



# Trends analysis in the Israeli Automotive Market

**Q2/2023**

# PREFACE



Israel Vehicle Importers Association (I-via) publishes this quarterly overview to offer a comprehensive analysis of the Israeli market for new vehicles, highlighting relevant trends observed over the years.

It should be noted that the data presented in this document pertains to passenger cars and light commercial vehicles weighing up to 3.5 tons, falling within the N1+M1 categories (as classified by the EU), and imported solely by direct importers.

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Israel Vehicle Importers Association (I-via)

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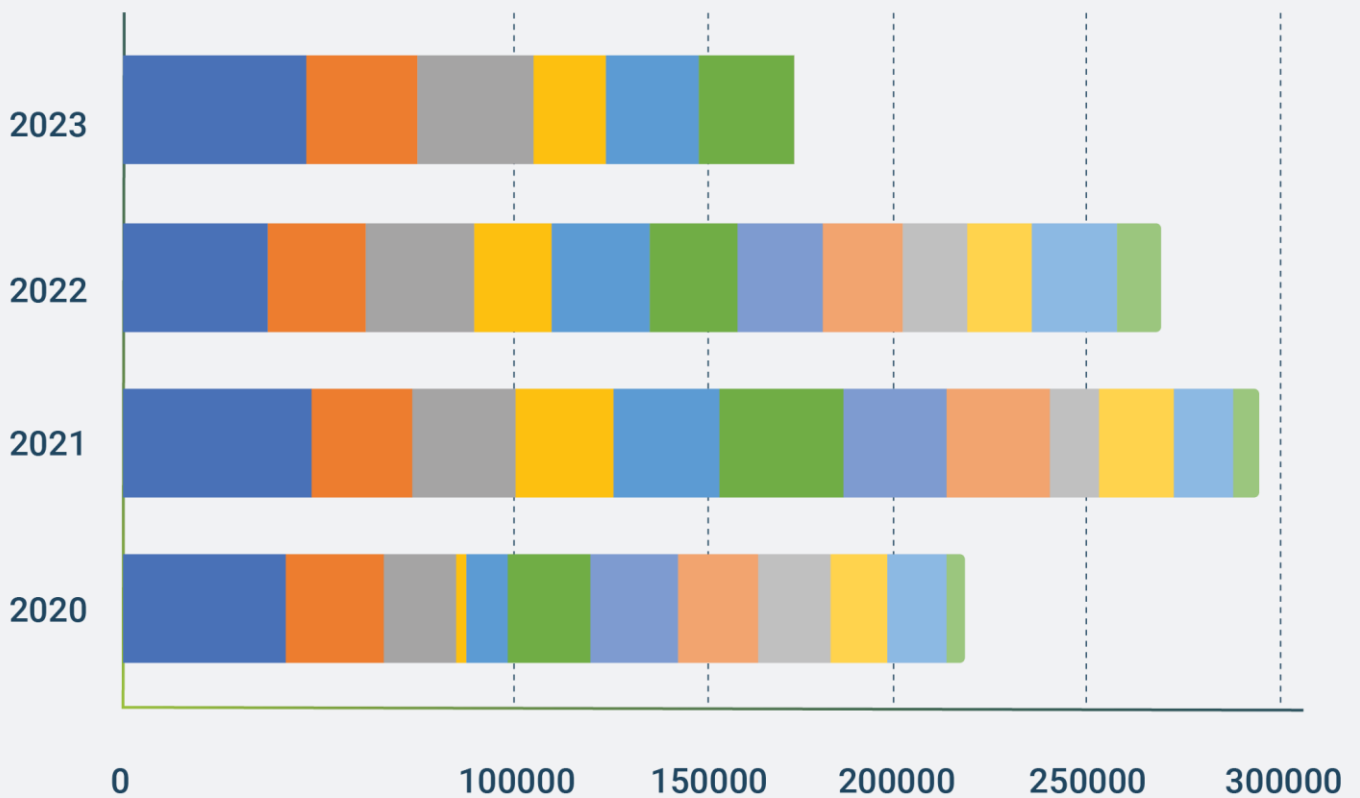
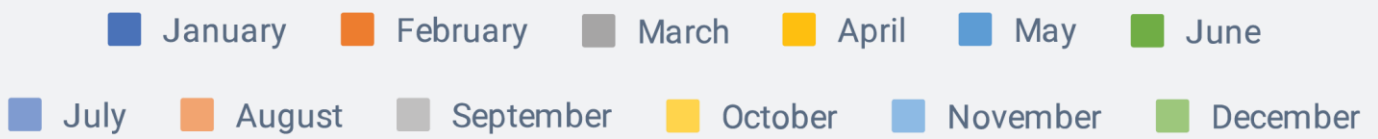
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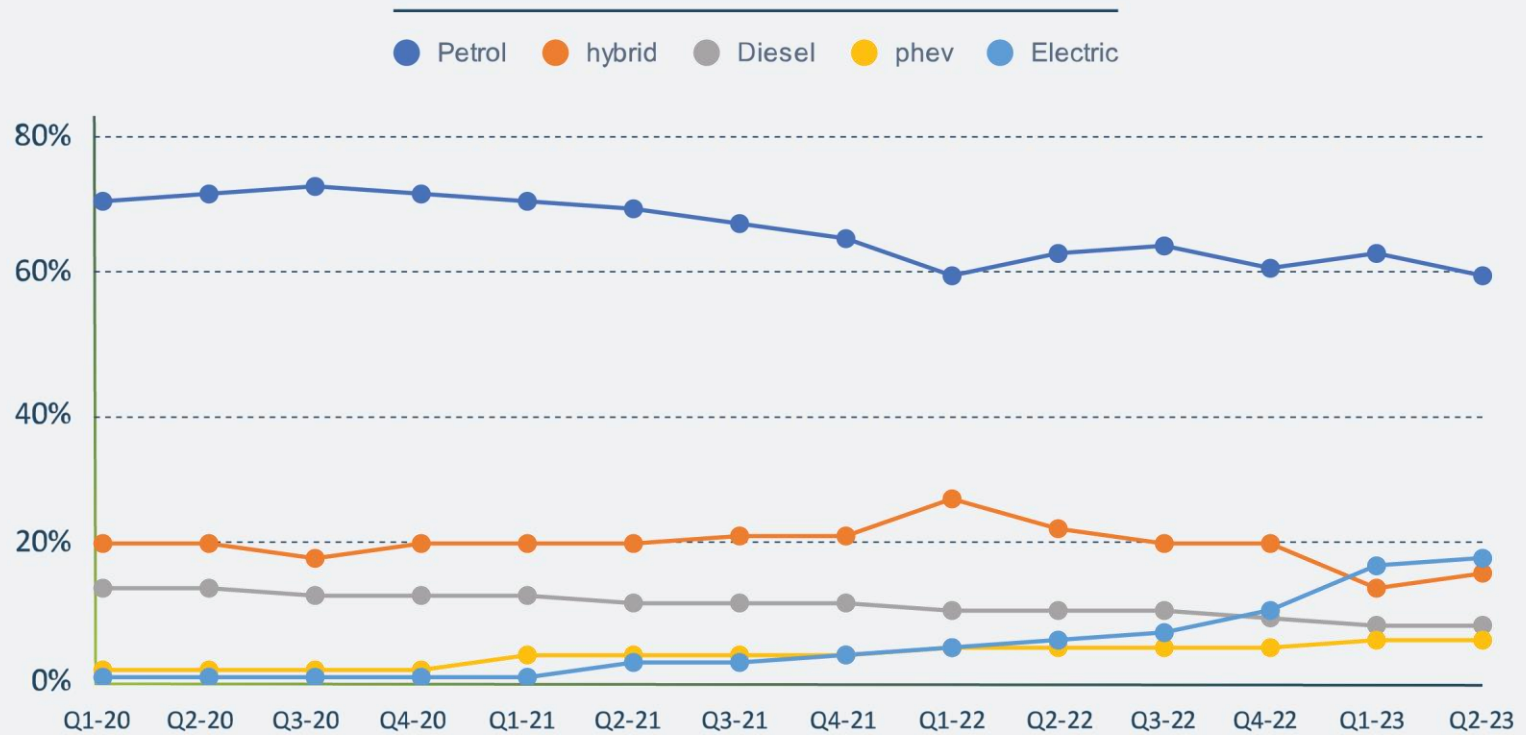
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The data analysis was performed in collaboration with Carzone Technologies Ltd.

# REGISTRATION DATA



# REGISTRATION BY ENGINE TYPE



It should be noted that the data presented in the graph in relation to each quarter in given year, are cumulative data from the beginning of that year.

In the second quarter of 2023, Israel experienced a shift in vehicle registration trends. Fewer petrol cars hit the roads, making up just 55% of new vehicle registrations, which marks a 3% reduction compared to the first quarter of the year. When this figure is compared with the same quarter in 2022 and 2021, the decline stands at 3% and 9% respectively.

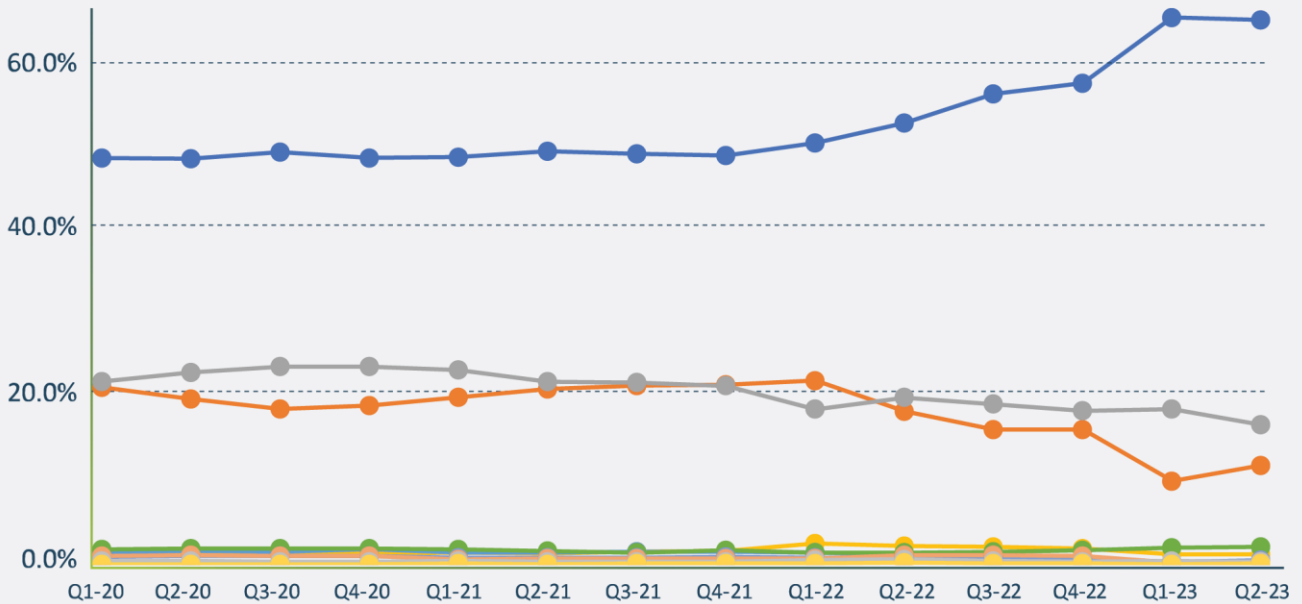
Contrastingly, electric vehicles continued to surge in popularity. With a 1% increase compared to the first quarter of 2023, and a more notable 11% and 14% rise relative to Q2 2022 and Q2 2021, they now account for 17% of all new vehicles in Israel.

Hybrid Electric Vehicles also saw an increase in demand in Q2 2023, contributing 15% to the new vehicle registrations. However, it's important to note that this actually indicates a dip from previous years, with a decrease of 6% and 4% from Q2 2022 and Q2 2021 respectively.

# REGISTRATION BY SEGMENT TYPE



- Crossover/suv
- Sedan
- Hatchback
- Pickup
- Estate
- LAV (Lifestyle Activity Vehicle)
- Van
- MPV (Multi-Purpose Vehicle)
- Coupe
- Convertible



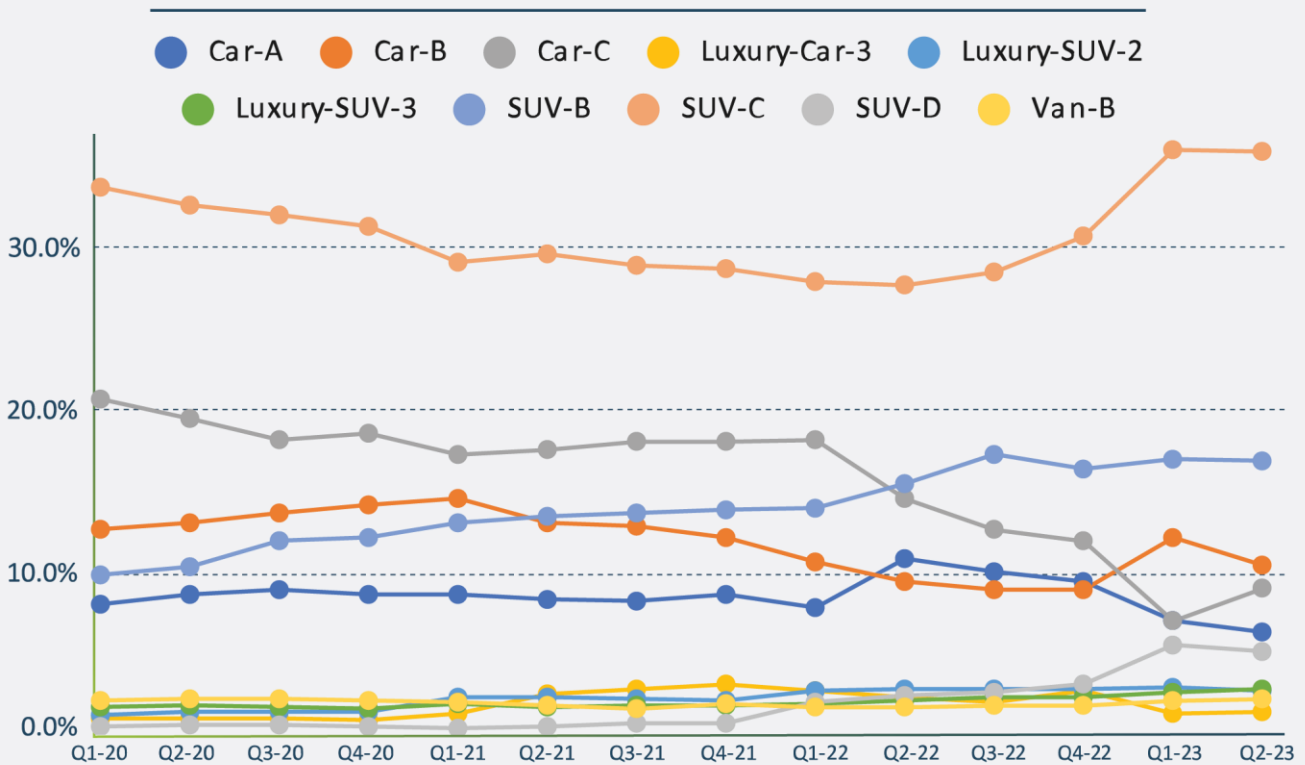
It should be noted that the data presented in the graph in relation to each quarter in given year, are cumulative data from the beginning of that year.

Over the recent years, the Crossover/SUV segment has remained a constant favorite among new vehicle buyers in Israel. In Q2 2023, the popularity of this category held steady, making up 65.5% of all new vehicles. This represents a significant jump of nearly 12.5% from Q2 2022 and an even more notable 15.8% hike from Q2 2021.

On the other hand, the Hatchback vehicle segment has experienced a slight downward trend. Despite this, hatchbacks still constituted 16.9% of all new vehicles in Q2 2023, maintaining their spot as the second highest volume category for new vehicles in the country.

Meanwhile, the Sedan segment witnessed a small increase of nearly 2% from Q1 2023, accounting for 12% of all new vehicle registrations. However, when compared with the same quarter in previous years, this figure shows a decrease of 3.3% from Q2 2022 and 5.2% from Q2 2021.

# REGISTRATION BY CATEGORY



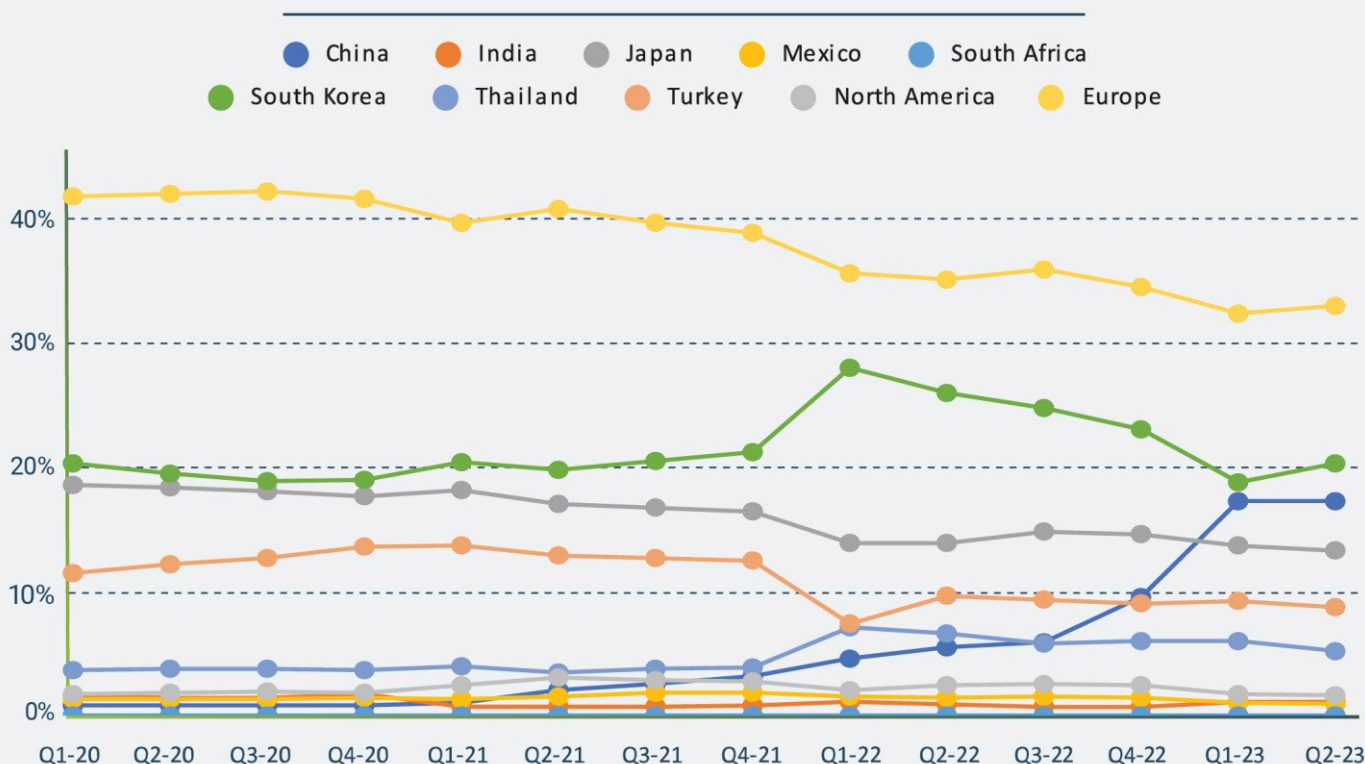
It should be noted that the data presented in the graph in relation to each quarter in given year, are cumulative data from the beginning of that year.

In Q2 2023, the SUV-C segment retained its top spot in the Israeli new vehicle market, accounting for 35.8% of all new vehicles. This signifies a notable 8.2% increase from the same quarter in 2022 and a 6.3% rise from the corresponding period in 2021.

Meanwhile, the SUV-B segment held steady, comprising 16.8% of all new vehicles. This is slightly higher than its market share of 15.4% during the same period in 2022 and 13.4% in the corresponding period of 2021. This stable demand places the SUV-B segment as the second most popular category of new vehicles in Israel.

On the other hand, the Car-B category faced a reduction in Q2 2023, making up just 10.4% of all new vehicles. This represents a slight drop of 1.7% from Q1 2023, yet interestingly, it also indicates an increase of 1% compared to Q2 2022, and 3.4% compared to Q2 2021.

# REGISTRATION BY COUNTRY OF ORIGIN



It should be noted that the data presented in the graph in relation to each quarter in given year, are cumulative data from the beginning of that year.

During Q2 2023, vehicles made in Europe represented 32.5% of all new vehicle registrations in Israel, demonstrating a minor increase of 0.6% from Q1 2023. However, when compared to Q2 2022 and Q2 2021, there was a 2% and 7.7% drop respectively.

South Korean vehicles also saw a rise in demand from Q1 2023, comprising 20% of all new vehicles in Q2 2023. Despite this increase, there was a 5.6% decrease compared to Q2 2022, and a minuscule 0.5% increase when compared to the same period in 2021.

Meanwhile, the demand for vehicles manufactured in China stayed consistent, making up 17% of all new vehicles in Q2 2023. This static demand marks a significant surge of 11.6% from Q2 2022, and 15% from Q2 2021.

Lastly, vehicles produced in Japan and Turkey saw a slight drop in demand. They contributed to 13.1% and 8.6% of all new vehicle registrations in Q2 2023, respectively.