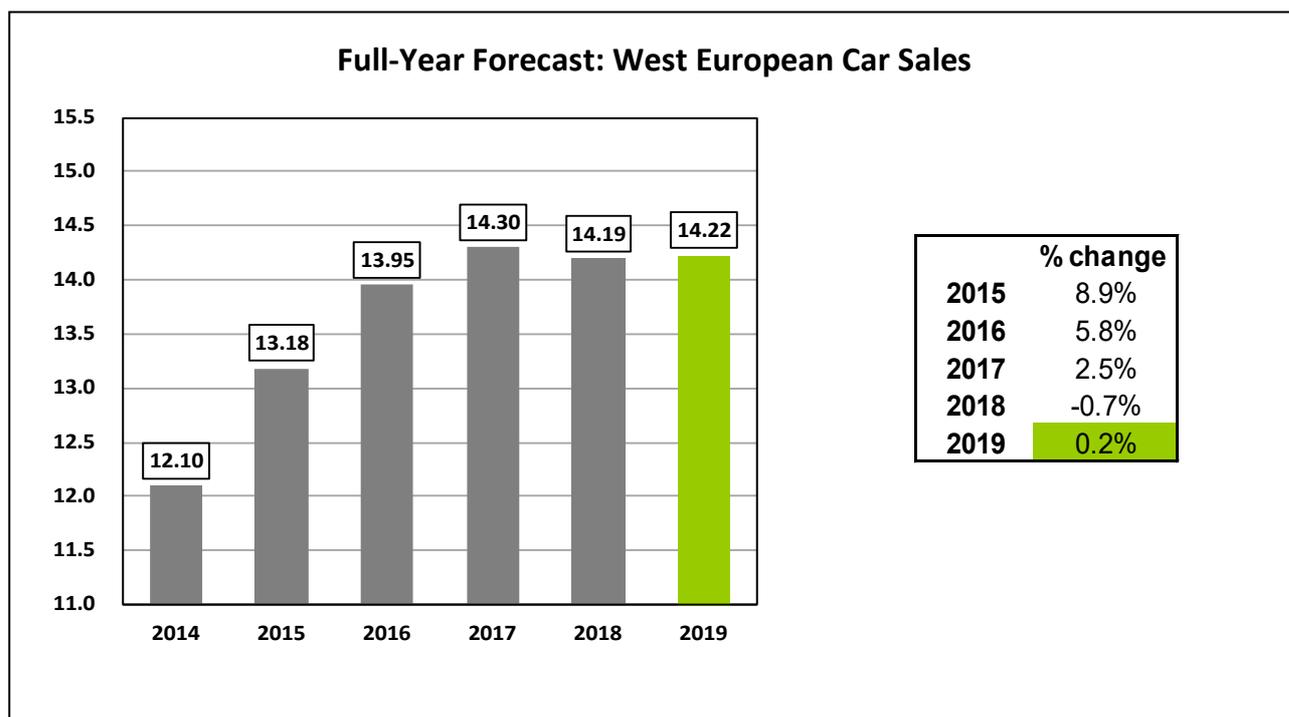


Western European Passenger Car Sales Update

Summary

- West European car registrations fell 8.4% year-on-year (YoY) in June. The selling rate slipped back to 14.2 mn units/year in June, from 14.4 mn units/year in May.
- In Germany, sales decreased 4.7% YoY in June, but the market is the only one of Western Europe's 'Big 5' to remain in positive YoY territory for H1 2019 as whole (+0.5%). The UK market was down 4.9% YoY in June, although the selling rate saw a welcome increase.
- French car sales fell 8.4% YoY in June, although the selling rate continued to hover around the 2.2 mn units/year mark, with the YoY fall being a result of calendar effects reducing the number of selling days in June. Italian registrations were down by 2.1% YoY in June, while the selling rate slipped back to 1.8 mn units/year, the slowest pace since January. The Spanish market contracted by 8.3% YoY, as the selling rate remained below 1.3 mn units/year in what is usually one of the most important months of the year for Spanish sales.
- For the year to date (YTD), Western European sales are down 3.5% YoY, although the selling rate has averaged a healthy 14.4 mn units/year. YoY growth will be difficult to find in July and August, as these months saw inflated sales in 2018 due to purchases being brought forward ahead of WLTP implementation. Later in the year, the YoY comparisons should snap back into positive territory, but it appears that it will be a case of sales playing catch-up to reach a very similar level to 2018, with substantial growth likely to prove elusive this year.

4th July 2019

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Western European Passenger Car Sales Update

Commentary

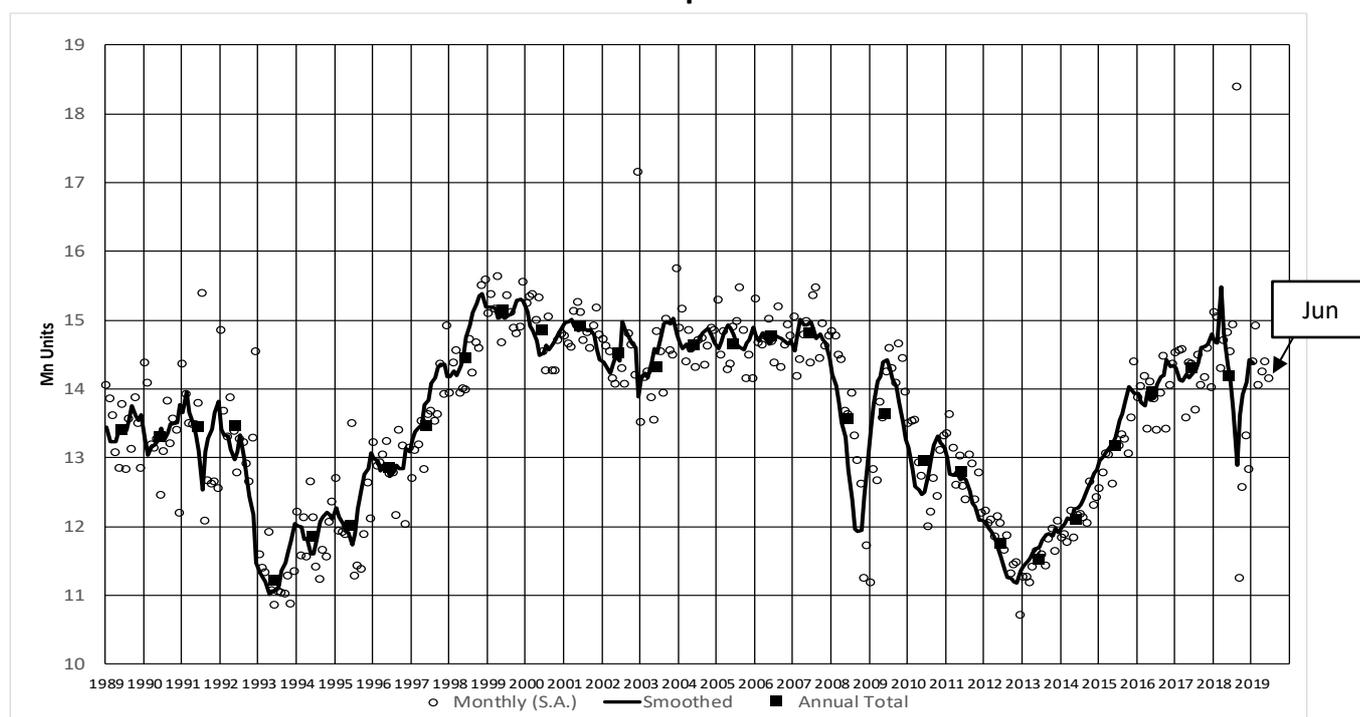
West European car registrations fell 8.4% YoY in June, and the selling rate dropped to 14.2 mn units/year, from 14.4 mn units/year in May. Several major markets had either one or two fewer selling days in June 2019 compared to June 2018, making YoY comparisons less relevant than usual. The annualised selling rate, which is adjusted for selling days, is a better guide to the health of the market.

Germany has been Europe's outstanding performer in H1 2019, at times masking the region's struggles. Although June's selling rate slipped back to 3.5 mn units/year, from May's exceptionally high 3.7 mn units/year, this is still a decent result amidst a stuttering economy. The 4.7% YoY fall in sales was largely a consequence of calendar effects, with June's selling rate higher than in June 2018. The UK's selling rate crept up to 2.4 mn units/year, from 2.3 mn units/year in May, despite Brexit uncertainty and expectations of a quarter-on-quarter contraction in GDP in Q2. In this context, there will be some relief that the result was not worse than a 4.9% YoY fall, with one fewer selling day in June 2019 as compared to June 2018.

The French car market contracted by 8.4% YoY in June, but this was in line with expectations given the loss of selling days as compared to June 2018. June's selling rate of 2.2 mn units/year was typical of France's performance in the first half of 2019. Although little more than flat YoY growth is seen for the full year, this is enough to qualify as one of Europe's steadier markets in the current climate. In Italy, the first six months of the year have produced a YoY decline of 3.5%, and there is little sign of improvement, with June's 2.1% YoY fall coming in the midst of an ongoing economic slump.

The result in Spain, of an 8.3% YoY decrease, would have been even worse were it not for a large number of self-registrations by dealerships late in the month (it was reported that more than 25% of registrations occurred in the final two selling days in June). The lack of a stable governing coalition – and therefore the ensuing policy uncertainty – seems to be to blame for the current market weakness, despite relatively strong economic growth. Sales for the first half of 2019 are down 5.7%, YoY.

West European Car Sales





Western European Passenger Car Sales Update

West European Car Sales

	Sales (units)						Selling rate (Units/year)			
	Jun 2019	Jun 2018	Percent change	Year-to-date 2019	Year-to-date 2018	Percent change	Jun 2019	Year-to-date 2019	Year 2018	Percent change
WESTERN EUROPE	1,356,099	1,481,011	-8.4%	7,660,231	7,939,242	-3.5%	14,170,050	14,374,658	14,193,947	1.3%
AUSTRIA	32,613	38,113	-14.4%	176,385	193,363	-8.8%	348,407	330,088	341,949	-3.5%
BELGIUM	50,044	56,211	-11.0%	310,489	331,369	-6.3%	520,166	587,817	549,632	6.9%
DENMARK	20,677	22,512	-8.2%	122,220	120,726	1.2%	213,042	232,970	218,448	6.6%
FINLAND	10,537	11,657	-9.6%	60,271	69,609	-13.4%	117,934	108,932	120,491	-9.6%
FRANCE	230,967	252,222	-8.4%	1,166,452	1,188,181	-1.8%	2,176,173	2,178,529	2,173,523	0.2%
GERMANY	325,231	341,308	-4.7%	1,849,000	1,839,031	0.5%	3,512,778	3,612,203	3,435,832	5.1%
GREECE	11,522	12,980	-11.2%	61,744	61,213	0.9%	115,686	113,064	104,186	8.5%
IRELAND	1,410	1,248	13.0%	80,712	87,116	-7.4%	97,742	110,476	125,594	-12.0%
ITALY	171,626	175,274	-2.1%	1,082,197	1,121,680	-3.5%	1,817,560	1,883,607	1,909,433	-1.4%
LUXEMBOURG	4,998	5,627	-11.2%	30,922	30,651	0.9%	53,202	55,632	52,807	5.4%
NETHERLANDS	41,671	46,746	-10.9%	226,482	252,988	-10.5%	483,628	448,680	443,812	1.1%
NORWAY	15,352	15,845	-3.1%	78,209	76,745	1.9%	187,618	156,391	147,929	5.7%
PORTUGAL	25,290	26,206	-3.5%	128,413	134,452	-4.5%	220,660	225,932	228,067	-0.9%
SPAIN	130,519	142,397	-8.3%	692,472	734,671	-5.7%	1,263,876	1,251,023	1,321,715	-5.3%
SWEDEN	31,830	66,244	-52.0%	167,882	225,543	-25.6%	342,951	334,146	353,666	-5.5%
SWITZERLAND	28,391	31,476	-9.8%	157,136	157,910	-0.5%	306,667	314,594	299,716	5.0%
UK	223,421	234,945	-4.9%	1,269,245	1,313,994	-3.4%	2,391,960	2,430,572	2,367,147	2.7%

Notes:

Greece and Luxembourg data: estimates 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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