# Israel Vehicle Importers Association -

# Monthly Review August 2026

## Preface – Economic Climate

The Israeli economy staged a strong rebound through August 2026. The Central Bureau of Statistics' second estimate put second-quarter GDP growth at 14.9% in annual terms, recovering the ground lost in the first quarter. Disinflation and fiscal consolidation continued: annual inflation held at 1.5% in August, and the 12-month deficit-to-GDP ratio narrowed further to 3.2%. The Bank of Israel kept its policy rate at 3.5% during August and, on September 1, lowered it to 3.25%, its third consecutive cut.

The Israeli economy is advanced and is a member of the OECD. Its current GDP per capita is $71,949, and its growth rate in 2026 Q2 was 14.9%. Israel maintained a 3.2% deficit of GDP from September 2025 to August 2026.

The debt-to-GDP ratio stood at 68.5% in 2025, and the unemployment rate stood at 2.8% in August 2026. As of August 2026, the annual inflation growth rate remained at 1.5%. In August 2026, the short-term interest rate remained at 3.5%, while the long-term interest rate stood at 3.93%.

# Statistical Profile: Israel, August 2026

## Society

Population (August 2026): 10.305 million

## Economy

GDP per capita (August 2026): $67,194 (₪201,044)

Inflation (August 2026) (Annual Growth Rate): 1.5%

Current Account Balance (2026 Q2): 0.2% of GDP

Trade in Goods and Services (August 2026): $16.73 Billion (₪48.9 Billion)

## Finance

US Dollar Exchange rate (August 2026, Avg.): ₪2.992

Euro Exchange rate (August 2026, Avg.): ₪3.468

Long-term interest rates (August 2026): 3.93% Per Annum

Short-term interest rates (August 2026): 3.5% Per Annum

## Government

Debt-to-GDP ratio (August 2026): 67.9%

Deficit to GDP (September 2025- August 2026): 3.3%

## Motorization

Level of Motorization (2025): 427 Vehicles/1,000 Residents

## Innovation and Technology

Gross Domestic Spending on R&D (2024): 6.76% of GDP

## Environment

CO2 Emissions (2024): 5.61 Tonnes Per Capita

## Jobs

Employment Rate (August 2026): 60.0% of Working Age Population

Official Unemployment Rate (August 2026): 2.8% of the Labour Force

## New Cars and CV Registrations

### Israel New Passenger Car Registration January-August 2026

Passenger car registration: an increase of 8.8% compared with January-August 2025

In August 2026, the Israeli passenger car market registered 28,174 new cars – almost the same as in August 2025. Since the beginning of the year, 231,514 new cars were registered – an increase of 8.8% compared with last year. Since January, 84,985 new cars with electric propulsion (BEV+PHEV) were registered. The market share of pure EVs currently stands at 11.8% with 27,259 deliveries.

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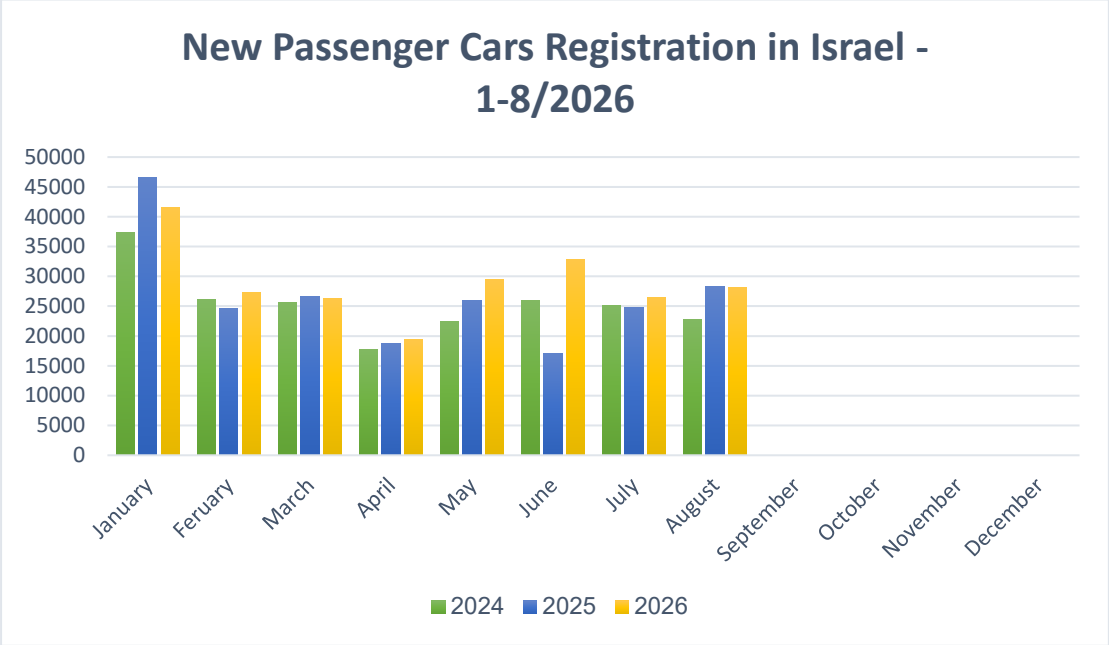


# New Passenger Car Registration in Israel 1-8/2026 According to Top 20 Brands

| No. | Brand | August | | | | | Jan-Aug | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Share% | | Units | | Change% | Share% | | Units | | Change% |
| | | 2026 | 2025 | 2026 | 2025 | 26/25 | 2026 | 2025 | 2026 | 2025 | 26/25 |
| 1 | Jaecoo-Omoda | 13.9 | 4.7 | 3921 | 1334 | 193.9 | 12.9 | 5.1 | 29950 | 10850 | 176.0 |
| 2 | Chery | 10.7 | 12.6 | 3002 | 3571 | -15.9 | 10.4 | 8.2 | 24005 | 17429 | 37.7 |
| 3 | Toyota | 10.8 | 10.9 | 3042 | 3084 | -1.4 | 10.3 | 12.2 | 23794 | 25899 | -8.1 |
| 4 | Hyundai | 9.7 | 8.8 | 2735 | 2496 | 9.6 | 9.1 | 12.0 | 21072 | 25445 | -17.2 |
| 5 | Kia | 6.9 | 6.9 | 1950 | 1969 | 0.0 | 8.3 | 8.6 | 19244 | 18201 | 5.7 |
| 6 | BYD | 7.4 | 6.4 | 2077 | 1802 | 15.3 | 6.8 | 4.3 | 15791 | 9170 | 72.2 |
| 7 | Skoda | 5.1 | 5.9 | 1446 | 1674 | -13.6 | 6.7 | 7.3 | 15587 | 15491 | 0.6 |
| 8 | MG | 5.7 | 3.0 | 1604 | 864 | 85.6 | 4.3 | 3.3 | 9893 | 6994 | 41.4 |
| 9 | Geely | 2.8 | 1.2 | 800 | 342 | 133.9 | 2.4 | 1.2 | 5589 | 2545 | 119.6 |
| 10 | XPeng | 1.8 | 2.1 | 508 | 608 | -16.4 | 1.7 | 2.4 | 4011 | 5076 | -21.0 |
| 11 | Citroen | 1.6 | 1.2 | 444 | 351 | 26.5 | 1.7 | 1.6 | 3895 | 3449 | 12.9 |
| 12 | Tesla | 0.0 | 0.7 | 0 | 201 | -100.0 | 1.4 | 1.1 | 3162 | 2347 | 34.7 |
| 13 | Nissan | 0.6 | 0.7 | 182 | 190 | -4.2 | 1.4 | 2.5 | 3153 | 5223 | -39.6 |
| 14 | Mitsubishi | 0.5 | 1.5 | 142 | 425 | -66.6 | 1.3 | 2.4 | 3025 | 5097 | -40.7 |
| 15 | SEAT | 2.0 | 1.8 | 550 | 507 | 8.5 | 1.2 | 2.5 | 2748 | 5341 | -48.5 |
| 16 | Deepal-Changan | 0.9 | 0.8 | 253 | 236 | 7.2 | 1.1 | 0.4 | 2571 | 881 | 191.8 |
| 17 | BMW | 0.8 | 1.2 | 229 | 349 | -34.4 | 1.1 | 1.2 | 2512 | 2577 | -2.5 |
| 18 | Subaru | 1.2 | 0.9 | 344 | 256 | 34.4 | 1.0 | 1.5 | 2411 | 3220 | -25.1 |
| 19 | Lynk&Co | 1.2 | 0.4 | 343 | 105 | 226.7 | 1.0 | 0.9 | 2377 | 1925 | 23.5 |
| 20 | Suzuki | 1.0 | 1.9 | 281 | 531 | 47.1 | 1.0 | 1.8 | 2334 | 3750 | -37.8 |

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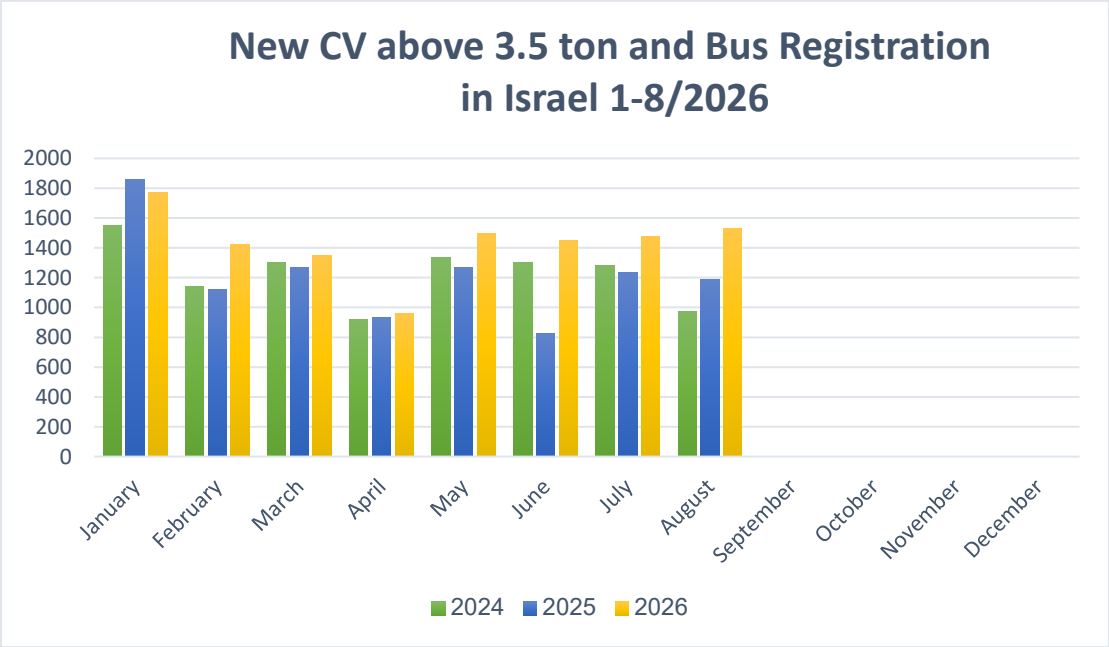
## New CV above 3.5 tons and Bus Registration in Israel, January-August 2026

Commercial Vehicles above 3.5 tons registration: 17.6% increase compared with January-Aug 2025.

In August 2026, the Israeli market for CVs above 3.5 tons and buses registered an increase of 28.8% in deliveries, with 1,532 new registrations, compared with 1,189 units in August 2025. Since the beginning of the year, 11,455 CVs above 3.5 tons and buses have been registered, an increase of 17.6% compared with last year.



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# New CV above 3.5-ton Registration in Israel 1-8/2026 According to Brands

| | | August | | | | | Jan-Aug | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Share% | | Units | | Change% | Share% | | Units | | Change% |
| No | Brand | 2026 | 2025 | 2026 | 2025 | 26/25 | 2026 | 2025 | 2026 | 2025 | 26/25 |
| 1 | Volvo | 16.1 | 13.2 | 195 | 122 | 59.8 | 15.5 | 12.5 | 1442 | 973 | 48.2 |
| 2 | Mercedes | 17.6 | 13.8 | 214 | 127 | 68.5 | 15.4 | 16.8 | 1435 | 1304 | 10.0 |
| 3 | DAF | 13.4 | 10.6 | 162 | 98 | 65.3 | 11.1 | 9.3 | 1033 | 721 | 43.3 |
| 4 | Scania | 10.6 | 9.9 | 128 | 91 | 40.7 | 10.0 | 9.7 | 925 | 749 | 23.5 |
| 5 | Isuzu | 7.5 | 8.5 | 91 | 78 | 16.7 | 8.8 | 6.3 | 816 | 486 | 67.9 |
| 6 | Chevrolet | 4.9 | 10.0 | 60 | 92 | -34.8 | 7.7 | 12.0 | 718 | 931 | -22.9 |
| 7 | VW | 5.4 | 3.8 | 65 | 35 | 85.7 | 5.4 | 5.6 | 498 | 436 | 14.2 |
| 8 | MAN | 6.7 | 6.0 | 81 | 55 | 47.3 | 4.6 | 5.6 | 424 | 431 | -1.6 |
| 9 | Renault | 4.0 | 3.1 | 49 | 29 | 69.0 | 4.3 | 3.3 | 404 | 259 | 56.0 |
| 10 | Dodge-RAM | 2.2 | 6.2 | 27 | 57 | -52.6 | 3.9 | 4.2 | 361 | 325 | 11.1 |
| 11 | IVECO | 2.4 | 4.7 | 29 | 43 | -32.6 | 3.4 | 4.2 | 319 | 323 | -1.2 |
| 12 | Fiat | 2.5 | 3.7 | 30 | 34 | -18.8 | 2.8 | 4.6 | 257 | 355 | -27.6 |
| 13 | Ford | 2.0 | 3.0 | 24 | 28 | -14.3 | 2.1 | 3.4 | 194 | 264 | -26.5 |
| 14 | Farizon | 1.6 | 0.0 | 20 | 0 | 100.0 | 1.9 | 0.1 | 174 | 4 | 4250.0 |
| 15 | Peugeot | 1.7 | 2.3 | 21 | 21 | 0.0 | 1.3 | 2.0 | 118 | 154 | -23.4 |
| 16 | Toyota | 0.3 | 0.0 | 4 | 0 | 100 | 0.8 | 0.0 | 73 | 0 | 100 |
| 17 | Citroen | 0.8 | 0.0 | 10 | 0 | 100 | 0.6 | 0.0 | 58 | 0 | 100 |
| 18 | Maxus | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.2 | 0.2 | 18 | 13 | 38.5 |
| 19 | Opel | 0.2 | 0.0 | 2 | 0 | 100 | 0.2 | 0.0 | 18 | 0 | 100 |
| 20 | Liebherr | 0.0 | 0.0 | 0 | 0 | 0 | 0.0 | 0.1 | 4 | 4 | 0 |
| 21 | Tatra | 0.0 | 0.0 | 0 | 0 | 0 | 0.0 | 0.0 | 3 | 1 | 200 |
| 22 | Foton | 0.1 | 1.3 | 1 | 12 | -91.7 | 0.0 | 0.3 | 2 | 20 | -90 |
| 23 | Fuso | 0.0 | 0.1 | 0 | 1 | -100 | 0.0 | 0.0 | 1 | 2 | -50 |

# New Bus Registration in Israel 1-8/2026 According to Brands

| | | August | | | | | Jan-Aug | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Share% | | Units | | Change% | Share% | | Units | | Change% |
| No. | Brand | 2026 | 2025 | 2026 | 2025 | 26/25 | 2026 | 2025 | 2026 | 2025 | 26/25 |
| 1 | Mercedes | 52.4 | 70.7 | 167 | 188 | -11.2 | 32.1 | 45.5 | 694 | 901 | -23.0 |
| 2 | Golden Dragon | 3.4 | 11.3 | 11 | 30 | -63.3 | 16.2 | 7.2 | 349 | 143 | 144.0 |
| 3 | Volvo | 14.1 | 5.6 | 45 | 15 | 200.0 | 12.8 | 9.6 | 276 | 190 | 45.3 |
| 4 | HIGER | 13.8 | 0.8 | 44 | 2 | 2100.0 | 12.1 | 15.8 | 262 | 312 | -16.0 |
| 5 | Scania | 2.2 | 2.6 | 7 | 7 | 0.0 | 6.3 | 4.7 | 135 | 94 | 43.6 |
| 6 | Zhongtong | 3.1 | 4.5 | 10 | 12 | -16.7 | 4.7 | 1.9 | 102 | 37 | 175.7 |
| 7 | Cadillac | 1.3 | 0.0 | 4 | 0 | 100.0 | 3.2 | 0.0 | 69 | 0 | 100.0 |
| 8 | VW | 3.1 | 0.0 | 10 | 0 | 100.0 | 2.9 | 2.1 | 63 | 42 | 50.0 |
| 9 | MAN | 1.9 | 2.3 | 6 | 6 | 0.0 | 2.2 | 3.4 | 48 | 68 | -29.4 |
| 10 | Renault | 0.0 | 0.0 | 0 | 0 | 0.0 | 2.1 | 2.3 | 46 | 45 | 2.2 |
| 11 | Dongfeng | 4.7 | 0.0 | 15 | 0 | 100.0 | 1.8 | 0.9 | 39 | 17 | 129.4 |
| 12 | Isuzu | 0.0 | 1.9 | 0 | 5 | -100.0 | 1.5 | 0.8 | 32 | 15 | 113.3 |
| 13 | DAF | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.9 | 0.3 | 20 | 6 | 233.3 |
| 14 | Sunwin | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.5 | 0.0 | 10 | 0 | 100.0 |
| 15 | Audi | 0.0 | 0.0 | 0 | 0 | 0 | 0.3 | 0.0 | 7 | 0 | 100 |
| 16 | IRIZAR | 0.0 | 0.0 | 0 | 0 | 0.0 | 0.3 | 0.5 | 6 | 10 | -40.0 |
| 17 | Hyundai | 0.0 | 0.0 | 0 | 0 | 100 | 0.0 | 0.0 | 1 | 0 | 100 |

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

## Herzliya Municipality Promotes a Smart Traffic Management System in the City

The Herzliya Municipality and Netivei Israel launched a pilot to operate an innovative smart traffic management system at the Kfar Shmaryahu Intersection, based on artificial intelligence (AI) technology from ITC. The cameras and servers were installed at the intersection in late May, and the traffic light was activated in mid-June for a period of learning the traffic conditions. During July, the adaptive traffic light was fully activated, and now it manages the switching and switching process between the 10 existing traffic light programs in real time. In light of the success of the initial phase, the pilot is expected to be expanded with funding from the Herzliya Municipality to three additional central intersections throughout the city in the coming months.

The solution was selected as part of "Move2Urban" – a call by the Herzliya Municipality for innovative solutions in traffic and mobility. This is a technology based solely on software that interfaces with the existing camera and controller infrastructures at intersections, without the need for complex infrastructure work. The system detects traffic within a range of up to 700 meters from the intersection boundary with 99% accuracy, continuously analyses the types of objects on the road (vehicles, buses, bicycles and pedestrians) and calculates loads, waiting times at traffic lights and travel speeds. ITC's algorithm creates smart traffic light programs and transmits them to the city controllers, so that the green light at the traffic light is coordinated with dynamic demand, shortens travel times, reduces pollutant emissions, and increases pedestrian safety.

Data collected by Netivei Israel at more than 100 intersections across the country where the technology has already been implemented shows an improvement of over 20% in traffic flow. The company also presents proven benefit values, including a reduction

of up to 30% in bus delays and a 25% reduction in waiting time at traffic lights .

**Innoviz Technologies to Develop LiDAR-Based Perception Stack for Highway Driving with Top 10 Global Automotive OEM**

Innoviz Technologies Ltd. (NASDAQ: INVZ), a leading supplier of high-performance automotive-grade LiDAR sensor platforms for the automotive, security, defence, and industrial markets, announced the development of a LiDAR-based perception stack with a top 10 global automotive OEM. Under the collaboration, Innoviz will develop and validate a complete LiDAR-based perception stack for a highway operational design domain (ODD) to explore potential for the OEM's future programs.

The project includes Innoviz's InnovizTwo LiDAR solution and perception capabilities powered by NVIDIA hardware. The perception stack Innoviz will build for the highway ODD represents real Physical AI core functions, including: Point Cloud Plus (PC+) and Obstacle Detection that classifies each pixel in the scene as drivable or non-drivable obstacle, flagging in-path hazards such as tires, lost cargo, and Euro pallets along the way. Object Detection which identifies objects and road users in the scene, including pedestrians and vehicles. Object Classification that sorts detected objects into categories, including pedestrians, cars, trucks, and two-wheelers. "Developing a complete LiDAR-based perception stack for highway driving is the clearest signal yet of where this industry is headed," said Omer Keilaf, CEO and Founder of Innoviz.

**Foresight and VisionWave Sign Strategic Cooperation Agreement to Advance AI-Enabled Autonomous Defense Systems**

Foresight Autonomous Holdings Ltd. (Nasdaq and TASE: FRSX), an innovator in 3D perception systems, announced that it has entered into a Strategic Cooperation Agreement with VisionWave Holdings, Inc. (Nasdaq: VWAV) to jointly advance next-generation autonomous defense and unmanned ground vehicle technologies. The strategic cooperation establishes a framework to integrate

Foresight's advanced stereoscopic 3D perception and computer vision technology, utilizing visible-light and infrared cameras and advanced image-processing algorithms, into VisionWave's VARAN™ modular autonomous unmanned ground vehicle (UGV) platform.

The collaboration is designed to advance the development of intelligent autonomous defense systems capable of enhanced environmental perception, object detection, distance measurement, and three-dimensional situational awareness, including in challenging weather, poor visibility, and low-light operating environments. Under the agreement, Foresight and VisionWave intend to jointly develop an autonomy-enabled VARAN UGV incorporating Foresight's advanced perception technology, combining VisionWave's modular autonomous ground platform with Foresight's sensing and machine-vision capabilities, subject to the negotiation and execution of one or more definitive agreements.

The companies expect the strategic cooperation to encompass technology development and integration, autonomous systems, advanced sensing, defense robotics, demonstrations, proof-of-concept programs, customer evaluations, business development, potential serial production and commercialization opportunities. The agreement establishes a coordinated business development framework targeting defense and military applications. Foresight will allocate business development resources to promote VisionWave's VARAN UGV platform across Asia, initially focusing on South Korea, Japan, India, and Singapore. VisionWave will have the right to promote military-oriented solutions incorporating Foresight technology globally, subject to mutually approved opportunities and applicable regulatory requirements.

**Israeli Startup Nexar Merges with American Nauto to Create a New Data and AI Provider**

Israeli auto-tech startup Nexar and the American company Nauto announced a merger. The two companies were partial competitors and operated in the field of driving data for the automotive market. Nexar was founded in 2015 and over the years changed focus.

Initially, it developed an app that turns a smartphone into a smart car camera; later, it focused on selling dashboard cameras and creating visual databases, and in recent years focused on developing AI models such as the BADAS model, which is used to predict car accidents based on the video footage it collected. Nexar has raised about $150 million over the years. The American Nauto develops AI systems for managing the safety of commercial vehicle fleets, automakers, and insurance companies by analyzing driver behavior, vehicle data, and road conditions. It raised about $211 million.

The merged company aspires to be a data and AI provider for the automotive and physical AI sectors, such as autonomous vehicles and robots. It will store and analyze large amounts of driving data from vehicle cameras and sensors, and turn them into AI models that can be used to train autonomous driving systems, identify extreme situations, improve vehicle safety, manage vehicle fleets, and assess risks for insurance companies. The companies' combined data and models will allow them to provide accurate information to autonomous vehicle developers, automakers, fleet operators, insurance companies and infrastructure companies.

**Imagry and UNVI Announce Partnership to Offer Fully Integrated Autonomous Driving Buses**

Imagry, a pioneer in HD-mapless autonomous driving technology, announced a strategic partnership with UNVI, a specialist in bus body design and manufacture. Together, the companies have integrated Imagry's field-proven AI-based autonomous driving technology into UNVI's M3-category electric buses to address the growing market demand for safe, reliable, and sustainable public transportation solutions. The vehicle was supplied through UBSI, which serves as the strategic vehicle integration, procurement, leasing, and lifecycle support partner for the bus, ensuring regulatory compliance, technical readiness, fleet deployment, and operational support for the buses supplied to Imagry.

The first fully integrated 10.3-meter self-driving electric bus from UNVI is on its way to a project in Germany. Integration was

completed in under three months, well below industry standards, ensuring that delivery timetables were met. Pre-certified for WVTA (GSR2), this model meets the needs of public transportation operators (PTOs) and public transit authorities (PTAs) in cities and towns, as well as operational zones (such as medical centres, airports, university campuses, etc.). With Imagry's award-winning, AI-based perception, motion planning, and vehicle control technology, the buses offer HD-mapless, location-independent driverless operation that is rapidly deployable and easily scalable. The first UNVI bus integrated with Imagry technology is set for deployment in Germany in Q3 2026.

**Addionics Introduces Battery Architecture for Low-Temperature Performance, Increasing Battery Operations and Charging Capabilities**

Addionics, a pioneer in advanced battery architecture, announces a new Battery Architecture for Low-Temperature Performance, a groundbreaking smart battery architecture designed to increase battery operations and charging capabilities at low temperatures. The new technology enhances the performance of electric vehicles, trucks, defence drones, and space and electric aviation in cold weather, where traditional lithium-ion batteries decline. Some of the benefits of the new architecture include extended mission capabilities, increased usability range, faster charging, and overall enhanced performance in low temperatures.

With this new technology, Addionics is addressing the pain point of the market. With enhanced battery performance, the door is now open for companies to expand to new markets and applications, and widen their activity in places and sectors that were once not possible. Traditional batteries that decline at low temperatures create costly and complex limitations. Batteries at low temperatures in electric vehicles provide less usable energy, while the vehicle consumes more energy for cabin heating, battery heating, and thermal preparation before charging. As a result, in severe winters, an electric vehicle can lose up to an estimated 40% of its range. Electric semi trucks require tremendous power from the battery since a loaded truck carries substantial weight and drives at a

consistently high speed on the highway; reduced power from cold weather could demand reducing the payload or avoiding routes in the winter. Additionally, freezing conditions can shorten defence drones' mission time, reduce operational radius, and limit the power available for launch and manoeuvring. For space missions, keeping batteries at the right temperature in cold conditions requires heater energy, thermal hardware, and additional stored energy. Reducing the battery's heating requirement can create benefits across the complete spacecraft power system, including the battery, solar array, and launch mass.

Addionics Smart 3D Porous Current Collectors change the internal transport architecture of the battery. The porous structure allows electrolyte and lithium ions to move through the current collector plane, creating additional access pathways throughout the electrode. This reduces effective transport distances, improves active-material accessibility, and distributes electrochemical activity across a larger volume. By improving how ions, electrons, and electrochemical reactions move inside the cell, the technology enables batteries to retain more of their intended performance when temperatures decrease.

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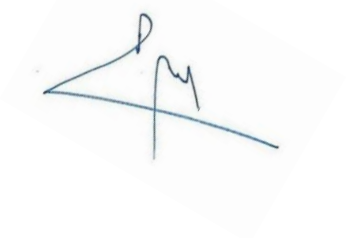
Dr. Hanan Golan

Hezi Shayb, PhD
CEO – I-Via



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