Israel Vehicle Importers Association –

Monthly Review August 2022

The Israeli economy is an advanced economy that belongs to the OECD organization. The GDP per capita is $52,332 and the growth rate in 2021 is estimated at 8.1%.

Israel is recovering from the Corona crisis that has affected the Israeli economy significantly since 2020. The deficit in September 2021 – August 2022 is negative -0.6% of the GDP, this is historically the lowest deficit since 1987.

The debt-to-GDP ratio is 62.3%. The unemployment rate is 3.4% but the unofficial unemployment rate is about 5%. The political unease and the coming elections will make it difficult to pass a new budget by 2023.

Along with the economic stabilization and quick growth, there has been an increase in the inflation rate, as of August the annual rate is 4.6%. The Chief Economist in the Ministry of Finance predicts a similar increase next year as well.

From a monetary point of view, the Bank of Israel is dealing with the rise of inflation. In July, the interest rate rose to 1.25% due to the rise of inflation, and it is expected to rise again.

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Statistical Profile: Israel August 2022

Society

Population (July 2022): 9.568 million

Economy

GDP per capita: $52,332

Inflation (August 2022) (Annual Growth Rate): 4.6%

Current Account Balance (Q2 2022): 2.89% of GDP

Trade in Goods and Services (August 2022):$14.39 bilion

Finance

US Dollar Exchange rate (August 2022): NIS 3.29

Euro Exchange rate (August 2022): NIS 3.34

Long-term interest rates (August 2022): 2.49% Per Annum

Short-term interest rates (August 2022): 2.01% Per Annum

Government

Debt to GDP ratio: 62.3%

Deficit to GDP (september 2021-August 2022): -0.6%

Motorization

Level of Motorization (2021): 406 Vehicles/1,000 Residence

Innovation and Technology

Gross Domestic Spending on R&D (2020): 5.43% of GDP

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Environment

CO2 Emissions (2018): 6.98 Tonnes Per Capita

Jobs

Employment Rate (Q2 2022): 69.03% of Working Age Population

Official Unemployment Rate (July 2022): 3.4% of Labour Force

Unofficial Unemployment Rate (including non-paid absence due to Corona): 5%

New Cars and CV Registrations

Israel New Passenger Car Registration - Jan-August 2022

Passenger car registration: a decrease of 22.8% compared with August 2021; Since January 2022, a decrease of 15.4% compared with Jan-August 2021.

In August 2022, the Israeli passenger car market registered 20,504 new cars. This figure represents a decrease of 22.8% compared with August 2021. Since January 2022, 201,212 new cars were registered – a decrease of 15.4% compared with the first 8 months of 2021. For the first time in Israel, an EV model is the best seller in August, with Geely Geometry C recording 1,002 sales.

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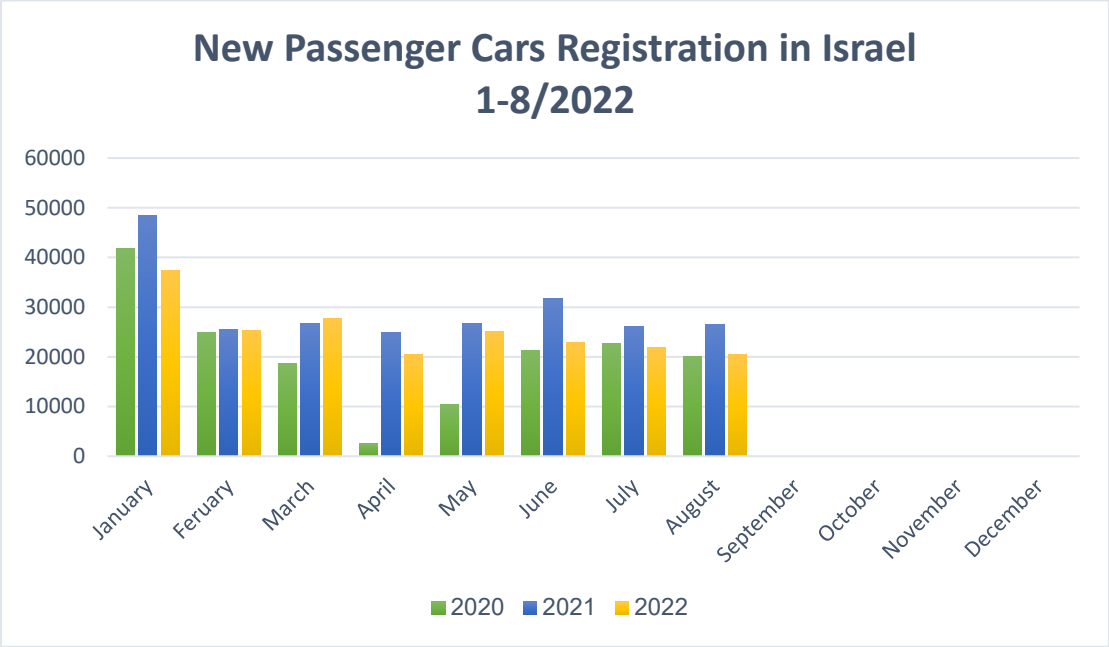

New Passenger Cars Registration in Israel 1-8/2022 According to Top 20 Brands

No.	Brand	August					Jan-Aug				
		Share%		Units		Change%	Share%		Units		Change%
		2022	2021	2022	2021	22/21	2022	2021	2022	2021	22/21
1	Hyundai	14.7	14.0	3007	3706	-18.9	18.7	15.6	37615	36866	2.0
2	Toyota	12.7	13.9	2607	3688	-29.3	14.4	13.5	28970	32025	-9.5
3	Kia	14.8	16.3	3036	4316	-29.7	13.8	12.3	27769	29099	-4.6
4	Mazda	7.2	7.1	1479	1879	-21.3	6.8	5.5	13686	12911	6.0
5	Skoda	5.6	4.3	1153	1133	1.8	4.9	7.2	9863	17041	-42.1
6	Mitsubishi	3.6	3.9	748	1046	-28.5	4.6	4.4	9335	10514	-11.2
7	Citroen	2.3	1.6	479	419	14.3	3.4	2.1	6822	5081	34.3
8	Suzuki	3.9	3.2	792	854	-7.3	2.8	3.4	5624	8156	-31.0
9	Peugeot	1.1	2.1	216	556	-61.1	2.5	2.9	4960	6749	-26.5
10	Seat	3.6	4.3	731	1146	-36.2	2.3	4.6	4705	10883	-56.8
11	Mercedes	2.0	0.9	400	249	60.6	2.0	1.3	4094	3165	29.4
12	Chevrolet	2.8	2.2	565	583	-3.1	2.0	3.2	3950	7617	-48.1
13	Geely	4.9	0.0	1002	0	Entered 2022	1.9	0.0	3734	0	Entered 2022
14	MG	0.9	0.7	177	193	-8.3	1.8	0.9	3667	2194	67.1
15	Subaru	2.1	1.1	428	299	43.1	1.6	1.9	3238	4422	-26.8
16	BMW	1.2	1.0	250	262	-4.6	1.5	1.3	3013	3005	0.2
17	Nissan	0.5	4.0	100	1063	-90.6	1.4	4.0	2858	9343	-69.4
18	VW	1.8	1.9	378	496	-23.8	1.3	1.5	2628	3465	-24.2
19	Audi	1.1	1.0	221	278	-20.5	1.2	1.5	2411	3518	-31.5
20	Renault	2.6	2.3	525	602	-12.8	1.1	2.8	2311	6649	-65.2

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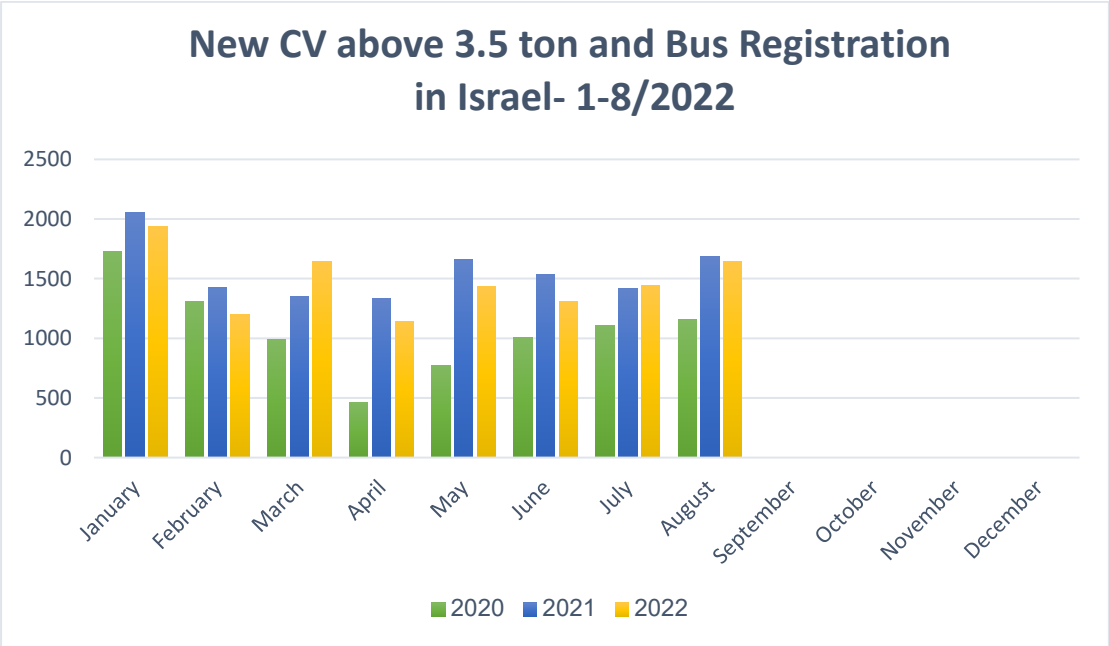
New CV above 3.5 ton and Bus Registration in Israel - Jan-August 2022

Commercial Vehicles above 3.5 ton registration: -2.8% compared with August 2021. Since the beginning of the year, a decrease of 5.8% in registrations.

In August 2022, the Israeli market for CV above 3.5 ton registered a decrease of 2.8% with 1,642 new registrations, compared with 1,690 units in August 2021. Since January, 11,750 units were registered – a decrease of 5.8% compared with Jan-August 2021.



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New CV above 3.5 ton Registration in Israel 1-8/2022 - According to Brands

		August					Jan-Aug				
		Share%		Units		Change%	Share%		Units		Change%
No	Brand	2022	2021	2022	2021	22/21	2022	2021	2022	2021	22/21
1	Mercedes	16.5	10.0	214	136	15.5	14.7	13.3	1413	1367	-2.6
2	Volvo	14.7	5.8	191	79	100.0	13.9	8.8	1339	897	40.3
3	Chevrolet	9.3	11.2	120	152	49.1	8.6	11.7	830	1203	-32.4
4	Isuzu	6.9	6.9	89	93	-2.8	7.8	6.8	752	693	10.5
5	DAF	9.0	8.6	116	117	-13.0	7.8	8.7	747	889	-18.3
6	MAN	6.1	8.0	79	108	-31.6	6.9	6.3	662	649	7.8
7	Scania	6.6	9.4	85	127	-65.6	5.5	8.4	530	857	-39.0
8	Renault	5.1	6.2	66	84	-72.9	5.2	6.3	497	647	-23.4
9	Ford	8.4	3.4	109	46	-35.2	5.1	4.7	493	478	-11.1
10	VW	2.4	5.6	31	76	-29.2	5.1	4.8	489	490	10.6
11	FIAT	2.6	4.0	34	54	-78.6	4.6	4.9	447	506	-8.6
12	Peugeot	2.2	3.6	29	49	166.7	4.2	3.3	405	333	32.4
13	Iveco	4.3	4.4	56	59	4.1	4.2	3.3	405	336	26.0
14	Dodge-Ra	3.9	10.0	51	136	180.0	3.5	6.8	342	700	-48.4
15	HINO	1.6	2.1	21	28	75.0	2.5	1.4	237	140	92.9
16	Maxus	0.0	0.1	0	1	100.0	0.2	0.0	18	2	1700.0
17	Fuso	0.2	0.2	2	3	-100.0	0.1	0.3	14	31	-57.1
18	JAC	0.2	0.0	2	0	100.0	0.1	0.2	10	20	-60
19	Liebherr	0.0	0.0	0	0	Entered 22	0.0	0.0	3	0	Entered 22
20	Tatra	0.0	0.0	0	0	-100	0.0	0.0	1	1	0

New Bus Registration in Israel 1-8/2022 - According to Brands

		August					Jan-August				
		Share%		Units		Change%	Share%		Units		Change%
No.	Brand	2022	2021	2022	2021	22/21	2022	2021	2022	2021	22/21
1	Mercedes	36.9	37.5	128	126	1.6	38.5	40.3	814	896	-9.2
2	Golden Dragon	21.9	3.9	76	13	484.6	13.8	6.1	293	136	115.4
3	Volvo	16.4	10.4	57	35	62.9	11.8	16.9	250	376	-33.5
4	Higer	2.9	3.3	10	11	-9.1	7.4	2.9	157	64	145.3
5	Wisdom	0.0	0.0	0	0	Entered 2022	7.1	0.0	151	0	Entered 2022
6	VW	5.8	8.3	20	28	-28.6	5.1	3.9	107	86	24.4
7	Scania	4.6	2.1	16	7	128.6	4.9	3.4	104	75	38.7
8	MAN	3.5	9.8	12	33	-63.6	3.6	9.4	76	210	-63.8
9	Otokar	2.3	6.3	8	21	-61.9	2.6	2.3	55	51	7.8
10	Yutong	0.0	5.1	0	17	-100.0	1.6	2.2	34	50	-32.0
11	Renault	0.0	0.9	0	3	-100	1.0	0.4	21	10	110
12	IRIZAR	1.4	0.0	5	0	100.0	1.0	0.5	21	12	75.0
13	Isuzu	4.0	5.1	14	17	-17.6	0.8	1.3	16	28	-42.9
14	Solaris	0.0	3.6	0	12	-100.0	0.3	6.2	7	138	-94.9
15	Ankai	0.0	0.0	0	0	Entered 2022	0.2	0.0	5	0	Entered 2022
16	Zhong Tong	0.0	0.3	0	1	-100.0	0.1	0.1	2	2	0.0
17	Temsa	0.0	0.0	0	0	0.0	0.1	1.2	2	27	-92.6

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

Upstream Cyber Security Published H1 '2022 Automotive Cyber Trend Report

Upstream, an Israeli based company that developed a platform for securing connected vehicles and mobility services, published its H1 '2022 Automotive Cyber Trend Report. According to the report, the increasing adoption rate of EVs is also driving 3 types of emerging risks: a growing number of reported security vulnerabilities in charging stations could prove as the EVs revolution's Achilles heel, and cyber-attacks on connected vehicles are increasingly relying on APIs which interface with mission-critical systems, and current macroeconomic conditions are drawing adversaries' attention and pose a threat to global supply chains.

TERALIGHT and Schnapp to Collaborate in EV Charging Stations

TERALIGHT, a solar energy company, and Schnapp, the largest battery distributor in Israel, will collaborate in installing and operating EV charging stations. TERALIGHT will supply the charging stations with electricity produced by solar energy, and Schnapp will install and operate the charging stations nationwide. The two companies will concentrate on public fast DC charging stations.

Mahindra Racing Chooses Israeli Cybersecurity Sygnia

Mahindra Racing which is currently competing in the Formula-E series, chose Israeli Sygnia as its cybersecurity partner. Sygnia will provide cutting-edge security for Mahindra's racing team, which depends heavily on cloud computing to gather, track and analyze data from the track. As part of the partnership, the Sygnia logo

will be featured on Mahindra's M8ELECTRO race cars throughout the 2022 FIA Formula E season.

Pango to Add Interactive Map of EV Charging Stations to its App

Pango, one of the leading and most popular parking and smart mobility apps in Israel, will add an interactive map of EV charging stations. As a response to the growing number of EVs sold in Israel, the new feature will enable them to find and navigate their way to the nearest charging stations. The app will show all relevant information about the station – regular/fast, types of connectors etc. – and thanks to a collaboration with EV-Edge, Afcon, Gnrgy, and Sonol EVI, customers will also be able to pay for charging via the app.

Ashdod Port to use Spinframe's Vehicle Damage Detection Technology

Ashdod Port, Israel's leading seaport, will use a vehicle damage detection platform developed by Spinframe, to detect, inspect, and document damages incurred to vehicles arriving at the port. Spinframe developed the real-time, AI enables platform, based on optimal 360 degrees of visualization of the vehicles.

Ministry of Energy Launches an App that Shows EV Charging Station Locations

The Israeli ministry of energy launched a beta version of an app that gathers, stores, and displays data from all EV charging station suppliers that won ministry tenders. Users can find charging stations, navigate and see relevant information such as availability, charging times, and charging prices. The app was developed in

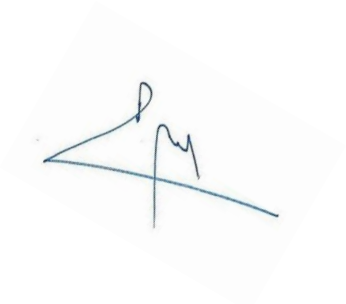
collaboration with parking app company Cello (formerly Cellopark), and is called CelloCharge.

Asterra's Discovers Underground Lithium Deposits From Space

Prices of Lithium, the mineral required for producing EV batteries, have reached an all-time high this year. Asterra, an Israeli developer of algorithm-based AI technology for analyzing SAR data from satellites, announced that it had identified lithium deposits underground and that the findings were confirmed at the ground level and are "significant".

Dr. Hanan Golan

Hezi Shayb - PhD
CEO – I-Via



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