



Israel Vehicle Importers Association – Monthly Review January 2023

The Israeli economy is an advanced economy that belongs to the OECD organization. The GDP per capita is \$52,947, and the growth rate in 2022 is estimated at 6.5%.

Israel is recovering from the Covid-19 crisis, which has significantly affected the Israeli economy since 2020. The deficit in February 2022 – January 2023 is negative -0.3% from the GDP. The debt-to-GDP ratio is 60.2%. The unemployment rate is 4.2%.

At this stage, it is difficult to say how the election results will affect the Israeli economy. On the one hand, the new government entails a promise of stability that will allow an orderly transfer of the budget for the coming years; on the other hand, the promotion of legal reform may create instability in the markets and a loss of confidence in the legal system and its ability to guarantee the property rights of investors from Israel and abroad.

Furthermore, the entry of the religious parties into the coalition may create pressure for a significant fiscal expansion which may increase the primary deficit and delay necessary reforms in the labor market.

Along with economic stabilization and rapid growth, there has been an increase in the inflation rate. As of January, the annual rate is 5.3%. The Chief Economist in the Ministry of Finance predicts that in 2023 the inflation rate will be 2.7%



From a monetary point of view, the Bank of Israel is dealing with the rise of inflation. In January, the interest rate was raised to 3.75% due to the increase in inflation.

Statistical Profile: Israel January 2023

Society

Population (December 2022): 9.662 million

Economy

GDP per capita: \$ 52,947

Inflation (Annual Growth Rate): 5.4%

Current Account Balance (Q3 2022): 3.55% of GDP

Trade in Goods and Services (January 2023): \$13.9 billion

Finance

US Dollar Exchange rate (January 2023): NIS 3.45

Euro Exchange rate (January 2023): NIS 3.71

Long-term interest rates (January 2023): 3.34% Per Annum

Short-term interest rates (January 2023): 3.64% Per Annum

Government

Debt to GDP ratio: 60.2%

Deficit to GDP (February 2022-January 2023): -0.3%



Motorization

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

Innovation and Technology

Gross Domestic Spending on R&D (2022): 4.8% of GDP

Environment

CO2 Emissions (2022): 8.38 Tonnes Per Capita (BDO Model Estimation)

Jobs

Employment Rate (Q4 2022): 68.95% of Working Age Population

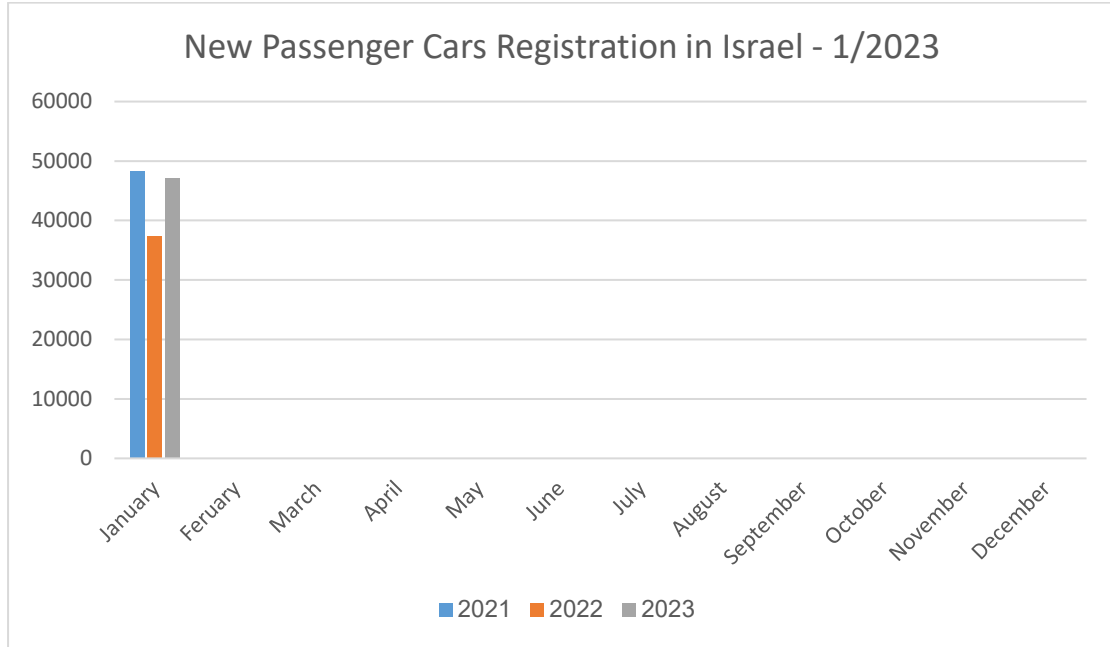
Official Unemployment Rate (December 2022): 4.21% of the Labour Force

New Cars and CV Registrations

Israel New Passenger Car Registration January 2023

Passenger car registration: an increase of 26.2% compared with January 2022.

Strong start: in January 2023, the Israeli passenger car market registered 47,196 new cars – an increase of 26.2% compared with 37,404 registrations in January 2022.



**New Passenger Cars Registration in Israel 1/2023
According to Top 20 Brands**

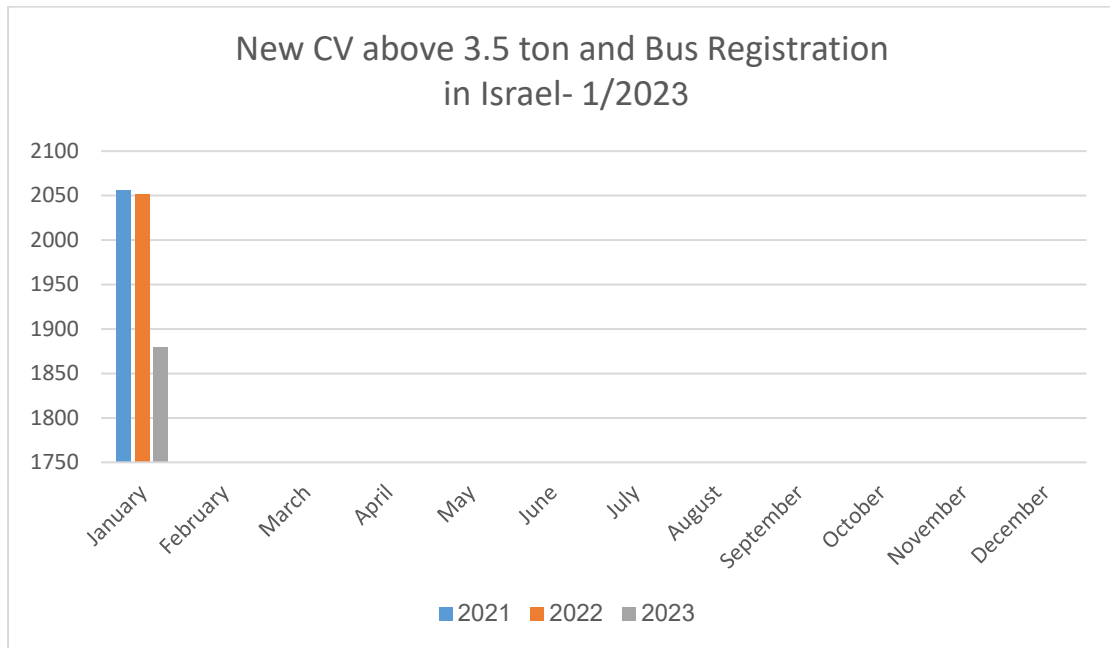


No.	Brand	January				
		Share%		Units		Change% 23/22
		2023	2022	2023	2022	
1	Hyundai	17.8	22.4	8416	8387	0.0
2	Kia	10.4	14.3	4912	5367	-8.5
3	Mazda	9.8	8.2	4615	3072	50.2
4	Toyota	6.4	12.7	3036	4756	-36.2
5	BYD	6.4	0.0	2999	Entered 2022	0.0
6	Mitsubishi	4.7	4.1	2234	1522	46.8
7	Skoda	3.7	5.9	1750	2211	-20.9
8	Chery	3.4	0.0	1600	Entered 2022	165.9
9	Seat	3.2	1.8	1510	665	127.0
10	Mercedes	3.1	3.1	1467	1145	28.1
11	Subaru	3.1	2.1	1447	801	80.6
12	Suzuki	2.9	2.6	1368	954	43.4
13	MG	2.7	0.7	1281	256	400.0
14	Geely	2.5	0.6	1200	221	643.0
15	Citroen	2.4	2.2	1119	809	38.3
16	Peugeot	2.3	1.8	1082	661	63.7
17	Chevrolet	1.7	0.9	797	324	146.0
18	Renault	1.6	0.7	774	267	190.0
19	Audi	1.6	1.5	748	559	33.8
20	BMW	1.2	2.0	557	747	-25.4

New CV above 3.5 tons and Bus Registration in Israel - January 2023

Commercial Vehicles above 3.5-ton registration: -8.4% compared with January 2022.

In January 2022, the Israeli market for CVs above 3.5 tons registered a decrease of 8.4% with 1,879 new registrations, compared with 2,051 units in January 2022.



**New CV above 3.5-ton Registration in Israel 1/2023
According to Brands**

No	Brand	January				
		Share%		Units		Change%
		2023	2022	2023	2022	
1	Mercedes	14.7	11.7	215	207	3.9
2	Volvo	14.3	13.6	209	241	-13.3
3	Scania	11.3	8.1	165	143	15.4
4	Isuzu	11.3	7.9	165	141	17.0
5	Dodge-Ra	10.8	3.4	157	60	161.7
6	DAF	9.9	7.9	145	140	3.6
7	Chevrolet	6.5	6.1	95	109	12.8
8	MAN	5.5	9.0	80	160	-50.0
9	Iveco	3.4	2.9	50	51	-2.0
10	Ford	3.1	6.7	45	119	-62.2
11	Renault	2.7	2.3	39	40	-2.5
12	FIAT	2.5	4.3	37	77	-52.0
13	Peugeot	1.8	0.8	26	15	73.3
14	HINO	1.6	1.9	23	34	-32.4
15	Fuso	0.3	0.2	4	3	33.3
16	MAXUS	0.2	0.1	3	1	200.0



New Bus Registration in Israel 1/2023 According to Brands

No.	Brand	January				
		Share%		Units		Change%
		2023	2022	2023	2022	
1	Mercedes	35.9	44.8	151	124	21.8
2	Golden Dragon	15.9	22.7	67	63	6.3
3	Volvo	11.2	3.2	47	9	422.2
4	Higer	8.6	1.8	36	5	620.0
5	BYD	7.4	0	31	0	100
6	OTOKAR	6.7	10.1	28	28	0.0
7	MAN	5.5	3.2	23	9	155.6
8	TEMSA	3.8	1.1	16	3	433.3
9	Scania	2.9	7.2	12	20	-40.0
10	IRIZAR	1.2	1.1	5	3	66.7
11	Zhongtong	0.7	0.4	3	1	200.0
12	DAF	0.2	0	1	0	100
13	Ford	0.2	0	1	0	100

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

CATO Networks Partners with TAG Heuer Porsche Formula E Team

Israeli Cyber-security company CATO Networks is TAG Heuer Porsche Formula E team's official SASE partner. CATO will play an essential role in helping the Formula E Team to optimize operations and provide secure access to the network and SaaS applications during the racing season. To do so, CATO will provide its single-vendor SASE cloud platform.

Otopia Completes Round A, Raises 14.5M\$

Israeli startup Otopia, specializing in remote monitoring of autonomous vehicles, announced the completion of Round A, in which 14.5M\$ were raised from transportation giant ComfortDelGro



and VC funds such as MizaMaa, AI Alliance, and In Venture, among others. The company, founded in 2008, provides remote monitoring services for autonomous vehicles in transportation, agriculture, mining, shipping, and logistics.

Apollo Power Inaugurates Apollo-Carmel Plant

Apollo Power, an innovator in the field of solar energy and creator of the flexible and light Apollo Energy-film, announced the inauguration of its new plant for flexible solar sheets. The new plant, the first automatic of its kind worldwide, includes two main buildings totaling 10,000 square meters. Building it took 18 months and cost approximately 100M NIS. The company recently completed an installation of a solar pavement at an Amazon logistics site in France and also received an order to provide solar sheets for the roof at the same place.

EVR Motors Signs Commercial Agreement with Indian RSB Group

EVR Motors, a developer of advanced electric motors for transportation, signed a commercial agreement with Indian Tier-1 supplier RSB Group. According to the agreement, EVR will develop, manufacture and market a line of electric motors for LCVs. EVR has already signed contracts with other companies, such as EKA Mobility, and the new agreement will help the company expand its line of innovative “Trapezoid Stator” motor topology.

Electric Revolution in Israeli Public Service Fleet

Starting from January 2023, the Israeli public service will stop purchasing ICE cars, and within two years, the whole public service fleet of about 15,000 vehicles will shift to EVs. In addition to the environmental benefits, the shift is estimated to save hundreds of millions of NIS annually in fuel and maintenance costs.

Trucknet Signs Agreements with PTV Group and FBF

Trucknet, the developer of an optimization platform for freight companies, signed an exclusive reseller agreement with PTV Logistics, a leading global software company for planning, calculating, and optimizing transport logistics. Trucknet will embed PTV's mapping solutions in its' platform in Israel and will also act as



an exclusive reseller for PTV's mapping system, an alternative to WAZE and Google Maps. Trucknet also announced that it had signed a memorandum of understanding with American FBF (Florida Beauty Flora), according to which Trucknet's platform will be installed in FBF's 250 trucks fleet, and FBF will collaborate with Trucknet for marketing its' platform in the US and possibly even invest in the company.

Dr. Hanan Golan

A handwritten signature in blue ink, appearing to be "H. Golan", written on a light blue rectangular background.

Hezi Shayb – Ph.D.
CEO – I-Via

A handwritten signature in black ink, appearing to be "Hezi Shayb", written on a light blue rectangular background.

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