

Includes
BEV forecast to 2025

Monthly
CO₂ analysis

The European Electric Car Report West European Market Intelligence

"On the cusp of a one million xEV market"

Edition 10.2020

Western Europe 18 Markets: EU Member States prior to the 2004
enlargement plus EFTA markets Norway, Switzerland, Iceland, plus UK

In this report: BEV = Battery Electric Vehicle, PHEV = Plug-in Hybrids, xEV (BEV +PHEV)

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Executive Summary

2020 W-European xEV market approaches 1 million, while major markets see plug-in PARC approach 0.5m

Matthias Schmidt | Publisher

Backed by recently extended purchase and fiscal subsidies, Germany's xEV (BEV/PHEV) market (10 months 2020: 252,268), is now almost twice the size as the next largest market France (131,243). Accounting for every fourth plug-in (25.3%) registered in the 18 market region, the home of BMW, VW and Mercedes is helping heave Western Europe's market towards the annual 1 million plug-in delivery milestone. Expected to be reached by the end of November, with the race to meet 2020 EU CO2 fleet targets being the primary catalyst, it will likely see the plug-in market end the year with double the volume as last year.

Significantly 11-months after surpassing Norway as Europe's largest pure electric car market, more than double the amount of BEVs are now registered in Germany, accounting for every twentieth (5.2% mix) new model stretching from Berlin to Munich this year. Significantly, its plug-in cars in circulation (Parc) trajectory is on course to reach 0.5 million units by the end of the year, surpassing Norway and France as the market with the highest plug-in passenger car population. However, as a percentage of the 48.2 million passenger cars on German roads, the mix remains below one per cent while Norway stands at 15 per cent.

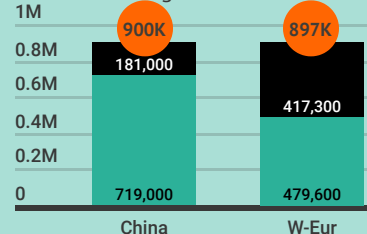
The German government's failure to hit its original 1 million Parc target by the end of this year makes its new timeline, delayed by one year, indeed achievable. In the process, the German BEV market, in pure volume terms has zoomed ahead of the world's previously hotbed for alternative fuelled cars, California (see right column). However, with Tesla about to open a German plant later next year, Tesla's market share here, hovering at just 0.5 per cent after 10-months (11,469 units) leaves a lot to be desired when compared to its Californian home market which soaked up 50,900 units during the opening 9-months of the year (4.2% market share) according to AutoCount data from Experian.

In terms of other key market developments across the region, PHEV volumes are continuing to register record volumes with the partially EV fuelled vehicles operating twofold as a golden ticket for both premium manufactures in meeting CO2 compliance profitably and tax-savvy company car drivers benefiting from tax loopholes without any obligation to recharge. The PHEV trajectory is expected to continue into 2021 as premium OEMs that can omit the worst 5 per cent CO2 offenders in 2020 will be forced to include them in their fleet average from next year. Bonus/Malus markets, such as France, are additionally making the prospect of premium vehicles fitted with an ICE only land on the endangered species lists, and consequently, large premium PHEV mixes are expected here.

Europe/China Plug-in Equals

New Passenger Car* xEV (BEV/PHEV)

Jan-Oct 2020 registration volumes



Source: CAAM/SAR *China includes CVs

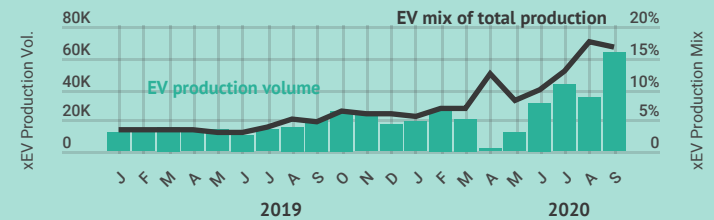
W-European plug-in market remains equal with China

Following 10-months of registrations, West European xEV passenger car registrations remain on par with China. Thanks to the newly phased-in EU fleet average CO2 targets European volumes have more than doubled this year (+116%).

German plug-in production PHEVs push production

Jan 2019 - Sep 2020 New Passenger Car EV Production Germany

Source: VDA EV = BEV, PHEV, FCEV



Highest volume on record of German car production fitted with a plug

September VDA data identified that the over 60,000 passenger cars manufactured in Germany smashed all previous monthly levels as production rates got back to normal following the usual summer holiday period and manufacturers push to meet EU CO2 compliance. PHEVs were a large contributor in the increase in xEV volume, with Mercedes recording every fourth model registered in their domestic market fitted with a PHEV drive.

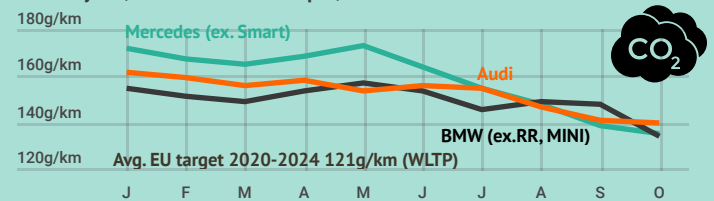
German premium manufacturers witness continued CO2 fall

BMW, Mercedes and Audi, all relying on second-half pushes to reach CO2 compliance, witnessed continued CO2 reductions in Germany. All three recorded significant October xEV mixes of 19.1%, 26.2% (31.3% including Smart) and 22.3% respectively. Premium OEMs benefit the most from the 2020 95% phase-in as well as weight-based targets, (plus full value of super-credits in 2020), and aren't required to reach 121g/km (95g/km NEDC) this year. PHEVs dominated their combined xEV volumes accounting for 83% of their total plug-in volumes.

Fashionably late? Premium PHEVs boosts CO2 falls

Jan - Oct 2020 Premium 3 Monthly German CO2 fleet average (g/km)

WLTP cycle / Doesn't include super/eco-credits. Source: KBA SAR research



Germany's BEV market now outpaces California

Once home to the hybrid, and now Tesla territory, the Californian BEV market (73.2K Jan-Sep 2020) has now fallen behind Germany (98.4K).

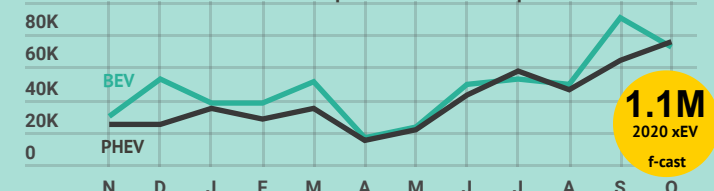
PHEVs edge in front of BEVs for second month this year

Combined plug-in volumes increased to 147,000 in October driven by PHEVs (75K) recording a new record month – BEVs recorded 72,000.

Bonus Malus/CO2 compliance/BiK witness PHEV's return

Past 12-months West European New Plug-in Car Monthly Registrations

Source: The European Electric Car Report



Tab. 10/01: Western Europe Passenger Car Plug-in Registrations by Market Jan-Oct 2020

Source: Individual national trade associations, SAR

Market	BEV	BEV mix of national market (%)	PHEV	PHEV mix of national market (%)	Plug-ins	Plug-in mix of national market (%)	BEV share o W-Eur total (%)	PHEV share o W-Eur total (%)	Plug-in share of W-Eur total (%)	BEV Split of plug-in (%)	PHEV split of plug-in (%)	xEV weight
Germany	121,528	5.2	130,740	5.6	252,268	10.9	25.3%	31.3%	28.1%	48.2	51.8	PHEV
France	80,584	6.0	50,659	3.8	131,243	9.8	16.8%	12.1%	14.6%	61.4	38.6	BEV
UK	75,966	5.5	50,052	3.6	126,018	9.1	15.8%	12.0%	14.1%	60.3	39.7	BEV
Norway	56,033	51.7	21,729	20.1	77,762	71.8	11.7%	5.2%	8.7%	72.1	27.9	BEV
Sweden	18,622	8.1	48,075	20.8	66,697	28.9	3.9%	11.5%	7.4%	27.9	72.1	PHEV
Netherlands	36,035	12.9	12,284	4.4	48,319	17.2	7.5%	2.9%	5.4%	74.6	25.4	BEV
Italy	20,406	1.8	16,014	1.4	36,420	3.2	4.3%	3.8%	4.1%	56.0	44.0	BEV
Belgium	10,780	2.9	21,034	5.6	31,814	8.5	2.2%	5.0%	3.5%	33.9	66.1	PHEV
Spain	11,728	1.8	13,775	2.1	25,503	3.8	2.4%	3.3%	2.8%	46.0	54.0	PHEV
Switzerland	12,661	6.9	9,555	5.2	22,216	12.0	2.6%	2.3%	2.5%	57.0	43.0	BEV
Denmark	8,657	5.5	12,526	8.0	21,183	13.5	1.8%	3.0%	2.4%	40.9	59.1	PHEV
Austria	10,520	5.1	5,479	2.7	15,999	7.8	2.2%	1.3%	1.8%	65.8	34.2	BEV
Finland	2,925	3.6	10,603	13.1	13,528	16.7	0.6%	2.5%	1.5%	21.6	78.4	PHEV
Portugal	5,211	3.0	8,312	4.8	13,523	7.8	1.1%	2.0%	1.5%	38.5	61.5	PHEV
Eire	3,880	4.5	2,444	2.8	6,324	7.3	0.8%	0.6%	0.7%	61.4	38.6	BEV
Luxembourg	1,725	4.5	1,824	4.8	3,549	9.3	0.4%	0.4%	0.4%	48.6	51.4	PHEV
Iceland	1,925	24.0	1,431	17.9	3,356	41.9	0.4%	0.3%	0.4%	57.4	42.6	BEV
Greece est.	367	0.5	748	1.1	1,115	1.7	0.1%	0.2%	0.1%	32.9	67.1	PHEV
W.Europe	479,553	5.4	417,284	4.7	896,837	10.2	100.0%	100.0%	100.0%	53.5	46.5	BEV

Fig. 10/02: Top 4 Markets Quarterly BEV Registrations y/y Changes (%)

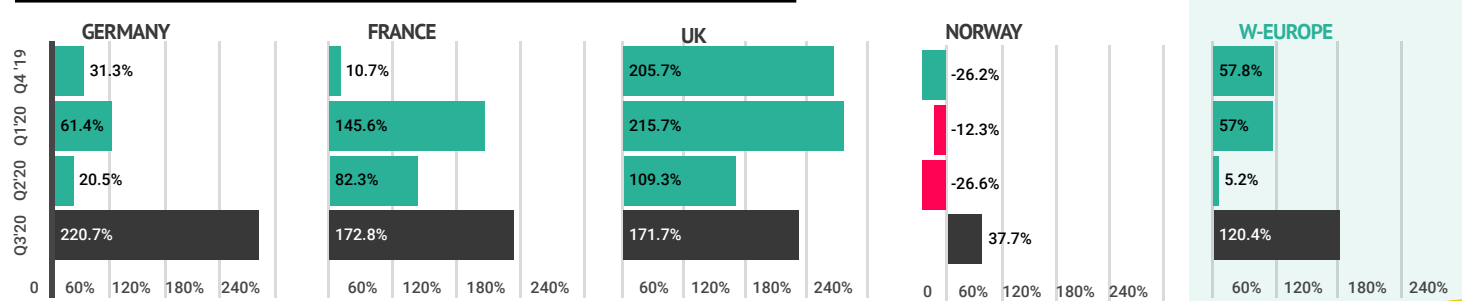


Fig. 10/03: W-Europe Total-Plug-In Registrations by Market Jan-Oct 2020 - Germany surpasses 0.25m units

Source: Individual national trade associations, Schmidt Automotive Research

