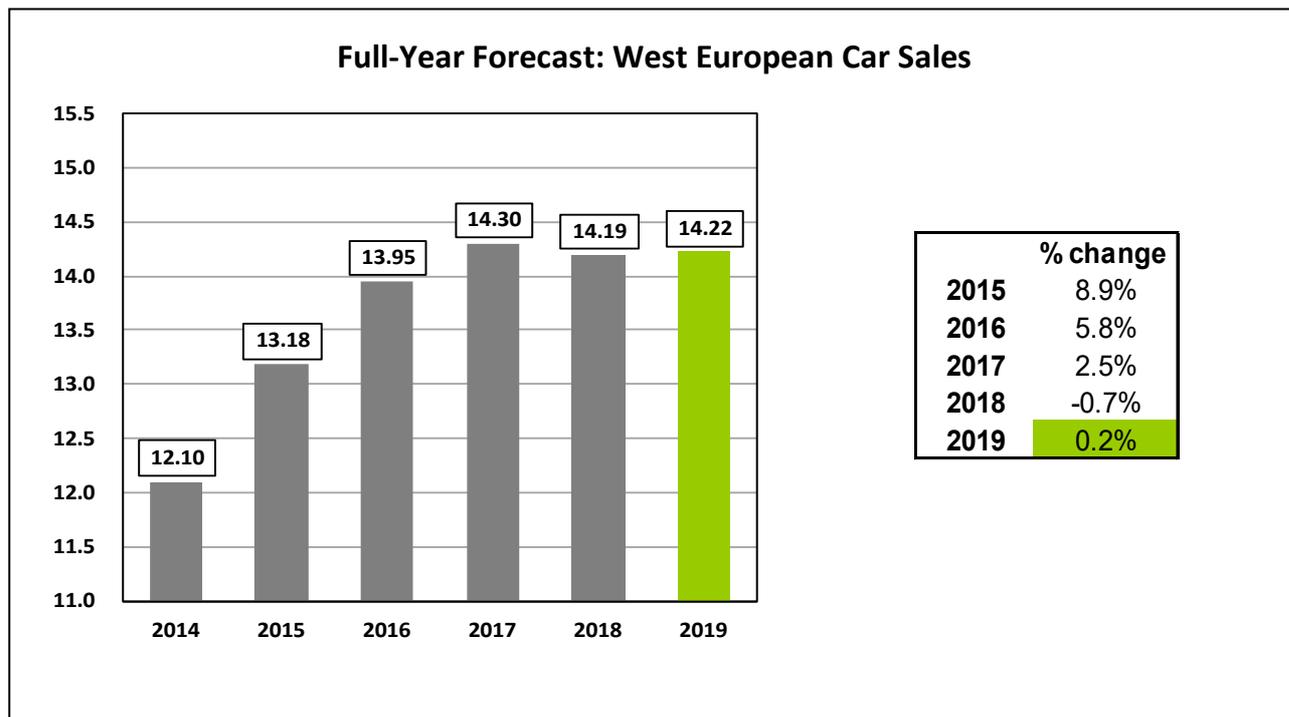




Western European Passenger Car Sales Update

Summary

- West European car registrations fell 1% year-on-year (YoY) in April. The selling rate rose slightly, to 14.3 mn units/year in April, from 14.1 mn units/year in March.
- German sales fell 1.1% YoY in April, which was enough to tip the year to date (YTD) position into negative territory (-0.2%, YoY). Overall, though, German demand appears to be holding up well in the face of a sluggish economy. UK sales were down 4.1% YoY in April, as the market remains in the doldrums amid economic uncertainty.
- French registrations grew 0.4% YoY in April, continuing a theme of unremarkable sales figures. The selling rate dropped to 2.1 mn units/year. In Spain, seven consecutive months of YoY decline came to an end, with an increase of 2.6% YoY, though for the first four months of the year, sales are still down 4.5% YoY. Similarly, Italy delivered its first YoY gain of 2019 in April, with car registrations growing by 1.5% YoY, as the selling rate climbed to 1.9 mn units/year.
- April saw a slight improvement in the selling rate across most of Western Europe, but the relative stagnation in sales indicates that demand is not yet at the level required to put the region on track for solid growth. That said, there are some indications that macroeconomic conditions are looking more positive, with Italy exiting recession, the threat of a no deal Brexit more distant, and signs of a potential trade deal between the US and China. Overall, we still see a slight improvement in West European sales for 2019 as a whole, to the tune of 0.2% YoY.



7th May 2019

For further information contact Jonathon Poskitt or David Oakley

Phone +44 1865 791737, jposkitt@lmc-auto.com or doakley@lmc-auto.com



Western European Passenger Car Sales Update

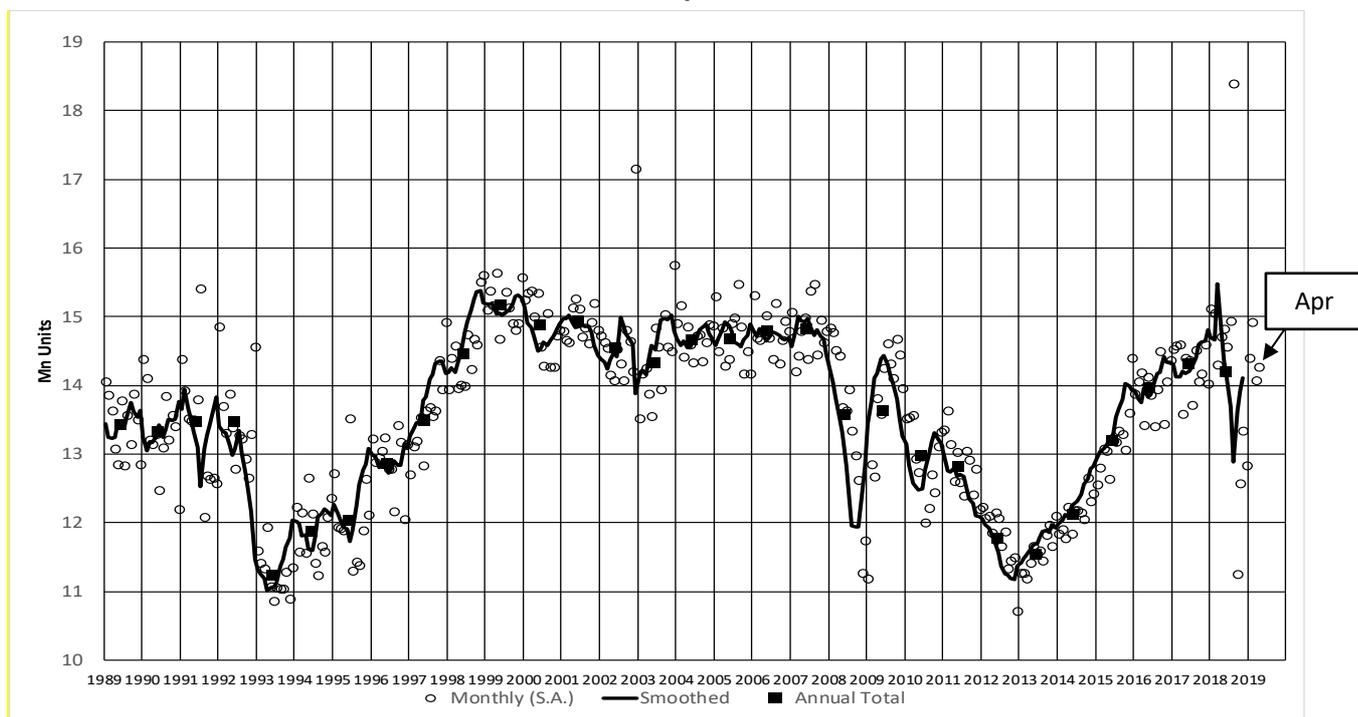
Commentary

West European car registrations were down 1% YoY in April, while the selling rate increased to 14.3 mn units/year, from 14.1 mn units/year in March. Several major markets had an additional selling day as compared to April 2018, but the selling rate takes account of this seasonal distortion, which was partly the result of the timing of Easter.

German sales have proved resilient over the first four months of the year, almost matching 2018's strong start. Registrations fell 1.1% YoY in April, but the selling rate picked up towards 3.5 mn units/year. As in 2018, we expect some cooling in the market as the year progresses, although the ride should be less bumpy than last year, as WLTP is no longer a major factor. In the UK, April sales decreased 4.1% YoY, though we have become accustomed to such results in recent times. The selling rate picked up marginally, towards 2.4 mn units/year, but there is no real sign of a substantial improvement in demand, despite the delay to Brexit. The market is currently being supported by fleet sales, while purchases by private individuals were down 10.3% YoY in April.

Italy saw a welcome return to YoY growth in April, although the increase was unspectacular, at 1.5% YoY. Sales were boosted by both an extra selling day, as compared to April 2018, and the launch on 8th April of a new bonus system for lower-emission cars. Given that limited resources have been set aside for the bonus payments, it is far from certain that any momentum can be carried through the remainder of the year, and it seems unlikely that the YTD contraction of 4.6% will be overturned by year-end. The French market eked out growth of 0.4% YoY in April, while for the YTD, sales are down 0.4% YoY. The presence of an additional selling day in April this year as compared to April 2018 led to the selling rate falling to 2.1 mn units/year, the slowest pace of sales since December. In Spain, sales grew by 2.6% YoY, pushing the selling rate up towards 1.4 mn units/year, the highest the rate has been since last Summer, when the market was distorted by factors linked to WLTP. However, the headline growth masks the fact that sales to individuals were still down 17.3% YoY in April, while the market was supported by the hire and company car sectors.

West European Car Sales





Western European Passenger Car Sales Update

West European Car Sales

	Sales (units)						Selling rate (Units/year)			
	Apr 2019	Apr 2018	Percent change	Year-to-date 2019	Year-to-date 2018	Percent change	Apr 2019	Year-to-date 2019	Year 2018	Percent change
WESTERN EUROPE	1,213,461	1,228,309	-1.2%	4,998,138	5,148,352	-2.9%	14,233,476	14,409,687	14,194,095	1.5%
AUSTRIA	32,064	31,904	0.5%	113,124	122,619	-7.7%	345,353	326,083	341,949	-4.6%
BELGIUM	53,498	54,602	-2.0%	209,364	220,159	-4.9%	570,815	610,330	549,632	11.0%
DENMARK	16,183	18,713	-13.5%	82,469	75,685	9.0%	192,713	245,970	218,486	12.6%
FINLAND	9,748	11,048	-11.8%	38,850	45,465	-14.5%	111,069	104,610	120,491	-13.2%
FRANCE	188,197	187,396	0.4%	741,537	744,254	-0.4%	2,110,747	2,167,164	2,173,523	-0.3%
GERMANY	310,715	314,055	-1.1%	1,190,807	1,192,666	-0.2%	3,467,553	3,625,169	3,435,832	5.5%
GREECE	11,807	10,830	9.0%	36,667	35,926	2.1%	117,697	115,949	104,186	11.3%
IRELAND	8,923	8,053	10.8%	73,044	79,813	-8.5%	120,322	114,690	125,594	-8.7%
ITALY	174,412	171,889	1.5%	712,196	746,712	-4.6%	1,934,821	1,883,586	1,909,433	-1.4%
LUXEMBOURG	5,642	5,371	5.0%	20,509	19,667	4.3%	53,899	56,967	52,807	7.9%
NETHERLANDS	33,149	33,852	-2.1%	148,751	169,531	-12.3%	469,383	436,451	443,812	-1.7%
NORWAY	11,255	14,055	-19.9%	49,740	47,854	3.9%	134,353	150,155	147,929	1.5%
PORTUGAL	21,102	21,463	-1.7%	80,422	84,632	-5.0%	249,333	227,487	228,067	-0.3%
SPAIN	119,417	116,433	2.6%	436,328	456,749	-4.5%	1,356,234	1,246,469	1,321,825	-5.7%
SWEDEN	30,253	34,215	-11.6%	104,133	121,612	-14.4%	345,856	329,535	353,666	-6.8%
SWITZERLAND	28,620	26,519	7.9%	100,685	98,608	2.1%	333,744	317,533	299,716	5.9%
UK	158,477	167,911	-5.6%	859,513	886,400	-3.0%	2,319,582	2,451,540	2,367,147	3.6%

Notes:

Greece data: estimate for latest month.

Greece data source has changed to Sales from Registrations.

The percent change in the final column compares the average selling rate in the year-to-date with the last full year.

The average of the seasonally adjusted selling rate for an entire year is by definition the total of sales in the year.



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