



Israel Vehicle Importers Association – Monthly Review October 2022

The Israeli economy is an advanced economy that belongs to the OECD organization. The GDP per capita is \$49,080 and the growth rate in 2021 is estimated by 8.1%. The Israeli economy is an advanced economy that belongs to the OECD organization. The GDP per capita is \$49,080 and the growth rate in 2021 is estimated by 8.1%.

Israel is recovering from the Covid-19 crisis that has affected the Israeli economy significantly since 2020. The deficit in November 2021 – October 2022 is negative -0.5% from the GDP.

The debt-to-GDP ratio is 62.5%. The unemployment rate is 4.3% but the unofficial unemployment rate is about 5.2%.

At this phase it is difficult to say how the election results will affect the Israeli economy. On the one hand, the stability that the new government will bring with it entails a promise of stability that will allow an orderly transfer of the budget for the coming years, on the other hand, the entry of the religious parties into the coalition may create pressure for a significant fiscal expansion which may increase the basic deficit and delay necessary reforms in the labor market.

Along with economic stabilization and quick growth, there has been an increase in the inflation rate, as of October 2022, the annual rate is 5.1%. The Chief Economist in the Ministry of Finance predicts a similar increase next year as well.

From a monetary point of view, the Bank of Israel is dealing with the rise of inflation. In October 2022, the interest rate was kept at 2.75% due to the rise of inflation, and it is expected to rise again.



Statistical Profile: Israel October 2022

Society

Population (September 2022): 9.603 million

Economy

GDP per capita: \$ 49,080

Inflation (October 2022) (Annual Growth Rate): 5.1%

Current Account Balance (Q2 2022): 2.73% of GDP

Trade in Goods and Services (October 2022): \$12,891 billion

Finance

US Dollar Exchange rate (October 2022): NIS 3.55

Euro Exchange rate (October 2022): NIS 3.49

Long-term interest rates (October 2022): 3.3% Per Annum

Short-term interest rates (October 2022): 2.82% Per Annum

Government

Debt to GDP ratio: 62.5%

Deficit to GDP (November 2021-October 2022): -0.5%

Motorization

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

Innovation and Technology

Gross Domestic Spending on R&D (2020): 5.43% of GDP



Environment

CO2 Emissions (2018): 6.98 Tonnes Per Capita

Jobs

Employment Rate (Q3 2022): 69.51% of Working Age Population

Official Unemployment Rate (September 2022): 3.73% of Labour Force

Unofficial Unemployment Rate (Including those laid off as a result of Covid-19 who did not return to the workforce): 5.2%

New Cars and CV Registrations

Israel New Passenger Car Registration January-October 2022

Passenger car registration: a decrease of 12.3% compared with October 2021; Since January 2022, a decrease of 12.8% compared with Jan-October 2021.

In October 2022, the Israeli passenger car market registered 16,467 new cars. This figure represents a decrease of 12.3% compared with October 2021. Since January 2022, have been registered 234,699 new cars – a decrease of 12.8% compared with Jan-Oct 2021.

New Passenger Cars Registration in Israel - 1-10/2022



New Passenger Cars Registration in Israel 1-10/2022 According to Top 20 Brands

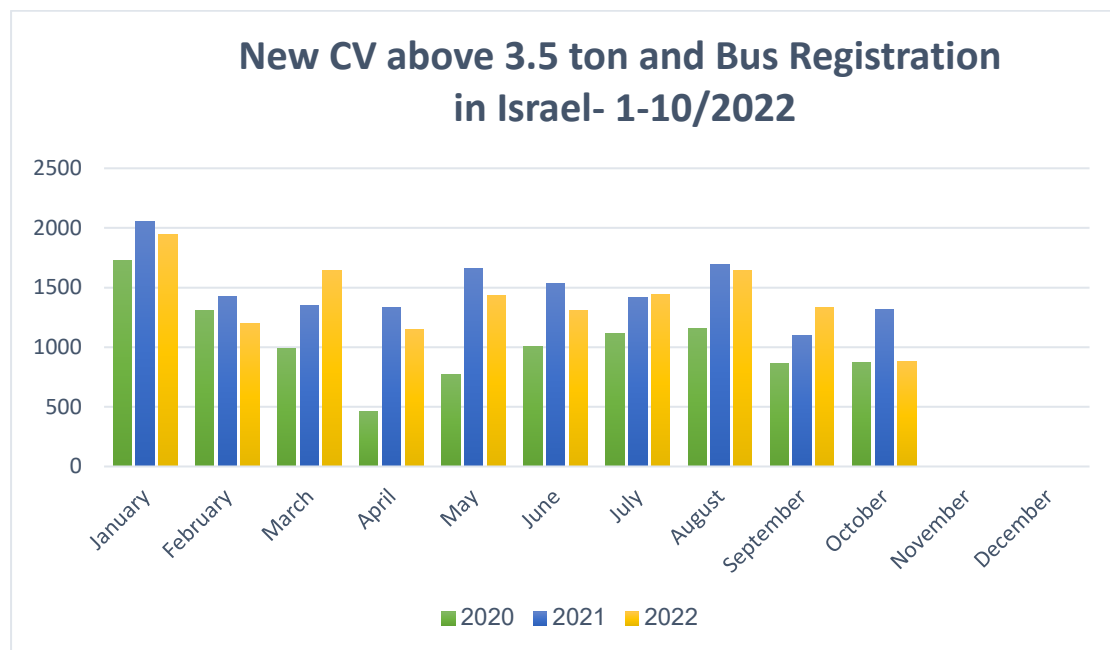
No.	Brand	October					Jan-Oct				
		Share%		Units		Change%	Share%		Units		Change%
		2022	2021	2022	2021		2022	2021	2022	2021	
1	Hyundai	10.9	15.1	1789	2839	-37.0	17.6	15.4	41394	41347	0.0
2	Kia	15.4	21.5	2544	4039	-37.0	14.3	13.2	33530	35293	-5.0
3	Toyota	10.8	10.2	1772	1923	-7.9	13.9	13.3	32639	35720	-8.6
4	Mazda	12.2	3.9	2012	730	175.6	7.4	5.4	17302	14405	20.1
5	Skoda	6.8	4.4	1115	819	36.1	5.1	6.9	11957	18387	-38.3
6	Mitsubishi	7.4	6.1	1219	1154	5.6	4.7	4.6	10923	12315	-11.3
7	Citroen	1.9	3.7	308	702	-56.1	3.2	2.3	7512	6071	23.7
8	Suzuki	3.2	4.4	534	825	-35.3	2.9	3.5	6822	9465	-28.0
9	Peugeot	1.4	2.2	225	418	-43.2	2.3	2.7	5477	7256	-24.5
10	Seat	1.1	1.3	175	244	-28.3	2.2	4.3	5244	11383	-53.9
11	Geely	3.7	0.0	606	0	Entered 2022	2.1	0.0	4860	0	Entered 2022
12	Mercedes	1.3	0.8	220	157	40.1	1.9	1.3	4571	3489	31.0
13	Chevrolet	1.0	1.6	171	307	-44.3	1.9	3.1	4513	8281	-45.5
14	MG	2.4	1.5	389	277	40.4	1.8	1.0	4136	2595	59.3
15	Subaru	2.1	2.8	341	528	-35.4	1.6	1.9	3859	5070	-23.9
16	BMW	0.6	1.0	101	183	-44.8	1.4	1.3	3303	3383	-2.4
17	Nissan	0.8	4.8	135	905	-67.7	1.3	4.0	3165	10781	-70.6
18	VW	1.5	2.7	253	508	-50.2	1.3	1.6	3107	4203	-26.1
19	Renault	2.4	1.3	397	242	64.0	1.3	2.7	3051	7191	-57.6
20	Audi	0.5	0.6	82	104	-21.1	1.1	1.4	2636	3728	-23.3



New CV above 3.5 ton and Bus Registration in Israel January-October 2022

Commercial Vehicles above 3.5 ton registration: -33.3% compared with October 2021. Since the beginning of the year, a decrease of 6.2% in registrations.

In October 2022, the Israeli market for CV above 3.5 ton registered a decrease of 33.3% with 879 new registrations, compared with 1,318 units in October 2021. Since January, have been registered 13,958 units – a decrease of 6.2% compared with Jan-Oct 2021.



New CV above 3.5 ton Registration in Israel 1-10/2022 According to Brands

No	Brand	October					Jan-Oct				
		Share%		Units		Change%	Share%		Units		Change%
		2022	2021	2022	2021		2022	2021	2022	2021	
1	Mercedes	14.0	10.6	92	107	-14.0	14.5	12.7	1653	1548	6.8
2	Volvo	9.9	8.6	65	87	-25.3	13.5	8.9	1538	1079	42.5
3	Chevrolet	12.6	10.8	83	109	-23.9	9.6	11.4	1092	1389	-21.4
4	DAF	12.1	11.7	80	119	-32.8	8.2	9.0	930	1095	-15.0
5	Isuzu	9.0	9.9	59	100	-41.0	7.6	7.1	862	860	0.0
6	MAN	7.9	7.3	52	74	-29.7	7.0	6.3	802	762	5.2
7	Scania	7.4	8.8	49	89	-44.9	5.7	8.5	655	1037	-36.8
8	Renault	5.6	6.2	37	63	-41.3	5.2	6.3	597	768	-22.2
9	Ford	1.5	2.6	10	26	-61.5	5.1	4.8	579	578	0.0
10	FIAT	9.7	0.8	64	8	700.0	5.1	4.4	578	534	8.2
11	Iveco	7.0	3.6	46	36	27.8	4.5	3.4	516	410	25.9
12	VW	0.6	6.7	4	68	-94.1	4.4	5.0	505	608	-16.9
13	Peugeot	0.8	4.4	5	45	-88.9	3.7	3.2	420	391	7.4
14	Dodge-Ra	0.3	4.5	2	46	-9537.0	3.2	6.7	360	813	-55.7
15	HINO	0.9	2.8	6	28	-78.6	2.2	1.6	254	192	32.3
16	Maxus	0.8	0.0	5	0	100.0	0.3	0.0	30	3	900.0
17	Fuso	0.0	0.6	0	6	-100.0	0.1	0.3	16	38	-57.9
18	JAC	0.0	0.1	0	1	-100.0	0.1	0.2	11	22	-50
19	Liebherr	0.0	0.0	0	0	Entered 22	0.0	0.0	3	0	Entered 22
20	Tatra	0.0	0.1	0	1	-100	0.0	0.1	1	10	-90

New Bus Registration in Israel 1-10/2022 According to Brands

No.	Brand	October					Jan-October				
		Share%		Units		Change%	Share%		Units		Change%
		2022	2021	2022	2021		2022	2021	2022	2021	
1	Mercedes	32.7	26.9	72	82	-12.2	37.4	38.8	956	1064	-10.2
2	Golden Dragon	15.0	42.6	33	130	-74.6	13.5	10.5	346	289	19.7
3	Volvo	9.1	12.1	20	37	-46.0	11.8	16.3	302	448	-47.7
4	Higer	13.2	3.6	29	11	163.6	9.5	2.7	242	75	222.7
5	Wisdom	0.0	0.0	0	0	Entered 2022	5.9	0.0	151	0	Entered 2022
6	VW	1.8	2.3	4	7	-42.9	4.6	3.6	118	98	20.4
7	Scania	0.0	2.0	0	6	-100.0	4.5	3.2	114	88	29.5
8	MAN	10.9	9.5	24	29	-17.2	4.2	8.9	108	245	-55.9
9	Otokar	0.0	0.0	0	0	0.0	2.2	3.4	55	93	-40.9
10	Yutong	0.0	0.0	0	0	0.0	1.3	2.0	34	54	-37.0
11	IRIZAR	0.5	0.0	1	0	100.0	1.1	0.4	27	12	125.0
12	Zhong Tong	5.5	0.3	12	1	1100.0	1.0	0.1	25	3	733.0
13	Isuzu	3.2	0.0	7	0	100.0	0.9	1.2	23	33	-30.3
14	Renault	0.0	0.0	0	0	0	0.8	0.4	21	10	110
15	BYD	8.2	0	18	0	100	0.7	0.0	19	1	1800
16	Solaris	0.0	0.0	0	0	0.0	0.3	5.1	8	140	-94.3
17	Ankai	0.0	0.0	0	0	Entered 2022	0.2	0.0	5	0	Entered 2022
18	Temsa	0.0	0.0	0	0	0.0	0.1	1.0	2	28	-92.9



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

SaverOne Enters the ADAS Sensors Market

SaverOne, developer of a safety system designed to tackle distracted driving due to cellphone use, is entering the ADAS market with a new VRU (Vulnerable Road Users) identification system. The company had completed a POC phase together with a "large European truck and bus manufacturer". The POC demonstrated the company's solution that identifies VRUs location and direction via their cellphone's RF signature. According to SaverOne, this solution complements existing ADAS sensors such as Lidar, radar, and cameras, in harsh weather conditions and low visibility.

Aurora Labs Publishes 3rd Automotive Software Survey

Aurora Labs, a pioneer in using AI and Software Intelligence to solve automotive software development, conducted the 3rd automotive software survey together with Strategy Analytics. The companies surveyed more than 200 experts from the automotive and supplier industries, as well as experts from the software sector. According to the survey, more than 76% of respondents are planning to own an EV in the next few years. 44% of them would pay up to 20\$ per month for additional features such as OTA updates. According to Aurora Labs, these findings indicate the speed of EV adoption and also that consumers are open to a new business model that could bring OEMs an additional and recurring revenue stream through software sales. 62% of the experts surveyed expect that OEMs will make up to 10% of their revenue from selling features and functions OTA by the year 2027.



ZOOZ Power Signs MOU with Leading Car Rental Service to Build and Operate a Fast-Charging Station at LaGuardia Airport

ZOOZ Power (formerly Chakratech), announced it has signed a binding memorandum of understanding for collaboration with a worldwide leading car rental service provider to build and operate a joint pilot EV ultra-fast charging station at LaGuardia airport. The Pilot is part of the car rental strategy to provide EV rental services. The goal is to have the pilot site operational during Q2/2023 for 12 months. Based on a successful pilot, the parties will discuss a roadmap and agreement for long-term cooperation, using ZOOZ Power's products in additional sites.

Mobileye – a Public Company Again

Mobileye marks a return to the public markets for the first time since it was acquired by Intel in 2017. The company is traded on the NASDAQ stock exchange under the ticker symbol MBLY, and Mobileye shares closed up 37% in their stock market debut. Intel is expected to retain control of Mobileye and hold over 750 million shares of Class B stock, which has significantly more voting power than Class A stock.

EV-Aya Begins First Pilot for an Energy Storage System for EVs in a Shared Building

The first pilot of an energy storage system for charging EVs in a shared building in Israel was inaugurated in Ramla. The EV-Aya company has installed a system for charging electric cars, which includes a battery that can store energy and enable electricity supply even during peak hours. The system supplies electricity to a shared parking lot of four buildings in the neighborhood. EV-Aya financed



the expansion of the electric company's connection to the building, and set aside charging stations made by EV-Meter, but it added to

the system a component that does not exist in the competing companies - a small 15-kilowatt battery. The battery, manufactured by BYD, will be able to store electricity during off-peak hours, when there is no demand for charging in the building, and supply it during peak hours, in the evening for example, when car owners return to the building and ask to charge them.

Dr. Hanan Golan

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

Hezi Shayb – Ph.D.
CEO – I-Via

A handwritten signature in black ink, appearing to be "Hezi Shayb", on a white background.

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