Israel Vehicle Importers Association -
Monthly Review March 2026

Preface – Economic Climate

The Israeli economy continues its steady improvement into February 2026, with key indicators moving in the right direction. Inflation held at 2%, short-term interest rates remained at 4% while long-term rates reduced to 3.8%, and the Shekel traded at an average of ₪3.10 per USD, reflecting continued market confidence. On the fiscal side, the deficit narrowed to 4.7% of GDP for the twelve months through February, down from 4.9% in the prior period, and the debt-to-GDP ratio declined to 68.5%. These figures, however, predate a pivotal development: on 28 February 2026, Israel launched a military campaign against Iran. While February's data remains unaffected, the economic implications for the exchange rate, government expenditure, and investor sentiment are expected to materialize in March and potentially beyond.

February's economic data paint a picture of underlying resilience. Israel's GDP per capita stands at $60,960, with a growth rate of 3.1% in 2025. The deficit stood at 4.7% of GDP for the twelve months through February 2026, while the debt-to-GDP ratio declined to 68.5%. Unemployment held at 3.1%, and inflation rose

to 2% as of February 2026. Interest rates remained stable, with the short-term rate at 4% and the long-term rate at 3.8% per annum.

Statistical Profile: Israel, March 2026

Society

Population (March 2026): 10.21 million

Economy

GDP per capita (March 2026): $63,249 (₪197,020)

Inflation (March 2026) (Annual Growth Rate): 1.9%

Current Account Balance (December 2025): 2.8% of GDP

Trade in Goods and Services (March 2026): $13.707 Billion (₪42.7 Billion)

Finance

US Dollar Exchange rate (March 2026, Avg.): ₪3.115

Euro Exchange rate (March 2026, Avg.): ₪3.599

Long-term interest rates (March 2026): 4.15% Per Annum

Short-term interest rates (March 2026): 4% Per Annum

Government

Debt to GDP ratio (2025): 68.5%

Deficit to GDP (April 2025- March 2026): 4.2%

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Motorization

Level of Motorization (2024): 421 Vehicles/1,000 Residence

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 (February 2026): 60.8% of Working Age Population

Official Unemployment Rate (February 2026): 2.7% of the Labour Force

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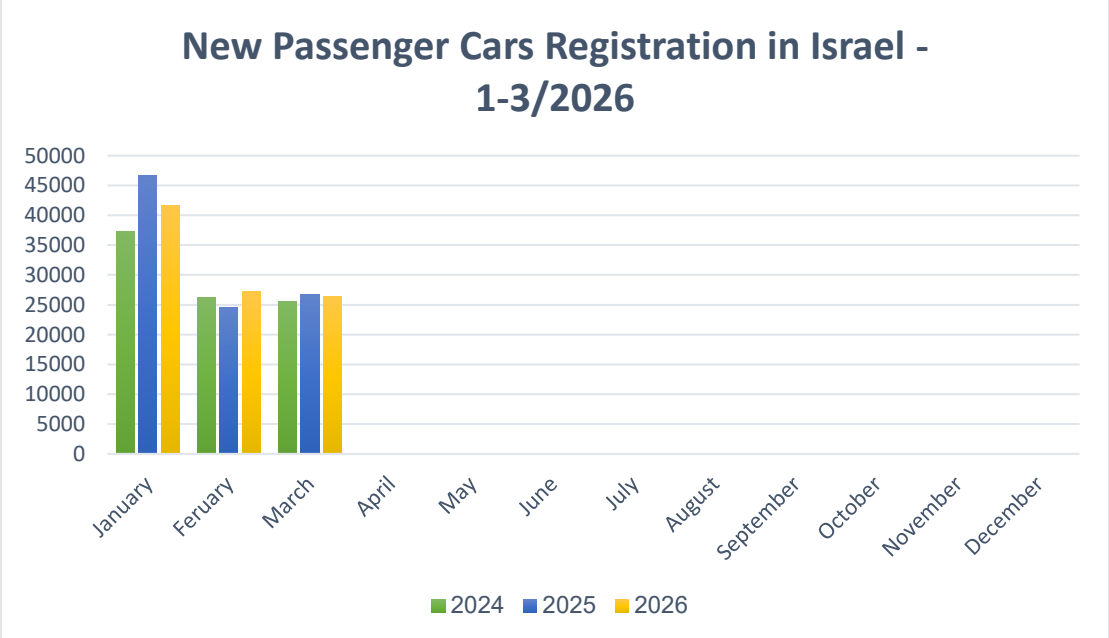
New Cars and CV Registrations

Israel New Passenger Car Registration January-March 2026

Passenger car registration: a decrease of 2.8% compared with January-March 2025

In March 2026, the Israeli passenger car market registered 26,356 new cars – a decrease of 1.2% compared with March 2025. Since the beginning of the year, 95,188 new cars were registered – a decrease of 2.8% compared with last year. Since January, 31,890 new cars with electric propulsion (BEV+PHEV) were registered. The market share of pure EVs currently stands at 11% with 10,522 deliveries.



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New Passenger Cars Registration in Israel 1-3/2026
According to Top 20 Brands

No.	Brand	March					Jan-Feb				
		Share%		Units		Change%	Share%		Units		Change%
		2026	2025	2026	2025	26/25	2026	2025	2026	2025	26/25
1	Jaecoo-Omoda	14.3	4.2	3777	1125	235.7	12.9	4.1	12273	4009	206.1
2	Toyota	10.7	15.0	2817	4001	-29.6	10.7	12.0	10217	11737	-13.0
3	Hyundai	9.6	13.6	2528	3630	-30.4	10.4	13.2	9946	12881	-22.8
4	Chery	8.6	4.6	2256	1219	85.1	9.9	5.3	9454	5194	82.0
5	Kia	9.4	7.6	2473	2024	22.2	9.3	8.7	8817	8513	3.6
6	Skoda	5.9	6.8	1565	1814	-13.7	7.4	8.4	7050	8198	-14.0
7	BYD	7.5	3.2	1973	850	132.1	5.8	3.5	5557	3428	62.1
8	MG	3.2	2.9	844	770	9.6	2.9	3.1	2743	3007	-8.8
9	Tesla	6.4	1.7	1685	442	281.2	1.9	0.5	1802	459	292.6
10	Mitsubishi	1.0	2.0	274	532	-48.5	1.7	2.9	1606	2811	-42.9
11	Citroen	1.1	1.8	291	471	-38.2	1.6	1.6	1567	1596	-1.8
12	XPeng	1.5	2.4	393	628	-37.4	1.5	2.3	1450	2220	-34.7
13	Geely	1.9	1.3	512	359	42.6	1.5	0.9	1400	854	63.9
14	Deepal-Changan	1.2	0.2	329	57	477.2	1.4	0.2	1315	241	445.6
15	Nissan	1.6	10.0	425	2677	-84.1	1.4	4.2	1315	4106	-68.0
16	KGM	1.0	0.5	271	136	99.3	1.1	0.8	1061	820	29.4
17	Suzuki	0.7	1.4	174	380	-54.2	1.1	1.7	1052	1686	-37.6
18	Subaru	0.9	1.1	235	290	-19.0	1.1	2.0	1041	1957	-46.8
19	BMW	0.6	1.1	160	288	-44.4	1.0	1.3	957	1272	-24.8
20	Audi	0.8	1.2	218	329	-33.7	0.9	0.8	896	779	15.0

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

Commercial Vehicles above 3.5 tons registration: 5.9% increase compared with January-March 2025.

In March 2026, the Israeli market for CVs above 3.5 tons registered an increase of 6.4% in deliveries, with 1,352 new registrations, compared with 1,271 units in March 2025. Since the beginning of the year, 4,546 CVs above 3.5 tons and buses were registered, an increase of 5.9% compared with last year.

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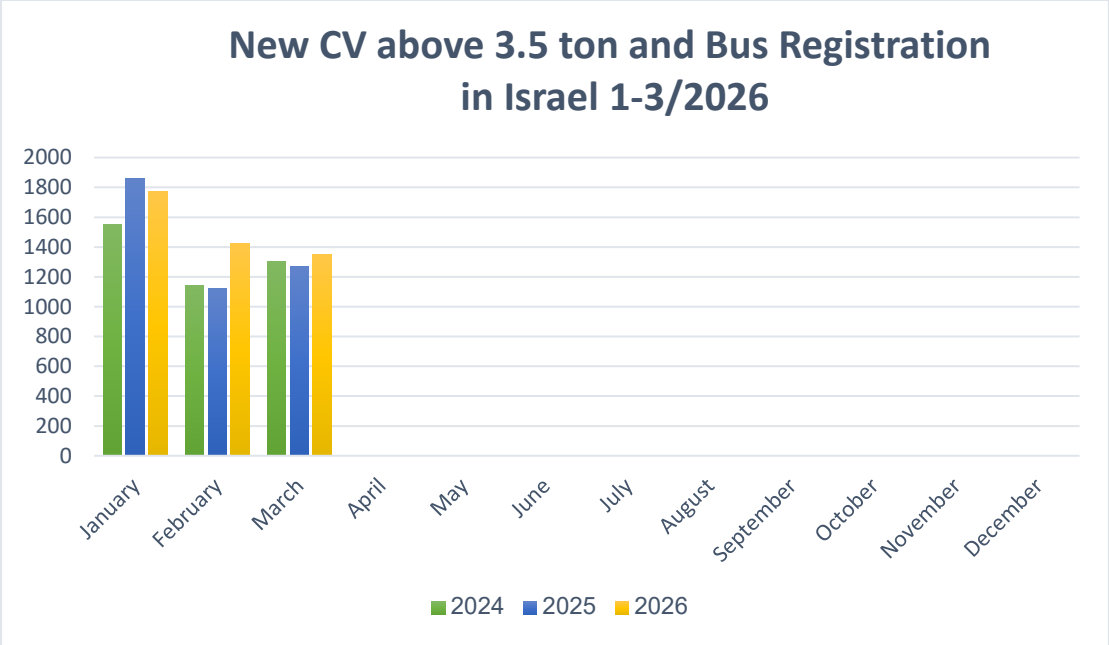

New CV above 3.5-ton Registration in Israel 1-3/2026 According to Brands

No	Brand	March					Jan-Mar				
		Share%		Units		Change%	Share%		Units		Change%
		2026	2025	2026	2025	26/25	2026	2025	2026	2025	26/25
1	Volvo	16.7	12.3	189	125	51.2	15.8	12.3	596	406	47.0
2	Mercedes	16.1	16.2	182	165	10.3	15.3	16.4	577	542	6.5
3	Scania	9.7	8.3	110	84	31.0	10.3	11.0	391	362	8.0
4	Isuzu	9.1	3.1	103	32	221.9	9.9	4.8	374	160	133.8
5	Chevrolet	10.8	11.2	122	114	7.0	9.5	11.7	358	386	-7.3
6	DAF	9.6	9.6	109	98	11.2	9.1	8.5	344	279	23.3
7	VW	4.5	5.8	51	59	-13.6	5.9	3.4	223	112	99.1
8	Dodge-RAM	3.3	3.9	37	40	-7.5	4.4	5.1	166	167	0.0
9	MAN	3.0	8.3	34	84	-59.5	4.1	6.3	154	207	-25.6
10	IVECO	4.7	7.3	53	74	-28.4	3.9	4.5	148	150	-1.3
11	Renault	5.6	3.2	63	33	90.9	3.6	3.0	137	99	38.4
12	Fiat	2.9	4.4	33	45	-26.7	3.4	5.2	129	170	-24.1
13	Ford	2.4	4.6	27	47	-42.6	1.8	5.1	67	169	-60.4
14	Peugeot	0.5	0.7	6	7	-14.3	1.6	2.2	61	71	-14.1
15	Farizon	0.6	0.1	7	1	600.0	1.3	0.0	51	1	100.0
16	Maxus	0.0	0.5	0	5	-100.0	0.1	0.2	2	5	-60.0
17	Liebherr	0.2	0.3	2	3	-33.3	0.1	0.1	2	3	-33.3
18	Tatra	0.2	0.0	2	0	100	0.1	0.0	2	0	100
19	Foton	0.1	0.0	1	0	100	0.0	0.2	1	8	-87.5

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New Bus Registration in Israel 1-3/2026
According to Brands

No.	Brand	March					Jan-Mar				
		Share%		Units		Change%	Share%		Units		Change%
		2026	2025	2026	2025	26/25	2026	2025	2026	2025	26/245
1	Mercedes	19.0	43.3	42	110	-61.8	32.0	43.1	244	428	-43.0
2	Golden Dragon	37.6	3.9	83	10	730.0	18.0	6.2	137	62	121.0
3	Volvo	6.8	7.9	15	20	-25.0	13.2	11.2	101	111	-9.0
4	Scania	4.5	1.2	10	3	233.3	8.0	5.6	61	56	8.9
5	Zhongtong	4.1	3.5	9	9	0.0	7.7	2.4	59	24	145.8
6	Renault	6.8	15.7	15	40	-62.5	5.4	4.0	41	40	2.5
7	HIGER	3.2	19.3	7	49	-85.7	4.8	12.2	37	121	-69.4
8	Isuzu	4.5	2.4	10	6	66.7	2.9	0.8	22	8	175
9	VW	3.6	3.9	8	10	-20	2.8	2.6	21	26	-19.2
10	DAF	8.6	2.4	19	6	216.7	2.5	0.6	19	6	216.7
11	MAN	1.4	0.4	3	1	200.0	2.0	5.2	15	52	-71.2
12	IRIZAR	0.0	0.4	0	1	-100.0	0.5	0.9	4	9	-55.6
13	Dongfeng	0.0	5.5	0	14	-100.0	0.3	1.4	2	14	-85.7

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

Arbe Introduces HD Imaging Radar for Off-Highway Applications, Addressing Unique Challenges of Markets Such as Agriculture, Mining, and Construction

Arbe Robotics Ltd. (NASDAQ: ARBE) (TASE: ARBE), a global leader in perception radar solutions, announced its high-definition 4D Imaging Radar for off-highway applications, designed to address the unique challenges of demanding environments across markets such as agriculture, mining, and construction. Arbe will present the solution at the 6th Autonomous Off-Highway Machinery Technology Summit.

Physical AI, which refers to AI systems that operate in and interact with the physical world, is helping off-highway equipment deliver measurable gains in efficiency, safety, and cost by enabling autonomous operation in real-world environments. Across such applications, dependable perception is the gating factor, enabling machines to detect obstacles, track moving objects, and operate

safely around people and other equipment. Arbe is redefining perception for these challenging applications with high-definition 4D Imaging Radar built for autonomy, safety, and mission-critical reliability. Arbe's 4D Imaging Radar provides ultra-high resolution in any terrain, native false-alarm elimination, precise elevation and Doppler accuracy, and a wide field of view to deliver continuous 360° environmental awareness in a multi-radar configuration. Arbe's radar covers wide areas with dense, AI-ready detections and provides reliable perception across all environmental operating conditions. Arbe's 4D Imaging Radar for Off-Highway applications includes a Proprietary RF chipset, a radar processing chip, a high-density radar antenna, and Out-of-the-Box Evaluation and Prototyping.

Mobileye Secures Major DMS Production Program with Leading US Automaker

Mobileye (Nasdaq: MBLY) announced that a leading US automaker intends to integrate the Mobileye Driver Monitoring System™ (Mobileye DMS) into future vehicles equipped with Mobileye's EyeQ6L system-on-chip, with start of production targeted for 2027.

Mobileye's in-cabin sensing platform includes both DMS and Occupant Monitoring (OMS), running alongside ADAS perception on a single chip. By unifying interior sensing with exterior road perception, the platform is designed to evaluate driver engagement in the context of the driving environment – in order to assess not just whether a driver is alert, but where they are looking and whether their attention corresponds with what is happening on the road.

As hands-off driving expands beyond premium vehicles, ensuring a driver is genuinely engaged with the road is increasingly important for safe deployment. Mobileye DMS is designed to correlate driver gaze with real-world road conditions from ADAS cameras, to catch distractions that cabin-only systems may

miss, and recognize when the driver is already aware. The intended result is fewer false alerts, more precise interventions, and, for higher levels of autonomy, smarter takeover requests tuned to driver engagement.

The platform is intended to support Euro NCAP 2026 scoring requirements and is designed to address the potential evolution of the Euro NCAP 2029 protocol, which is expected to raise the benchmark from eye tracking to meaningful engagement detection. The newly awarded win expands the scope and feature set of an existing ADAS program and is expected to span millions of vehicles across multiple models and model years.

Opsys Signs Gades Sales Company, Inc. to Further Increase US Market Expansion

Opsys Technologies, the developer of the world's most advanced Pure solid-state scanning LiDAR, announced the signing with Gades Sales Company, Inc to distribute ALTOS, their 4D Smart LiDAR. This partnership brings together deep ITS domain expertise and a next-generation sensing platform purpose-built for traffic applications.

Opsys' ALTOS is specially designed for Intelligent Traffic Systems (ITS). It's an all-in-one LiDAR unit that combines perception, edge AI/analytics, and VMS integration. No moving parts means that the LiDAR unit is very robust (MTBF >10+ years). Opsys offers up to a five-year warranty. ALTOS is PoE and installs just like a camera, so Gades' customers can get all the extra benefits of LiDAR technology with no more expense than regular installation of cameras, meaning it's scalable (no extra cabling, parts, or training). No external compute means no high-power consumption, making Opsys' technology a highly cost-effective option.

Together with Gades Sales Company, Inc., Opsys is enabling Smarter intersections, improved traffic flow and safety, scalable deployments for DOTs and cities, and faster adoption of advanced

perception without infrastructure complexity. The powerful partnership will accelerate the availability and support for municipalities, transportation agencies, and smart-city integrators to improve safety, reduce congestion, and gather actionable mobility data. Gades Sales Company, Inc. will distribute Opsys' LiDAR, ALTOS, in the Midwest region of the US. The company joins other prestigious distributors for Opsys, all paving the way for safer roads around the globe.

Electreon completes acquisition of InductEV, establishing a global powerhouse in wireless EV charging

Electreon (TASE: ELWS), the global leader in dynamic wireless electric vehicle charging, announced it has successfully closed the acquisition of InductEV Inc., the prominent US-based provider of ultra-fast, high-power stationary wireless charging for heavy-duty transit and freight. By integrating InductEV's assets and intellectual property, Electreon now offers the industry's most comprehensive wireless portfolio, spanning passenger vehicles, light delivery vans, and heavy-duty class-8 trucks.

This transaction combines two category leaders to simplify the transition to electric mobility for commercial fleets. Operators can now access a comprehensive suite of charging solutions for all the different charging use cases: in-road dynamic charging while driving, "opportunistic charging" or "top-up" charging during planned stops on the route, and overnight charging in depots and parking facilities. For every conductive charging solution (cable, trolley, or pantograph), Electreon has a superior, replaceable inductive solution.

Existing and future customers will benefit from a streamlined technology roadmap and expanded deployment support. The acquisition secures a robust supply chain that balances Electreon's offshore manufacturing efficiencies with InductEV's Build America Buy America (BABA) compliant offerings. This ensures North American transit agencies and federal contractors can access

wireless technology while remaining eligible for critical government funding and incentives.

Driivz Announces Partnership with XLR8 America to Scale its Public Charging Network

Driivz's software will optimize charging and energy management across XLR8 America's rapidly expanding public charge point network, enabling a seamless driver experience. By utilizing Driivz's hardware-agnostic platform, XLR8 America gains detailed insights and flexible controls to provide a scalable and flexible end-to-end solution for its network of public chargers, spanning a variety of businesses, including hospitality venues, multi-dwelling units (MDUs), hotels, casinos, quick-service restaurants, and big-box retailers. The platform's customization will also allow XLR8 to adapt its monetization strategy to the unique needs of each business in its charging network.

Dr. Hanan Golan

Hezi Shayb, PhD
CEO – I-Via