



Israel Vehicle Importers Association – Monthly Review July 2023

Preface – Economic Climate

The Israeli economy is an advanced economy that participates in the OECD organization. Israel's GDP per capita is \$55,240. The growth rate in Q.2 of 2023 was 3%.

In Israel, per the guidelines set by the World Health Organization (WHO), COVID-19 is no longer a public health emergency, but its impact on the economy persists. Despite these challenges, Israel has managed to maintain a minimal deficit, amounting to only 1% of the GDP, from August 2022 to July 2023. This demonstrates the resilience and effective economic management in navigating the difficulties posed by the pandemic.

The debt-to-GDP ratio decreased to 60.9% in 2022, and the unemployment rate in July 2023 was 3.4%.

The new government brings potential stability, with a State Budget approved for 2023-24. However, judicial reform and including religious parties could introduce market instability and fiscal expansion, potentially impacting the primary deficit. Despite the challenges faced, the Prime Minister depicted the present scenario in Israel as a testament to its 'Vibrant Democracy.'



Along with economic stabilization and rapid growth, there has been an increase in the inflation rate. As of July 2023, the annual inflation growth rate is 3.3%, a substantial decrease from June (4.2%). In July 2023, the short-term interest rate was raised to 4.6% due to the inflation increase, while the long-term interest rate stands at 3.8%.

Statistical Profile: Israel July 2023

Society

Population (June 2023): 9.756 million

Economy

GDP per capita (July 2023): \$55,240 (₪203,670)

Inflation (July 2023) (Annual Growth Rate): 3.3%

Current Account Balance (March 2023): 4.4% of GDP

Trade in Goods and Services (July 2023): \$13.181 billion (₪48.6 Billion)

Finance

US Dollar Exchange rate (July 2023, Avg.): ₪3.687

Euro Exchange rate (July 2023, Avg.): ₪4.047

Long-term interest rates (July 2023): 3.8% Per Annum

Short-term interest rates (July 2023): 4.6% Per Annum

Government

Debt to GDP ratio (2022): 60.9%

Deficit to GDP (August 2022 - July 2023): 1%



Motorization

Level of Motorization (2022): 411 Vehicles/1,000 Residence

Innovation and Technology

Gross Domestic Spending on R&D (2021): 5.557% of GDP

Environment

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

CO2 Emissions (2021): 6.74 Tonnes Per Capita

Jobs

Employment Rate (July 2023): 63.6% of Working Age Population

Official Unemployment Rate (July 2023): 3.4% of the Labour Force



New Cars and CV Registrations

Israel New Passenger Car Registration January-July 2023

Passenger car registration: Increase of 7.1% compared with July 2022.

In July 2023, the Israeli passenger car market registered 23,424 new cars – an increase of 7.1% compared with July 2022. Since the beginning of the year, 197,760 new cars were registered, an increase of 9.4% compared with Jan-July 2022. Since January, 32,212 BEVs and, 11,292 PHEVs, and 43,504 cars with chargeable electric drive represent 22.0% of all registrations.





New Passenger Cars Registration in Israel 1-7/2023 According to Top 20 Brands

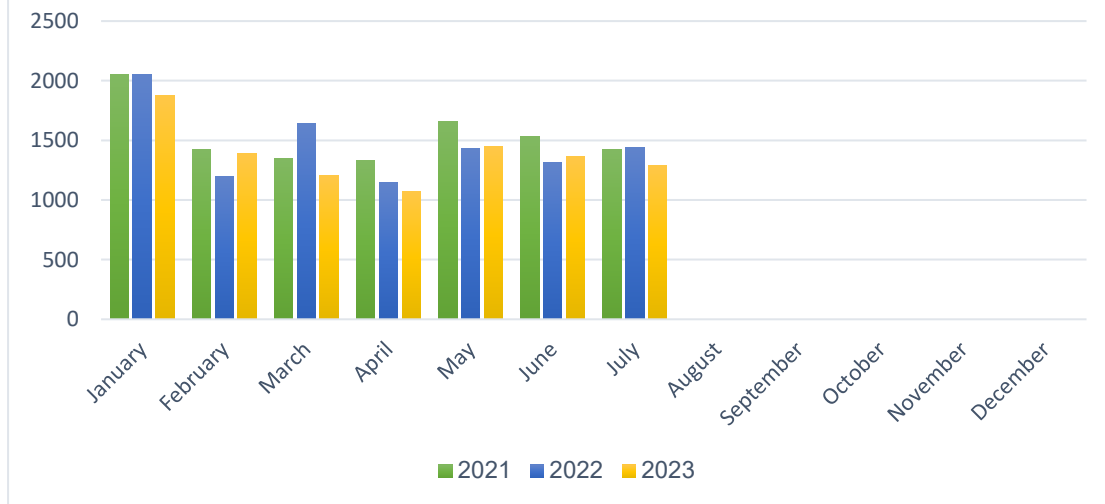
No.	Brand	July					Jan-July				
		Share%		Units		Change%	Share%		Units		Change%
		2023	2022	2023	2022		2023	2022	2023	2022	
1	Hyundai	15.6	15.2	3648	3329	9.6	16.7	19.2	33033	34608	-4.6
2	Kia	12.2	14.7	2856	3203	-10.8	12.3	13.7	24370	24733	-1.5
3	Toyota	15.4	1.1	3609	251	1337.8	10.3	14.6	20454	26363	-22.4
4	Mazda	4.1	7.5	958	1646	-41.8	5.6	6.8	11114	12207	-9.0
5	BYD	5.3	0.0	1232	Entered 2022	0.0	5.5	0.0	10930	Entered 2022	0.0
6	Skoda	5.3	6.8	1239	1476	-16.1	5.2	4.8	10215	8710	17.3
7	Chery	3.6	0.0	853	Entered 2022	0.0	4.6	0.0	9019	Entered 2022	0.0
8	Mitsubishi	4.4	4.3	1042	934	-11.6	3.8	4.8	7468	8587	-13.0
9	Suzuki	3.1	2.8	729	602	21.1	3.1	2.7	6152	4832	27.3
10	Peugeot	2.2	1.7	511	368	38.9	2.8	2.6	5548	4744	16.9
11	Citroen	2.4	5.6	565	1229	-54.0	2.7	3.5	5281	6325	-16.5
12	Geely	1.5	2.8	355	602	-41.0	2.5	1.5	4847	2732	77.4
13	Seat	2.9	3.8	683	820	-16.7	2.2	2.2	4253	3974	7.0
14	Renault	2.3	1.9	528	419	26.0	1.8	1.0	3599	1786	101.5
15	Subaru	1.3	2.3	302	512	-41.0	1.8	1.6	3493	2810	24.3
16	Mercedes	1.5	1.9	353	420	-16.0	1.7	2.0	3402	3694	-7.9
17	Tesla	0.0	0.0	3	0	100.0	1.7	1.1	3301	2023	63.2
18	MG	2.6	1.4	613	313	95.8	1.7	1.9	3265	3490	-6.4
19	VW	1.7	1.0	407	209	94.7	1.4	1.2	2734	2250	21.5
20	Chevrolet	1.9	2.3	445	499	-10.8	1.2	1.9	2455	3385	-27.5

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

Commercial Vehicles above 3.5-ton registration: -10.3% compared with July 2022.

In July 2022, the Israeli market for CVs above 3.5 tons registered a decrease of 10.3% with 1,290 new registrations, compared with 1,440 units in July 2022. Since January, 9,647 units have been registered, a decrease of 4.6% compared with Jan-July 2022.

New CV above 3.5 ton and Bus Registration in Israel- 1-7/2023



New CV above 3.5-ton Registration in Israel 1-7/2023 According to Brands

No	Brand	July					Jan-July				
		Share%		Units		Change%	Share%		Units		Change%
		2023	2022	2023	2022		2023	2022	2023	2022	
1	Mercedes	16.1	15.3	160	194	-17.5	16.0	14.4	1203	1199	0.0
2	Volvo	12.8	13.1	127	166	-23.5	12.5	13.8	940	1148	-18.1
3	Scania	9.1	2.6	91	33	175.8	10.5	5.3	792	445	78.0
4	Isuzu	9.6	8.1	96	103	-7.0	10.1	8.0	764	663	115.2
5	DAF	9.9	7.9	99	100	-1.0	9.7	7.6	729	631	15.5
6	Dodge-Ra	4.0	12.1	40	154	-74.0	8.4	3.5	634	291	117.9
7	Chevrolet	7.1	13.6	71	173	-59.0	7.6	8.5	572	710	-19.4
8	MAN	6.0	4.3	60	54	11.1	5.3	7.0	397	583	-31.9
9	Ford	2.2	3.6	22	46	-52.2	4.8	4.6	358	384	-6.8
10	FIAT	5.4	0.5	54	6	800.0	4.1	5.0	312	413	-24.5
11	Renault	5.1	2.3	51	29	175.9	4.0	5.2	304	431	-29.4
12	Iveco	5.0	4.0	50	51	-2.0	3.9	4.2	293	349	-18.5
13	Peugeot	2.4	6.9	24	88	-72.7	1.2	4.5	93	376	-75.3
14	HINO	0.5	2.8	5	35	-85.7	0.7	2.6	51	216	-76.4
15	VW	3.0	2.7	30	34	-11.8	0.5	5.5	40	458	-91.3
16	Maxus	1.1	0.2	11	2	450.0	0.3	0.2	26	18	44.4
17	Fuso	0.1	0.0	1	0	100.0	0.1	0.1	9	12	-25.0
18	JAC	0.0	0.1	0	1	-100.0	0.1	0.1	4	8	-50.0
19	Liebherr	0.2	0.0	2	0	100.0	0.0	0.0	3	3	0.0
20	Hyundai	0.2	0.0	2	0	100	0.0	0.0	3	0	100
21	Tatra	0.0	0.0	0	0	0.0	0.0	0.0	1	1	0.0



New Bus Registration in Israel 1-7/2023 According to Brands

No.	Brand	July					Jan-July				
		Share%		Units		Change%	Share%		Units		Change%
		2023	2022	2023	2022		2023	2022	2023	2022	
1	Mercedes	37.1	49.1	109	84	29.8	35.5	38.8	752	686	9.6
2	Volvo	19.0	12.9	56	22	154.5	16.1	10.9	341	193	76.7
3	Higer	20.1	18.1	59	31	90.3	12.1	8.3	256	147	74.1
4	Golden Dragon	11.6	2.3	34	4	750.0	11.8	12.3	249	217	14.7
5	Otokar	0.0	2.9	0	5	-100.0	6.7	2.7	142	47	202.1
6	MAN	2.7	5.3	8	9	-11.1	2.9	3.6	62	64	-3.1
7	Isuzu	0.3	0.0	1	0	100.0	2.5	0.1	53	2	2550.0
8	Scania	4.8	0.0	14	0	100.0	2.4	5.0	51	88	-42.0
9	Temsa	2.0	0.0	6	0	100.0	2.3	0.1	49	2	2350
10	Renault	0.0	0.6	0	1	100.0	2.0	1.2	43	21	104.8
11	Zhong Tong	0.3	0.0	1	0	100.0	1.9	0.1	40	2	1900.0
12	BYD	2.0	0	6	0	100.0	1.8	0.0	39	0	100
13	IRIZAR	0.0	0.0	0	0	0.0	1.6	0.9	34	16	112.5
14	Ankai	0.0	0.0	0	0	0.0	0.1	0.3	2	5	-60.0
15	Chevrolet	0.0	0.0	0	0	0.0	0.1	0.0	2	0	100.0
16	DAF	0.0	0	0	0	0.0	0.1	0.0	2	0	100.0
17	Wisdom	0.0	0.0	0	0	0.0	0.0	8.5	1	151	-99.3
18	Ford	0.0	0.0	0	0	0.0	0.0	0.0	1	0	100

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

Aisin and Vayyar Collaborate to Prevent Heatstroke Tragedies in Japanese Kindergarten Buses

Aisin and Vayyar, an Israeli Tier 2 in 4D imaging radar company, are partnering to deploy advanced sensors in Japanese kindergarten buses to prevent children from dying from vehicular heatstroke after being left behind. In the wake of the latest such incident, the tragic death of a three-year-old child in Shizuoka Prefecture, central Japan, who passed away after spending five hours alone on a bus on a sweltering day in September last year, the Japanese government moved quickly to draft emergency legislation. Child Presence Detection (CPD) technology will now be required in tens of thousands of buses serving kindergartens, nursery schools, hybrid “kodomoen” facilities, schools for special needs education, and daycare centers for children with disabilities. Aisin is deploying sensors based on Vayyar’s radar-on-chip in



kindergarten buses as part of the government program to install alert systems in all buses in the national fleet.

Trucknet raises 1.4M NIS, Signs a pilot with French Company Transport Gauthier

Trucknet announced a private stock allocation and options to six investors in exchange for 1.425 million NIS. The fundraising is intended for the company's day-to-day operations and financing deals to sell its' Trucknet Smart Catalyst. The company also announced a fourth pilot agreement for reducing fuel and emissions with French transportation company Transport Gauthier, which has 100 heavy diesel trucks.

Indian Oil to Deepen its' Investment in Phinergy

Indian Oil will deepen its' investment in Israeli clean energy company Phinergy, which developed metal air technology, turning aluminum and zinc into a new way to store, transport, and generate clean and safe energy. The Indian company will purchase additional stock following the investment it made in 2020 in which it bought 12 million US\$ worth of shares in the company.

ZOOZ Power to List on Nasdaq Through a SPAC Merger with Keyarch Acquisition Corp

Israeli ZOOZ Power, the flywheel-based power-boosting solution developer for EV charging infrastructure, announced that it would list Nasdaq through a merger with particular purpose acquisition company Keyarch Acquisition Corp. (Nasdaq: KYCH). ZOOZ (formerly known as Chakratec Ltd) was founded in 2013 and is focused on developing and maturing its innovative kinetic, flywheel-based energy storage technology.



Toyota's Israel Earth Prize Seeks Environmental Innovation for the Second Time

Union Motors, importer of Toyota to Israel, is opening the Israel Earth Prize competition for the second time - NGOs and 3rd sector organizations, academic institutions, entrepreneurs, and startups could win a million NIS to promote innovative and feasible ideas for a better and cleaner environment. Prizes are available for initiatives in energy and climate, education, advocacy, behavioral change, natural resources management, pollution and monitoring, waste management, and circular economy and natural resources management. Union Motors has committed to funding the prize for five years; this year would be the second one. Last year, out of 200 competitors, the winner was the Venatata project, establishing a hundred therapeutic gardens in rehabilitation centers.

Dr. Hanan Golan

A handwritten signature in blue ink, appearing to be 'H. Golan', enclosed in a faint circular watermark.

Hezi Shayb – Ph.D.
CEO – I-Via

A handwritten signature in black ink, appearing to be 'H. Shayb', enclosed in a faint circular watermark.