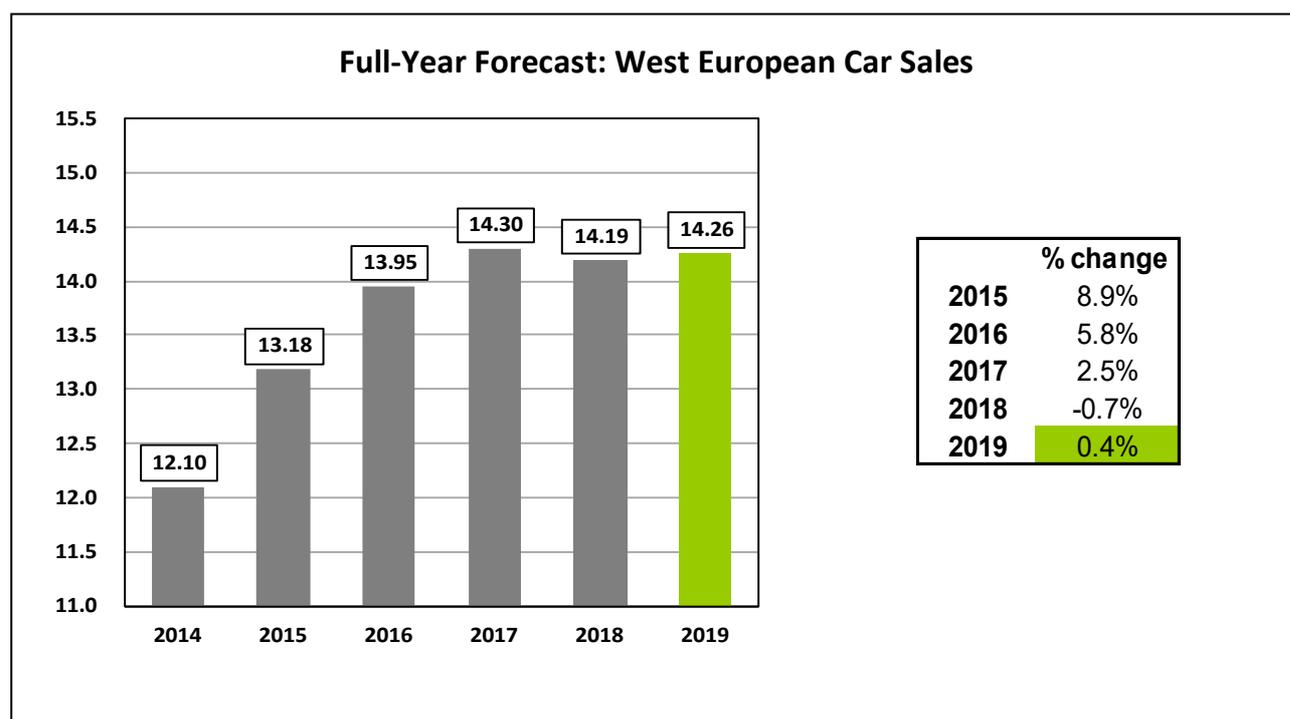


## Western European Passenger Car Sales Update

### Summary

- West European car registrations fell 0.3% year-on-year (YoY) in May. The selling rate rose slightly, to 14.4 mn units/year last month, from 14.3 mn units/year in April.
- German sales rose 9.1% YoY in May, and the year to date (YTD) position rebounded into growth (1.7%, YoY). The selling rate rose to 3.7 mn units/year, demonstrating the current strength of German demand, in spite of economic sluggishness. UK sales were down 4.6% YoY last month, the entire market remaining stuck in the grip of Brexit-based uncertainty.
- French registrations grew 1.2% YoY, with a selling rate of over 2.2 mn units/year – the highest level since the implementation of WLTP in September 2018. In Spain, sales plummeted 7.3% YoY, with the selling rate below 1.3 mn units/year. Registrations in the Italian market fell 1.2% YoY, however the selling rate rose (albeit at a glacial pace) to 1.94 mn units/year.
- May's figures suggest a contradiction — on the one hand, Western Europe selling rates look fairly healthy so far this year; however, YTD volumes are still down some way. YTD 2019 compares to a particularly strong period in 2018 though, and as we move into the latter part of this year, those YoY comparisons should look somewhat better given the weak WLTP-distorted end to 2018. However, demand is not accelerating enough to put the region on track for significant growth in 2019. The risks associated with a “no deal” Brexit and trade tensions further weigh on demand; however Germany's resilience has been notable.

5<sup>th</sup> June 2019

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# Western European Passenger Car Sales Update

## Commentary

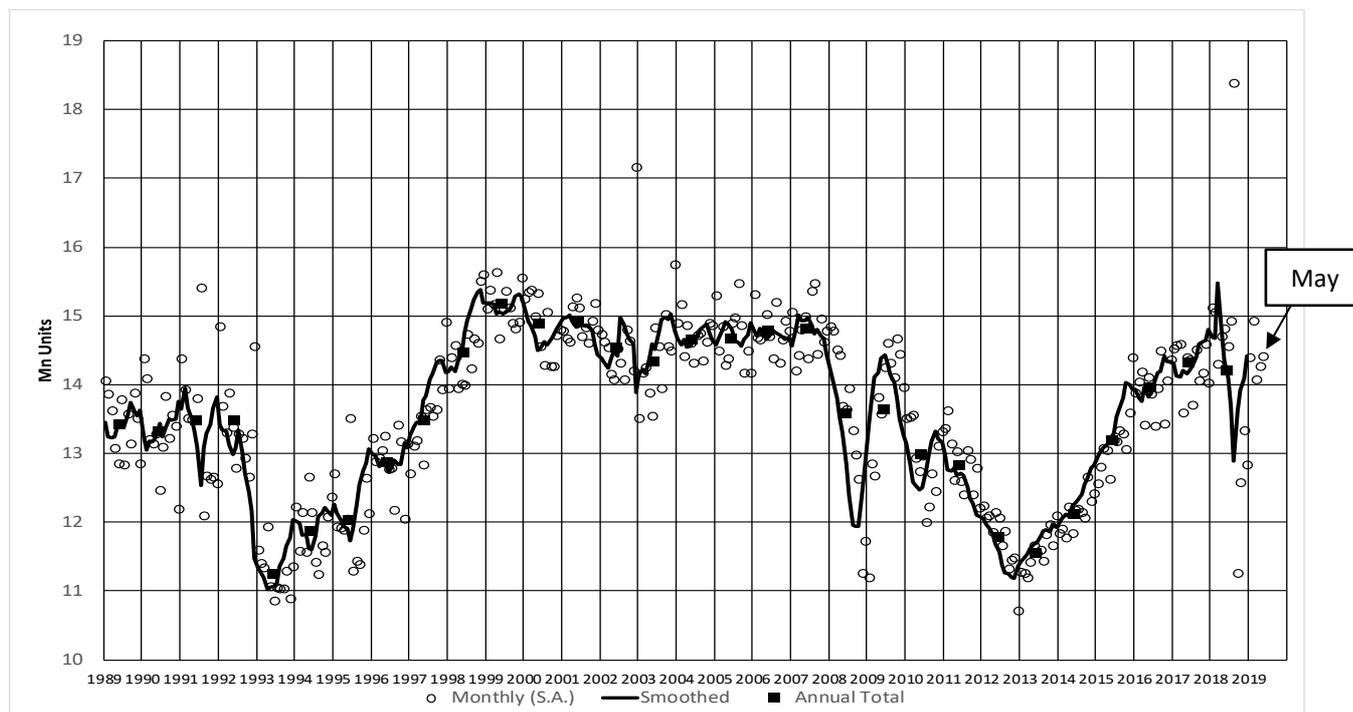
West European car registrations were down 0.3% YoY in May, while the selling rate increased to 14.4 mn units/year, from 14.3 mn units/year in April. France, Italy and Germany all had an additional selling day when compared with May 2018, but the selling rate takes this seasonal distortion into account.

An especially strong May for the German market (+9.1% YoY) was enough to push the YTD into positive territory, exceeding the same period in 2018 by 1.7%. Despite an extra selling day, the selling rate increased over the previous month, a welcome display of resilient demand whilst facing relatively soft economic data. In the UK, May registrations fell 4.6% YoY, an unsurprising result in recent times. The selling rate faltered slightly, to under 2.4 mn units/year, further demonstrating the absence of robust demand in the market. Private, fleet and business registrations all declined this month, with no sector being immune to the political and economic uncertainty that Brexit has caused.

French registrations grew 1.2% YoY in May, with the SAAR above 2.2 mn units/year. Despite this acceleration in the market, France currently remains flat YTD. For the full year, fiscal support and improved consumer spending, along with favourable Q4 comparisons, are expected to pull the French market back into growth. The Italian market returned to contraction again in May, declining 1.2% YoY as the economy continues to struggle to find positive economic growth — we see the Italian market contracting for the full year, symptomatic of the wider economy’s stagnation.

In Spain, registrations plummeted -7.3% YoY, with the selling rate under 1.3 mn units/year and down from April. This abrupt stall in the market exacerbates Spain’s negative YTD position, now down 5.1% versus the same period in 2018. Although solid economic data should support sales in H2, there is an increasing risk that the Spanish market will not grow for 2019 overall.

West European Car Sales





## Western European Passenger Car Sales Update

### West European Car Sales

	Sales (units)						Selling rate (Units/year)			
	May 2019	May 2018	Percent change	Year-to-date 2019	Year-to-date 2018	Percent change	May 2019	Year-to-date 2019	Year 2018	Percent change
WESTERN EUROPE	1,305,407	1,309,972	-0.3%	6,305,680	6,458,324	-2.4%	14,419,082	14,418,246	14,194,095	1.6%
AUSTRIA	30,648	32,631	-6.1%	143,772	155,250	-7.4%	327,792	326,424	341,949	-4.5%
BELGIUM	51,081	54,999	-7.1%	260,445	275,158	-5.3%	565,412	601,347	549,632	9.4%
DENMARK	19,074	22,560	-15.5%	101,543	98,245	3.4%	200,898	236,956	218,486	8.5%
FINLAND	10,884	12,487	-12.8%	49,734	57,952	-14.2%	117,215	107,131	120,491	-11.1%
FRANCE	193,948	191,705	1.2%	935,485	935,959	-0.1%	2,226,346	2,179,000	2,173,523	0.3%
GERMANY	332,962	305,057	9.1%	1,523,769	1,497,723	1.7%	3,659,767	3,632,089	3,435,832	5.7%
GREECE	15,748	12,307	28.0%	51,962	48,233	7.7%	116,037	115,072	104,186	10.4%
IRELAND	6,341	6,055	4.7%	79,385	85,868	-7.5%	107,389	113,230	125,594	-9.8%
ITALY	197,307	199,694	-1.2%	909,503	946,406	-3.9%	1,938,615	1,894,591	1,909,433	-0.8%
LUXEMBOURG	5,415	5,357	1.1%	25,924	25,024	3.6%	52,724	56,118	52,807	6.3%
NETHERLANDS	36,830	36,711	0.3%	185,581	206,242	-10.0%	473,188	443,798	443,812	0.0%
NORWAY	13,117	13,046	0.5%	62,857	60,900	3.2%	150,107	150,145	147,929	1.5%
PORTUGAL	22,724	23,614	-3.8%	103,146	108,246	-4.7%	225,214	227,033	228,067	-0.5%
SPAIN	125,625	135,587	-7.3%	561,953	592,336	-5.1%	1,256,382	1,248,452	1,321,825	-5.6%
SWEDEN	31,919	37,687	-15.3%	136,052	159,299	-14.6%	343,788	332,385	353,666	-6.0%
SWITZERLAND	28,060	27,826	0.8%	128,745	126,434	1.8%	310,765	316,180	299,716	5.5%
UK	183,724	192,649	-4.6%	1,045,824	1,079,049	-3.1%	2,347,442	2,438,295	2,367,147	3.0%

## 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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