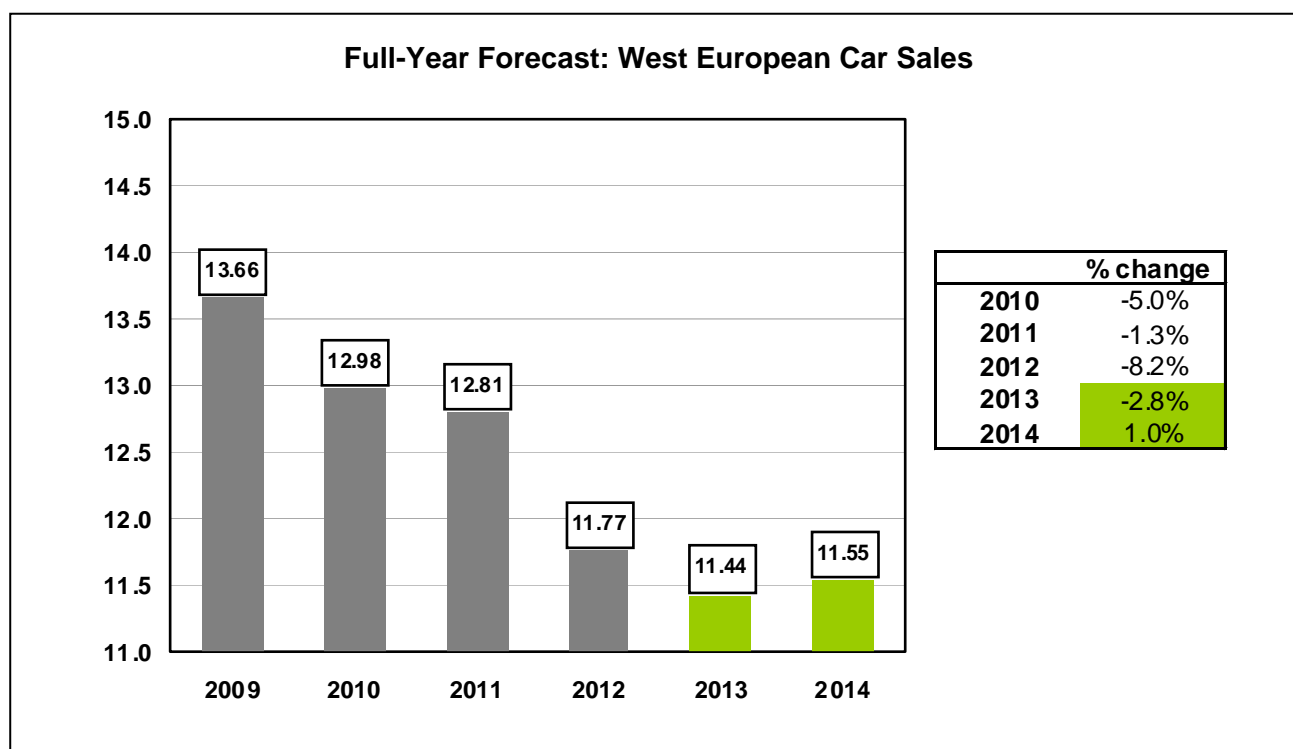


## West European Car Sales

September 2013

### Summary

- Car sales in Western Europe grew by 5.3% in September. After recent months where the Seasonally Adjusted Annualised Rate (SAAR) of sales has been easing back, September was much stronger, picking up to 11.8 mn units/year — the best performance so far this year. The second half of 2013 is on course to eclipse the same period in 2012, with 2014 forecast to see modest growth for the full year.
- The growth in UK registrations was a key driver for the stronger performance of the region overall. The private side of the UK market continues to expand rapidly.
- Result for Germany: sales down by 1.2% — the year-to-date market was down by 6%. The German market is expected to finish below 3.0 mn units for the full year, though it should see some growth in 2014 as economic activity picks up.
- Car registrations in France increased in year-on-year terms, as they did in Spain (helped by comparison to a weak September 2012), and while Italy was down year-on-year, its rate of decline was lower than earlier in the year.



4 October 2013

For more information, please contact: Jonathon Poskitt (jposkitt@lmc-auto.com, +44 1865 791737)

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

## Commentary

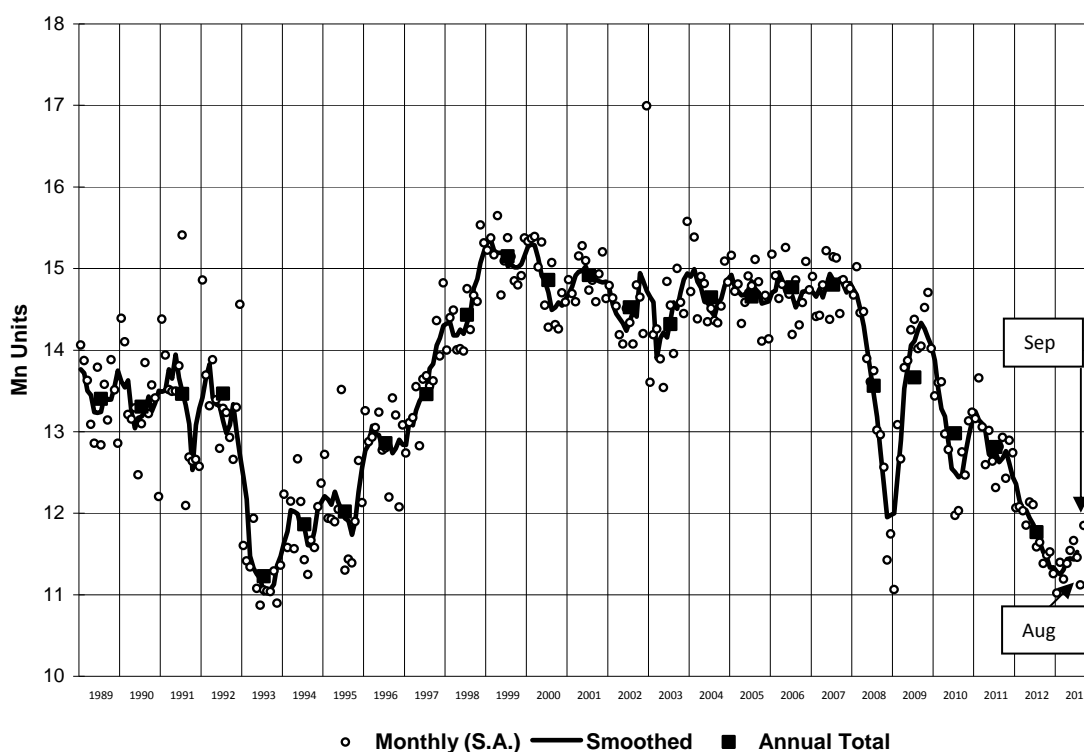
After slowing in recent months, the Western Europe car market selling rate for September was certainly a step in the right direction. At 11.8 mn units/year, this is the best result so far this year and reflects the improving business and consumer sentiment in the region. With the Eurozone coming out of recession in Q2, and economic activity forecast to slowly pick up over the remainder of 2013 and into 2014, we expect this to underpin expansion of the car market. With many countries still struggling with high unemployment and weak consumer spending though, we forecast a modest rise of 1% in the Western Europe car market for 2014.

The UK was a key reason the region's market improved last month. Its selling rate climbed to 2.4 mn units/year, driven by a 17% increase in private sales. The latest result reflects a strengthening UK economy, with the market supported by low interest rates and good deals on new cars. Of the big five markets in the region, the UK is set to be the only one registering significant growth for 2013.

The German market was a little lower in September 2013 than a year earlier, though the selling rate picked up from the previous month. The selling rate in France climbed to 1.86 mn units, a marked improvement on the preceding couple of months — we continue to forecast a market outturn below 1.8 mn units for the full year. Registrations in Spain were up strongly from a year ago though September 2012 was hit by a VAT increase — the latest result was again scrappage incentive assisted. Expected to be the largest faller in absolute sales volume terms in 2013, the Netherlands has seen its selling rate stabilize at around 390,000 units/year in the last few months.

The selling rate in Italy picked up slightly last month, though this improvement may be related to a pull forward in sales associated with a rise in VAT in October (VAT rising one percentage point to 22%). The recent tax move adds further pressure to a severely depressed market.

### West European Car Sales



## West European Car Sales

	Sales (units)						Selling rate (units/year)			
	Sep 2013	Sep 2012	Percent change	Year-to-date 2013	Year-to-date 2012	Percent change	Sep 2013	Year-to-date 2013	Year 2012	Percent change
<b>WESTERN EUROPE</b>	<b>1,132,591</b>	<b>1,075,683</b>	<b>5.3%</b>	<b>8,771,836</b>	<b>9,145,242</b>	<b>-4.1%</b>	<b>11,846,402</b>	<b>11,402,172</b>	<b>11,765,106</b>	<b>-3.1%</b>
AUSTRIA	23,668	27,249	-13.1%	243,336	266,890	-8.8%	309,532	313,243	336,010	-6.8%
BELGIUM	34,890	33,660	3.7%	389,471	386,733	0.7%	511,796	489,671	486,737	0.6%
DENMARK	14,576	14,469	0.7%	135,154	129,086	4.7%	182,822	181,424	171,272	5.9%
FINLAND	8,214	8,002	2.6%	80,906	88,919	-9.0%	107,350	100,468	111,221	-9.7%
FRANCE	142,211	137,536	3.4%	1,308,198	1,431,582	-8.6%	1,859,069	1,776,401	1,899,314	-6.5%
GERMANY	247,199	250,082	-1.2%	2,217,019	2,359,067	-6.0%	3,002,653	2,965,583	3,082,773	-3.8%
GREECE	3,546	3,463	2.4%	43,997	45,535	-3.4%	54,086	54,488	58,479	-6.8%
IRELAND	3,175	2,483	27.9%	71,927	76,746	-6.3%	75,722	74,506	79,605	-6.4%
ITALY	106,393	109,543	-2.9%	998,108	1,091,183	-8.5%	1,335,270	1,302,947	1,401,844	-7.1%
LUXEMBOURG	3,426	3,340	2.6%	36,294	39,091	-7.2%	50,969	46,030	50,399	-8.7%
NETHERLANDS	31,504	31,951	-1.4%	302,782	427,140	-29.1%	388,009	369,247	502,381	-26.5%
NORWAY	12,168	11,134	9.3%	105,784	104,193	1.5%	154,370	142,751	137,961	3.5%
PORTUGAL	7,366	6,358	15.9%	79,272	74,431	6.5%	117,485	105,618	95,288	10.8%
SPAIN	45,175	35,146	28.5%	546,409	555,361	-1.6%	688,242	709,394	699,586	1.4%
SWEDEN	24,388	21,937	11.2%	193,065	203,711	-5.2%	295,984	265,768	279,489	-4.9%
SWITZERLAND	21,556	19,718	9.3%	225,190	244,965	-8.1%	295,027	300,385	328,138	-8.5%
UK	403,136	359,612	12.1%	1,794,924	1,620,609	10.8%	2,418,016	2,204,249	2,044,609	7.8%
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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