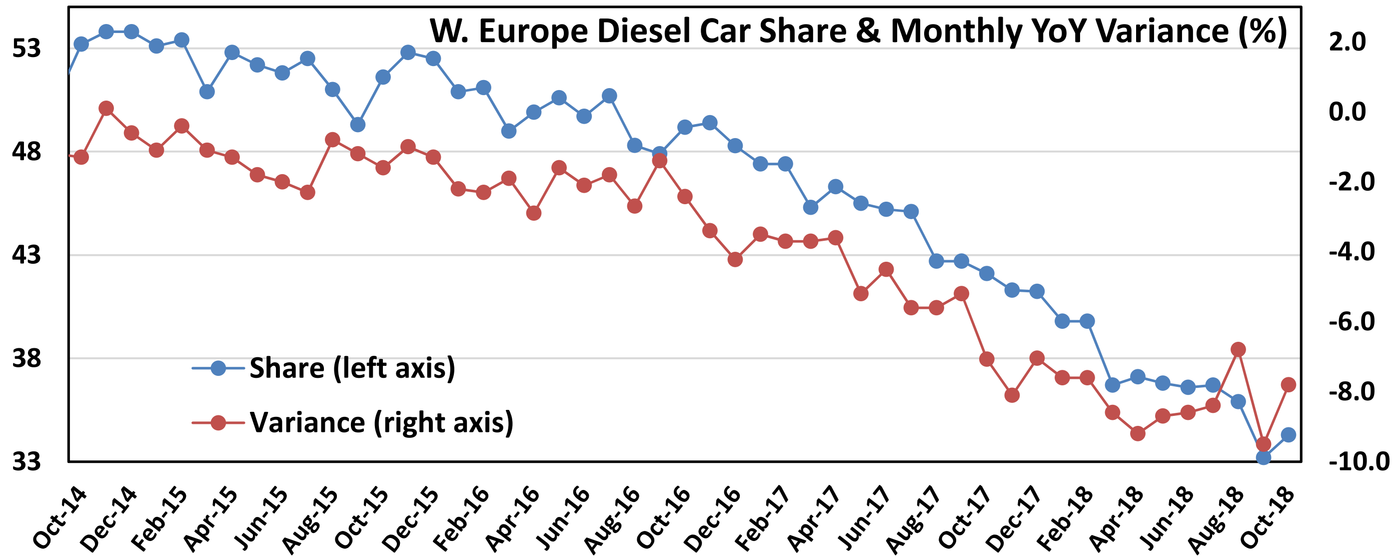
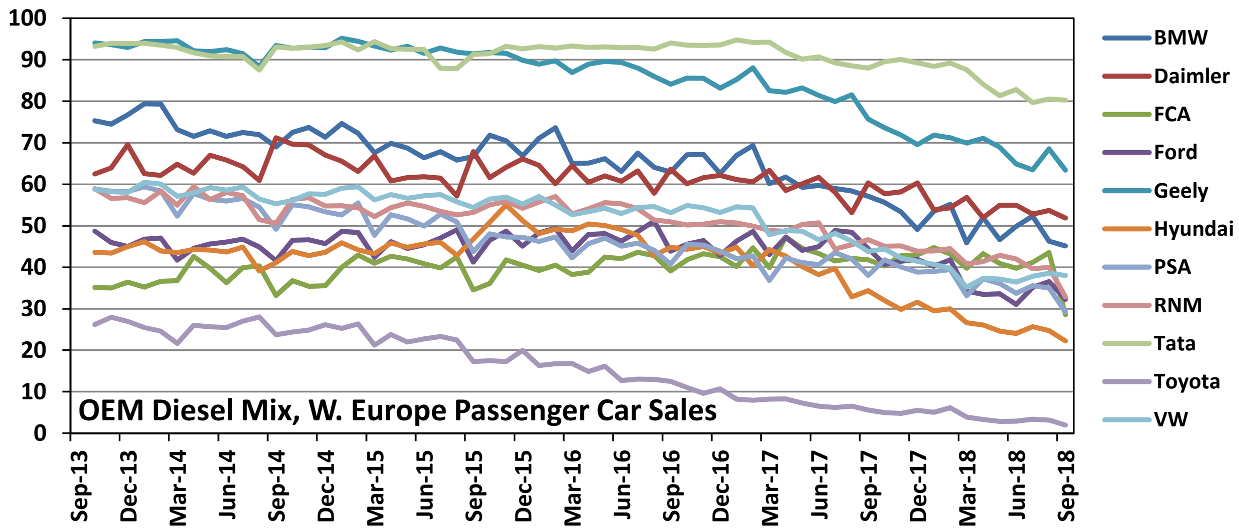
October 2018

Western European Diesel Car Market

October saw Respite from a Poor September and the 3rd Smallest YoY Decline of 2018



- WLTP-induced distortions remain in the European passenger car market but October resulted in a diesel share of new car sales more in line with what we would expect. Provisional figures (with several smaller markets yet to report) indicate a diesel share of new passenger car sales of 34.3% and a YTD figure of 36.6%. YoY decline was 7.8%, not too far from August's result, and (prior to that point) last seen in February. Worst performing markets from a diesel share perspective were Spain, Italy and Sweden. Only Finland was in positive territory compared with October 2017. Year-to-date, all markets saw share decline but in the case of Denmark, this was only slight at -0.4pp. Volume-wise, October diesel car sales were down by 110,000 units. This sounds like a lot, but total car sales in October 2018 were 80,000 lower than for the same month in 2017 as some markets weakened and WLTP distortion took its toll.



- The Chart above shows 5-year development of the diesel share of Europe's top 11 OEMs. Worthy of note are Toyota's virtual withdrawal from the diesel market, BMW's move away from diesel at a faster rate than arch-rival Daimler, and Hyundai's recent diesel decline as it has significant success with its gasoline hybrid models. Geely and Tata remain most exposed to the diesel market despite both having recently developed new gasoline engine families. In the case of Tata (JLR) vehicle size is the key issue.

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Diesel Share of New Car Sales (%)

	Oct-18	Oct-17	YoY	YTD Oct-18	YTD Oct-17	YoY
Austria*	39.0	46.7	-7.7	41.2	50.0	-8.8
Belgium*	35.0	46.8	-11.8	36.0	46.9	-10.9
Denmark	29.0	33.1	-4.1	33.5	33.9	-0.4
Finland	26.9	26.7	0.2	23.8	31.0	-7.2
France	36.4	45.9	-9.5	39.6	47.6	-8.0
Germany	31.8	35.0	-3.2	32.0	39.8	-7.8
Greece*	35.0	42.9	-7.9	34.3	42.7	-8.4
Ireland	58.7	60.8	-2.1	54.3	65.1	-10.8
Italy	44.1	55.1	-11.0	52.4	56.5	-4.1
Luxembourg	50.5	51.7	-1.2	47.2	54.1	-6.9
Netherlands	12.3	19.6	-7.3	13.2	17.9	-4.7
Norway	14.1	19.9	-5.8	17.6	23.7	-6.1
Portugal*	53.0	61.8	-8.8	53.4	61.8	-8.4
Spain	33.4	46.0	-12.6	37.0	49.4	-12.4
Sweden	32.3	45.7	-13.4	38.4	50.4	-12.0
Switzerland	27.0	33.8	-6.8	30.0	36.5	-6.5
UK	31.9	39.4	-7.5	31.8	42.5	-10.7
W. Europe	**34.3**	**42.1**	**-7.8**	**36.6**	**45.0**	**-8.3**

Diesel Car Sales Volume ('000s)

	Oct-18	Oct-17	YoY	YTD Oct-18	YTD Oct-17	YoY
Austria*	8.8	13.2	-4.4	122.9	149.1	-26.1
Belgium*	12.9	20.4	-7.4	177.3	224.6	-47.2
Denmark	4.8	6.1	-1.3	62.8	63.5	-0.7
Finland	2.1	2.3	-0.2	25.3	31.2	-6.0
France	62.9	80.7	-17.8	724.0	823.9	-99.9
Germany	80.4	95.5	-15.1	941.3	1,148.1	-206.8
Greece*	2.8	2.8	0.0	30.9	31.8	-0.9
Ireland	1.0	1.2	-0.2	67.8	85.0	-17.2
Italy	64.7	87.3	-22.6	858.6	956.5	-97.9
Luxembourg	2.2	2.4	-0.3	22.2	24.7	-2.5
Netherlands	3.8	7.3	-3.5	52.3	64.7	-12.4
Norway	1.6	2.5	-0.8	21.7	30.6	-8.9
Portugal*	7.4	9.8	-2.4	104.0	115.8	-11.9
Spain	29.5	43.7	-14.2	417.4	508.2	-90.8
Sweden	7.5	14.7	-7.2	117.1	157.2	-40.1
Switzerland	6.2	8.3	-2.2	74.4	93.6	-19.2
UK	49.0	62.3	-13.3	656.5	945.5	-289.0
W. Europe	**347.6**	**460.5**	**-112.9**	**4,476.6**	**5,454.0**	**-977.4**

**** Estimated for October 2018***

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