



## **Israel Vehicle Importers Association – Monthly Review February 2021**

### **Preface – Economic Climate**

The Israeli economy is an advanced economy that belongs to the OECD organization. The GDP per capita is \$ 45,188 and the growth rate in 2010-2019 was the average annual growth rate of 3.3% per year. At the beginning of the Corona crisis, the debt-to-GDP ratio was 60% and was one of the lowest in the Western world. The government deficit was 3.7% and the unemployment rate was 3.4%.

The Corona crisis has affected the Israeli economy significantly, as have other economies in the world. The deficit in March 2020 – February 2021 is 12.4% from the GDP. The debt-to-GDP ratio is 73.6%. The unemployment rate rose to 4.5% but the unofficial unemployment rate climbed to about 15.5%. Along with the economic crisis in Israel, there is also a political complexity and the declaration of new election in March 2021 that makes it difficult for the government to pass a new budget and formulate a coherent economic policy. On the other hand, from a monetary point of view, the crisis is being managed professionally by the Bank of Israel, which is monitoring the local credit market and solving liquidity problems through plans to purchase bonds and keep interest rates low.

In February, the third lockdown was gradually lifted, and the trend of immunization intensified. By the end of the month over 5 million people (who make up over 50% of the population) were vaccinated. As a result, there was a decrease in morbidity and businesses were reopened and there was a moderate decrease in unemployment. The end of the health crisis will undoubtedly lead to a recovery in the economic situation during 2021. According to the forecasts of the Chief Economist in the ministry of finance, growth in 2021 is expected to reach 4.6%.

## **Statistical Profile: Israel February 2021**

### **Society**

Population (January 2021): 9.305 Million

### **Economy**

GDP per capita: \$ 45,188

Inflation (January 2021): -0.4% Annual Growth Rate

Current Account Balance (Q3 2020): 6.18% of GDP

Trade in Goods and Services: \$50.8billion

### **Finance**

US Dollar Exchange rate: NIS 3.27

Euro Exchange rate: NIS 3.96

Long-term interest rates: 0.98% Per Annum

Short-term interest rates: -0.03% Per Annum

### **Government**

Debt to GDP ratio:73.6%

Deficit to GDP:12.4% (March 2020 - February 2021)

### **Motorization**

Level of Motorization (Q4 2019): 394 Vehicles/1,000 Residence

### **Innovation and Technology**

Gross Domestic Spending on R&D (2018): 4.94% of GDP

### **Environment**

CO2 Emissions (2017): 7.3 Tonnes Per Capita

## Jobs

Employment Rate (Q4 2020): 65.84% of Working Age Population

Official Unemployment Rate (January 2021): 4.5% of Labour Force

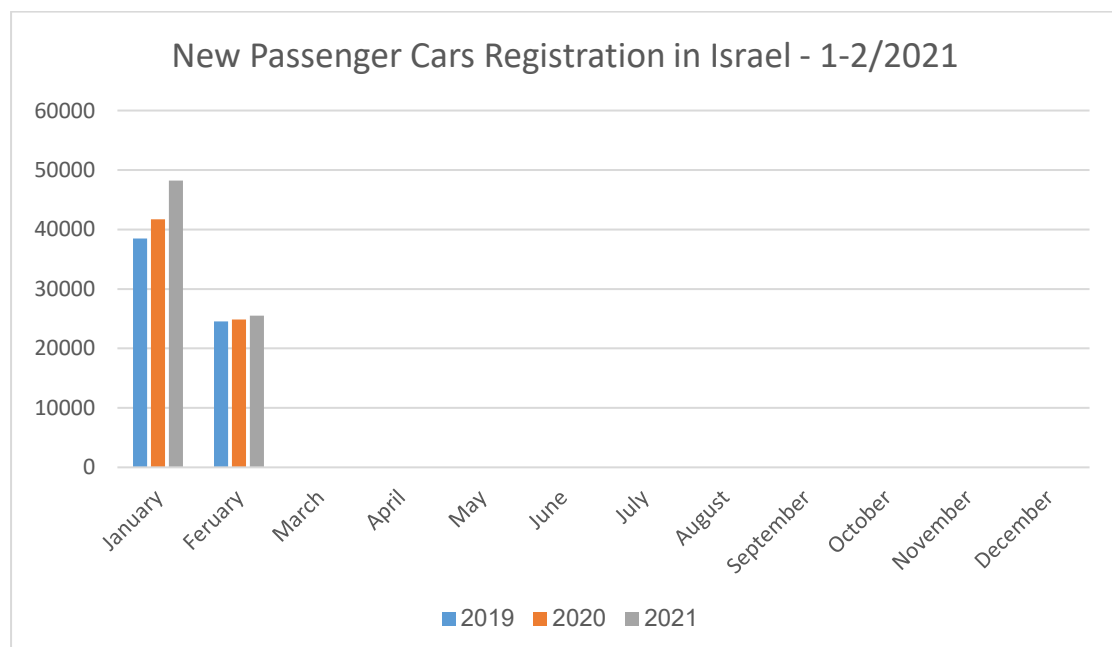
Unofficial Unemployment Rate (including non-paid absence due to Corona): 15.5%

## New Cars and CV Registrations

### Israel New Passenger Car Registration: January-February 2021

Passenger car registration: +10.8% compared with Jan-Feb 2020.

In February 2021, the Israeli passenger car market registered 25,505 new cars. This figure represents an increase of 2.6% in registrations compared with February 2020. Since January, 73,747 new cars were registered – an increase of 10.8% compared with Jan-Feb 2020.



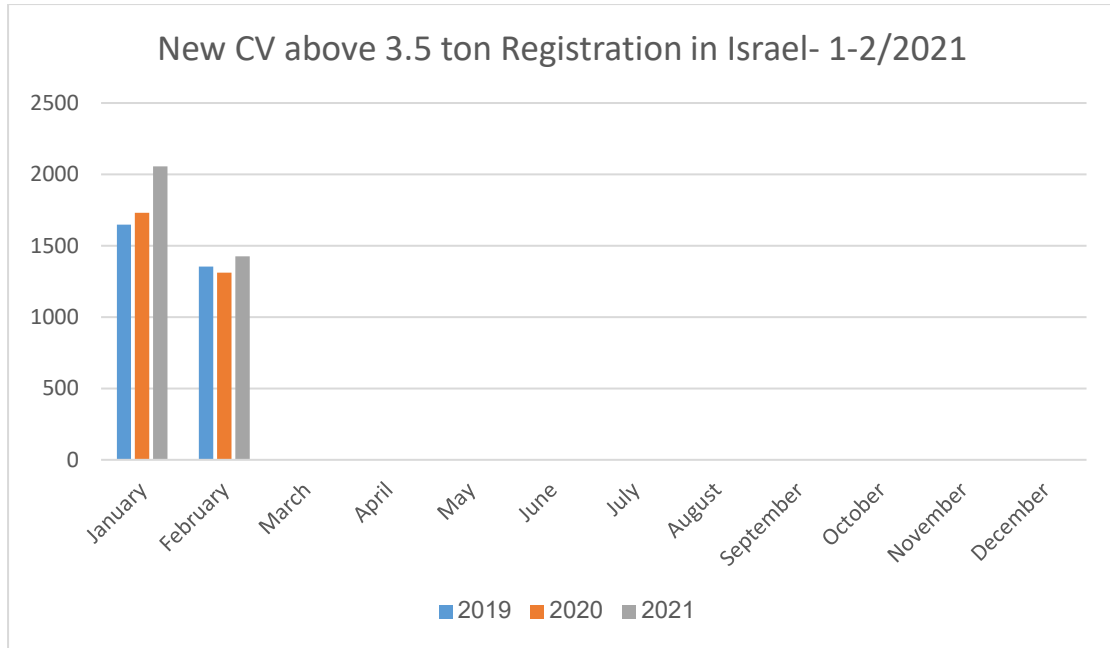
## New Passenger Cars Registration in Israel According to Brands: January-February 2021

No.	Brand	February					Jan-Feb				
		Share%		Units		Change%	Share%		Units		Change%
		2021	2020	2021	2020		21/20	2021	2020	2021	
1	Hyundai	17.6	15.5	4478	3865	15.9	16.0	15.9	11832	10589	11.7
2	Toyota	13.7	13.1	3500	3245	7.9	12.9	12.7	9510	8446	12.6
3	Kia	14.5	12.0	3690	2992	23.3	11.8	11.7	8700	7794	11.6
4	Skoda	7.9	8.6	2004	2131	-6.0	7.1	8.4	5260	5606	-6.2
5	Mazda	5.2	4.1	1327	1014	30.9	6.3	4.7	4644	3155	47.2
6	Mitsubishi	5.6	7.1	1438	1771	-18.8	6.0	6.5	4411	4350	1.4
7	Seat	4.4	5.0	1127	1244	-9.4	4.9	4.6	3583	3077	16.4
8	Chevrolet	3.3	3.9	831	964	-13.8	3.6	4.5	2626	2999	-12.4
9	Renault	2.8	4.2	703	1050	-33.0	3.5	3.2	2548	2118	20.3
10	Nissan	3.3	2.7	832	670	24.2	3.4	3.5	2538	2345	8.2
11	Suzuki	2.1	4.3	537	1059	-49.3	2.8	4.0	2047	2645	-22.6
12	Peugeot	2.4	2.1	603	517	16.6	2.6	2.2	1915	1485	29.0
13	Subaru	1.6	1.6	406	410	-1.0	2.4	1.6	1790	1063	68.4
14	Citroen	2.3	2.8	583	699	-16.6	2.0	2.7	1506	1812	-16.9
15	Mercedes	1.5	1.2	392	293	33.8	1.7	1.7	1265	1147	10.3
16	B.M.W	0.8	1.1	205	268	-23.5	1.6	1.1	1210	719	68.3
17	Audi	0.9	0.8	227	211	7.6	1.6	1.8	1203	1230	-2.2
18	VW	1.0	2.0	246	500	-50.8	1.1	1.5	830	1026	-19.1
19	Jeep	1.2	1.0	310	243	27.6	1.0	0.6	714	413	72.9
20	Volvo	0.7	0.8	175	187	-6.4	0.9	0.8	684	560	22.1

## New CV above 3.5 ton Registration in Israel: January-February 2021

Commercial Vehicles above 3.5 ton registration: +8.7% compared with February 2020; Since January 2021, an increase of 14.5%

In February 2021, the Israeli market for CV above 3.5 ton registered an increase of 8.7% in registrations compared with February 2020, with 1,426 new registrations. Since January 2021, 3,482 new CV were registered – an increase of 14.5% compared with Jan-Feb 2020.



### New CV above 3.5 ton Registration in Israel According to Brands: January-February 2021

No	Brand	February					Jan-Feb				
		Share%		Units		Change%	Share%		Units		Change%
		2021	2020	2021	2020		21/20	2021	2020	2021	
1	Chevrolet	12.2	6.5	147	67	119.4	14.0	9.5	419	228	83.8
2	Mercedes	9.6	12.8	116	131	-11.5	11.9	12.4	357	297	20.2
3	Volvo	10.9	8.7	131	89	47.2	9.7	9.5	290	226	28.3
4	DAF	9.0	9.9	108	102	5.9	8.3	10.1	248	241	2.9
5	Scania	7.4	5.7	89	58	53.4	8.2	8.1	244	194	25.8
6	Dodge-Ra	4.9	4.4	59	45	31.1	7.0	4.9	208	117	77.8
7	FIAT	10.0	7.1	121	73	65.8	6.9	5.0	205	119	72.2
8	Renault	6.1	10.9	74	112	-33.9	6.1	6.2	183	147	24.5
9	Ford	5.1	4.5	61	46	32.6	6.0	4.5	179	107	67.3
10	MAN	4.5	5.9	54	61	-11.5	5.2	7.2	156	172	-9.3
11	VW	4.0	5.5	48	56	-14.3	4.9	3.5	148	84	76.2
12	Isuzu	4.6	9.5	55	97	-43.3	4.3	10.7	129	255	-49.4
13	Iveco	4.5	3.2	54	33	63.6	3.4	2.4	103	58	77.6
14	Peugeot	1.3	3.0	16	31	-48.4	2.5	3.2	75	76	-1.3
15	HINO	1.4	1.1	17	11	54.5	1.2	1.2	35	29	20.7
16	Fuso	0.6	0.4	7	4	75.0	0.3	0.5	8	13	-38.5
17	JAC	0.2	0.0	3	0	300.0	0.1	0.1	4	2	100.0

## New Bus Registration in Israel According to Brands: January-February 2021

No.	Brand	February					Jan-Feb				
		Share%		Units		Change%	Share%		Units		Change%
		2021	2020	2021	2020	21/20	2021	2020	2021	2020	21/20
1	Mercedes	39.8	86.8	88	151	-41.7	47.3	9.9	232	333	-30.3
2	Volvo	19.9	17.8	44	31	41.9	16.5	1.9	81	64	26.6
3	Solaris	9.5	4.0	21	7	200.0	12.2	0.4	60	14	328.6
4	MAN	10.9	21.3	24	37	-35.1	9.0	2.4	44	81	-45.7
5	Higer	14.5	0.0	32	0	3200.0	7.1	0.1	35	3	1166.7
6	Scania	1.4	4.6	3	8	-62.5	2.4	0.9	12	31	-61.3
7	Iveco	0.5	5.2	1	9	-88.9	1.0	0.4	5	14	-64.3
8	Ford	0.5	1.1	1	2	-50.0	0.8	0.1	4	3	33.3
9	IRIZAR	0.0	2.9	0	5	-100.0	0.8	0.4	4	12	-66.7
10	Temsa	1.4	0	3	0	300	0.8	0	4	0	400
11	VW	0.0	7.5	0	13	-100.0	0.6	0.7	3	22	-86.4
12	Isuzu	0.9	1.1	2	2	0.0	0.6	0.3	3	11	-72.7
13	Golden Dragon	0.0	0.0	0	0	0.0	0.2	0.4	1	15	-93.3
14	Yutong	0.0	8.6	0	15	-100.0	0.2	0.9	1	30	-96.7
15	Zhong Tong	0.0	1.7	0	3	-100.0	0.2	0.3	1	10	-90.0
16	Renault	0.5	1.1	1	2	-50.0	0.2	0.3	1	9	-88.9

### Monthly review – Israel's Auto and Auto-Tech industry

#### Via Purchases Remix

Israeli TransitTech leader Via announced that it had purchased American company Remix, developer of a platform for transportation mapping and planning. The purchase will enable the two companies to combine their abilities in order to create an efficient and accessible transportation system for municipalities and passengers alike. Via's technology, launched originally in 2013, is already operational in 200 cities in 24 countries around the world.

#### Milgam EV-Edge Wins Largest Tender for EV Charging Points

Milgam EV-Edge won the largest tender so far in Israel for EV charging points. The tender calls for the installation and operation of 700 charging points in the city of Petach-Tikva, 50 of which will be installed immediately and the rest gradually in the next few years, according to the rising demand for EVs.

#### Arko to Pilot Chakratec Energy Accumulation Technology

Israeli Chakratec signed a memorandum with American convenience stores and gas stations Arko, according to which Arko will begin a 3 months pilot using Chakratec's system for accumulating energy for EV battery charging. Presuming the pilot is

successful, Arko will be able to extend the trial to 15 additional stations and will also have the right to distribute the system in the US until the end of 2030.

### **Israeli Minister of Transportation: Israel to Play a Leading Global Role in the Development of Autonomous Vehicles**

In recent years Israel has enabled the testing of autonomous vehicles with the approval and monitoring of the ministry of transportation. Now, the ministry is advancing legislation that will allow for further autonomous vehicle testing and encourage auto manufacturers and auto-tech companies to establish R&D centers in Israel in this field. According to the minister, this legislation is a vital phase in expanding the possibilities for shared transportation and maintaining and strengthening Israel's global position in this dynamic field.

### **Mobileye: Autonomous Shuttles by 2023**

Israeli leading auto-tech company Mobileye will be part of an innovative project for operating autonomous shuttles in Europe. Mobileye, Transdev ATS and Lohr Group announced a strategic collaboration for developing and implementing autonomous shuttle service. The shuttles will be able to drive up to 16 passengers and drive at speeds up to 50 Kmh. Following trials in Israel and in France, the operation is due to begin in Europe by 2023 and expand to additional continents later on.

### **Microsoft Israel to Collaborate with VW in Developing a Platform for an Autonomous Vehicle**

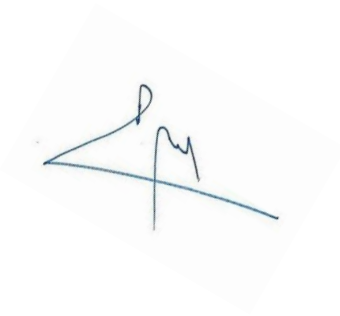
Microsoft Israel is forming a development group in the field of autonomous vehicles. The group will spear head the development effort led by Microsoft and VW to develop a platform for cloud based autonomous driving using ADP technology. The new group has already started recruiting developers, team heads and product managers.

### **City Transformer Raises 15.5M NIS**

City Transformer, developer of the small urban EV CT-1, announced that it had raised 15.5M NIS from private investors. The company plans an IPO in the Tel-Aviv stock exchange according to a value of

600M NIS. CT has developed the CT-1, a small urban electric vehicle that can "shrink" and fit in almost any parking spot. Production is already underway in Germany and the company expects the first serial model to roll off the production line this coming June, and to get European WVTA by October this year.

Dr. Hanan Golan

A handwritten signature in blue ink, appearing to be 'H. Golan', written on a light-colored rectangular background.

Mr. Hezi Shayb  
CEO – IVIA

A handwritten signature in black ink, appearing to be 'H. Shayb', written on a white background.

The economic chapter of the review was edited by Mr. Nadav Caspi, the I-via's Chief Economist.