

Bank of Ireland Motor Sector News

November 2020

In the month of November, new passenger car (PC) sales increased 20.1% (to 914 units), Light Commercial Vehicle (LCV) sales decreased 3.2% (to 830 units) and used imports declined 13.6% (to 8,647 units).

PC Registrations YTD

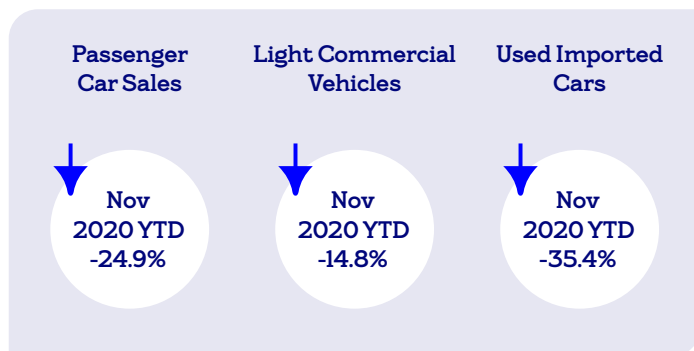
In the first 11 months, the market declined 24.9% (to 87,728 units). Volkswagen holds the #1 position with 12.1% market share, followed by Toyota with 11.4% in #2, Hyundai with 9.2% in #3, Skoda with 8.4% in #4 and Ford with 7.7% in #5.

LCV Registrations YTD

In the first 11 months, the market declined 14.8% (to 21,431 units). Ford holds the #1 position with 23.6% market share, followed by Volkswagen with 15.0% in #2, Renault with 13.1% in #3, Peugeot with 9.6% in #4 and Citroen with 8.3% in #5.

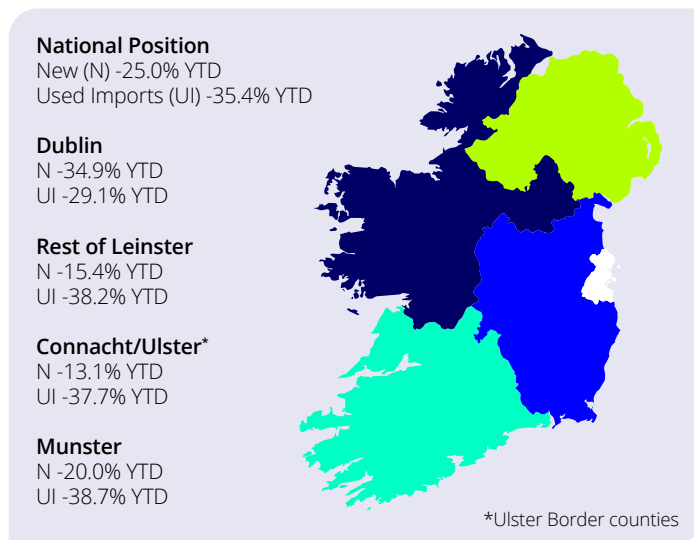
Used Imports

Registrations of used imports declined 35.4% (to 67,151 units) in the first 11 months of 2020.



Provincial Developments

November 2020 YTD



Bank of Ireland Information Classification: Green – Public

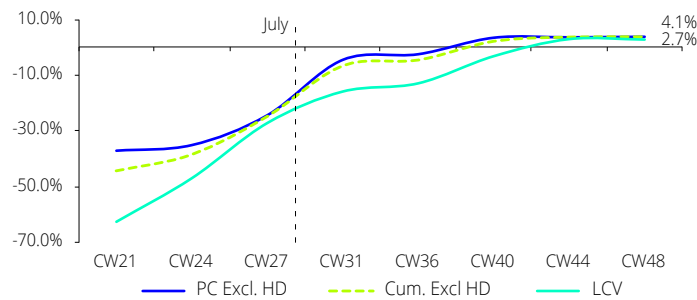
Data Source: Society of Irish Motor Industry (SIMI). European Automotive

Manufacturers Association (ACEA). Data as at 30/11/2020

This document has been prepared by Bank of Ireland Business Banking for informational purposes only. Not to be reproduced, in whole or in part, without prior permission. Any information contained herein is believed by the Bank to be accurate and true but the Bank expresses no representation or warranty of such accuracy and accepts no responsibility whatsoever for any loss or damage caused by any act or omission taken as a result of the information contained in this document. You should obtain independent legal advice before making any decision.

Bank of Ireland Finance is a registered business name of Bank of Ireland. Bank of Ireland is regulated by the Central Bank of Ireland.

Cumulative Sales Since Restart¹ (excl. HD²)



¹ Restart: May 18th 2020

² HD: Hire Drive

Note: PC = Passenger Cars and LCV = Light Commercial Vehicles

In the 28 weeks since restart on May 18th (CW21-48), new passenger car sales excluding hire drive registrations increased 4.1% year on year. Hire Drive sales collapsed by c. 85% in the first 11 months and are excluded to highlight consumer demand. Motor dealers also continue to report strong demand for used cars. This underlying retail demand is encouraging for new vehicles sales volumes next year.

Engine Trends

Diesel engines remain the most popular choice with Irish consumers in the first 11 months of 2020, representing 43.2% of all new cars sold. In the EU, the comparative figure is 28.9% (Q1-Q3 2020). Back in Ireland, petrol was the next popular choice at 37.0%, followed by Hybrid at 15.3% (12.5% Hybrid / 2.8% Plug-in Hybrid) and fully electric cars at 4.5%.

In an effort to meet strict EU emissions targets in 2021 (and over the next 10 years), vehicle manufacturers are producing more versions and greater volumes of Hybrid/Plug-in Hybrid and fully electric vehicles (EV's). Automotive manufacturers require time to scale EV's and will remain high in the mid-term for EV's according to the European Automotive Manufacturers Association (ACEA). Nonetheless, EV demand across Europe is expected to rise next year.

2021 Market

New taxation measures introduced in Budget 2021 will take effect from 1st January 2021 in Ireland. The intention of these measures is to encourage the purchase of new vehicles with low carbon emissions. Targets set at EU level, however, are already driving manufacturer and consumer behaviours to produce and buy vehicles with low emissions.

Although the price of EV's remain high when compared to cars with internal combustion engines, sales volumes are likely to grow further next year. With full year availability of new volume entrants this year, some in the sector are forecasting EV sales in Ireland to double next year. Vehicles with internal combustion engines (diesel, petrol, hybrid) will still account for c. 90% of demand and the lion's share of the market.

Overall, signals from the sector regarding demand next year are cautiously optimistic noting that we still have to face the fallout from Brexit and potential additional restrictions due to COVID-19.

Supporting our Customers

Bank of Ireland Finance (BIF) supports 12 motor franchises representing c. 40% of annual new car sales and we remain committed to our customers. Bank of Ireland and the Irish motor sector is open for business.

Bank of Ireland would like to wish our customers, and all in the sector, a successful and prosperous '21' selling season.

Stephen Healy
Head of Motor Sector

stephena.healy@boi.com
085 289 8600

