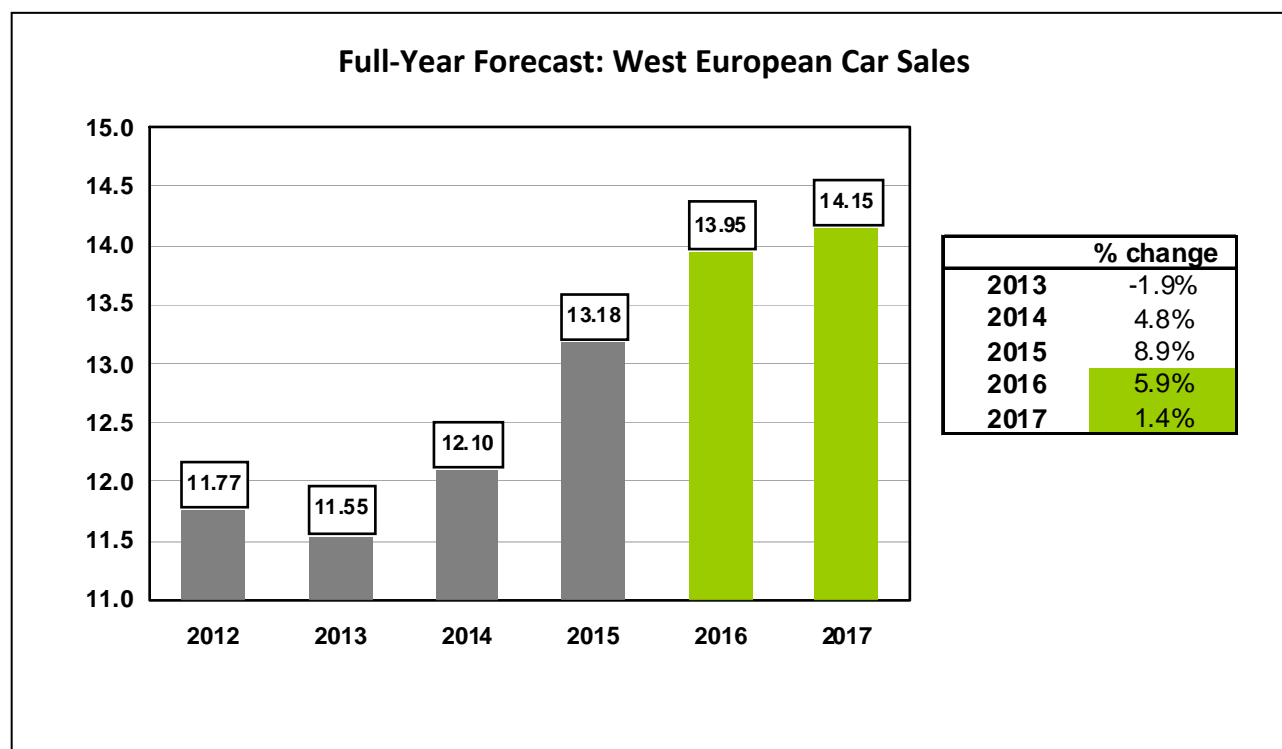




Western European Passenger Car Sales Update

Summary

- Car sales in Western Europe grew by 4.5% in November. The selling rate surpassed the 14.0 mn units/year mark once again, with most markets showing signs of improvement.
- Result for Germany: sales were up 1.5% YoY (year-on-year), 4.9% year-to-date (YTD). The French market posted a solid selling rate for last month, with registrations in France still on course to achieve 2.0 mn units for 2016. UK registrations, meanwhile, continue to climb towards a record annual result.
- The selling rate for the Spanish car market comfortably exceeded 1.2 mn units/year for the second time in three months, shrugging off concerns over the removal of the PIVE scrappage scheme earlier in the year. The Italian market has also looked on a firmer footing in recent months.



5th December 2016

For further information contact Jonathon Poskitt or Emiliano Lewis

Phone +44 1865 791737, jposkitt@lmc-auto.com, elewis@lmc-auto.com



Western European Passenger Car Sales Update

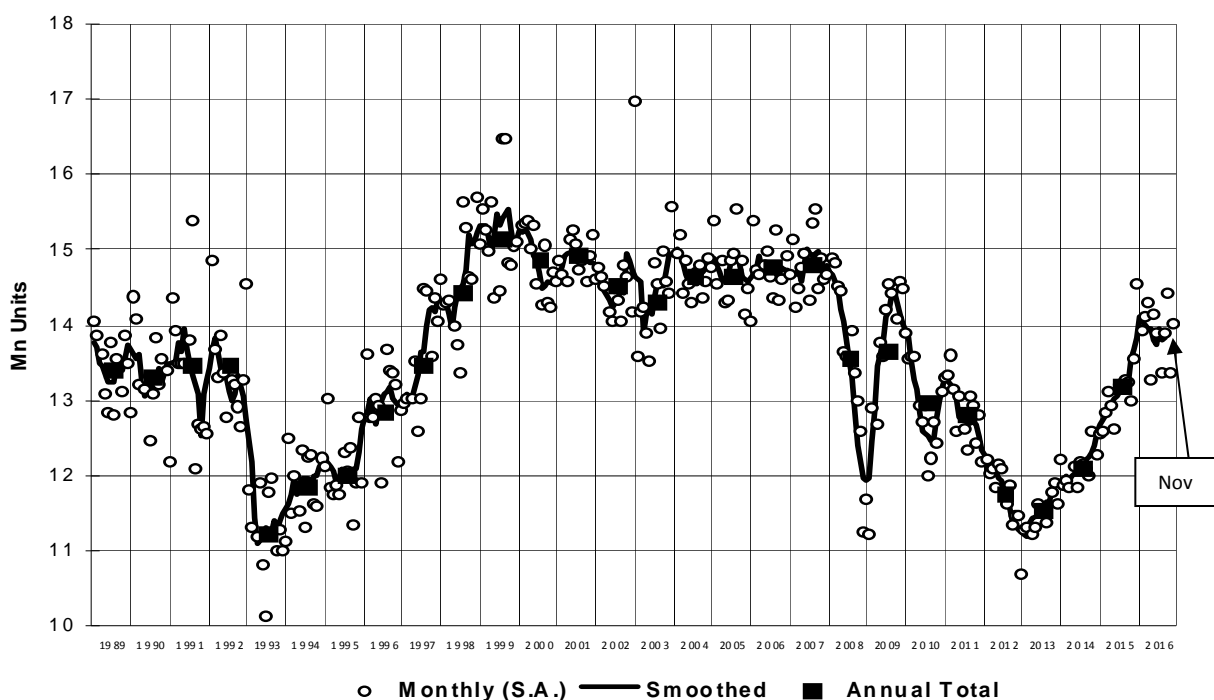
Commentary

The West European car market selling rate picked up well for November, after a fairly disappointing performance in the previous month. The selling rate climbed to 14.0 mn units/year last month (versus 13.4 mn units/year for October), just a little higher than where we expect the 2016 total industry volume to finish. As we head to the close of the year then, car registrations for the region are set to be 6% higher than 2015, the third consecutive year of growth, following the 2013 low of 11.5 mn units.

In the largest market in the region, Germany, YTD registrations are up an impressive 4.6% — in recent months, results suggest some slowing in the pace of sales, in line with the view that the market has now effectively fully recovered. France posted a solid 2.15 mn units/year selling rate for November after a lacklustre October. The UK market continued to expand in November, keeping it on course for a record year. Both Italy and Spain put in strong performances last month, with Spain's 1.25 mn units/year selling rate indicating that the growth momentum will be maintained in 2017.

As the chart below highlights, registrations have made up much of the ground lost in the period following the financial crisis; however, those pre-2008 levels of 14.5-15.0 mn units/year are still a little way off and we expect further improvement through 2017. Again, the emphasis will be on those markets that are some way below pre-Great Recession volumes, notably Spain and Italy (though risks to the latter have increased following the Italian referendum result). However, the dynamics of the region are set to shift as we forecast a decline in the UK market, as its economy slows and sterling's weakness impacts new car sales there.

West European Car Sales





Western European Passenger Car Sales Update

West European Car Sales

	Sales (units)						Selling rate (units/year)			
	Nov	Nov	Percent	Year-to-date	Year-to-date	Percent	Nov	Year-to-date	Year	Percent
	2016	2015	change	2016	2015	change	2016	2016	2015	change
WESTERN EUROPE	1,084,948	1,038,103	4.5%	12,869,030	12,117,425	6.2%	14,032,476	13,894,343	13,179,443	5.4%
AUSTRIA	25,548	23,381	9.3%	304,728	285,723	6.7%	332,140	326,005	308,555	5.7%
BELGIUM	39,645	36,329	9.1%	505,997	468,325	8.0%	576,840	542,117	501,066	8.2%
DENMARK	17,998	17,101	5.2%	203,509	188,858	7.8%	211,175	219,444	207,319	5.8%
FINLAND	9,006	8,997	0.1%	110,782	100,894	9.8%	123,647	119,629	108,814	9.9%
FRANCE	163,170	150,399	8.5%	1,819,235	1,733,571	4.9%	2,150,990	1,998,717	1,917,295	4.2%
GERMANY	276,567	272,377	1.5%	3,095,317	2,958,687	4.6%	3,226,663	3,355,806	3,206,042	4.7%
GREECE	6,021	5,859	2.8%	74,232	68,989	7.6%	72,986	78,500	75,805	3.6%
IRELAND	748	940	-20.4%	146,533	124,596	17.6%	109,491	136,084	124,938	8.9%
ITALY	145,835	134,790	8.2%	1,699,943	1,459,029	16.5%	1,851,269	1,821,995	1,568,424	16.2%
LUXEMBOURG	3,451	3,412	1.2%	47,109	43,837	7.5%	52,354	50,872	46,473	9.5%
NETHERLANDS	32,271	40,344	-20.0%	348,359	380,148	-8.4%	366,669	382,614	448,927	-14.8%
NORWAY	13,194	12,600	4.7%	141,001	137,608	2.5%	155,762	153,869	150,686	2.1%
PORTUGAL	16,525	13,381	23.5%	190,305	165,389	15.1%	215,391	206,882	178,515	15.9%
SPAIN	92,653	81,653	13.5%	1,050,186	945,636	11.1%	1,250,846	1,150,082	1,034,245	11.2%
SWEDEN	31,801	31,352	1.4%	335,037	311,568	7.5%	358,889	370,251	345,053	7.3%
SWITZERLAND	26,414	26,312	0.4%	281,993	291,141	-3.1%	316,518	314,669	323,783	-2.8%
UK	184,101	178,876	2.9%	2,514,764	2,453,426	2.5%	2,660,846	2,666,806	2,633,503	1.3%
Notes:	Greece and Luxembourg: estimates for latest month The percent change in the final column compares the average selling rate in the year-to-date with the last full year.									



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