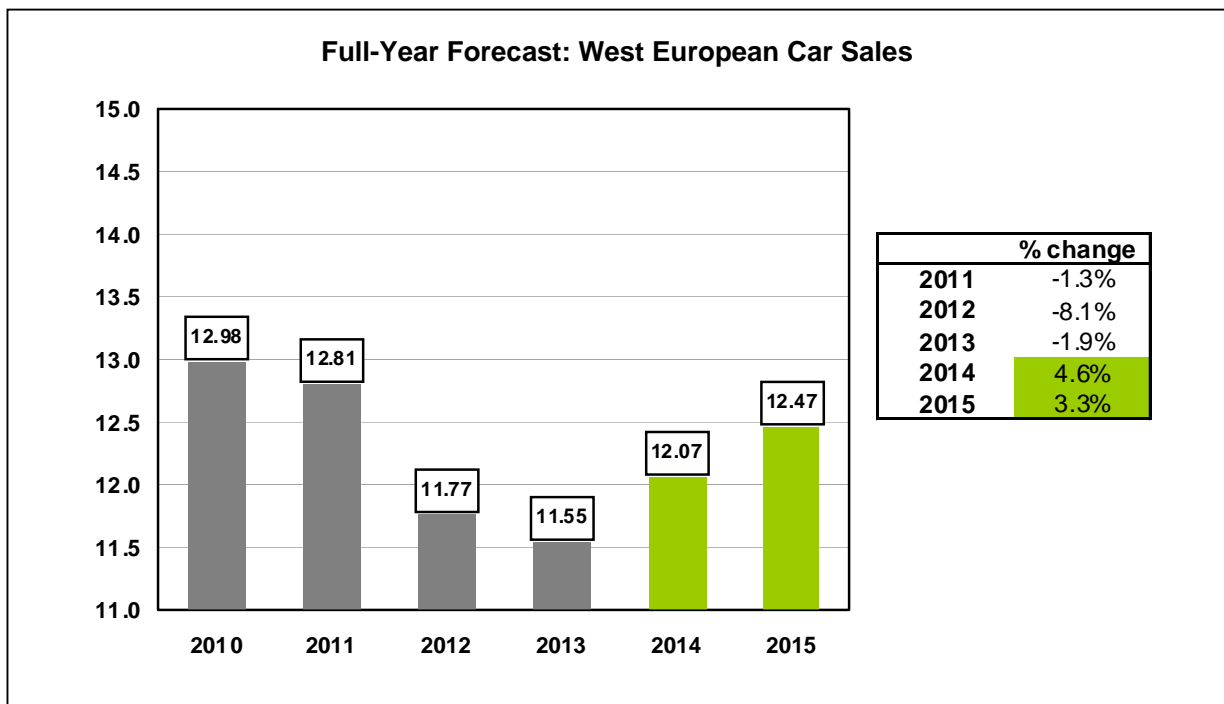


## West European Car Sales

September 2014

### Summary

- Car sales in Western Europe grew by 5.8% in September. With the help of an extra selling day in September 2014 versus September 2013, the new car market grew well, year-on-year, last month. The Seasonally Adjusted Annualised Rate of sales was higher than the previous month's result, standing at 12.2 mn units/year.
- In a key month for the UK, where the market tends to account for around a third of the region's volume, sales grew once again (+5.6%), though the pace of growth slowed.
- Result for Germany: sales up by 5.2% — the year-to-date market was up by 2.9%. The selling rate stood at 3.05 mn units/year for the month, representative of where we expect the full market total to finish.
- After a couple of weaker months, the French car market put in a better performance in September. In Spain, an improving economic outlook, as well as ongoing government scrappage support, ensured further double-digit growth. The Italian market was also higher year-on-year, though the growth in the market is far from sure-footed.



6 October 2014

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*For more detailed discussion and the full data table, please continue to next page...*

## Commentary

The improvement of the West European car market continued in September, with sales up nearly 6%. The selling rate picked up from the relatively disappointing August result, and the market remains on course for a 4.5-5% improvement for 2014. For 2015, we expect the recovery in the region's car market to continue, though, for a sustained recovery over the coming years, the focus for growth must shift away from the likes of the UK and Germany and towards some of the currently depressed markets in the region.

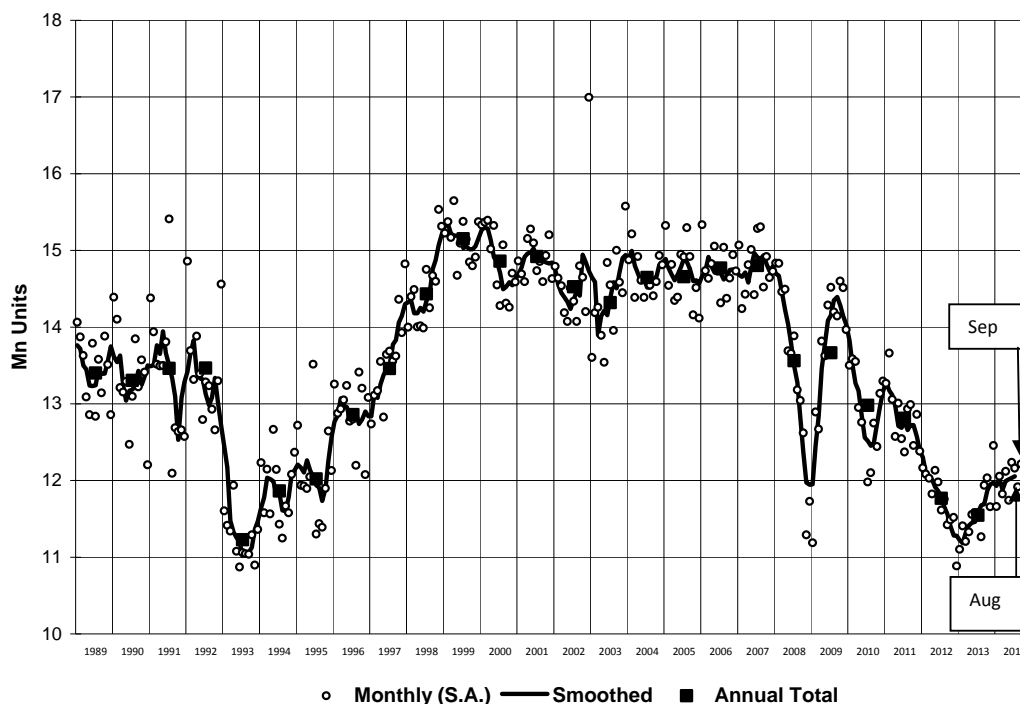
The UK market, which has been a key driver of regional growth this year, continued to improve in year-on-year terms, though the rate of growth slowed. Over the next few years, growth in the UK market is forecast to slow markedly, reflecting that it has effectively already fully recovered to pre-Great Recession levels.

The German market was up 5.2% last month, with the market expected to comfortably exceed the 3 mn-unit level for 2014. While there is some scope for additional expansion of the German car market over the next few years, it is somewhat closer to our medium-term expectations than some of its southern European neighbours.

To keep up the growth momentum over the coming years, depressed markets like Spain and Italy will have to continue to pick up. Spain is being supported by the PIVE scheme, which, with the help of an improving economic outlook, is fostering strong growth (from a low base). Like Spain, the Italian market will improve for the full year, though the economic backdrop remains gloomy — government support in the form of a scrappage scheme would help put the market on the right track, though the government being able to justify this is an issue in itself.

The French market picked up in September, though there is little improvement expected for 2014 versus 2013.

### West European Car Sales



## West European Car Sales

	Sales (units)						Selling rate (units/year)			
	Sep 2014	Sep 2013	Percent change	Year-to-date 2014	Year-to-date 2013	Percent change	Sep 2014	Year-to-date 2014	Year 2013	Percent change
<b>WESTERN EUROPE</b>	<b>1,201,919</b>	<b>1,135,644</b>	<b>5.8%</b>	<b>9,230,465</b>	<b>8,779,984</b>	<b>5.1%</b>	<b>12,214,269</b>	<b>11,991,052</b>	<b>11,545,933</b>	<b>3.9%</b>
AUSTRIA	24,790	25,301	-2.0%	237,290	248,111	-4.4%	305,396	308,775	319,035	-3.2%
BELGIUM	36,383	34,890	4.3%	388,095	389,471	-0.4%	510,002	485,930	486,065	0.0%
DENMARK	15,437	14,586	5.8%	143,104	135,172	5.9%	185,503	192,304	182,198	5.5%
FINLAND	8,402	8,219	2.2%	83,071	80,966	2.6%	104,310	102,826	103,456	-0.6%
FRANCE	151,101	142,146	6.3%	1,336,969	1,309,758	2.1%	1,922,883	1,816,264	1,790,308	1.4%
GERMANY	260,062	247,199	5.2%	2,281,671	2,217,019	2.9%	3,045,824	3,048,630	2,952,431	3.3%
GREECE	4,731	3,814	24.0%	53,525	44,013	21.6%	69,496	66,029	58,696	12.5%
IRELAND	3,919	3,161	24.0%	93,449	71,713	30.3%	97,476	97,183	74,316	30.8%
ITALY	110,436	106,908	3.3%	1,034,961	1,000,866	3.4%	1,317,902	1,346,030	1,303,260	3.3%
LUXEMBOURG	3,568	3,158	13.0%	37,858	36,026	5.1%	50,879	48,192	46,624	3.4%
NETHERLANDS	30,214	31,394	-3.8%	284,792	300,978	-5.4%	399,479	362,435	417,104	-13.1%
NORWAY	11,585	12,168	-4.8%	107,104	105,784	1.2%	141,103	144,118	142,151	1.4%
PORTUGAL	9,688	7,369	31.5%	107,368	79,387	35.2%	149,884	142,992	105,885	35.0%
SPAIN	57,010	45,177	26.2%	640,528	546,423	17.2%	863,715	836,446	722,693	15.7%
SWEDEN	26,142	24,386	7.2%	222,636	193,107	15.3%	304,467	307,630	269,089	14.3%
SWITZERLAND	22,590	22,632	-0.2%	219,848	226,266	-2.8%	302,196	294,417	307,885	-4.4%
UK	425,861	403,136	5.6%	1,958,196	1,794,924	9.1%	2,443,755	2,390,854	2,264,737	5.6%
Notes:	Austria, Denmark, Greece, Luxembourg and Switzerland: 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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