



## **Israel Vehicle Importers Association – Monthly Review May 2023**

### **Preface – Economic Climate**

Israel has an advanced economy in the OECD, with a GDP per capita of \$55,095. In Q1 of 2023, the economy grew by 2.5%.

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 0.6% of the GDP, from June 2022 to May 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 May 2023 was 3.6%.

The new government brings potential stability, with a State Budget approved in May for 2023-24. However, judicial reform and including religious parties could introduce market instability and fiscal expansion, potentially impacting the primary deficit.

Along with economic stabilization and rapid growth, there has been an increase in the inflation rate. As of May 2023, the annual inflation growth rate is 4.6%. In May 2023, the short-term interest rate was raised to 4.3% due to the inflation increase, while the long-term interest rate stands at 3.8%.



## **Statistical Profile: Israel May 2023**

### **Society**

Population (April 2023): 9.727 million

### **Economy**

GDP per capita (May 2023): \$55,095 (NIS 201,537)

Inflation (May 2023) (Annual Growth Rate): 4.6%

Current Account Balance (December 2022): 5.4% of GDP

Trade in Goods and Services (May 2023): \$14.16 billion (51.8 billion NIS)

### **Finance**

US Dollar Exchange rate (May 2023, Avg.): NIS 3.658

Euro Exchange rate (May 2023, Avg.): NIS 3.994

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

Short-term interest rates (May 2023): 4.3% Per Annum

### **Government**

Debt to GDP ratio (2022): 60.9%

Deficit to GDP (June 2022 - May 2023): 0.6%

### **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 Tones Per Capita (BDO Model Estimation)



CO2 Emissions (2021): 6.74 Tones Per Capita

**Jobs**

Employment Rate (May 2023): 64.2% of Working Age Population

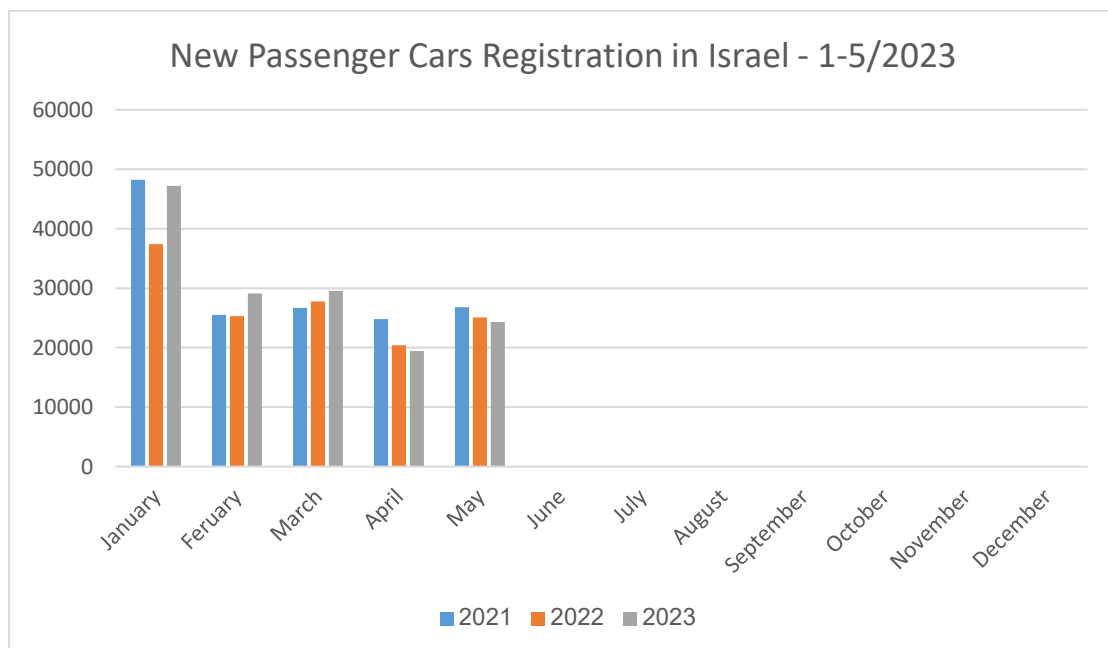
Official Unemployment Rate (May 2023): 3.6% of the Labour Force

**New Cars and CV Registrations**

**Israel New Passenger Car Registration  
January-May 2023**

Passenger car registration: Decrease of 3% compared with May 2022.

In May 2023, the Israeli passenger car market registered 24,303 new cars – a decrease of 3% compared with May 2022. Since the beginning of the year, 149,604 new cars were registered, an increase of 10% compared with Jan-May 2022. Since January, 24,001 BEVs were registered and 8,272 PHEVs, a total of 32,273 cars with chargeable electric drive representing 21.6% of all registrations.



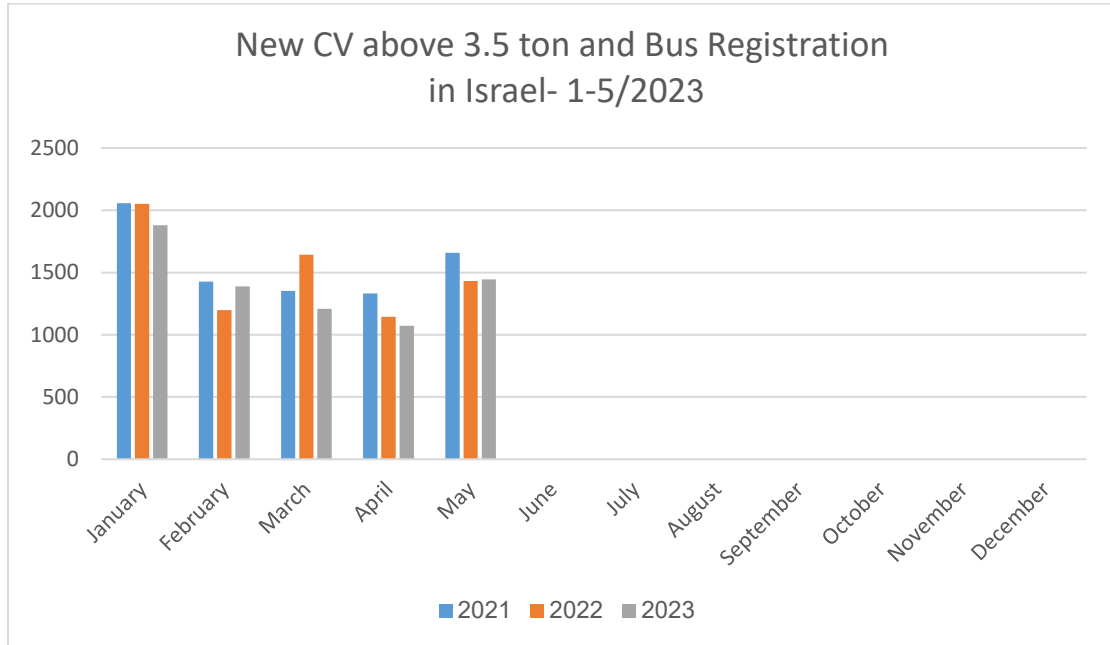
## New Passenger Cars Registration in Israel 1-5/2023 According to Top 20 Brands

No.	Brand	May					Jan-May				
		Share%		Units		Change%	Share%		Units		Change%
		2023	2022	2023	2022		23/22	2023	2022	2023	
1	Hyundai	14.8	19.2	3587	4823	-25.6	16.7	19.5	24913	26527	-6.1
2	Toyota	12.4	14.4	3020	3622	-16.6	13.2	15.4	19783	20894	-5.3
3	Kia	14.5	14.3	3528	3585	-1.6	12.3	14.1	18413	19205	-4.1
4	Mazda	4.4	7.1	1067	1783	-40.2	6.2	6.5	9254	8851	4.6
5	BYD	5.2	0.0	1268	Entered 2022	0.0	5.7	0.0	8497	Entered 2022	0.0
6	Skoda	6.3	3.2	1522	804	89.3	4.9	4.5	7376	6131	20.3
7	Chery	5.2	0.0	1253	Entered 2022	0.0	4.8	0.0	7165	Entered 2022	0.0
8	Mitsubishi	4.7	5.2	1152	1314	-12.3	3.8	4.9	5713	6700	-14.7
9	Suzuki	3.0	2.2	729	559	30.4	3.2	2.8	4829	3765	28.2
10	Peugeot	2.2	2.2	526	543	-3.1	3.1	2.8	4635	3850	20.4
11	Citroen	2.4	2.7	595	689	-13.6	2.8	2.9	4253	4006	6.2
12	Geely	1.9	2.2	452	560	-19.3	2.7	1.2	4091	1679	143.7
13	Seat	1.4	2.1	349	533	-34.5	2.1	1.8	3123	2391	30.6
14	Subaru	1.2	0.8	296	193	53.3	1.9	1.4	2889	1885	53.3
15	Mercedes	1.3	1.7	328	430	-23.7	1.8	2.1	2741	2810	-2.5
16	Renault	1.4	1.0	339	239	41.8	1.7	0.8	2601	1081	140.6
17	MG	1.0	3.2	245	808	-69.7	1.5	1.9	2173	2630	-17.4
18	Audi	1.1	1.1	265	267	0.0	1.3	1.3	1921	1745	10.0
19	VW	1.9	1.2	451	292	54.4	1.3	1.3	1903	1735	9.7
20	Tesla	1.7	0.0	408	1	100.0	1.2	1.1	1849	1455	27.1

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

Commercial Vehicles above 3.5-ton registration: +1% compared with May 2022.

In May 2022, the Israeli market for CVs above 3.5 tons registered an increase of 1% with 1,445 new registrations, compared with 1,431 units in May 2022. Since January, 6,992 units have been registered, a decrease of 4.9% compared with Jan-May 2022.



**New CV above 3.5-ton Registration in Israel 1-5/2023  
According to Brands**

No	Brand	May					Jan-May				
		Share%		Units		Change%	Share%		Units		Change%
		2023	2022	2023	2022		2023	2022	2023	2022	
1	Mercedes	22.9	15.5	251	177	41.8	15.6	13.4	849	800	6.1
2	Volvo	10.9	12.9	119	147	-19.0	12.5	13.7	680	819	-17.0
3	Scania	8.0	3.9	88	45	95.6	11.1	6.1	603	368	63.9
4	Isuzu	7.6	6.6	83	75	10.7	10.4	8.1	570	483	18.0
5	Dodge-Ra	3.4	3.1	37	35	5.7	9.5	2.3	520	135	285.2
6	DAF	9.1	7.3	100	83	20.5	9.3	7.4	509	441	15.4
7	Chevrolet	9.9	7.5	108	86	25.6	8.0	6.1	437	365	19.7
8	Ford	6.6	3.7	72	42	71.4	5.2	5.4	282	324	-13.0
9	MAN	5.3	5.7	58	65	-10.8	5.1	8.1	277	484	-42.8
10	FIAT	6.7	6.0	73	69	5.8	3.8	5.8	206	350	-41.1
11	Renault	4.3	6.1	47	70	-32.9	3.7	6.0	200	359	-44.3
12	Iveco	4.1	5.2	45	59	-23.7	3.6	3.7	194	224	-13.4
13	Peugeot	0.5	6.4	5	73	-93.2	1.1	4.0	62	237	-73.8
14	HINO	0.6	3.1	7	35	-80.0	0.8	2.7	43	163	-73.6
15	Maxus	0.2	0.4	2	5	-60.0	0.2	0.3	12	15	-20.0
16	Fuso	0.0	0.3	0	3	-100.0	0.1	0.2	6	12	50.0
17	JAC	0.0	0.2	0	2	-100.0	0.1	0.1	3	5	-40.0
18	Liebherr	0.0	0.0	0	0	0.0	0.0	0.1	1	3	-66.7
19	Tatra	0.0	0.1	0	1	-100.0	0.0	0.0	1	1	0.0



## New Bus Registration in Israel 1-5 /2023 According to Brands

No.	Brand	May					Jan-May				
		Share%		Units		Change%	Share%		Units		Change%
		2023	2022	2023	2022		2023	2022	2023	2022	
1	Mercedes	37.7	34.3	132	99	33.3	34.8	34.4	535	470	13.8
2	Volvo	15.4	8.7	54	25	116.0	15.5	10.0	239	137	74.4
3	Golden Dragon	16.9	21.1	59	61	-3.3	13.5	12.9	207	177	16.9
4	Higer	9.7	8.7	34	25	36.0	9.8	8.2	150	112	33.9
5	Otokar	6.0	0.0	21	0	100.0	7.0	2.7	108	37	191.9
6	MAN	2.0	5.2	7	15	-53.3	3.4	3.4	53	47	12.8
7	Renault	0.0	2.8	0	8	-100	2.5	1.5	39	20	95.0
8	Isuzu	3.7	0.0	13	0	100	2.4	0.1	37	2	1750.0
9	Temsa	1.7	0.3	6	1	500.0	2.3	0.1	35	2	1650
10	Zhong Tong	1.7	0.0	6	0	100.0	2.2	0.1	34	2	1600.0
11	BYD	0.3	0	1	0	100	2.1	0.1	33	1	3200
12	IRIZAR	2.3	1.0	8	3	166.7	2.0	1.2	31	16	94.0
13	Scania	2.6	9.7	9	28	-68.0	1.8	6.4	28	87	-67.8
14	Ankai	0.0	0.0	0	0	0.0	0.1	0.4	2	5	-60.0
15	Chevrolet	0.0	0.0	0	0	0	0.1	0.0	2	0	100.0
16	DAF	0.3	0	1	0	100	0.1	0.5	2	7	-71.4
17	Wisdom	0.0	5.2	0	15	-100	0.1	11.0	1	151	-99
18	Ford	0.0	0.0	0	0	0	0.1	0.7	1	10	-90

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

### Qualcomm to Acquire Autotalks

Qualcomm Incorporated (NASDAQ: QCOM) announced that its subsidiary, Qualcomm Technologies, Inc., has entered into a definitive agreement to acquire Autotalks. The transaction is subject to customary closing conditions, and the transaction is estimated to amount to 350M\$. Autotalks is a fabless semiconductor company dedicated to V2X communications since 2009. The company provides automotive-qualified dual-mode global V2X solutions compatible with multiple V2X standards designed to reduce collisions and improve mobility. The combination of Autotalks' expertise and industry-leading products with Qualcomm's 20 years of automotive industry experience and commitment to V2X aims to help accelerate the development and adoption of V2X solutions to improve traffic efficiency and help with driver and road user safety.



## **UVeye Raises \$100 Million to Use AI to Detect Tire Pressure, Car Problems**

UVeye, which uses artificial intelligence for vehicle inspections, has raised \$100 million from investors, including General Motors Co. and CarMax Inc. The Series D round was led by Hanaco Ventures, a venture firm based in New York and Tel Aviv, and brings UVeye's total funds raised to \$200 million. The company began as an Israeli tech startup but has now expanded internationally, raising \$100 million in new funding to support what it termed in a release "major new sales and manufacturing initiatives in North America".

## **AfconEV Launches the Fastest EV Charging Station in Israel**

AfconEV is the first to introduce an ultra-fast charging station to Israel, with a capacity of 360 kilowatts per hour, more than twice the power of the fastest stations it has operated so far (175 kWh) and faster than Tesla's Supercharger stations (250 kWh). The new station is at the Dor Alon gas station in the Mesubim Junction in central Israel. It can charge a single vehicle at a rate of 360 kWh and two simultaneously connected vehicles at 180 kWh each. The ultra-fast station, manufactured by Swiss ABB, is equipped with reinforced power cables to ensure durability at a high charging rate over time.

## **Israeli Startups Starred in EcoMotion 2023 Week**

EcoMotion week, Israel's largest mobility conference, was held in Tel Aviv for the 11<sup>th</sup> time. The event attracted 3,600 attendees, including 800 representatives of international companies from 55 countries, including executives from companies such as Hyundai, Ford, VW, and JLR, who came to see what Israel has to offer in the fields of smart and clean transportation. The event proved once again that Israeli Auto-Tech attracts much attention and investments, and the participants were exposed to over 100 innovative transportation and mobility start-ups and ventures.





## **SolarEdge Introduces Solar-Attached EV Management Solution for The Commercial and Industrial Segment**

SolarEdge, a global leader in smart energy technology, announced the launch of a solar-attached Electric Vehicle (EV) management solution for the Commercial and Industrial segment, powered by Wevo Energy. The new software-based solution manages and optimizes the EV charging process for sites that require dynamic load management and have large quantities of EVs, such as apartment buildings, workplaces, and public charging locations. Built on advanced AI-based predictive algorithms, the solution incorporates real-time data analytics and considers solar production, dynamic electricity prices, and tiered charging schedules. By integrating seamlessly with SolarEdge's energy management system, this new offering orchestrates and optimizes interactions between facility solar generation, stationary battery storage, and large-scale EV charging, considering grid and infrastructure limitations. The EV charging management solution is powered by technology developed by Wevo Energy, in which SolarEdge is an investor.

## **Electreon's Wireless Electric Road Technology Sets a New World Record: Longest Distance Ever Driven by a Passenger Electric Vehicle (EV) For Over 100 Hours**

Electreon (TASE: ELWS) announced a new world record for the longest time and distance ever driven (non-stop) by a passenger Electric Vehicle (EV). During their 100-hour demonstration last week, a TOYOTA RAV4 covered an impressive 1,942 km (1,206 miles) using Electreon's proprietary Wireless Electric Road technology. This milestone proves that Electreon's wireless charging technology effectively addresses two critical challenges in the EV transition: range anxiety and battery size. It eliminates range anxiety enabling an endless drive, demonstrating that even a compact 18 kWh battery size is no longer a limiting factor in EV adoption. The Electreon team expected to drive around 1,500 km (approximately 932 miles) in their 5-day driving rally. However, they





completed the demonstration with 33% more driven kilometers. Over the 100-hour straight driving rally, 56 different drivers, 48 of which were members of the Electreon team, and Israeli racing driver, Bar Baruch, participated in the effort to drive for 100-hours straight (over five successive days), only pausing momentarily to switch drivers (without switching off the engine), and never for dedicated charging downtime.

### **First Hydrogen Filling Station Opens in Israel**

Israel's first hydrogen fuelling station has opened, heralding the start of clean hydrogen-based transportation in Israel.

Sonol Energy Group, which operated fueling stations all across Israel, collaborated on the hydrogen fuelling installation at one of its gas stations near Haifa Bay with fuel supplier Bazan Group and vehicle importer Colmobil Group, which brought to Israel the first three hydrogen fuel cells powered Hyundai trucks. The new hydrogen fuelling station is in an existing Sonol station with gas pumps and electric vehicle recharging stations and is slated to become a solar energy storage facility. The three partners said they plan to open more such stations in Israel – each costing about 5 million shekels, or \$1.4 million — depending on how the hydrogen-powered vehicle market grows. Bazan, an oil refinery in Haifa, will produce and transport the hydrogen to the stations.

Dr. Hanan Golan

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Hezi Shayb – Ph.D.  
CEO – I-Via

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