



European  
Automobile  
Manufacturers  
Association

# Economic and Market Report

EU Automotive Industry  
Quarter 1 2018



July 2018

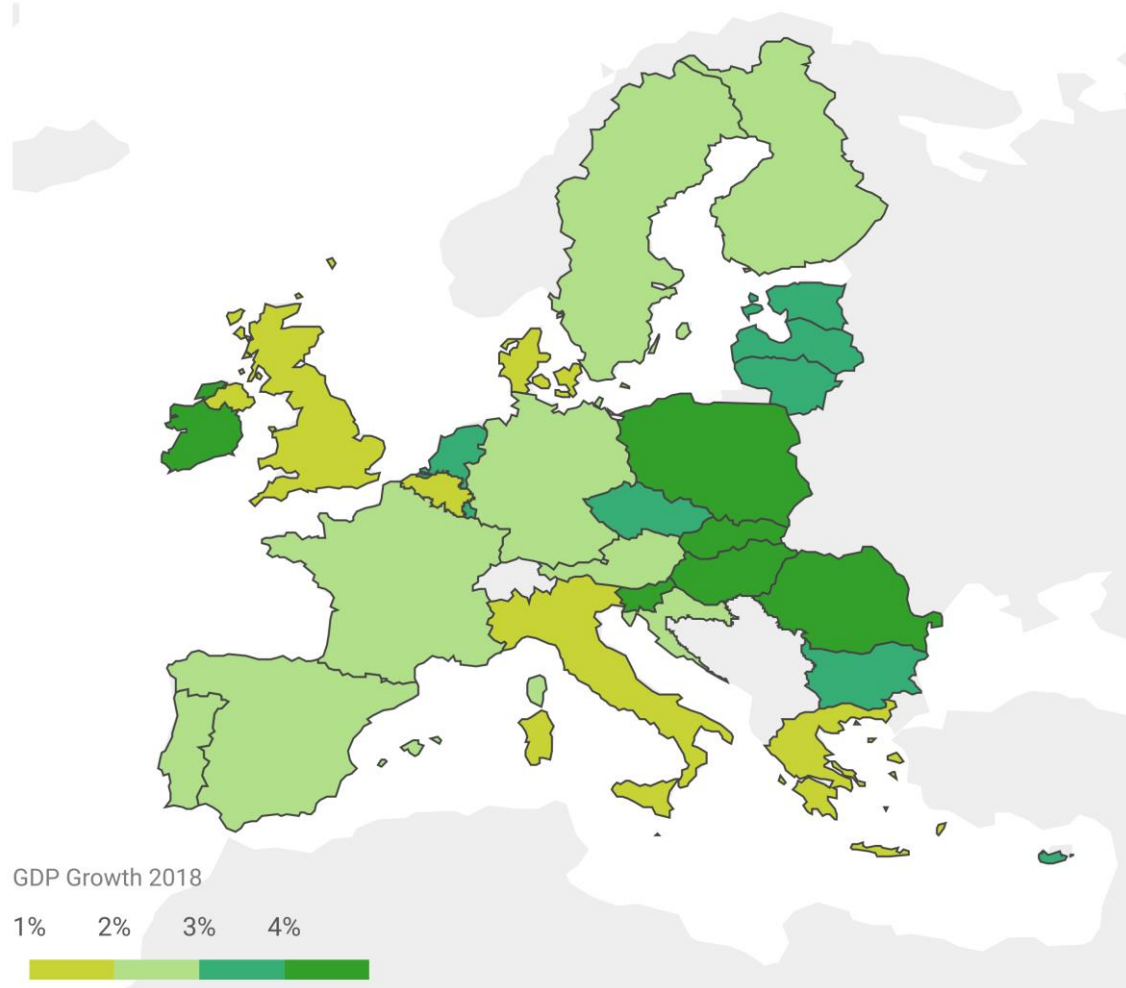
## CONTENTS

EU economic outlook .....	2
Passenger cars.....	4
Registrations .....	4
World.....	4
The European Union .....	6
Passenger car registrations by fuel type.....	8
Production.....	11
World.....	11
The European Union .....	14
Trade .....	15
Imports.....	16
Exports .....	17
Commercial vehicles.....	18
Registrations in the EU .....	18
New light commercial vehicles (LCV) up to 3.5 tonnes .....	20
New medium and heavy commercial vehicles (MHCV) over 3.5 tonnes.....	21
New medium and heavy buses and coaches (MHBC) over 3.5 tonnes.....	22
Global production outlook.....	23
Trade .....	25
Imports.....	26
Exports .....	27

# EU ECONOMIC OUTLOOK

After recording the highest growth rate in 10 years in 2017, the EU economy is expected to remain strong this year, supported by improved labour market conditions and higher consumer confidence. In its latest economic forecast, the European Commission expects EU GDP to grow by 2.3% in 2018. However, growth is expected to slow to 2.0% in 2019, reflecting the risks of rising geopolitical tensions due to increasingly protectionist trade measures. Moreover, uncertainties surrounding the outcome of the Brexit negotiations still represent a serious threat to this growth.

Figure 1: EU GDP growth forecast (in %)



SOURCE: SPRING 2018 ECONOMIC FORECAST, EUROPEAN COMMISSION

Table 1: European Economic Forecast - Spring 2018

EU FORECAST	2017	2018	2019
GDP GROWTH (% , YOY)	2.4	2.3	2.0
INFLATION (% , YOY)	1.7	1.7	1.8
UNEMPLOYMENT (%)	7.6	7.1	6.7

SOURCE: EUROPEAN COMMISSION, DG ECFIN

Inflation in the European Union is expected to remain stable in the next few years, despite oil prices increasing in recent months. In its Spring Forecast, the European Commission now estimates the HICP<sup>1</sup> inflation indicator to remain unchanged at 1.7% for 2018 and to increase slightly to 1.8% in 2019.

The labour market outlook remains positive, as continued economic expansion and moderate wage growth are expected to sustain job creation in the coming years. After reaching pre-crisis levels last year, the EU unemployment rate is projected to continue its downward trend from 7.6% last year to 6.7% in 2019.

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<sup>1</sup> Harmonised Index of Consumer Prices

# PASSENGER CARS

## REGISTRATIONS

### WORLD

The European passenger car market grew by 2.4% during the first three months of 2018, counting 4.8 million vehicles sold. Demand was mainly propelled by the excellent performance of the Central European countries, given that registrations declined in Western Europe during the first quarter. In the European Union, results were 0.7% higher than a year ago. With 4.2 million passenger cars sold so far this year, the EU represents 21% of the global car market, ranking second after China.

Thanks to improved economic conditions, the Russian car market continued the recovery that started last year, recording an increase of 24.1% in the first quarter of the year. Likewise, new-car registrations in Ukraine grew by 22.0% compared to last year. After ending last year with negative results, the Turkish market bounced back during the first three months of 2018, growing by 5.5%.

Japanese passenger car sales decreased by 3.2% in the first quarter of 2018, mainly due to stagnant demand for 'non-mini' vehicles. South Korea mirrored this negative trend, starting the year with a decline in car sales (-3.5%).

During the first quarter, car volumes in the United States went up by 2.0% compared to the same period in 2017. About 3.4 million passenger cars were sold in total, with the United States accounting for 16.6% of the global car market, ranking third after China and the European Union.

Following last year's solid performance, Brazilian demand for cars remained strong during the first quarter of 2018 – up 15.2% compared to the same period in 2017. As a result, car sales in South America posted double-digit growth (+10.3%) with 874,416 units sold so far this year.

China started the year positively, benefiting from positive economic momentum. Demand for passenger cars went up by 5.6% during the first three months of 2018, with China representing 29.5% of global car sales. When looking at other emerging markets, passenger car sales in India grew by 5.8% in the first quarter, continuing the upward trend started in 2017.

During the first quarter of 2018, 20.3 million passenger cars were sold around the world, or 2.8% more than in the same period a year ago.

Table 2: World new passenger car registrations

	Q1 2018 <sup>2</sup>	Q1 2017	% change 18/17	% share 2018
<b>EUROPE</b>	<b>4,833,277</b>	<b>4,718,601</b>	<b>+2.4</b>	<b>23.9</b>
EU <sup>3</sup>	4,171,628	4,140,974	+0.7	20.6
EFTA	110,506	115,663	-4.5	0.5
RUSSIA	370,798	298,732	+24.1	1.8
TURKEY	122,311	115,963	+5.5	0.6
UKRAINE	19,040	15,605	+22.0	0.1
OTHERS-EUROPE <sup>4</sup>	38,994	31,664	+23.1	0.2
<b>NORTH AMERICA<sup>5</sup></b>	<b>3,958,507</b>	<b>3,928,675</b>	<b>+0.8</b>	<b>19.5</b>
<i>of which the US</i>	<i>3,358,740</i>	<i>3,294,345</i>	<i>+2.0</i>	<i>16.6</i>
<b>SOUTH AMERICA</b>	<b>874,416</b>	<b>793,013</b>	<b>+10.3</b>	<b>4.3</b>
<i>of which Brazil</i>	<i>450,093</i>	<i>390,829</i>	<i>+15.2</i>	<i>2.2</i>
<b>ASIA</b>	<b>9,497,198</b>	<b>9,158,948</b>	<b>+3.7</b>	<b>46.9</b>
CHINA	5,975,577	5,660,790	+5.6	29.5
JAPAN	1,296,740	1,338,925	-3.2	6.4
INDIA	860,941	814,081	+5.8	4.2
SOUTH KOREA	341,156	353,706	-3.5	1.7
OTHERS-ASIA <sup>6</sup>	1,022,784	991,446	+3.2	5.0
<b>MIDDLE EAST/AFRICA</b>	<b>1,099,232</b>	<b>1,115,529</b>	<b>-1.5</b>	<b>5.4</b>
<b>WORLD</b>	<b>20,262,630</b>	<b>19,714,766</b>	<b>+2.8</b>	<b>100.0</b>

SOURCE: IHS MARKIT, ACEA

<sup>2</sup> Provisional figures

<sup>3</sup> Data for Malta not available

<sup>4</sup> Includes Belarus, Bosnia-Herzegovina, Kazakhstan, Macedonia, Serbia and Uzbekistan

<sup>5</sup> Based on production type

<sup>6</sup> Includes Hong Kong, Taiwan and all the other South Asian countries, excluding India

## THE EUROPEAN UNION

After posting significant growth in the first two months of the year, EU passenger car registrations decreased in March 2018.

Momentum slowed down in some Western European markets and especially in the United Kingdom, where sales dropped by 12.4% during the first quarter. Demand for new cars also declined in Italy (-1.5%), although growth was posted in Spain (+10.5%), Germany (+4.0%) and France (+2.9%).

Despite the decline in March, demand for new cars in the European Union remained slightly positive (+0.7%) so far this year. The strong performance of the new EU member states is worth highlighting here, as demand increased by 11.9% during the first quarter, contributing positively to the overall performance of the region.

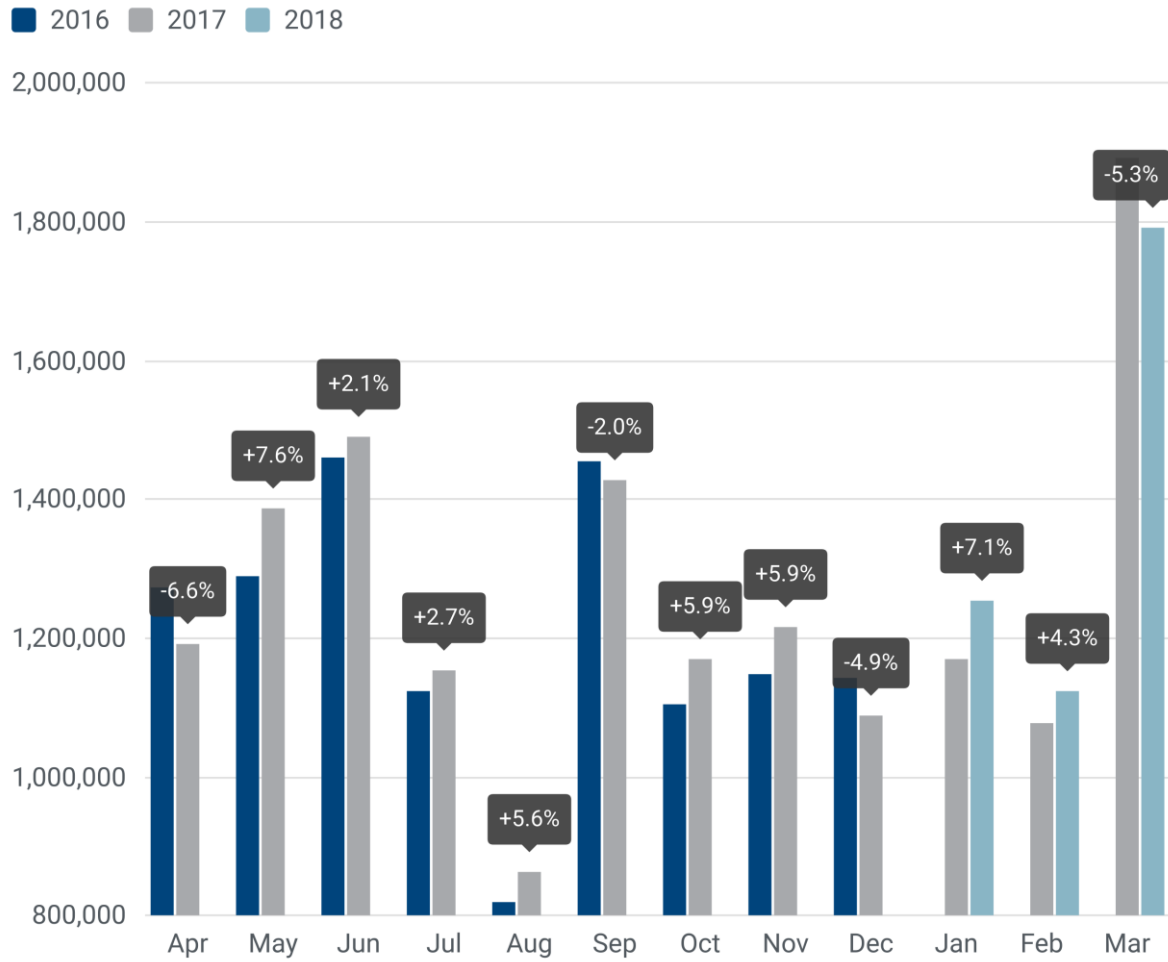
Table 3: Top 5 – New passenger car registrations in the EU

	Q1 2018	Q1 2017	% change 18/17
GERMANY	878,611	844,684	+4.0
UNITED KINGDOM	718,489	820,016	-12.4
ITALY	574,130	583,162	-1.5
FRANCE	556,842	541,054	+2.9
SPAIN	340,311	307,911	+10.5
<b>EU<sup>7</sup></b>	<b>4,171,628</b>	<b>4,140,974</b>	<b>+0.7</b>

SOURCE: ACEA

<sup>7</sup> Data for Malta not available

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



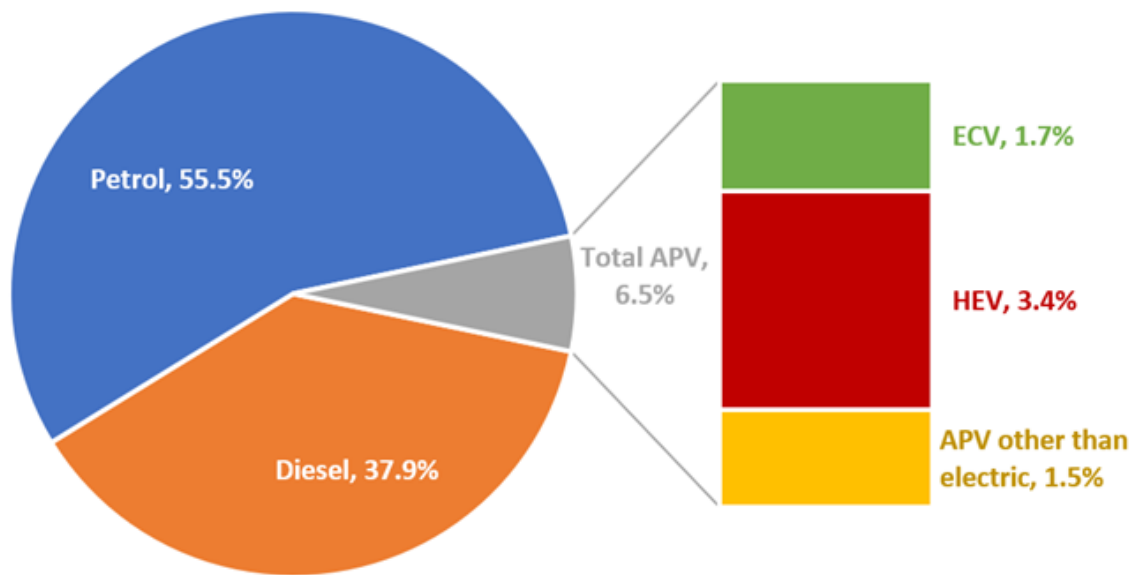
SOURCE: ACEA



## Passenger car registrations by fuel type

In the first quarter of 2018, 37.9% of all new passenger cars in the EU ran on diesel. Petrol cars accounted for 55.5% of the market, making it the most sold fuel type. Alternatively-powered vehicles accounted for 6.5% of EU car sales in Q1 2018, with electrically-chargeable vehicles making up 1.7% of all cars sold in the European Union.

Figure 3: New passenger car in the EU by fuel type, % share | Q1 2018



SOURCE: ACEA

### Petrol and diesel cars

Registrations of diesel cars totalled 1,574,333 units in the first quarter of the year; 322,622 units (or 17.0%) less than during the same period in 2017. This drop in demand for diesel vehicles was largely offset by an increase in petrol sales. Demand for new petrol cars grew significantly (+14.6%) from January to March 2018, with petrol sales totalling 2,303,129 units – roughly 300,000 more than last year.

## Alternatively-powered vehicles (APV)

So far in 2018, EU demand for alternatively-powered vehicles grew by +26.9%. Registrations of battery electric (+34.3%) and plug-in hybrid electric cars (+60.2%) accounted for the strongest growth – in total, 69,898 electrically-chargeable vehicles (ECV) were registered from January to March 2018 (+47.0%). At the same time, 139,556 hybrid electric vehicles (HEV) were sold in the EU, or 25.7% more than in the first quarter of 2017. The market for NGV, LPG and E85 cars also started the year strongly (+12.0%), mainly benefiting from recovering demand for natural gas vehicles (+60.1%).

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

	Q1 2018	Q1 2017	% change 18/17
<b>ECV<sup>8</sup></b>	<b>69,898</b>	<b>47,551</b>	<b>+47.0</b>
<i>Of which BEV</i>	<i>32,566</i>	<i>24,251</i>	<i>+34.3</i>
<i>Of which PHEV</i>	<i>37,332</i>	<i>23,300</i>	<i>+60.2</i>
<b>HEV<sup>9</sup></b>	<b>139,556</b>	<b>110,979</b>	<b>+25.7</b>
<b>APV other than electric<sup>10</sup></b>	<b>61,668</b>	<b>55,073</b>	<b>+12.0</b>
<i>Of which LPG</i>	<i>41,826</i>	<i>42,451</i>	<i>-1.5</i>
<i>Of which NGV</i>	<i>19,496</i>	<i>12,181</i>	<i>+60.1</i>
<b>Total APV</b>	<b>271,122</b>	<b>213,603</b>	<b>+26.9</b>

SOURCE: ACEA

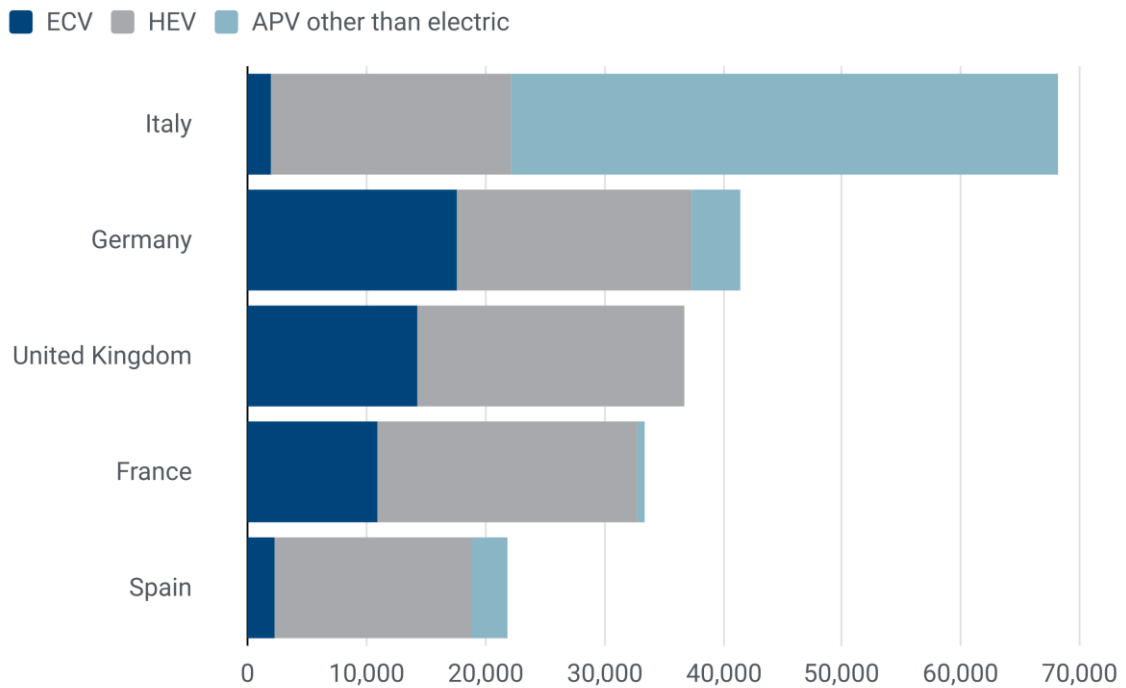
<sup>8</sup> Electrically-chargeable vehicles, including battery electric vehicles (BEV), extended-range electric vehicles (EREV), fuel cell electric vehicles (FCEV) and plug-in hybrid electric vehicles (PHEV)

<sup>9</sup> Hybrid electric vehicles, including full and mild hybrids

<sup>10</sup> Alternatively-powered vehicles other than electric, including natural gas (NGV), LPG-fuelled and ethanol (E85) vehicles

Among the five major EU markets, Germany saw the strongest increase in APV sales (+73.4%) compared to a year ago, followed by Spain (+53.4%) and France (+15.3%). Demand for alternatively-powered vehicles also continued to grow in the United Kingdom (+9.8%) and Italy (+9.0%), albeit at a more moderate pace.

Figure 4: Alternative powertrain car registrations in the five key EU markets | Q1 2018



SOURCE: ACEA

# PRODUCTION

## WORLD

European passenger car output remained stable in the first quarter of 2018, the result of contrasting trends across the region. After reaching pre-crisis production levels last year, EU output slowed down (-1.4%) during the first three months of 2018. By contrast, production in Russia and Ukraine continued the recovery that kicked in last year, with the number of passenger cars produced increasingly strongly (+21.3% and +57.7%, respectively).

Due to weak domestic demand, US output decreased by 3.4% so far in 2018. Passenger car production volumes in South America, on the other hand, grew significantly during the first quarter (+12.1%). Brazil was the main contributor to this positive result, producing 576,347 cars from January to March 2018, or 10.1% more than last year.

During the first three months of 2018, car production growth slowed down in China (-0.7%), mainly because of taxation measures that entered into force at the end of last year. Nevertheless, China maintained its leading position among global passenger car producers, accounting for 28% of all cars built around the world so far this year.

Japanese car production was stable in the first quarter of the year, with about 2.2 million units built, but South Korean output decreased significantly (-7.5%); the result of stagnant domestic demand and sluggish exports.

When looking at the Indian and Indonesian markets, production increased strongly during the first three months of 2018 (+7.0% and +13.3%, respectively), fuelled by robust domestic demand. However, in Thailand car output contracted (-2.4%) so far this year.

In the Middle East, passenger car production continued its upward trend, growing by 9.7% in the first quarter, which was mostly driven by the Iranian automobile industry (+12.5%).

During the first three months of 2018, 20.4 million passenger cars were produced globally, more or less the same number as during the same period in 2017.

Table 5: World passenger car production

	Q1 2018 <sup>11</sup>	Q1 2017	% change 18/17	% share 2018
<b>EUROPE</b>	<b>5,089,377</b>	<b>5,093,980</b>	<b>-0.1</b>	<b>24.9</b>
EU	4,398,501	4,462,766	-1.4	21.6
RUSSIA	365,684	301,567	+21.3	1.8
TURKEY	271,282	278,915	-2.7	1.3
UKRAINE	1,769	1,122	+57.7	0.01
OTHERS-EUROPE <sup>12</sup>	52,141	49,610	+5.1	0.3
<b>NORTH AMERICA</b>	<b>3,404,489</b>	<b>3,495,614</b>	<b>-2.6</b>	<b>16.7</b>
<i>of which the US</i>	<i>2,119,386</i>	<i>2,193,949</i>	<i>-3.4</i>	<i>10.4</i>
<b>SOUTH AMERICA</b>	<b>669,146</b>	<b>596,877</b>	<b>+12.1</b>	<b>3.3</b>
<i>of which Brazil</i>	<i>576,347</i>	<i>523,422</i>	<i>+10.1</i>	<i>2.8</i>
<b>ASIA</b>	<b>10,625,245</b>	<b>10,664,314</b>	<b>-0.4</b>	<b>52.1</b>
CHINA	5,704,320	5,741,843	-0.7	28.0
JAPAN	2,156,371	2,159,902	-0.2	10.6
INDIA	1,060,109	990,701	+7.0	5.2
SOUTH KOREA	882,581	954,444	-7.5	4.3
INDONESIA	268,271	236,831	+13.3	1.3
THAILAND	252,786	258,938	-2.4	1.2
OTHERS-ASIA <sup>13</sup>	300,807	321,655	-6.5	1.5
<b>MIDDLE EAST/AFRICA</b>	<b>614,807</b>	<b>560,658</b>	<b>+9.7</b>	<b>3.0</b>
<i>of which IRAN</i>	<i>418,278</i>	<i>371,702</i>	<i>+12.5</i>	<i>2.1</i>
<b>WORLD</b>	<b>20,403,064</b>	<b>20,411,443</b>	<b>-0.04</b>	<b>100.0</b>

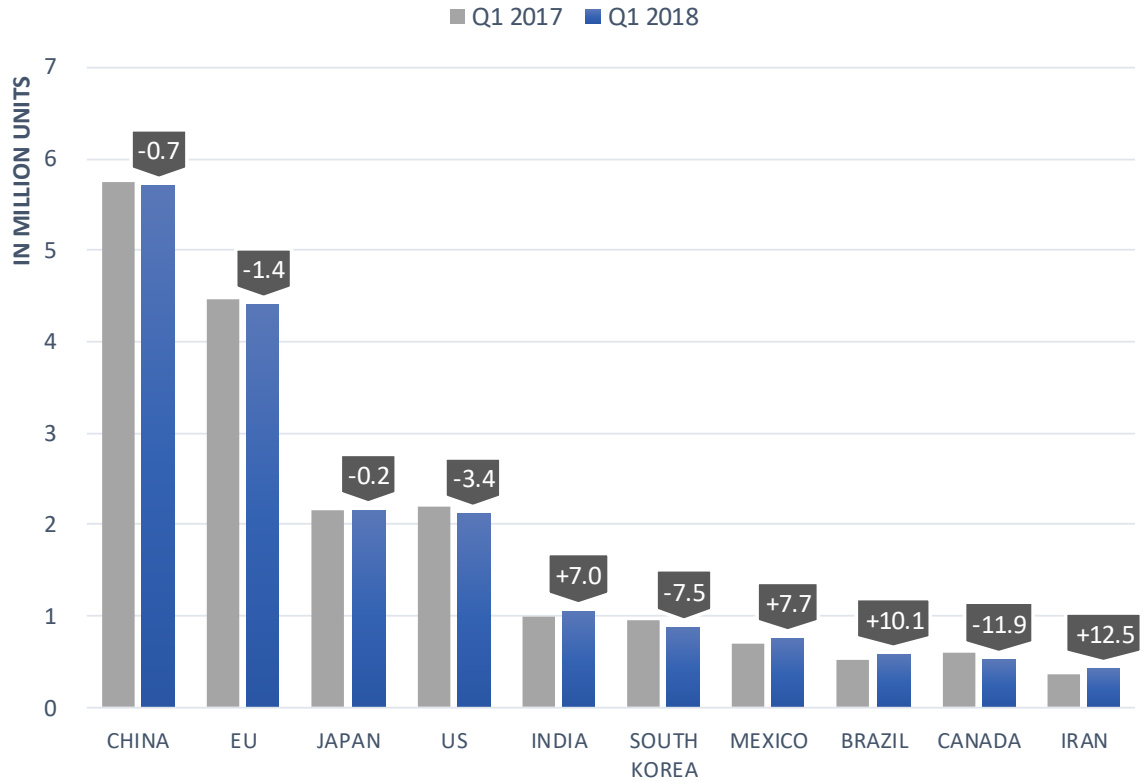
SOURCE: IHS MARKIT

<sup>11</sup> Provisional figures

<sup>12</sup> Includes Belarus, Kazakhstan, Serbia and Uzbekistan

<sup>13</sup> Includes Taiwan, Australia, Malaysia, Pakistan, Philippines and Vietnam

Figure 5: Top 10 – World passenger car production



SOURCE: IHS MARKIT

## THE EUROPEAN UNION

EU passenger car production slowed slightly in the first quarter of 2018 as domestic demand stabilised, especially in Western European countries. Still, the European Union maintained its position as the world's second largest car producer, representing 21.6% of global output.

Among the main Western European countries producing passenger cars, output grew only in France (+11.5%) while declining in Italy (-12.5%), the UK (-6.8%), Spain (-6.8%) and Germany (-6.6%).

Looking at Central Europe, car production increased strongly in Romania (+23.0%), followed by Hungary with more modest growth (+3.6%). By contrast, Polish production dropped significantly (-23.5%) during the first three months of the year.

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

	Q1 2018 <sup>14</sup>	Q1 2017	% change 18/17
GERMANY	1,366,756	1,463,853	-6.6
SPAIN	591,962	635,279	-6.8
FRANCE	472,560	423,712	+11.5
UNITED KINGDOM	440,447	472,506	-6.8
CZECH REPUBLIC	372,484	384,040	-3.0
SLOVAKIA	239,849	241,207	-0.6
ITALY	176,754	202,013	-12.5
ROMANIA	121,679	98,931	+23.0
HUNGARY	121,326	117,066	+3.6
POLAND	103,469	135,207	-23.5
<b>EU</b>	<b>4,398,501</b>	<b>4,462,766</b>	<b>-1.4</b>

SOURCE: IHS MARKIT

<sup>14</sup> Provisional figures

## TRADE

In the first quarter of 2018, the total value of EU passenger car exports remained roughly stable at around €32 billion. Export volumes, however, grew strongly (+13.3%) so far this year; some 1.5 million cars were exported from January to March.

EU imports of cars, on the other hand, increased both in value (+4.1%) and in volume (+12.1%). Below the line, this resulted in a trade surplus of almost €21 billion, or 2.6% lower than during the first quarter of last year.

Table 7: EU passenger car trade

Trade in value (€m)	Q1 2018	Q1 2017	% change 18/17
IMPORTS	11,475	11,025	+4.1
EXPORTS	32,358	32,462	-0.3
TRADE BALANCE	20,883	21,437	-2.6
Trade in volume (units)	Q1 2018	Q1 2017	% change 18/17
IMPORTS	930,199	829,902	+12.1
EXPORTS	1,509,172	1,331,806	+13.3

SOURCE: EUROSTAT



## IMPORTS

EU passenger car imports from Turkey declined both in value (-3.2%) and in volume (-3.9%) from January to March 2018. The value of imports from the United States also recorded a double-digit decline (-21.3%) during the first quarter of the year.

However, EU car imports from Japan, South Korea and especially Mexico and China increased over the same period. It should be noted that the Chinese surge was largely driven by an increase in exports of electric cars to the EU. As a result, EU passenger car imports totalled 930,199 units so far this year – up 4.1% compared to Q1 2017 and amounting to more than €11.4 billion.

Table 8: Origin of most passenger car imports

Trade in value (€m)	Q1 2018	Q1 2017	% change 18/17
<b>WORLD</b>	<b>11,475</b>	<b>11,025</b>	<b>+4.1</b>
JAPAN	2,722	2,625	+3.7
TURKEY	2,292	2,367	-3.2
SOUTH KOREA	1,820	1,529	+19.0
UNITED STATES	1,343	1,708	-21.3
MEXICO	1,300	713	+82.5

SOURCE: EUROSTAT

Table 9: Origin of most passenger car imports

Trade in volume (units)	Q1 2018	Q1 2017	% change 18/17
<b>WORLD</b>	<b>930,199</b>	<b>829,902</b>	<b>+12.1</b>
TURKEY	208,575	217,139	-3.9
JAPAN	176,933	169,925	+4.1
SOUTH KOREA	139,586	126,809	+10.1
CHINA	84,002	18,412	+356.2
MEXICO	74,766	35,783	+108.9

SOURCE: EUROSTAT

## EXPORTS

From January to March 2018, the export value of EU-built passenger cars heading for the United States declined by 6.6%, despite a strong increase in volume terms (+39.7%), which can mainly be attributed to the export of used electric cars. Nevertheless, the US is still the EU's most valuable export market for cars, representing 27% of EU exports worth a total of €8.8 billion.

Car exports to Japan and Switzerland also fell during the first quarter, both in units and in value, while EU exports to China (+6.4% in value and +7.1% in volume) and particularly South Korea (+53.3% in value) increased substantially.

Table 10: Main destinations of EU passenger car exports

Trade in value (€m)	Q1 2018	Q1 2017	% change 18/17
<b>WORLD</b>	<b>32,358</b>	<b>32,462</b>	<b>-0.3</b>
UNITED STATES	8,839	9,464	-6.6
CHINA	5,812	5,461	+6.4
SOUTH KOREA	2,035	1,328	+53.3
JAPAN	2,020	2,049	-1.4
SWITZERLAND	1,744	1,929	-9.6

SOURCE: EUROSTAT

Table 11: Main destinations of EU passenger car exports

Trade in volume (units)	Q1 2018	Q1 2017	% change 18/17
<b>WORLD</b>	<b>1,509,172</b>	<b>1,331,806</b>	<b>+13.3</b>
UNITED STATES	395,044	282,840	+39.7
CHINA	142,772	133,309	+7.1
TURKEY	107,237	100,998	+6.2
JAPAN	70,305	73,881	-4.8
SWITZERLAND	63,315	71,608	-11.6

SOURCE: EUROSTAT

# COMMERCIAL VEHICLES

## REGISTRATIONS IN THE EU

During the first quarter, demand for new commercial vehicles in the EU increased (+2.7%). Despite a slowdown in March (-2.5%), the year-to-date results remained positive as registrations grew 7.9% in January and 5.0% in February. In total, 620,910 new commercial vehicles were registered so far this year.

This growth was sustained by all vehicle segments, but by light commercial vehicles and trucks in particular. Spain (+9.2%) showed the strongest growth, followed by France (+6.2%), Italy (+4.8%) and Germany (+0.4%), but demand for commercial vehicles in the United Kingdom declined by 3.9%.

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

	Q1 2018	Q1 2017	% change 18/17
LCV ≤ 3,5t <sup>15</sup>	518,451	504,505	+2.8%
MHCV > 3,5t <sup>16</sup>	92,861	90,224	+2.9%
MHBC > 3,5t <sup>17</sup>	9,598	9,572	+0.3%
<b>TOTAL CV</b>	<b>620,910</b>	<b>604,301</b>	<b>+2.7%</b>

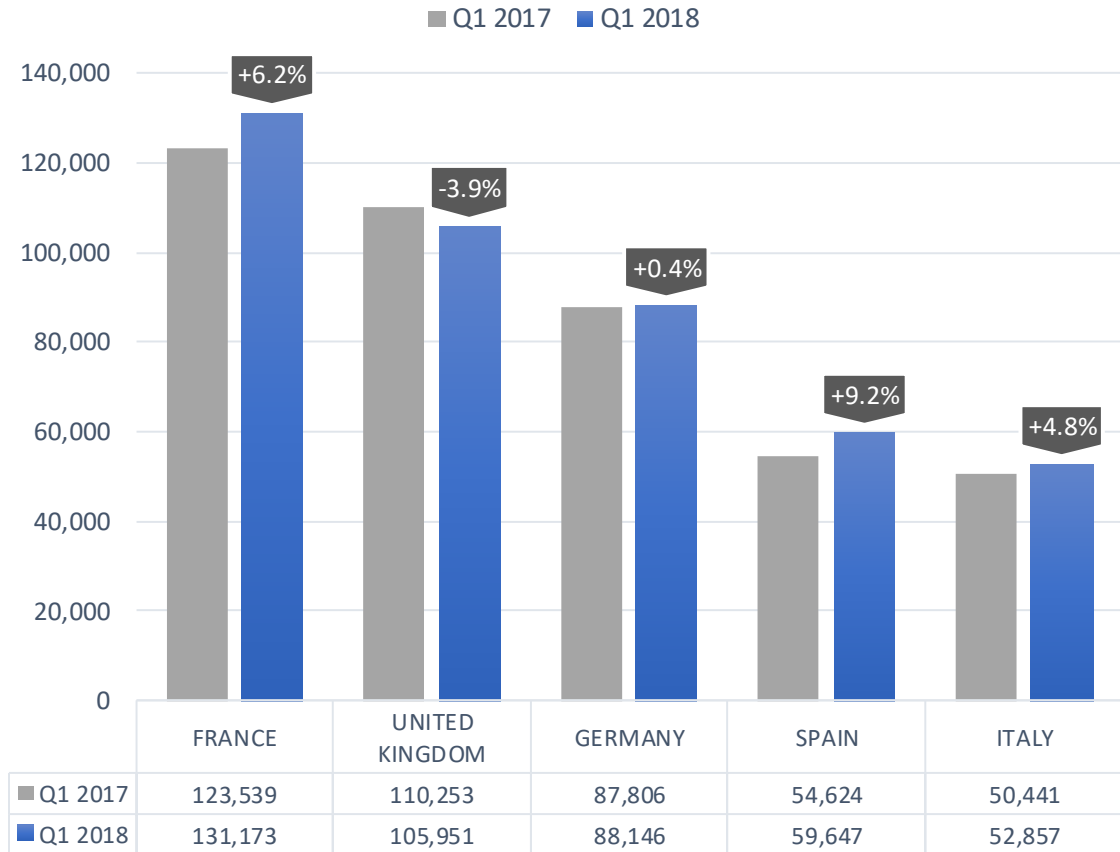
SOURCE: ACEA

<sup>15</sup> New light commercial vehicles (LCV) up to 3.5 tonnes

<sup>16</sup> New medium and heavy commercial vehicles (MHCV) over 3.5 tonnes

<sup>17</sup> New medium and heavy buses and coaches (MHBC) over 3.5 tonnes

Figure 6: New commercial vehicle registrations in the five big EU markets



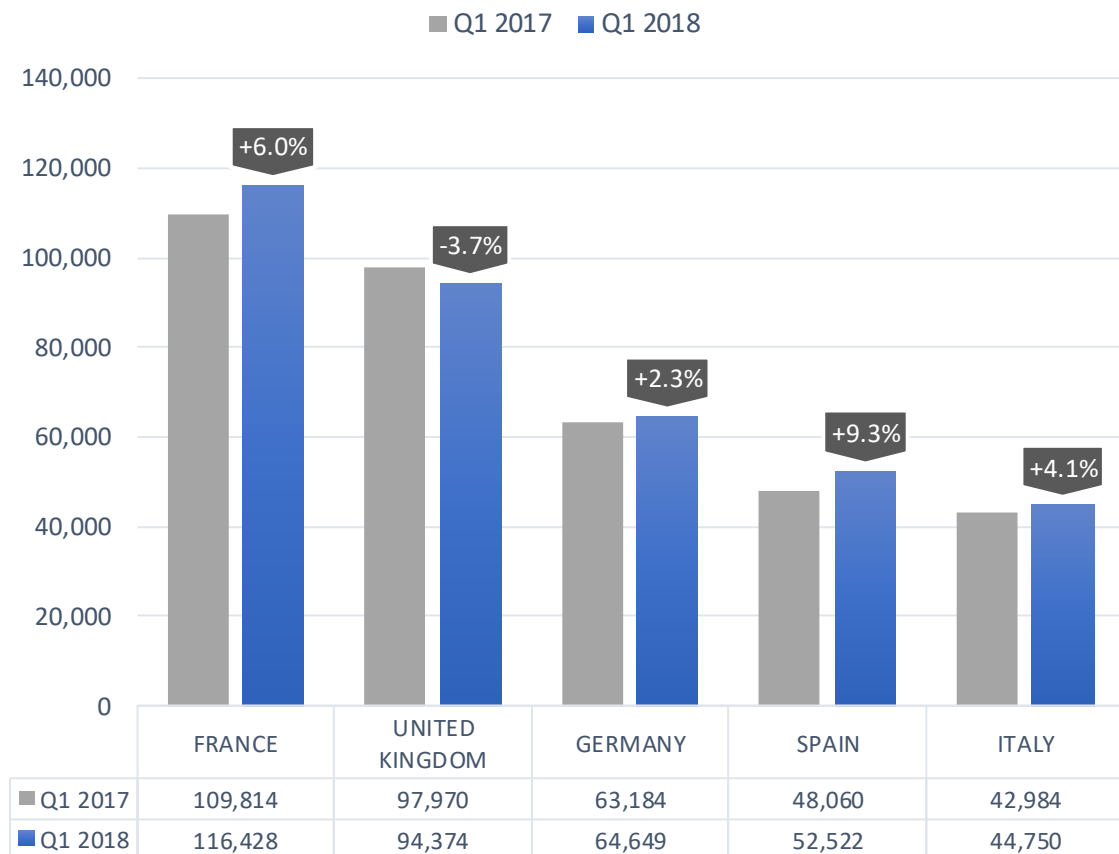
SOURCE: ACEA

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

Over the first quarter of 2018, more than half a million new light commercial vehicles were registered across the European Union; 2.8% more than during the same period a year ago. Demand for vans slowed down in March (-2.2%), but was strong in January (+7.8%) and February (+5.8%).

Among the major EU markets, Spain (+9.3%), France (+6.0%), Italy (+4.1%) and Germany (+2.3%) all posted growth. In the United Kingdom, however, LCV registrations declined by 3.7% during the first three months.

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



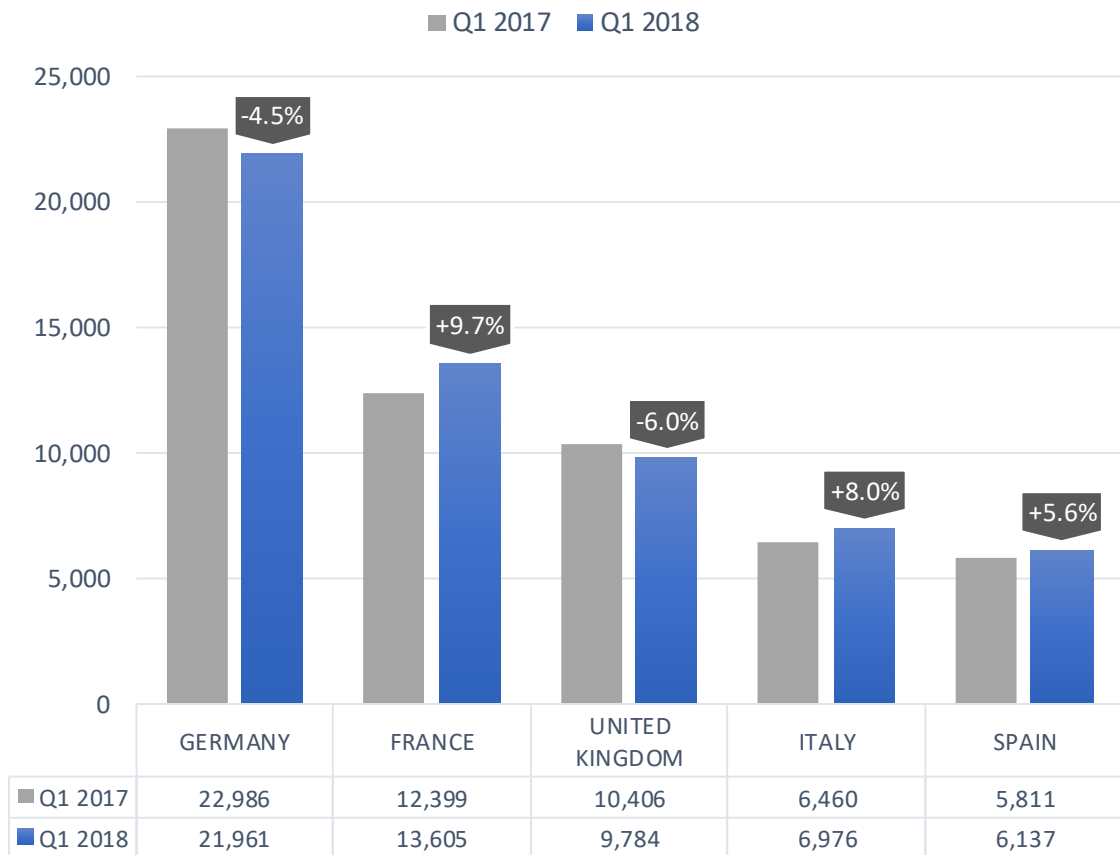
SOURCE: ACEA

## New medium and heavy commercial vehicles (MHCV) over 3.5 tonnes<sup>18</sup>

Three months into the year, the EU market for medium and heavy commercial vehicles grew by 2.9%, counting 92,861 new trucks. Growth was strong in January (+8.6%), but the truck segment did significantly less well (-3.0%) in March.

France (+9.7%) and Italy (+8.0%) posted strong growth, but truck registrations fell in the United Kingdom and Germany (-6.0% and -4.5%, respectively) during the same period.

Figure 8: New medium and heavy commercial vehicle registrations in the five big EU markets



SOURCE: ACEA

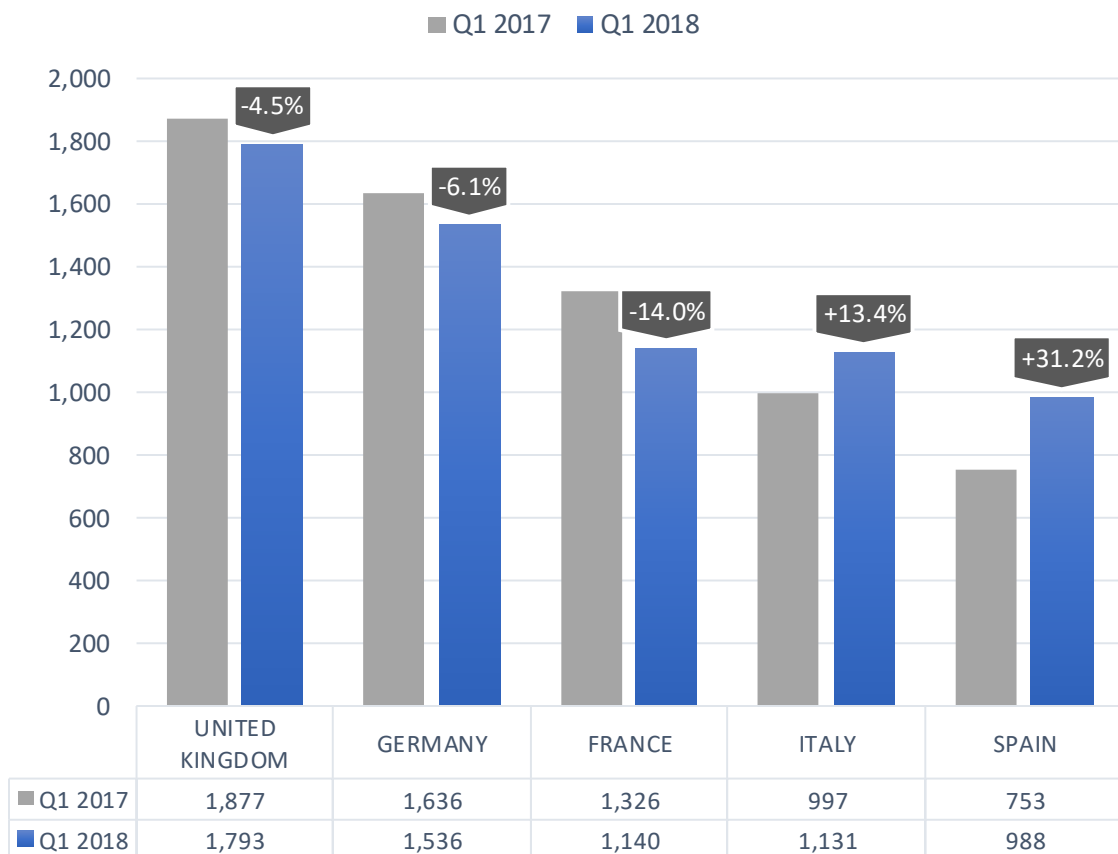
<sup>18</sup> Excluding buses & coaches

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

Over the first three months of 2018, the EU bus and coach market remained more or less stable compared to the same period a year ago, counting 9,598 new vehicles registered.

Among the five major EU markets, demand only increased in Spain (+31.2%) and Italy (+13.4%), while registrations contracted in France (-14.0%), Germany (-6.1%) and the United Kingdom (-4.5%).

Figure 9: Top 5 – New medium and heavy bus and coach registrations in the EU | by country



SOURCE: ACEA

## GLOBAL PRODUCTION OUTLOOK<sup>19</sup>

European<sup>20</sup> commercial vehicle production is expected to increase by 3.4% in 2018 to reach roughly 3.7 million units. The improved situation in Russia and Ukraine will also support this growth. However, production of commercial vehicles is likely to contract in Germany, Italy and the United Kingdom (in particular) this year.

Production of commercial vehicles in China<sup>21</sup> – and especially the van segment, including light buses and minibuses – is estimated to fall by 10.2% in 2018, as domestic demand will remain weak and export volumes low. The introduction of a new emission standard has driven up the price of new vans, making Chinese consumers more reluctant to buy such vehicles.

Commercial vehicle production in North America is projected to increase slightly (+1.7%) this year, largely driven by higher heavy-truck output; some 4.5 million units are expected to be built in 2018.

Japanese and South Korean commercial vehicle output will likely be similar to last year's results, so 1.6 million units in total.

Following last year's strong finish, production of commercial vehicles in South America is expected to grow again in 2018 (+roughly 11.8%) to around 0.9 million units, which will largely be the result of the recovery of the Brazilian market.

Output in the Middle East and Africa is forecast to remain more or less stable (-0.9%) this year, as commercial vehicle production will likely increase in Iran but decline in Morocco.

It is projected that South Asian production of commercial vehicles will grow significantly (+7.2%) throughout 2018; especially in India, Indonesia and Thailand.

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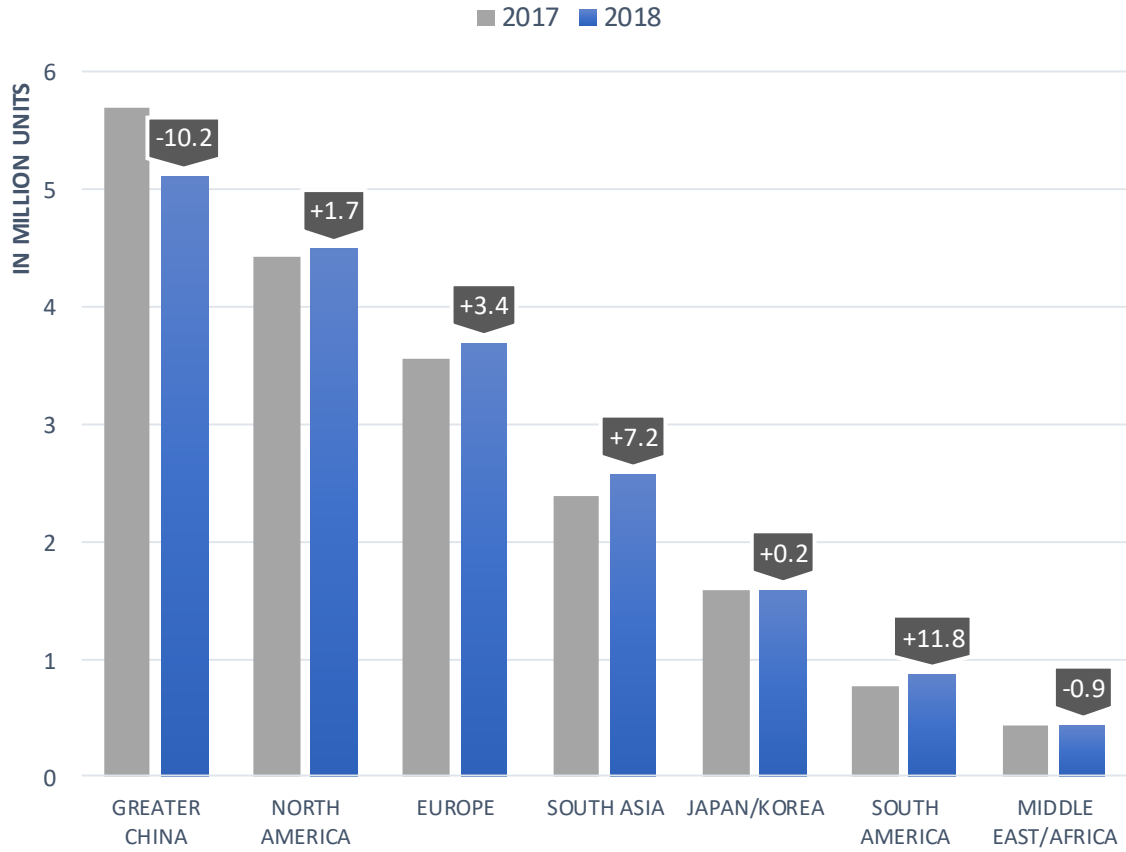
<sup>19</sup> Commercial vehicle production figures not available on a quarterly basis

<sup>20</sup> Includes Turkey and CIS countries

<sup>21</sup> Includes Hong Kong and Taiwan



Figure 10: World commercial vehicle production<sup>22</sup> | by region



SOURCE: IHS MARKIT

<sup>22</sup> 2018 data provisional

## TRADE

During the first quarter of 2018, the value of both imports (-2.4%) and exports (-2.7%) of EU commercial vehicles (including buses and coaches) declined slightly.

The export value of light commercial vehicles recorded a modest increase (+0.7%), but the total value of EU truck exports declined by 4.9% compared to a year ago.

So far in 2018, commercial vehicles generated a trade surplus of €631 million for the European Union.

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

Trade in value (€m)	CV up to 5t	CV over 5t + BC	Total CV + BC
<b>Q1 2018</b>			
IMPORTS	1,542	439	1,981
EXPORTS	1,073	1,539	2,611
TRADE BALANCE	-469	1,100	631
<b>Q1 2017</b>			
IMPORTS	1,588	442	2,030
EXPORTS	1,066	1,618	2,683
TRADE BALANCE	-522	1,176	654
<b>% change 18/17</b>			
IMPORTS	-2.9	-0.7	-2.4
EXPORTS	+0.7	-4.9	-2.7

SOURCE: EUROSTAT

## IMPORTS

EU imports of commercial vehicles, including buses, from Turkey and China declined during the first quarter of 2018 (-9.4% and -6.2%, respectively). Nevertheless, together these two countries still accounted for more than 70% of all EU commercial vehicle imports this year.

Import volumes from South Africa (+49.7%), Morocco (+30.0%), the United States (+51.5%), Mexico (+32.3%) and especially India (+5,427.2%) increased markedly. Indian exports were largely driven by the van segment.

Total EU commercial vehicle imports dropped by 1.5% in the first quarter, totalling 139,492 units.

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

Trade in volume (units)	Q1 2018	Q1 2017	% change 18/17
<b>WORLD</b>	<b>139,492</b>	<b>141,671</b>	<b>-1.5</b>
TURKEY	84,976	93,797	-9.4
CHINA	15,616	16,656	-6.2
SOUTH AFRICA	10,305	6,883	+49.7
THAILAND	8,233	11,891	-30.8
MOROCCO	6,497	4,996	+30.0
INDIA	5,085	92	+5,427.2
UNITED STATES	3,190	2,106	+51.5
SWITZERLAND	1,828	1,892	-3.4
NORWAY	843	790	+6.7
MEXICO	819	619	+32.3

SOURCE: EUROSTAT

## EXPORTS

After a significant decline last year, EU exports of commercial vehicles and buses picked up again during the first three months of 2018. In particular, a notable increase in exports to Zimbabwe (+8,777.6%) and Libya (+1,822.5%) was registered. Exports to Norway (+131.3%), Australia (+77.0%), Serbia (+32.9%) and Russia (+30.8%) also saw strong growth.

However, commercial vehicle exports to Turkey recorded a double-digit drop (-23.8%) during the first quarter of the year.

So far this year, the European Union exported 150,097 commercial vehicles, or 13.5% more than in the same period a year ago.

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

Trade in volume (units)	Q1 2018	Q1 2017	% change 18/17
<b>WORLD</b>	<b>150,097</b>	<b>132,270</b>	<b>+13.5</b>
NORWAY	18,759	8,112	+131.3
ZIMBABWE	11,097	125	+8,777.6
AUSTRALIA	10,097	5,705	+77.0
TURKEY	8,487	11,145	-23.8
SWITZERLAND	7,193	7,461	-3.6
UKRAINE	5,786	6,268	-7.7
SERBIA	4,978	3,745	+32.9
RUSSIA	4,300	3,288	+30.8
CHILE	4,148	4,230	-1.9
LIBYA	3,326	173	+1,822.5

SOURCE: EUROSTAT



European  
Automobile  
Manufacturers  
Association

## ABOUT ACEA

- ACEA represents the 15 Europe-based car, van, truck and bus manufacturers: BMW Group, DAF Trucks, Daimler, Fiat Chrysler Automobiles, Ford of Europe, Honda Motor Europe, Hyundai Motor Europe, Iveco, 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](http://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.