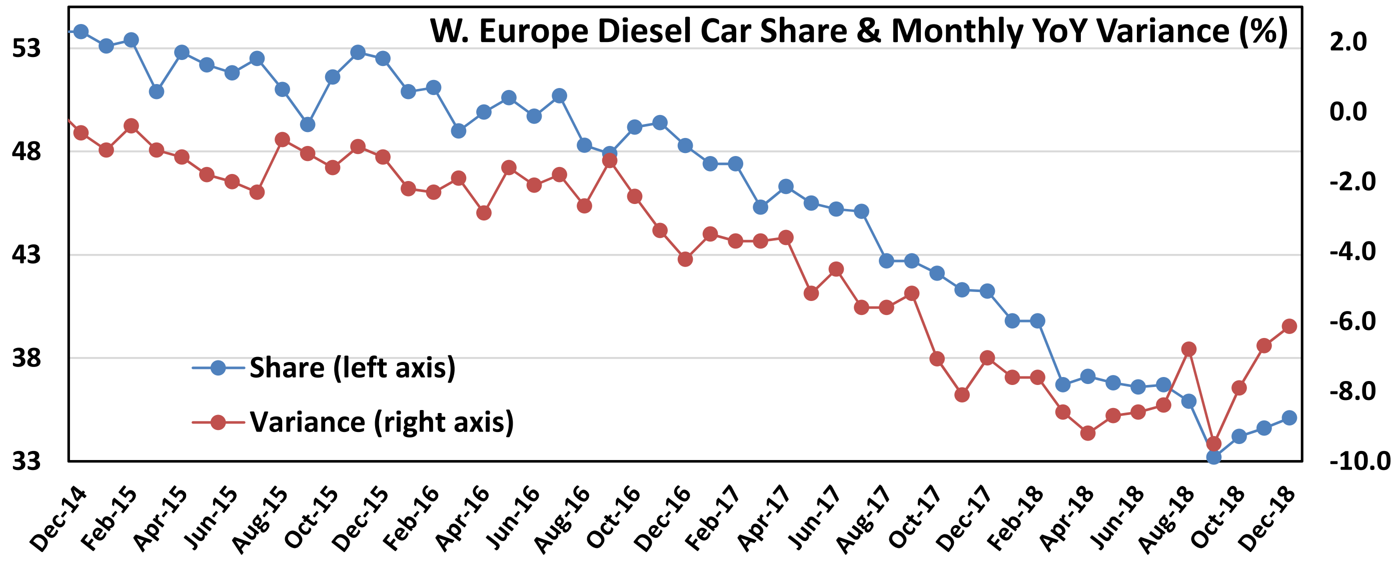
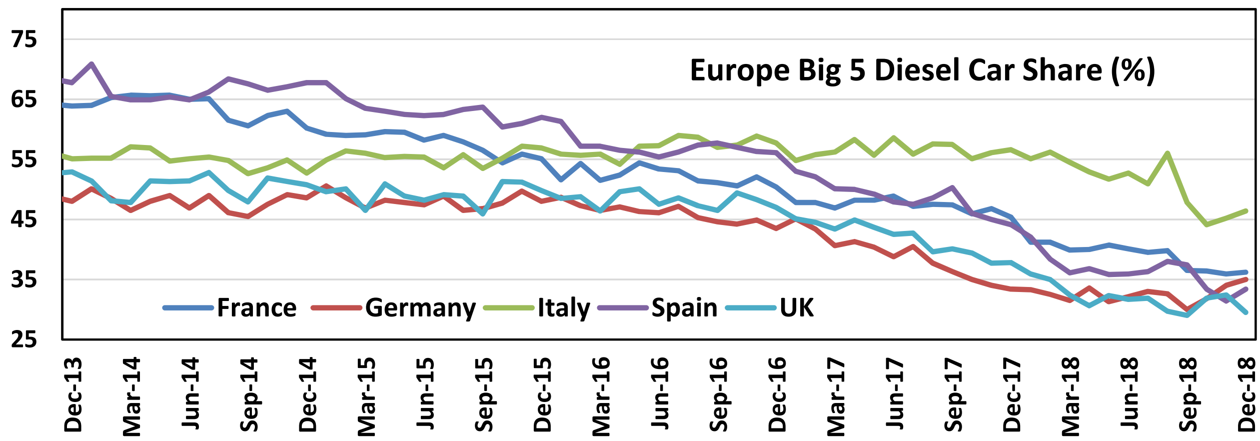
December 2018

Western European Diesel Car Market

December's Diesel Market Followed the Modest Upward Trend; FY 2018 down 8pp YoY



- November's new car diesel market is confirmed at 34.6% while December saw a slight uptick to 35.1% and the full year result was 36.4% (these last two figures are subject to possible slight revision on receipt of a few outstanding country results). Monthly YoY decline at 6.1pp is the least bad result for over a year and further evidence that the steepest phase of the diesel decline may be coming to an end, for now at least. After a year of worse decline than was anticipated, the region's diesel share has retrenched to a level last seen in 2001 and is likely to see further falls. However, we do detect growing acceptance from regulators and the industry that diesel still has a part to play in Europe's passenger car powertrain mix.
- In late November 2018 Fiat Chrysler Automobiles appeared to reverse an earlier decision to remove the diesel offering from its portfolio by 2021. Instead it will continue to develop and offer diesel cars where appropriate. Elsewhere, many other OEMs have said that they will not develop all-new diesel engines, but this does not mean that they will be removed from sale soon, as existing engine platforms can be upgraded. Despite fears, outright city bans on new diesel cars seem unlikely, with older more polluting vehicles being targeted as part of a phased approach to improving urban air quality. However, there is a possibility that Madrid, Paris and Brussels will ban pre-EU6d TEMP diesel cars after a court ruling. This would impact diesel cars registered prior to September 2018, hence reducing diesel confidence further.



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Diesel Share of New Car Sales (%)

	Dec-18	Dec-17	YoY	YTD Dec-18	YTD Dec-17	YoY
Austria	43.8	50.4	-6.6	41.4	49.7	-8.3
Belgium*	32.0	41.8	-9.8	35.5	46.3	-10.8
Denmark	32.0	42.1	-10.1	33.3	35.2	-1.9
Finland	27.7	28.6	-0.9	24.0	30.4	-6.4
France	36.2	45.4	-9.2	39.0	47.3	-8.3
Germany	35.0	33.4	1.6	32.3	38.9	-6.6
Greece*	33.0	41.7	-8.7	34.2	42.8	-8.6
Ireland	40.1	71.3	-31.2	54.3	65.1	-10.8
Italy	46.4	56.6	-10.2	51.4	56.5	-5.1
Luxembourg	45.1	51.5	-6.4	47.2	53.9	-6.7
Netherlands	6.4	10.4	-4.0	12.7	17.3	-4.6
Norway	20.5	18.7	1.8	17.7	23.0	-5.3
Portugal*	47.0	59.0	-12.0	52.8	61.3	-8.5
Spain	33.4	44.1	-10.7	36.3	48.6	-12.3
Sweden	34.9	44.8	-9.9	37.9	49.1	-11.2
Switzerland	32.8	35.9	-3.1	30.3	36.0	-5.7
UK	29.5	37.8	-8.3	31.7	42.0	-10.3
W. Europe	**35.1**	**41.3**	**-6.2**	**36.4**	**44.4**	**-8.1**

Diesel Car Sales Volume ('000s)

	Dec-18	Dec-17	YoY	YTD Dec-18	YTD Dec-17	YoY
Austria	8.4	12.9	-4.5	141.2	175.6	-34.4
Belgium*	7.4	11.7	-4.3	195.1	253.1	-57.9
Denmark	4.5	7.0	-2.5	72.9	78.1	-5.2
Finland	1.7	2.3	-0.6	28.9	36.0	-7.1
France	59.5	87.4	-27.9	843.6	994.5	-150.9
Germany	83.0	84.8	-1.8	1,109.7	1,338.6	-228.9
Greece*	2.6	2.9	-0.4	35.8	37.8	-2.0
Ireland	0.1	0.1	-0.1	68.2	85.5	-17.3
Italy	57.6	68.9	-11.3	981.5	1,113.7	-132.2
Luxembourg	1.3	1.5	-0.2	25.0	28.4	-3.4
Netherlands	1.3	1.8	-0.5	57.1	72.0	-14.9
Norway	2.6	3.0	-0.5	26.2	36.5	-10.3
Portugal*	7.6	10.1	-2.5	119.6	136.2	-16.5
Spain	33.7	45.5	-11.8	480.3	600.9	-120.6
Sweden	8.0	15.7	-7.7	134.0	186.3	-52.2
Switzerland	9.0	11.1	-2.0	90.8	113.0	-22.2
UK	42.5	57.6	-15.1	750.4	1,067.1	-316.7
W. Europe	**330.6**	**424.3**	**-93.7**	**5,160.4**	**6,353.4**	**-1,193.0**

**** Estimated for December 2018***

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