacture of motor vehicles recorded a downward trend, in August, of 37.4%, thus significantly heavier than in July (-7.4%). Production volumes in the sector as a whole in the eighth month of 2021 were 15.9% below 2019 levels, and the final figure since the start of the year also showed a drop (-8.6%) compared to January-August 2019.

The contraction in the eighth month of the year, in addition to the seasonal factor characteristic of the summer months, was influenced by the depletion of resources from the Ecobonus fund for the purchase of cars with emissions from 0 to 60 g/km of CO₂, and therefore also the 'wait and see' effect for the new incentives, since both have hurt demand.

The semiconductor crisis, which is still far from normalising supplies, is also continuing to have an impact and is responsible for slowdowns and production stoppages and delays in the delivery of new cars".

From January to June 2021 (latest data available), exports of motor vehicles (new cars and industrial vehicles) from Italy were worth € 8.62 billion, while imports were worth € 13.95 billion. In terms of value, Germany is the top destination country for Italian car exports, with a 16.2% share, followed by France (15.8%) and the United States (14.5%). In the same period, exports of automotive components were worth € 11.45 billion, with a positive balance of € 3.06 billion.

Turnover⁵ in the automotive sector as a whole, on the other hand, showed a negative shift of 1.3% in July (latest available data), with the domestic industry growing by 0.8% and the foreign sector by 4.1%. From January to July 2021, turnover increased by 49.3% (+62.6% for domestic turnover and +33.5% for foreign).

⁵Raw data. Data updated in July will be published by Istat on 21 October 2021.



Finally, turnover from parts and accessories for motor vehicles and their engines increased by 1.8% in July (+1.6% for the domestic component and +2% for the foreign component). In the first seven months of 2021, the turnover index for this segment increased by 41.1%, with domestic sales up 51.3% (foreign turnover up 32.8%).

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ANFIA - Italian Association of the Automotive Industry

Founded in March 1912, over its hundred years, ANFIA's 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, regarding 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 chaired by a President. Components: motor vehicle parts and components manufacturers; Car Coachbuilders and Designers: companies are working in the sector of design, engineering, and style of motor vehicles and parts and components for the automotive industry; Motor vehicles: motor vehicles manufacturers in general, including trucks, trailers, camper vans, unique means of transport.

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The Automotive Production Chain in Italy

5,546 companies

278,000 employees (direct and indirect), more than 7% of the employees in the Italian manufacturing sector

106.1 billion Euros of turnover, which means 11% of the Italian manufacturing sector turnover and 6.2% of the Italian GDP

76.3 billion Euros of tax levy of motorisation

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