

Vehicle registration analysis: the year that was 2013

Watford, January 14, 2014

The number of commercial vehicles registered during 2013 has led to a gross distortion in the market, far outweighing even the predictions of the Society of Motor Manufacturers and Traders, said Iveco UK Managing Director Claudio Zanframundo.

Speaking at Iveco's 28th annual State of the Nation press conference, Zanframundo described the market in 2013 as "extraordinary", with a quarter four 93 per cent boost in registrations across the industry accounting for some 10,500 vehicles extra – including a staggering 1,000 truck registrations in a single day (18 December 2013).

But far from the spike in registrations being an indicator of economic prosperity or increased consumer demand, Zanframundo put the rise largely down to the impact of Euro VI emissions legislation meaning any Euro V vehicles built after 1 October 2013 had to be registered before year end, and were not eligible for derogation. Registrations in October were up 32 per cent, November up 39 per cent and December leapt a massive 217 per cent.

Zanframundo said: "2013 commercial vehicle registrations are evidence of just how distorted demand can get when factors outside the norm come into play. This has to be something for legislators to take note of.

"The effects of legislation and the demand it inevitably creates can be bad for an industry. It can lead to instability – and that's bad for investment, bad for planning and the last thing you need in a recovering economy."

Iveco performance in 2013

Despite the distortion, Zanframundo described Iveco as having had "a good year overall". The market at 3.51 tonnes + was up 23 per cent; Iveco registrations rose 25.1 per cent – plus Iveco increased its market share from 7.3 per cent to 7.5 per cent.

Key achievements included:

- A 15.9 per cent increase in heavy vans from 3.51 to 7 tonnes, in a market which fell slightly (by 2.5 per cent) – boosting Iveco share from 12.1 to 14.4 per cent
- A significant 31.3 per cent increase at 7.5 tonnes, despite the market only rising 18.9 per cent – boosting Iveco share from 15.6 per cent to 17.2 per cent
- A 21.1 per cent increase at 10 to 12 tonnes, in a market up 6.4 per cent – boosting Iveco share to 13 per cent
- At 13 to 15 tonnes, Iveco more than trebled volumes, attaining 18.5 per cent share
- At 18 tonnes, where the market went up 17.2 per cent, Iveco went up 18.4 per cent
- And in the biggest and now most important sector of all – three axle tractors – Iveco went up by 42 per cent, in a sector up 31.9 per cent

2014 predictions

Turning the focus on the current year, Zanframundo spoke about his view of the market for 2014: “The volume of quarter four registrations last year confirms a massive pull-forward of purchasing across the industry – unlike anything we have seen before,” he said. “Trucks that would normally have been ordered this year have already been built and delivered, and that is going to result in reduced order entry in quarter one because operators have already taken Euro V vehicles instead.”

Indeed, Zanframundo doesn't project a return to “orderly marketing and demand” until the distortion in the market has washed its way through during the first half of the year, with the market stabilising and returning during quarters three and four.

Speaking about the expected “light at the end of the tunnel”, he added: “The background of economic growth we are witnessing will be critical to how 2014 develops, and it should act as a counterbalance to the pull-forward of registrations last year. The UK is recovering faster than almost any other economy in Europe – and things are looking more positive now than at any time over the last five years. Indeed, the OECD predicts that Britain will have had one of the strongest growth rates of all the world's top economies in the last quarter of 2013, and the CBI economic review last autumn described the UK outlook as ‘promising’.

“We are also very encouraged by the growth we are seeing in the light commercial vehicle sector, which has not been impacted in the same way as truck registrations. Indeed, the positive growth we saw late last year has borne out in the first days of January.”

Across the industry, Iveco forecasts a drop in registrations above 3.5 tonnes of 15.6 per cent in 2014, to a market of 47,500 – just below the 10 year average of 48,900.

Iveco

Iveco is a brand of CNH Industrial N.V., a World leader in Capital Goods listed on the New York Stock Exchange (NYSE: CNHI) and on the Mercato Telematico Azionario of the Borsa Italiana (MI: CNHI). Iveco designs, manufactures and markets a wide range of light, medium and heavy commercial vehicles, off-road trucks, city and intercity buses and coaches as well as special vehicles for applications such as firefighting, off-road missions, defence and civil protection. Iveco employs over 26,000 individuals globally. It manages production sites in 11 countries throughout Europe, Asia, Africa, Oceania and Latin America where it produces vehicles featuring the latest advanced technologies. 5,000 sales and service outlets in over 160 countries guarantee technical support wherever an Iveco vehicle is at work.

For more on Iveco visit: www.iveco.com

For more on CNH Industrial visit: www.cnhindustrial.com

For more information contact:

Nigel Emms, Press and Public Relations Director

Iveco Ltd

Tel. +44 (0)1923 259513

nigel.emms@iveco.com

www.iveco.co.uk

ref: IVECO 14002