



European
Automobile
Manufacturers
Association

Economic and Market Report

EU Automotive Industry Full-year 2018



February 2019

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EU ECONOMIC OUTLOOK

In 2018, the EU economy recorded its sixth year of uninterrupted growth (+1.9%), although at a more modest pace than in peak year 2017. Economic activity in the EU is likely to further decelerate in the short term, as the European Commission revised projections downwards in its latest economic forecast. EU GDP growth is expected to slow to 1.5% in 2019, before rising slightly to 1.7% in 2020.

Economic and political uncertainty related to rising global trade tensions and the slowdown of the Chinese economy are expected to persist for some time, clearly with an unfavourable impact on global economic growth. Moreover, the effects of a (managed or no-deal) Brexit on the economy are likely to start being felt in the coming months.

Overall inflation (HICP¹) in the European Union reached 1.9% last year, up from 1.7% in 2017. Due to a sharp decline in energy prices, the European Commission has lowered its earlier forecasts: EU inflation is set to moderate to 1.6% in 2019 and then slightly increase to 1.8% in 2020.

Despite the expected slowdown in EU economic growth, the labour market outlook remains positive. The unemployment rate is projected to remain relatively low and job creation will continue – although at slower rate as the economy will cool down. According to the Commission's latest estimates, the EU unemployment rate is set to continue its downward trend from 6.9% last year to 6.3% in 2020.

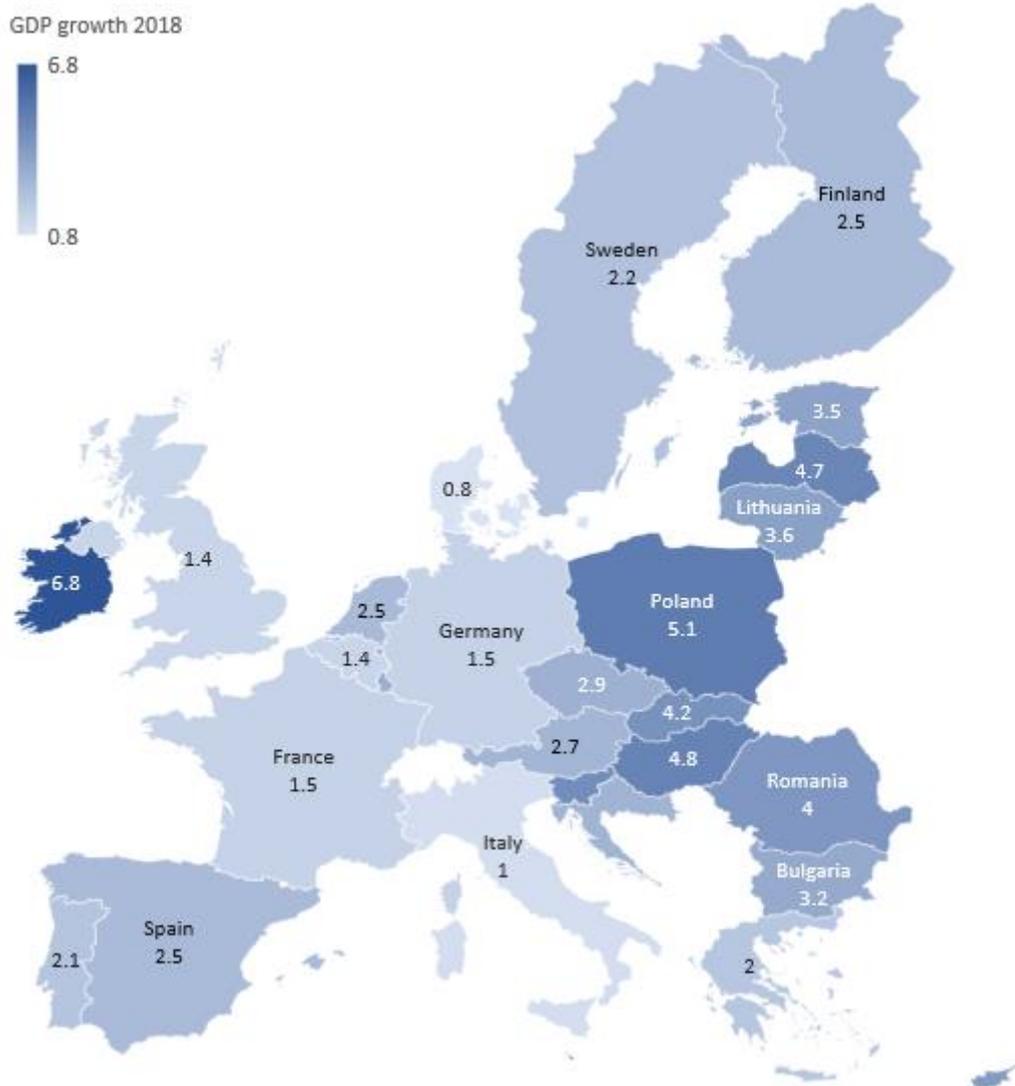
Table 1: European Economic Forecast – Winter 2019

EU FORECAST	2018	2019	2020
GDP GROWTH (% , YOY)	1.9	1.5	1.7
INFLATION (% , YOY)	1.9	1.6	1.8
UNEMPLOYMENT (%)	6.9	6.6	6.3

SOURCE: EUROPEAN COMMISSION, DG ECFIN

¹ Harmonised Index of Consumer Prices

Figure 1: EU GDP growth forecast (in %)



PASSENGER CARS

REGISTRATIONS

WORLD

After a robust first half of the year and a strong drop in the final quarter, full-year 2018 passenger car registrations in Europe totalled 18.1 million units, a level similar to 2017 figures. Except for the strong contraction of the Turkish market (-32.7%) and a slight decline in Ukraine (-2.1%), the Eastern European markets posted positive figures in 2018. Registrations recovered in Russia (+14.0%), but demand also improved in Kazakhstan and Belarus. By contrast, the EU market remained flat, with a slowdown in demand for new cars in Western Europe being compensated for by the positive performance of the Central European markets.

After growing steadily between 2010 and 2016, passenger car sales in North America decelerated in 2017 and continued this trend in 2018 (-1.0%). Similarly, with nearly 14 million units sold in 2018, the US car market posted comparable results to the previous year. Nevertheless, the United States accounted for 17.6% of the global car market in 2018 – coming third after China and the European Union.

In South America, full-year 2018 results were 7% higher than in 2017, with more than 3.7 million cars sold last year. This result was primarily driven by the Brazilian market, which grew by 12.6% in 2018 to reach 2.1 million units registered.

Last year, South Korean passenger car sales went up by 2.4% compared to 2017, while the Japanese market remained stable in 2018 with around 4.4 million new cars sold.

Sales of passenger cars in China totalled 23.2 million units last year, down 3.5% compared to 2017 and marking the first decline in nearly three decades. Rising trade tensions with the United States and a tighter credit policy seem to have affected the confidence of Chinese consumers. However, China remains the largest passenger car market in the world, accounting for 29.4% of global sales last year.

Indian passenger car sales increased by 6.2% in 2018, despite almost flat growth during the second half of the year. Positive full-year growth was mostly due to a low base of comparison and robust domestic demand.

Overall in 2018, nearly 79 million passenger cars were sold worldwide, slightly less (-0.8%) when compared to 2017 results.

Table 2: World new passenger car registrations

	2018 ²	2017	% change 18/17	% share 2018
EUROPE	18,059,040	18,066,422	-0.04	22.9
EU ³	15,158,874	15,136,590	+0.1	19.2
EFTA	465,612	493,965	-5.7	0.6
RUSSIA	1,681,348	1,475,391	+14.0	2.1
TURKEY	486,321	722,752	-32.7	0.6
UKRAINE	77,805	79,465	-2.1	0.1
OTHERS-EUROPE ⁴	189,080	158,259	+19.5	0.2
NORTH AMERICA⁵	16,677,937	16,842,523	-1.0	21.1
<i>of which the US</i>	<i>13,901,586</i>	<i>13,964,066</i>	<i>-0.4</i>	<i>17.6</i>
SOUTH AMERICA	3,729,802	3,484,482	+7.0	4.7
<i>of which Brazil</i>	<i>2,089,105</i>	<i>1,854,570</i>	<i>+12.6</i>	<i>2.6</i>
ASIA	36,664,644	37,152,203	-1.3	46.4
CHINA	23,185,905	24,016,153	-3.5	29.4
JAPAN	4,378,933	4,376,887	+0.05	5.5
INDIA	3,506,331	3,300,404	+6.2	4.4
SOUTH KOREA	1,517,322	1,481,501	+2.4	1.9
OTHERS-ASIA ⁶	4,076,153	3,977,258	+2.5	5.2
MIDDLE EAST/AFRICA	3,828,132	4,050,131	-5.5	4.8
WORLD	78,959,555	79,595,761	-0.8	100.0

SOURCE: IHS MARKIT, ACEA

² Provisional figures

³ Data for Malta not available

⁴ Includes Belarus, Bosnia-Herzegovina, Kazakhstan, Macedonia, Serbia and Uzbekistan

⁵ Based on production type

⁶ Includes Hong Kong, Taiwan and all the other South Asian countries, excluding India

THE EUROPEAN UNION

Overall in 2018, passenger car registrations in the EU remained more or less stable compared to the year before. The year started on a strong note, but due to falling demand during the last four months of 2018, full-year growth was only +0.1%. Ahead of the introduction of the new WLTP test in September, car registrations saw an exceptional surge over the summer, which led to a drop in demand during the following months.

Although the 2018 increase is very modest, it still marks the fifth consecutive year of growth in car sales, with almost 15.2 million units registered in total across the European Union.

Demand was mostly driven by the Central European countries, where new car registrations grew by 8.0% in 2018. Results were diverse among the five major EU markets, with Spain (+7.0%) and France (+3.0%) posting growth, registrations falling slightly in Germany (-0.2%) and demand contracting in Italy (-3.1%) and the United Kingdom (-6.8%) last year.

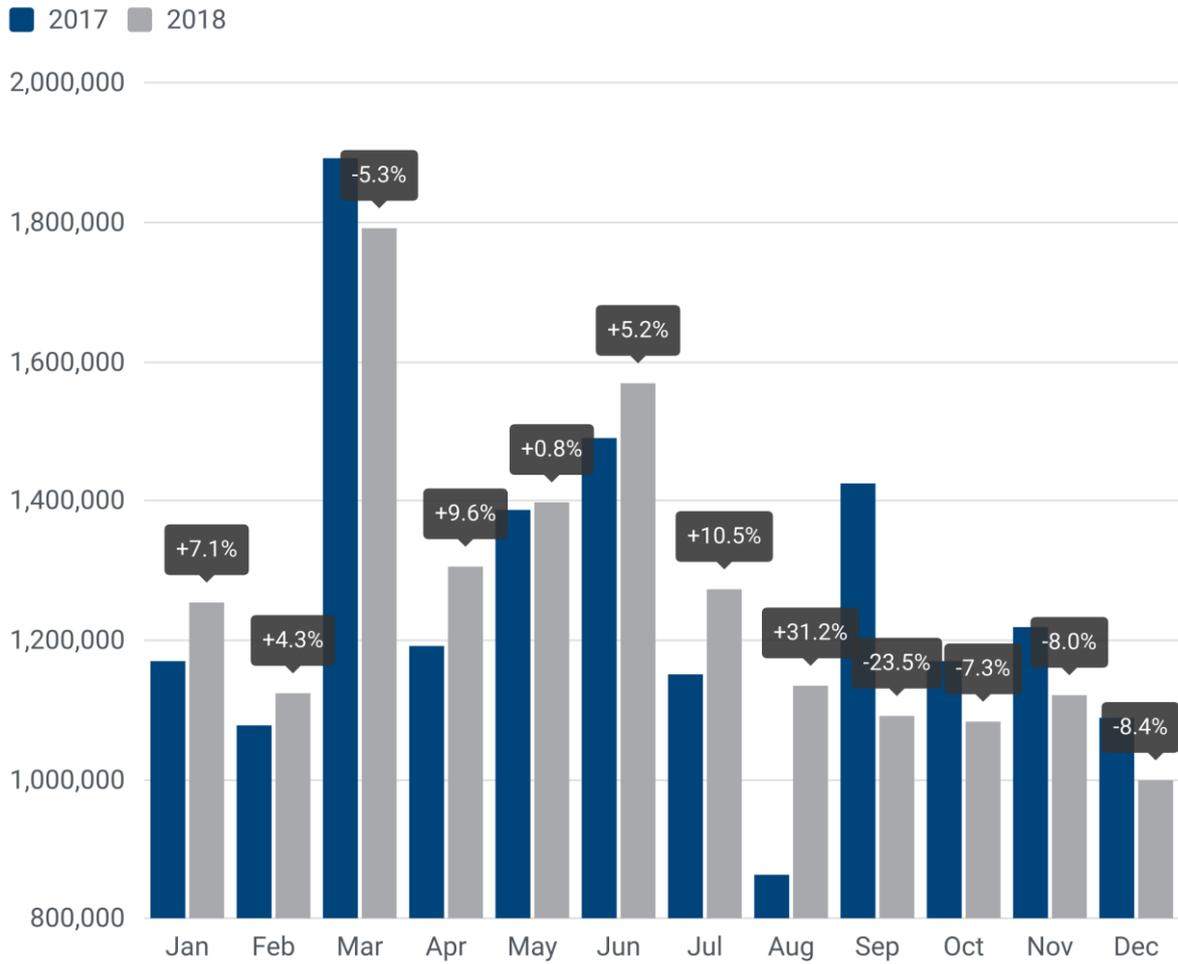
Table 3: Top 5 – New passenger car registrations in the EU

	2018	2017	% change 18/17
GERMANY	3,435,778	3,441,262	-0.2
UNITED KINGDOM	2,367,147	2,540,617	-6.8
FRANCE	2,173,481	2,110,748	+3.0
ITALY	1,910,025	1,971,345	-3.1
SPAIN	1,321,438	1,234,932	+7.0
EU⁷	15,158,874	15,136,590	+0.1

SOURCE: ACEA

⁷ Data for Malta not available

Figure 2: New passenger car registrations in the EU | 12-month trend

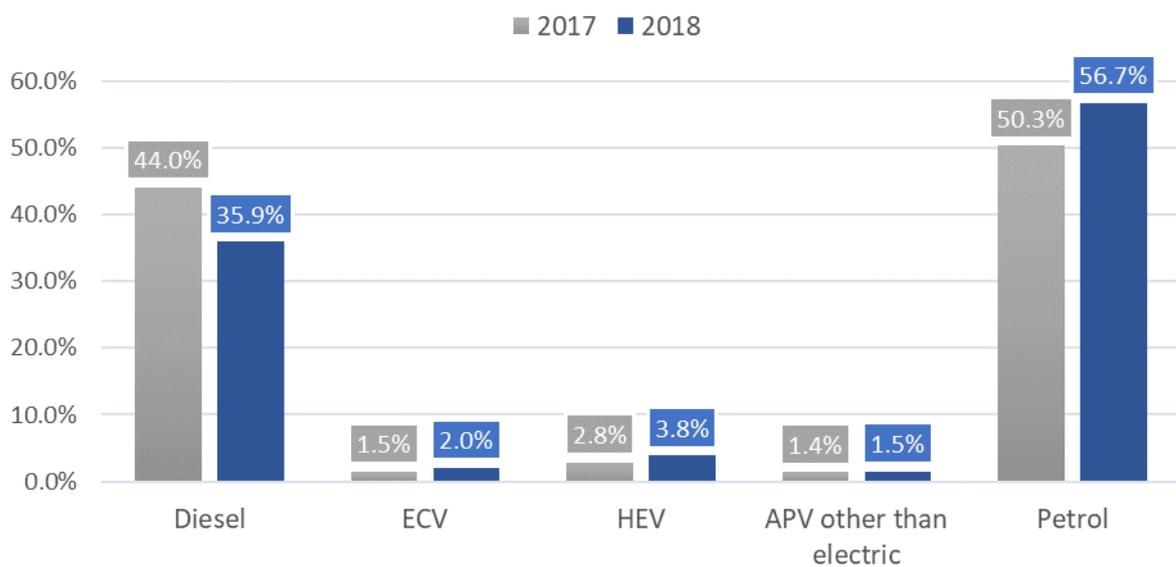


SOURCE: ACEA

EU PASSENGER CAR REGISTRATIONS BY FUEL TYPE

In 2018, diesel's share of the market fell from 44.0% to 35.9%, while petrol continued to further expand its share of new car registrations (from 50.3% to 56.7%). Electrically-chargeable vehicles accounted for only 2.0% of new cars registered across the EU throughout 2018, while all alternatively-powered vehicles (APV) combined made up 7.4% of the market.

Figure 3: New passenger car in the EU by fuel type, % share



SOURCE: ACEA

Petrol and diesel cars

Demand for diesel cars in the EU continued to contract in 2018, the number of diesels registered fell by 18.3% last year. With the exception of Bulgaria and Estonia, all markets in the European Union posted strong declines, including the EU's five biggest markets. This slump in diesel demand was offset primarily by an increase in sales of petrol passenger cars.

In 2018, registrations of petrol-fuelled vehicles grew by 12.8% to reach 8.5 million units. Indeed, petrol expanded its share of the EU market by almost six and a half percentage points last year, now accounting for 56.7% of car sales. Registrations of petrol cars increased in nearly all EU markets, including the region's five major ones – ie Germany, the United Kingdom, France, Italy and Spain.

Alternatively-powered vehicles (APV)

Throughout 2018, registrations of alternatively-powered cars across the European Union grew significantly (+30.4%). Electrically-chargeable vehicles (ECV) lead this growth with the highest percentage gain (+38.2%), notably driven by an uplift of the battery-electric segment (+53.2%). Norway remains the biggest market for battery-electric vehicles (BEV) in Europe with 46,143 units registered in 2018, followed by Germany and France.

Hybrid electric vehicles (HEV) also performed very well (+35.6%) last year, accounting for more than half of all APV registrations. Demand for hybrids increased across the entire EU in 2018, with each of the five biggest markets posting double-digit growth.

Demand for natural gas and LPG-powered cars grew by 11.2% last year. Italy was still the largest market for these vehicles, although volumes remained fairly stable (+0.1%) there in 2018. However, last year both Spain (+323.8%) and Germany (+90.1%) recorded significant growth in registrations of cars running on LPG and natural gas.

Table 4: New passenger car registrations in the EU by alternative powertrain

	2018	2017	% change 18/17
ECV⁸	301,847	218,336	+38.2
<i>of which BEV</i>	<i>150,003</i>	<i>97,920</i>	<i>+53.2</i>
<i>of which PHEV</i>	<i>151,844</i>	<i>120,416</i>	<i>+26.1</i>
HEV⁹	578,620	426,769	+35.6
APV other than electric¹⁰	229,402	206,263	+11.2
<i>of which LPG</i>	<i>162,547</i>	<i>154,899</i>	<i>+4.9</i>
<i>of which NGV</i>	<i>65,092</i>	<i>49,553</i>	<i>+31.4</i>
Total APV	1,109,869	851,368	+30.4

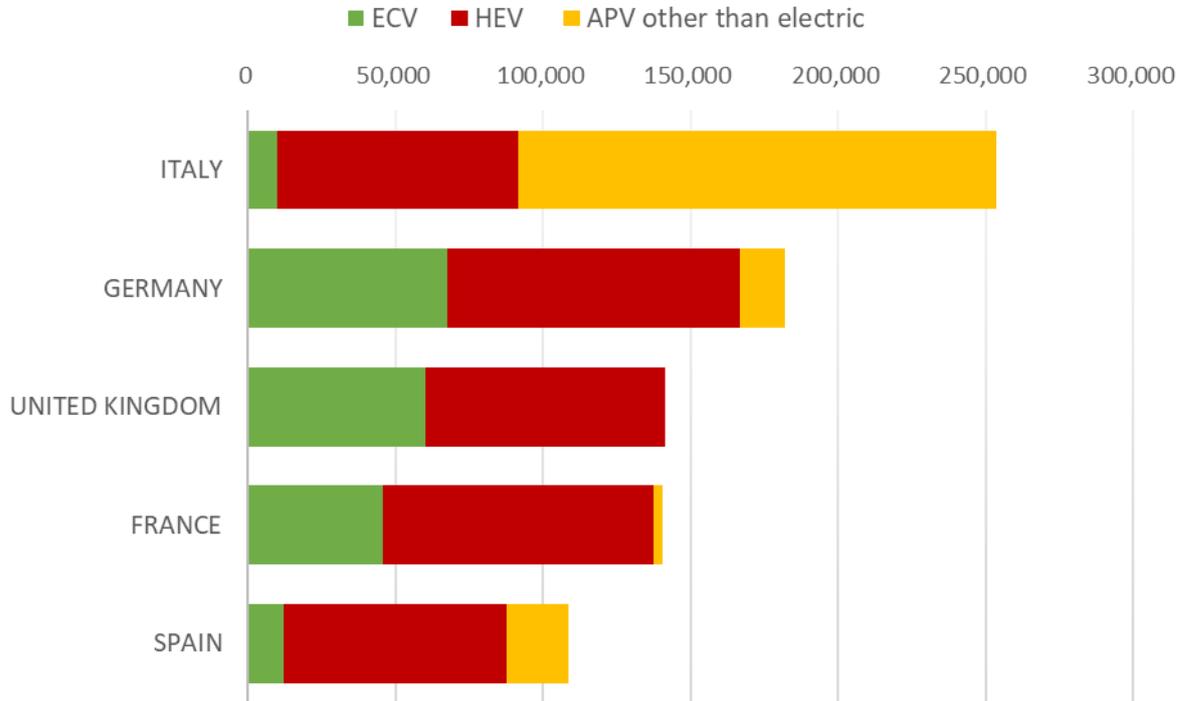
SOURCE: ACEA

⁸ Electrically-chargeable vehicles, including battery electric vehicles (BEV), extended-range electric vehicles (EREV), fuel cell electric vehicles (FCEV) and plug-in hybrid electric vehicles (PHEV)

⁹ Hybrid electric vehicles, including full and mild hybrids

¹⁰ Alternatively-powered vehicles other than electric, including natural gas (NGV), LPG-fuelled and ethanol

Figure 4: Alternative powertrain car registrations in the five key EU markets | 2018



SOURCE: ACEA

(E85) vehicles

PRODUCTION

WORLD

In 2018, car production on the European continent decreased by 1.7% compared to the year before, as a result of slowing demand in some Western European countries and the United Kingdom in particular. Outside of the European Union, passenger car output fell in Turkey (-8.6%) and Ukraine (-15.3%) but maintained strong momentum in Russia (+14.0%) as domestic sales recovered there.

Passenger car production in North America totalled nearly 13 million units in 2018, or 1.3% less than the year before. US output, which accounts for more than 60% of the region's total car production, also remained flat last year at around 8 million units. Production in South America, on the other hand, continued to grow (+3.9%), although at a slower pace than in 2017. Brazil was the main driver of this trend, with local output growing by 4.3% throughout 2018.

Overall in 2018, Chinese passenger car output fell by 2.5%, with 23.1 million cars built last year. Despite weakening domestic demand and trade tensions with the United States, China managed to maintain its leading position as the world's biggest producer of passenger cars, representing more than 29% of global production.

Japan ended the year with 8.2 million units produced in total, more or less the same number as in 2017. South Korean production, on the other hand, decreased by 2.4% due to worsening economic conditions and trade uncertainties.

Looking at the emerging markets, Thailand and Indonesia (both +7.3%) posted the highest production growth last year, followed by India (+3.4%) – all three benefitting from robust domestic demand and exports.

In 2018, 78.9 million passenger cars were produced around the world, some 1.2% less than the year before.

Table 5: World passenger car production

	2018 ¹¹	2017	% change 18/17	% share 2018
EUROPE	18,931,981	19,252,051	-1.7	24.0
EU	16,146,681	16,493,027	-2.1	20.5
RUSSIA	1,531,853	1,343,750	+14.0	1.9
TURKEY	994,803	1,088,260	-8.6	1.3
UKRAINE	6,179	7,295	-15.3	0.01
OTHERS-EUROPE ¹²	252,465	319,719	-21.0	0.3
NORTH AMERICA	12,959,641	13,126,914	-1.3	16.4
<i>of which the US</i>	<i>8,017,520</i>	<i>8,030,633</i>	<i>-0.2</i>	<i>10.2</i>
SOUTH AMERICA	2,734,747	2,630,978	+3.9	3.5
<i>of which Brazil</i>	<i>2,384,620</i>	<i>2,285,384</i>	<i>+4.3</i>	<i>3.0</i>
ASIA	42,219,304	42,705,914	-1.1	53.5
CHINA	23,053,548	23,638,856	-2.5	29.2
JAPAN	8,208,105	8,218,436	-0.1	10.4
INDIA	4,014,292	3,881,491	+3.4	5.1
SOUTH KOREA	3,691,984	3,782,703	-2.4	4.7
INDONESIA	1,057,426	985,861	+7.3	1.3
THAILAND	1,036,538	966,444	+7.3	1.3
OTHERS-ASIA ¹³	1,157,411	1,232,123	-6.1	1.5
MIDDLE EAST/AFRICA	2,094,262	2,168,949	-3.4	2.7
<i>of which Iran</i>	<i>1,237,622</i>	<i>1,391,462</i>	<i>-11.1</i>	<i>1.6</i>
WORLD	78,939,935	79,884,806	-1.2	100.0

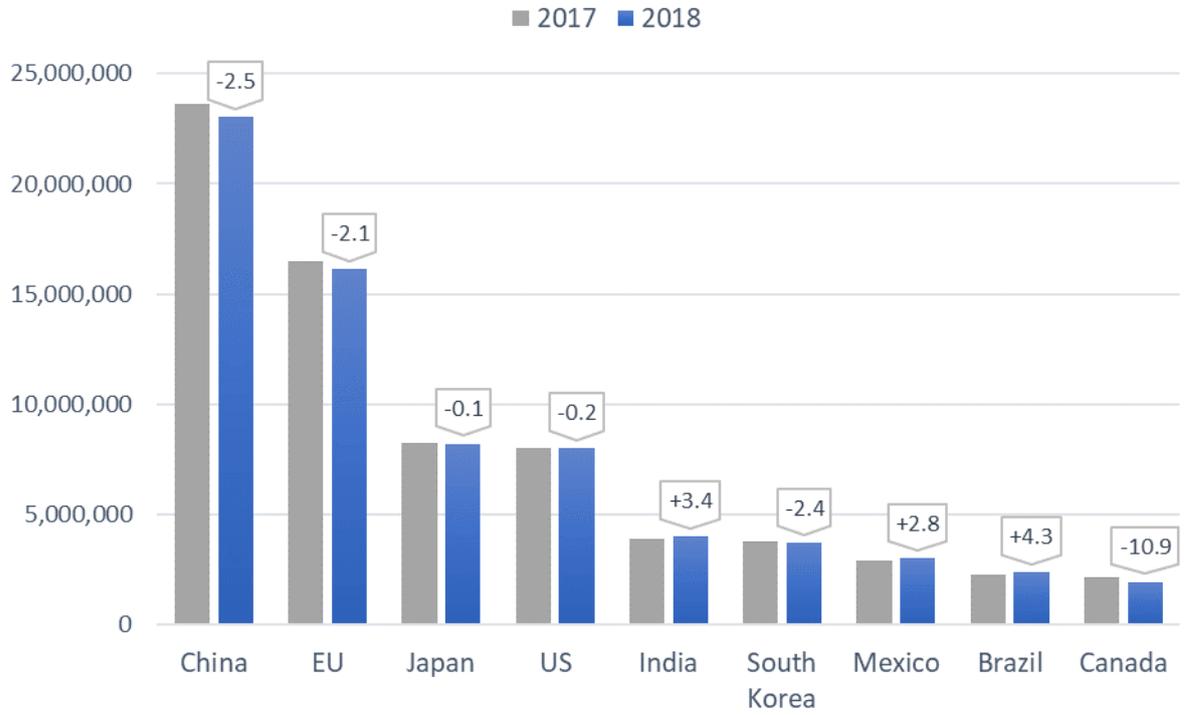
SOURCE: IHS MARKIT

¹¹ Provisional figures

¹² Includes Belarus, Kazakhstan, Serbia and Uzbekistan

¹³ Includes Taiwan, Australia, Malaysia, Pakistan, Philippines and Vietnam

Figure 5: Top 10 – World passenger car production



SOURCE: IHS MARKIT

THE EUROPEAN UNION

Production of passenger cars in the European Union decelerated in 2018, as domestic demand weakened amid slowing economic growth and disruption caused by the introduction of the new WLTP emissions test. As a result, full-year production amounted to 16.1 million units, down 2.1% when compared to 2017 output. Nevertheless, the EU maintained its position as the world's second largest producer of passenger cars, accounting for 20.5% of global car production in 2018.

Looking at the main car-producing countries in Western Europe, output only grew slightly in France (+0.4%) but fell strongly in Italy (-10.2%), Germany (-9.9%) and the United Kingdom (-9.7%) last year.

In Central Europe, Romania (+29.7%) and Slovakia (+9.8%) posted strong increases, but in 2018 car production dropped in Poland (-14.9%) and Hungary (-3.7%).

Table 6: Top 10 – Passenger car producers in the EU

	2018 ¹⁴	2017	% change 18/17
GERMANY	4,907,645	5,448,171	-9.9
SPAIN	2,176,662	2,197,064	-0.9
FRANCE	1,667,638	1,661,499	+0.4
UNITED KINGDOM	1,515,299	1,677,594	-9.7
CZECH REPUBLIC	1,400,761	1,397,916	+0.2
SLOVAKIA	1,031,241	938,786	+9.8
ITALY	682,443	759,986	-10.2
ROMANIA	471,711	363,653	+29.7
HUNGARY	461,336	479,081	-3.7
POLAND	364,720	428,663	-14.9
EU	16,146,681	16,493,027	-2.1

SOURCE: IHS MARKIT

¹⁴ Provisional figures

TRADE

Overall trade results for 2018 show a slight decline in EU car export volumes (-1.6%) and a substantial increase in imports (+9.3%). A similar dynamic was observed in value terms. After peaking at €131.6 billion in 2017, the value of EU car exports fell to roughly €128 billion in 2018 (-2.9%). At the same time, the value of imports grew by 2.8% to reach €46 billion – the highest total on record to date.

Nevertheless, international trade in passenger cars generated a large surplus for the European Union last year, amounting to almost €82 billion – although down by 5.8% compared to 2017.

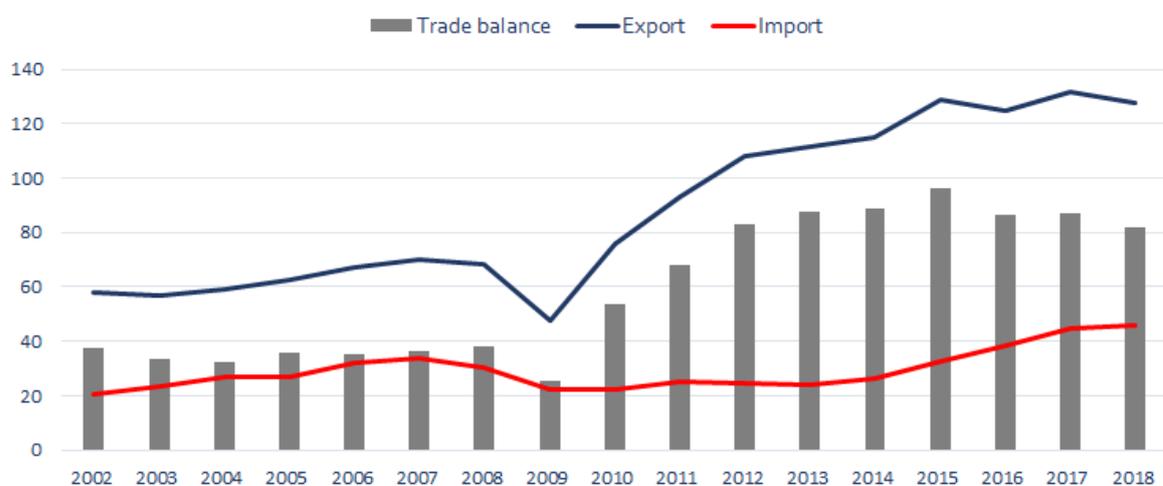
Table 7: EU passenger car trade

Trade in value (€m)	2018	2017	% change 18/17
IMPORTS	46,081	44,834	+2.8
EXPORTS	127,806	131,612	-2.9
TRADE BALANCE	81,725	86,777	-5.8

Trade in volume (units)	2018	2017	% change 18/17
IMPORTS	3,652,383	3,341,390	+9.3
EXPORTS	5,403,412	5,491,788	-1.6

SOURCE: EUROSTAT

Figure 6: EU passenger car exports, imports and trade balance, 2002-2018 (in billion €)



SOURCE: EUROSTAT

IMPORTS

Japan was the main country of origin of EU passenger car imports in 2018 – seeing increases of 2.9% in value and 6.0% in volume compared to 2017. Together, Japan, Turkey, South Korea and the United States accounted for almost 70% of the total EU import value last year.

Throughout 2018, passenger car imports from most of the EU’s main partners increased substantially, most notably those from China, Mexico, South Africa and Morocco.

By contrast, the value of car imports from the United States declined from €6.4 to €5.5 billion last year, down 13.7% compared to 2017.

Table 8: Main countries of origin of EU passenger car imports

Trade in value (€m)	2018	2017	% change 18/17	% share 2018
JAPAN	9,990	9,709	+2.9	21.7
TURKEY	8,793	8,579	+2.5	19.1
SOUTH KOREA	7,180	6,585	+9.0	15.6
UNITED STATES	5,540	6,420	-13.7	12.0
MEXICO	5,247	4,723	+11.1	11.4
SOUTH AFRICA	4,085	3,238	+26.1	8.9

SOURCE: EUROSTAT

Table 9: Main countries of origin of EU passenger car imports

Trade in volume (units)	2018	2017	% change 18/17	% share 2018
TURKEY	784,719	789,502	-0.6	21.5
JAPAN	683,176	644,695	+6.0	18.7
SOUTH KOREA	540,788	519,136	+4.2	14.8
CHINA	319,800	131,843	+142.6	8.8
MOROCCO	283,614	240,908	+17.7	7.8
MEXICO	271,880	235,533	+15.4	7.4

SOURCE: EUROSTAT

EXPORTS

In 2018, the United States remained the main export destination for EU-built cars, despite a slight decline in both volume (-1.8%) and value terms (-2.8%). The US accounted for 29% of the total EU export value, followed by China (17.5%) and Japan (6.6%). Together, these three countries made up more than half of the total EU export value of passenger cars last year.

Looking at the EU's six biggest trading partners, only exports to Japan and South Korea grew (both in volume and in value terms). By contrast, car export volumes to China, Switzerland and Turkey in particular fell throughout 2018.

Table 10: Main destinations for EU passenger car exports

Trade in value (€m)	2018	2017	% change 18/17	% share 2018
UNITED STATES	37,270	38,344	-2.8	29.2
CHINA	22,376	22,337	+0.2	17.5
JAPAN	8,418	8,172	+3.0	6.6
SWITZERLAND	7,052	7,432	-5.1	5.5
SOUTH KOREA	6,982	6,314	+10.6	5.5
TURKEY	4,302	6,544	-34.3	3.4

SOURCE: EUROSTAT

Table 11: Main destinations for EU passenger car exports

Trade in volume (units)	2018	2017	% change 18/17	% share 2018
UNITED STATES	1,155,488	1,176,841	-1.8	21.4
CHINA	545,082	575,286	-5.3	10.1
TURKEY	291,225	466,575	-37.6	5.4
JAPAN	285,655	281,749	+1.4	5.3
SWITZERLAND	262,824	275,097	-4.5	4.9
SOUTH KOREA	192,077	184,805	+3.4	3.6

SOURCE: EUROSTAT

COMMERCIAL VEHICLES

REGISTRATIONS IN THE EU

Overall in 2018, EU demand for commercial vehicles went up by 3.2% compared to 2017, marking the sixth consecutive year of growth. Roughly 2.5 million commercial vehicles and buses were registered across the European Union, representing the highest volume on record since 2007.

Looking at the five main EU markets, demand declined in Italy (-4.1%) and the United Kingdom (-1.9%), but the Spanish (+6.5%), French (+4.9%) and German (+4.6%) markets performed very well last year.

Table 12: New commercial vehicle registrations in the EU | by type

	2018	2017	% change 18/17
LCV ≤ 3,5t¹⁵	2,058,755	1,996,158	+3.1%
MHCV > 3,5t¹⁶	383,968	371,073	+3.5%
MHBC > 3,5t¹⁷	41,992	41,452	+1.3%
TOTAL CV	2,484,715	2,408,683	+3.2%

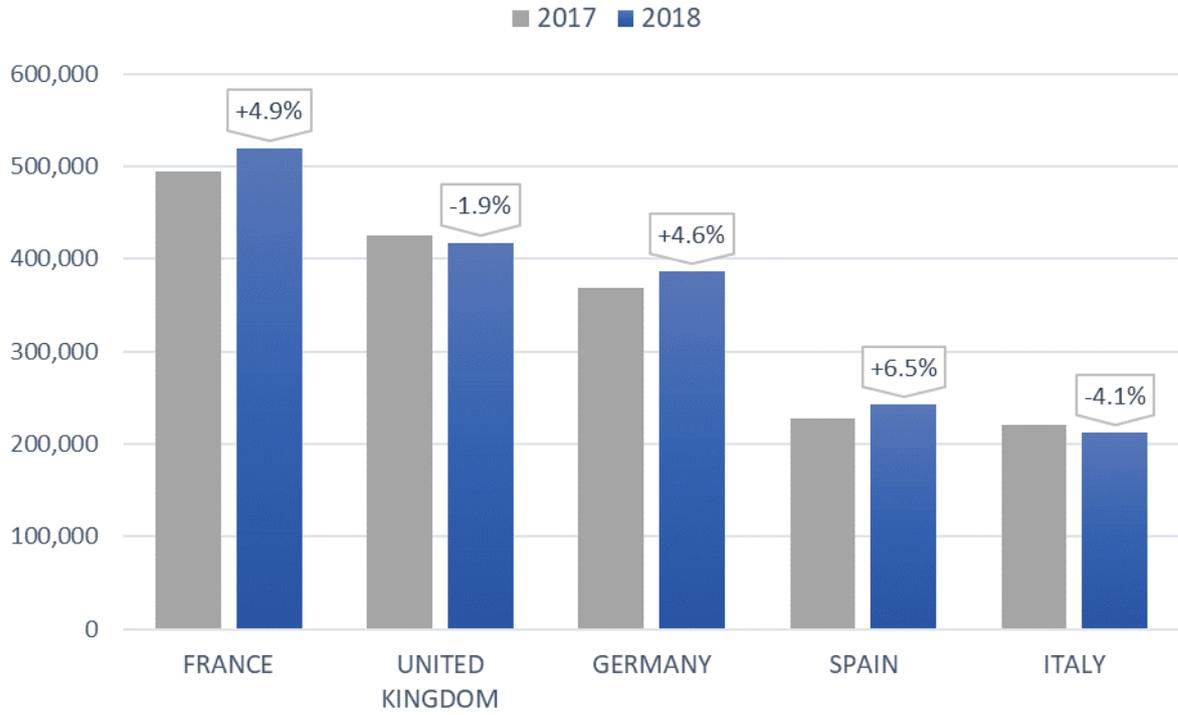
SOURCE: ACEA

¹⁵ New light commercial vehicles (LCV) up to 3.5 tonnes

¹⁶ New medium and heavy commercial vehicles (MHCV) over 3.5 tonnes

¹⁷ New medium and heavy buses and coaches (MHBC) over 3.5 tonnes

Figure 7: New commercial vehicle registrations in the five big EU markets



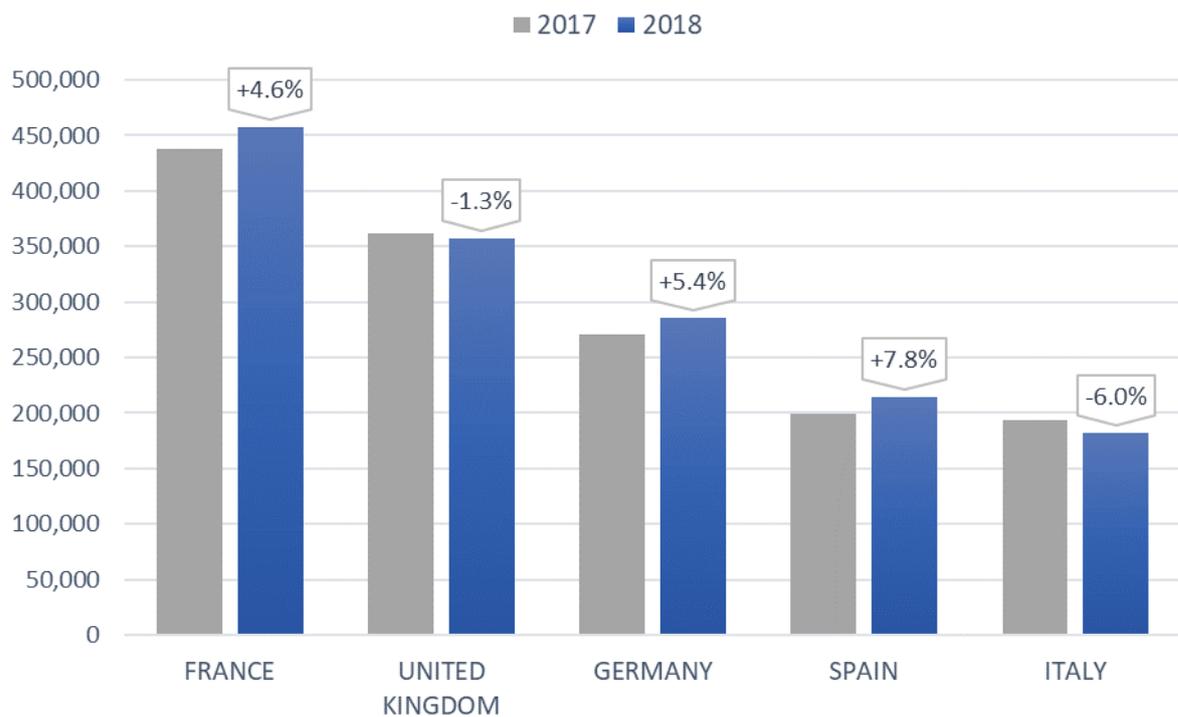
SOURCE: ACEA

New light commercial vehicles (LCV) up to 3.5 tonnes

In 2018, registrations of new vans surpassed the two-million mark for the first time since 2007, recording a 3.1% increase compared to 2017. This marked the sixth year of uninterrupted growth in the light commercial vehicle segment. Except for drops in September (-6.0%) and December (-2.4%), demand for new vans improved throughout the second half of 2018, contributing positively to full-year growth.

Among the major markets, Spain (+7.8%), Germany (+5.4%) and France (+4.6%) posted solid growth last year, while demand for light commercial vehicles contracted both in the United Kingdom (-1.3%) and Italy (-6.0%).

Figure 8: New light commercial vehicle registrations in the five big EU markets



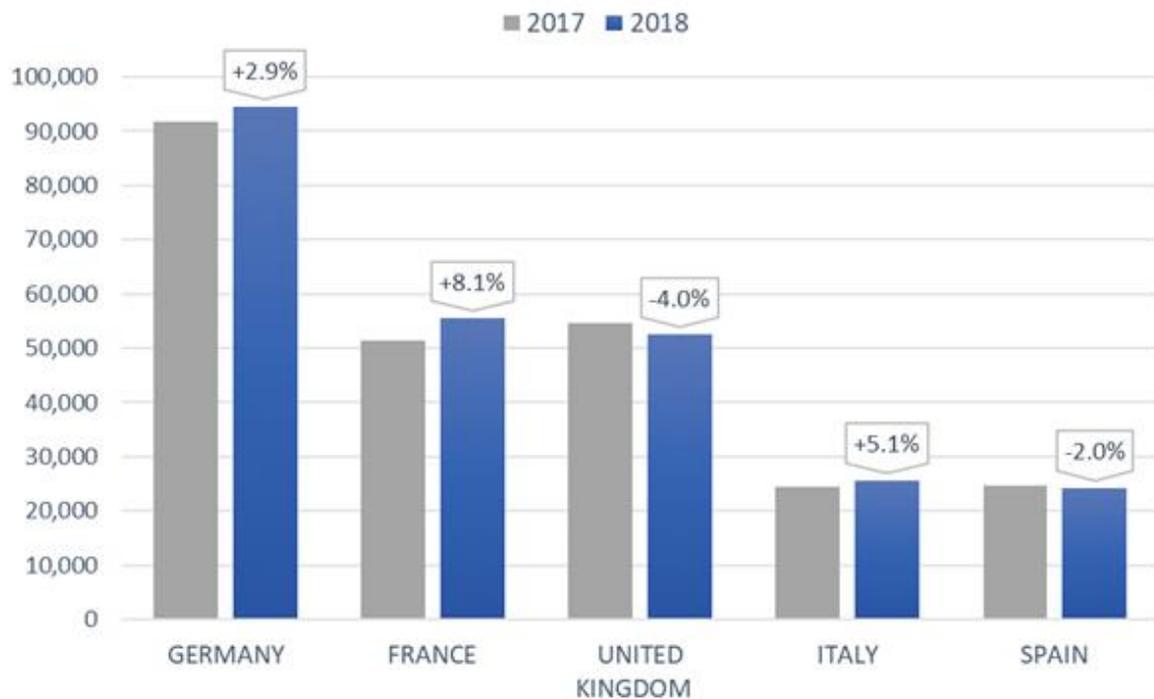
SOURCE: ACEA

New medium and heavy commercial vehicles (MHCV) over 3.5 tonnes¹⁸

Last year, new truck registrations across the European Union grew by 3.5% compared to 2017. During the second half of 2018, the biggest increases were seen in the summer months (+8.5% in July and +7.6% in August) and in October (+9.6%), while registrations contracted in December (-11.6%).

Full-year results were diverse among the five key EU markets. France (+8.1%), Italy (+5.1%) and Germany (+2.9%) posted positive results in 2018, but truck demand fell in the United Kingdom (-4.0%) and Spain (-2.0%).

Figure 9: New medium and heavy commercial vehicle registrations in the five big EU markets



SOURCE: ACEA

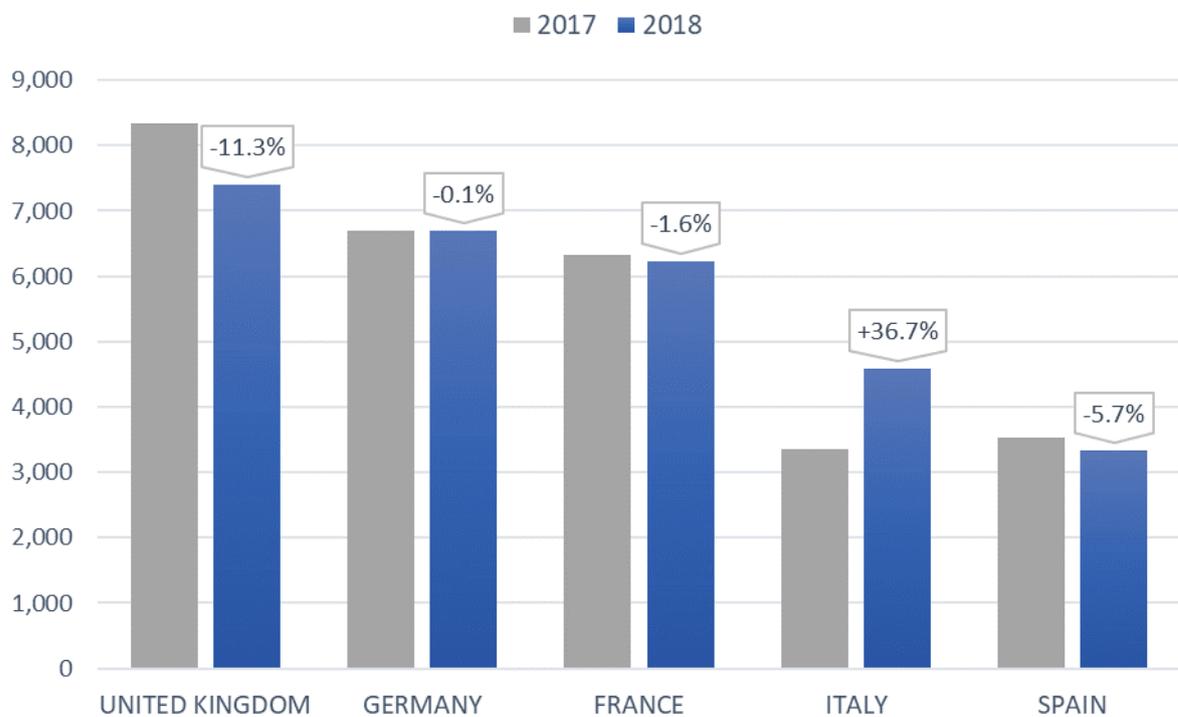
¹⁸ Excluding buses and coaches

New medium and heavy buses and coaches (MHBC) over 3.5 tonnes

During the last quarter of 2018, bus and coach registrations grew significantly in October (+25.0%) before declining again in December (-13.4%). Overall, 2018 registrations were up 1.3% compared to the year before, with 41,992 buses and coaches registered across the European Union in 2018.

Growth was largely driven by the Central European markets (+18.6%), giving full-year EU results a crucial boost. On the other hand, all major Western European markets contracted in 2018 – with the exception of Italy, which recorded strong growth (+36.7%).

Figure 10: Top 5 – New medium and heavy bus and coach registrations in the five big EU markets



SOURCE: ACEA

GLOBAL PRODUCTION

Commercial vehicle production on the European¹⁹ continent totalled 3.6 million units in 2018, or +0.9% when compared to the year before. Among the main EU producers of commercial vehicles, output went up in France, Spain and Italy last year, but production remained stable in Germany and decreased in the United Kingdom. Total EU output of commercial vehicles grew by 2.6% to reach 2.8 million units last year. By contrast, in 2018 production slowed down in Russia, Ukraine and especially Turkey.

Chinese output²⁰ declined markedly in 2018 (-9.3%), going from 5.7 to 5.2 million commercial vehicles produced. The van segment took the hardest hit, as production went down by about half a million units. The introduction of new emissions standards over the past two years drove up the price of new vans, leaving customers reluctant to buy a new vehicle. Moreover, this situation was worsened by a drop in export volumes.

Last year, commercial vehicle production in Japan and South Korea was more or less the same as in 2017, with 1.6 million units produced in total by the end of the year.

North American output saw a 2.6% increase last year, largely driven by higher production of heavy trucks (which went up by more than 20%). In total, some 4.5 million commercial vehicles were built in North America in 2018.

In 2018, production of commercial vehicles in South America sustained the positive momentum that started in 2017. Fuelled by the recovery of the Brazilian market, South American output grew by 3.4% in 2018, reaching more than 0.8 million vehicles produced last year.

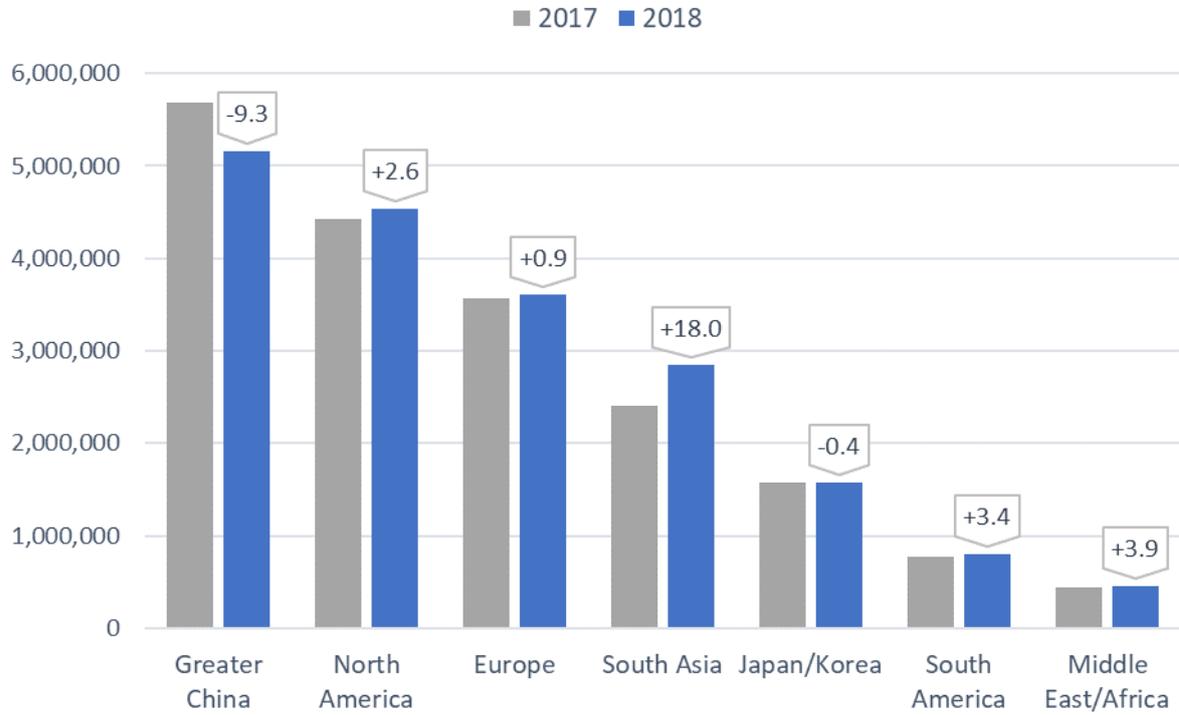
South Asia showed the highest increase (+18.0%) in commercial vehicle production of the main world regions in 2018. The improving situation in India and Indonesia was the main catalyst for growth, as these two markets account for the vast majority of the region's production.

Finally, commercial vehicle output in the Middle East and Africa grew by 3.9% last year, boosted by production increases in South Africa, Morocco and Egypt. In Iran, on the other hand, the production of commercial vehicles slowed down in 2018.

¹⁹ Includes Turkey and CIS countries

²⁰ Includes Hong Kong and Taiwan

Figure 11: World commercial vehicle production²¹ | by region



SOURCE: IHS MARKIT

²¹ 2018 provisional data

TRADE

Last year the value of both imports (+2.3%) and exports (+0.2%) of commercial vehicles (including buses and coaches) increased slightly – resulting in a trade surplus of nearly €2.8 billion for the European Union.

The value of truck and bus imports grew significantly compared to 2017 (+13.0%), while exports remained more or less stable in 2018. Nevertheless, EU exports of trucks and buses still generated a €4.6 billion trade surplus last year.

However, imports and exports of light commercial vehicles remained at similar levels compared to the previous year, with van imports exceeding exports by €1.9 billion.

Table 13: EU trade in commercial vehicles (CV), buses and coaches (BC) | by type

Trade in value (€m)	CV up to 5t	CV over 5t + BC	Total CV + BC
2018			
IMPORTS	6,014	2,043	8,057
EXPORTS	4,161	6,661	10,822
TRADE BALANCE	-1,853	4,619	2,765
2017			
IMPORTS	6,065	1,808	7,874
EXPORTS	4,138	6,663	10,801
TRADE BALANCE	-1,927	4,854	2,927
% change 18/17			
IMPORTS	-0.8	+13.0	+2.3
EXPORTS	+0.6	-0.02	+0.2

SOURCE: EUROSTAT

IMPORTS

In 2018, almost 70% of EU commercial vehicle imports originated from Turkey. The value of Turkish imports was €5.5 billion last year, up 4.5% compared to 2017.

Imports of commercial vehicles and buses from South Africa (+22.1%), Morocco (+16.6%), Macedonia (+30.4%), India (+11.0%) and China (+13.0%) all posted double-digit gains.

By contrast, exports from the United States and Thailand to the European Union declined markedly in 2018 (down 22.0% and 22.7% respectively).

Table 14: Top 10 – Countries of origin of EU commercial vehicle and bus imports

Trade in value (€m)	2018	2017	% change 18/17	% share 2018
TURKEY	5,527	5,291	+4.5	68.6
SOUTH AFRICA	809	663	+22.1	10.0
THAILAND	532	682	-22.0	6.6
MOROCCO	234	201	+16.6	2.9
MACEDONIA	177	136	+30.4	2.2
INDIA	163	146	+11.0	2.0
UNITED STATES	131	170	-22.7	1.6
SWITZERLAND	124	140	-11.4	1.5
CHINA	108	96	+13.0	1.3
NORWAY	97	94	+3.7	1.2

SOURCE: EUROSTAT

EXPORTS

A significant increase in EU commercial vehicle exports to Australia (+36.4%), China (+85.4%) and Algeria (+15.4%) was registered last year. Exports of commercial vehicles and buses to Switzerland (+5.4%) and the United States (+2.6%) also recorded growth in 2018.

However, the value of exports to Turkey (-46.2%), Israel (-23.4%), Russia (-11.9%) and South Korea (-25.6%) decreased strongly throughout 2018.

Norway, Switzerland and Australia are the main export destinations for EU-made commercial vehicles and buses, together accounting for nearly 30% of the total EU export value.

Table 15: Top 10 – Destinations for EU commercial vehicle and bus exports

Trade in value (€m)	2018	2017	% change 18/17	% share 2018
NORWAY	1,090	1,099	-0.8	10.1
SWITZERLAND	1,051	997	+5.4	9.7
AUSTRALIA	983	721	+36.4	9.1
UNITED STATES	656	639	+2.6	6.1
CHINA	593	320	+85.4	5.5
TURKEY	543	1,010	-46.2	5.0
ISRAEL	451	590	-23.4	4.2
RUSSIA	426	483	-11.9	3.9
SOUTH KOREA	391	526	-25.6	3.6
ALGERIA	333	289	+15.4	3.1

SOURCE: EUROSTAT



European
Automobile
Manufacturers
Association

ABOUT ACEA

- ACEA represents the 15 Europe-based car, van, truck and bus manufacturers: BMW Group, CNH Industrial, DAF Trucks, Daimler, Fiat Chrysler Automobiles, Ford of Europe, Honda Motor Europe, Hyundai Motor Europe, Jaguar Land Rover, PSA Group, Renault Group, Toyota Motor Europe, Volkswagen Group, Volvo Cars, and Volvo Group.
- More information can be found on www.acea.be or [@ACEA_eu](https://twitter.com/ACEA_eu).

ABOUT THE EU AUTOMOBILE INDUSTRY

- 13.3 million people – or 6.1% of the EU employed population – work in the sector.
- The 3.4 million jobs in automotive manufacturing represent over 11% of total EU manufacturing employment.
- Motor vehicles account for some €413 billion in tax contributions in the EU15.
- The sector is also a key driver of knowledge and innovation, representing Europe's largest private contributor to R&D, with €54 billion invested annually.
- The automobile industry generates a trade surplus of €90.3 billion for the EU.