



Israel Vehicle Importers Association – Monthly Review May 2025

Preface – Economic Climate

The Israeli economy continues to face significant challenges due to the complex security situation and global market conditions. Economic indicators reflect mixed trends: on the one hand, low unemployment and relatively moderate inflation indicate economic resilience; on the other, the high deficit and rising debt-to-GDP ratio underscore the need for cautious fiscal management. The forecast for moderate growth in 2024 emphasizes the importance of growth-supporting policy measures.

The Israeli economy is advanced and participates in the OECD organization. Its current GDP per capita is \$55,905, and its growth rate in Q1 of 2025 was 3.4%.

Israel maintains a 4.9% deficit of the GDP from June 2024 to May 2025.

The debt-to-GDP ratio increased to 69% in 2024, and the unemployment rate was 3.1% in May 2025. As of May 2025, the annual inflation growth rate decreased to 3.1%. In May 2025, the short-term interest rate remained at 4.5%, while the long-term interest rate stood at 1.94% (January 2025).



Statistical Profile: Israel May 2025

Society

Population (May 2025): 10.062 million

Economy

GDP per capita (May 2025): \$55,905 (₪198,305)

Inflation (May 2025) (Annual Growth Rate): 3.1%

Current Account Balance (2024): 4.7% of GDP

Trade in Goods and Services (May 2025): \$12.179 Billion (₪43.2 Billion)

Finance

US Dollar Exchange rate (May 2025, Avg.): ₪3.549

Euro Exchange rate (May 2025, Avg.): ₪4.019

Long-term interest rates (January 2025): 1.94% Per Annum

Short-term interest rates (May 2025): 4.5% Per Annum

Government

Debt to GDP ratio (2024): 69%

Deficit to GDP (June 2024 - May 2025): 4.9%

Motorization

Level of Motorization (2024): 421 Vehicles/1,000 Residence



Innovation and Technology

Gross Domestic Spending on R&D (2023): 6.3% of GDP

Environment

CO2 Emissions (2023): 6.7 Tonnes Per Capita

Jobs

Employment Rate (May 2025): 62.8% of Working Age Population

Official Unemployment Rate (May 2025): 3.1% of the Labour Force

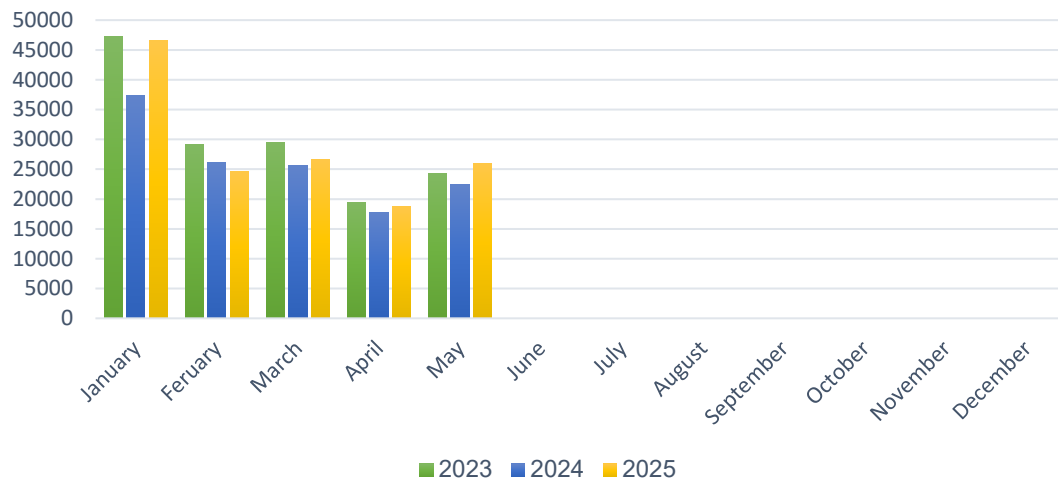
New Cars and CV Registrations

Israel New Passenger Car Registration January-May 2025

Passenger car registration: an increase of 16% compared with May 2024

In May 2025, the Israeli passenger car market registered 25,983 new cars – an increase of 16% compared with May 2024. Since the beginning of the year, 142,641 new cars were registered, an increase of 10.4% in deliveries compared with last year. Since January, 34,840 new cars with electric propulsion (BEV+PHEV) were registered. The market share of pure EVs currently stands at 16.3%.

New Passenger Cars Registration in Israel - 1-5/2025



New Passenger Cars Registration in Israel 1-5/2025 According to the Top 20 Brands

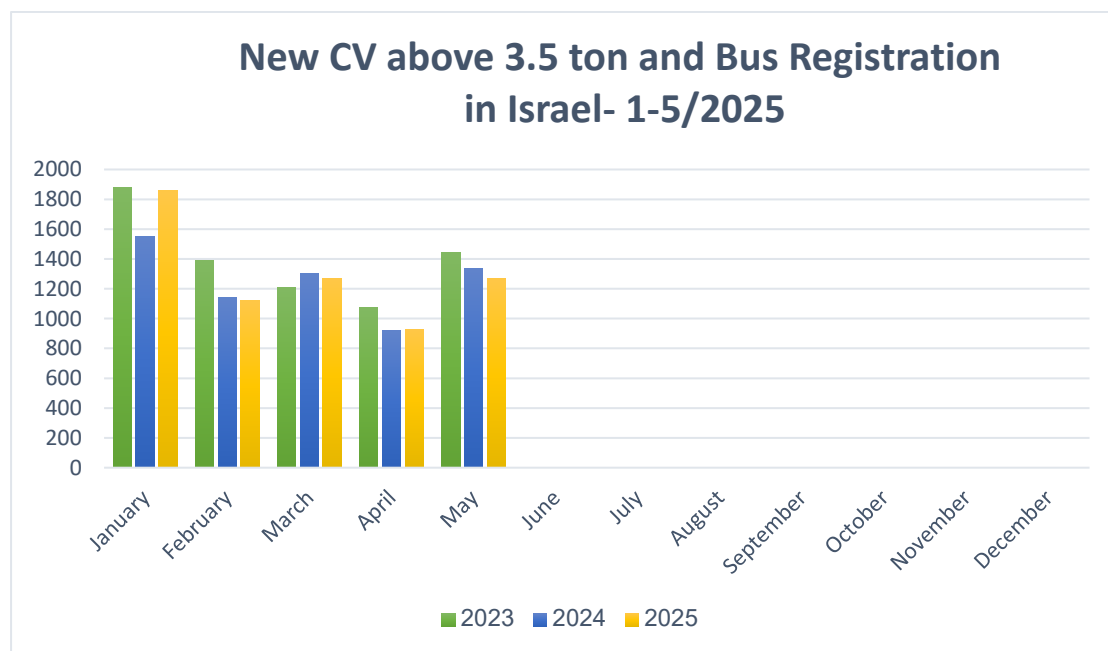
No.	Brand	May					Jan-May				
		Share%		Units		Change%	Share%		Units		Change%
		2025	2024	2025	2024		2025	2024	2025	2024	
1	Hyundai	9.9	6.2	2585	1398	85.0	12.8	11.7	18276	15089	21.1
2	Toyota	11.7	15.0	3043	3364	-9.5	12.4	10.9	17670	14081	25.5
3	Kia	8.1	10.9	2093	2438	-14.2	8.4	10.7	11970	13861	-13.6
4	Skoda	5.3	6.6	1389	1487	-6.6	7.5	6.8	10692	8731	22.5
5	Chery	10.3	4.5	2665	1016	162.3	6.4	3.6	9096	4632	96.4
6	Jaecoo	8.5	0.0	2203	0	100.0	5.1	0.0	7244	0	100.0
7	Mazda	6.9	3.4	1803	752	139.8	4.4	5.0	6265	6470	-3.2
8	BYD	2.7	5.2	711	1154	-38.4	3.4	7.0	4866	9027	-46.1
9	MG	3.7	2.2	966	489	97.5	3.4	2.6	4833	3411	41.7
10	Nissan	0.8	1.4	218	321	-32.1	3.3	1.3	4693	1645	185.3
11	Seat	2.1	6.9	555	1554	-64.3	2.9	2.8	4155	3604	15.3
12	Mitsubishi	1.8	4.2	465	930	-50.0	2.6	4.0	3720	5121	-27.4
13	Xpeng	3.6	0.4	945	82	1052.4	2.6	0.8	3650	1018	258.5
14	Suzuki	1.8	3.6	475	806	-41.0	1.8	3.3	2524	4269	-40.9
15	Subaru	1.1	0.9	283	207	36.7	1.7	1.4	2461	1751	40.5
16	Citroen	1.5	2.2	398	501	-20.6	1.5	2.2	2150	2857	-24.7
17	BMW	1.4	1.1	360	254	41.7	1.3	1.0	1853	1329	39.4
18	Peugeot	1.4	1.3	356	285	24.9	1.3	1.8	1843	2379	-22.5
19	VW	0.9	1.8	238	411	-42.1	1.2	1.8	1719	2287	-24.8
20	Lynk&Co	0.5	0.1	123	13	846.2	1.1	0.2	1555	281	453.4



New CV above 3.5 tons and Bus Registration in Israel January-May 2025

Commercial Vehicles above 3.5 tons registration: -5% compared with May 2024.

In May 2025, the Israeli market for CVs above 3.5 tons registered an increase of -5% in deliveries with 1,266 new registrations, compared with 1,333 units in April 2024. Since January, 6,490 CVs and Buses have been registered, an increase of 3.9% compared with last year.





New CV above 3.5-ton Registration in Israel 1-5/2025 According to Brands

No	Brand	May					Jan-May				
		Share%		Units		Change%	Share%		Units		Change%
		2025	2024	2025	2024		2025	2024	2025	2024	
1	Mercedes	15.6	13.9	170	141	20.6	16.3	14.5	828	702	17.9
2	Chevrolet	19.9	10.3	217	105	106.7	13.6	10.9	692	528	31.0
3	Volvo	11.0	11.8	120	120	0.0	12.1	11.7	616	568	8.5
4	Scania	7.5	8.3	82	84	-2.4	10.1	8.4	514	405	26.9
5	DAF	8.2	10.1	90	103	-12.6	8.4	9.9	426	481	-11.4
6	MAN	5.1	5.6	56	57	-1.8	6.3	4.8	320	230	339.1
7	FIAT	2.7	10.8	30	110	72.7	4.9	6.7	249	326	-23.6
8	VW	9.9	3.8	108	39	176.9	4.9	3.3	248	161	54.0
9	Isuzu	5.4	6.2	59	63	-6.3	4.8	8.0	246	387	-36.4
10	Dodge-Ra	3.6	4.9	39	50	-22.0	4.6	5.7	233	277	-15.9
11	Iveco	3.5	3.3	38	34	11.8	4.6	3.2	232	155	49.7
12	Ford	1.7	2.0	19	20	-5.0	3.9	4.4	200	214	-6.5
13	Renault	4.0	5.6	44	57	-22.8	3.3	5.5	168	264	-36.4
14	Peugeot	1.2	2.7	13	27	-51.9	1.8	2.4	91	116	-21.6
15	Maxus	0.4	0.0	4	0	100.0	0.2	0.0	9	0	100.0
16	Foton	0.0	0.0	0	0	0.0	0.2	0.0	8	0	100.0
17	Liebherr	0.1	0.0	1	0	100.0	0.1	0.0	4	0	100.0
18	Farizon	0.3	0.0	3	0	100.0	0.1	0.0	4	0	100.0
19	Navistar	0.0	0.0	0	0	0.0	0.0	0.0	2	0	100.0
20	JAC	0.0	0.1	0	1	-100	0.0	0.2	2	9	-77.8
21	Fuso	0.0	0.4	0	4	-100.0	0.0	0.2	1	10	-90.0

New Bus Registration in Israel 1-5/2025 According to Brands

No.	Brand	May					Jan-May				
		Share%		Units		Change%	Share%		Units		Change%
		2025	2024	2025	2024		2025	2024	2025	2024	
1	Mercedes	39.3	33.6	68	107	-36.4	42.1	38.8	588	546	7.7
2	Higer	30.6	16.4	53	52	1.9	17.0	11.2	238	158	50.6
3	Volvo	2.3	8.5	4	27	-85.2	9.1	13.3	127	187	32.1
4	Golden Dragon	5.2	4.7	9	15	-40.0	5.7	12.8	79	180	-56.1
5	Scania	11.6	6.9	20	22	-9.1	5.4	5.4	76	76	0.0
6	MAN	2.9	0.3	5	1	400.0	4.3	1.6	60	22	172.7
7	BYD	0.0	4.4	0	14	-100.0	3.6	1.8	50	26	92.3
8	Renault	0.0	8.8	0	28	-100.0	3.2	2.0	45	28	60.7
9	VW	5.8	0.3	10	1	900.0	2.9	3.2	41	45	-8.9
10	Zhong Tong	0.0	2.8	0	9	-100.0	1.8	3.3	25	47	-46.8
11	Otokar	0.0	8.5	0	27	-100.0	1.2	2.1	17	29	-41.4
12	Dongfeng	1.7	0.0	3	0	100.0	1.2	0.0	17	0	100.0
13	GREE	0.0	0.0	0	0	0.0	0.7	0.0	10	0	100.0
14	IRIZAR	0.0	0.0	0	0	0.0	0.6	0.6	9	8	12.5
15	Isuzu	0.0	4.4	0	14	-100.0	0.6	1.8	8	26	-69.2
16	DAF	0.0	0.0	0	0	0.0	0.4	0.0	6	0	100.0
17	Wisdom	0.6	0.0	1	0	100.0	0.1	0.0	1	0	100.0



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

Mobileye Imaging Radar Chosen by Global Automaker

A leading global automaker has chosen Mobileye Imaging Radar™ as a key component of its upcoming eyes-off, hands-off automated driving system in personal vehicles, following an extensive years-long evaluation of Mobileye's technology and competing systems. Starting in 2028, this new customer for Mobileye plans to use the imaging radar to deliver SAE Level 3 automated driving at highway speeds, designed to provide exceptional detection of vehicles, people, and objects in conditions such as fog or rain, and at long distances that challenge existing sensors.

In development since 2018, Mobileye's 4D imaging radar was designed to provide sensor redundancy, through superior perception in challenging lighting, environmental, and traffic scenarios, to complement camera-based perception at affordable costs. This is intended to enable safe and scalable autonomous driving systems, from robotaxis to consumer AVs.

Existing automotive radars provide estimates of distance from an object, their rough direction on a horizontal plane, and a relative velocity. Imaging radars add an additional dimension – height. Built on a breakthrough architecture, the next-generation Mobileye Imaging Radar processes the entire signal digitally, end-to-end, through a Mobileye-designed radar processor. This is intended to enable unprecedented levels of accuracy, detail, and reliability in environmental perception, strengthening the positioning of Mobileye at the forefront of autonomous driving technology.

GM Technical Center Israel to Lay Off 200 Employees

American automotive company General Motors is expected to lay off hundreds of its employees in Israel for hearings, following the closure of Cruise, GM's autonomous vehicle subsidiary, and its integration into the parent company. The restructuring created



significant overlap in roles, prompting further downsizing in the Israeli center, after a previous round of layoffs that took place last August. The company currently employs around 700 workers at its development center in Herzliya, which is considered one of GM's key global development hubs. In a statement, GM said: "In order to accelerate GM's vision for autonomy, we are aligning our team structure with our most critical priorities. As a result, we've made the difficult decision to reduce roles on the autonomous vehicle technology team in Israel".

Pango Backs Out of Gett Acquisition Following the Competition Authority's Reservations

A few months ago, Pango, the leading parking payment App in Israel, announced that it intends to acquire the Gett taxi-hailing App. Now, the company backs down on its intention following the response of the Israeli Competition Authority, which was concerned that the merger would harm competing apps such as Cellopark and Yango. The Authority's main concern was that a merger between the two leading players in their respective fields could force competitors out of the market. The Competition Authority also expressed concerns about the extensive consumer data held by both companies, warning that combining these databases could further distort market competition.

REE Automotive May Not Survive the Next Year, Amid Trump's Tariff War

REE Automotive, the Israeli electric vehicle company, recently published its financial reports on the Nasdaq. REE posted an adjusted net loss of \$70.3 million, an 18% improvement over its \$98.3 million loss in 2023, but still a figure that threatens the company's viability. The company's filing included a going concern warning, stating that: "As part of our ongoing financial review, due to the recent changes in the macroeconomic environment and tariff



situation negatively affecting our ability to bring our P7 to the market as planned and affecting our ability to raise debt, which directly impact our revenue forecast, management has determined that there is a substantial doubt about our ability to continue as a going concern for the next twelve months”.

Hyundai CRADLE and CaPow Complete PoC Trial

Hyundai CRADLE, the innovation arm of Hyundai Motor Group, has successfully completed a proof-of-concept (PoC) trial with CaPow, an Israeli startup specializing in continuous power delivery for robotic fleets. The trial was conducted at a Hyundai Glovis facility in South Korea and demonstrated 100% uptime for Automated Guided Vehicles (AGVs) and Autonomous Mobile Robots (AMRs) equipped with CaPow’s Power-in-Motion technology.

Traditional charging methods require robots to pause operations in order to charge, leading to downtime and necessitating larger fleets to maintain productivity. CaPow’s solution addresses this by transferring power wirelessly through modular floor antennas, which allow robots to charge while in motion. This approach eliminates downtime and reduces the need for large lithium-ion batteries, hence freeing up warehouse space. Following the successful trial, Hyundai Glovis plans to expand the implementation of CaPow’s technology across additional operations to further enhance automation efficiency.

Apollo Power Selected as Supplier of Solar Systems for ZF CV After-Market

Apollo Power reports that it has been selected as a supplier of a commercial vehicle solar system intended for the aftermarket for global Tier 1 company ZF Friedrichshafen AG. This is in accordance with the letter of appointment signed between the parties on 30.5.25, and after a comprehensive review of Apollo and the system carried



out by ZF. The potential of the deal is estimated at tens of millions of euros in total over the next four years.

Dr. Hanan Golan

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

Hezi Shayb, PhD
CEO – I-Via

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