



**EUROPEAN
TYRE & RUBBER
manufacturers'
association**

ETRMA Quarterly Update

In this update:

1. Quarterly Tyre Market Review
2. EU27+UK Tyre Imports
3. Focus on Passenger Mobility Trends
4. Used Tyres Generated in Europe

Quarterly Tyre Market Review







European replacement tyre sales show a sequential improvement in the second quarter

The European Tyre and Rubber Manufacturers' Association (ETRMA) publishes its members' replacement tyre sales figures for the second quarter, and the first half of 2024.

Adam McCarthy, ETRMA's Secretary General, said, "After a negative trend in full year 2023 with -8% in Consumer and -17% in Truck (versus 2022), the evolution in volumes in first half of 2024 improved in Consumer mainly thanks to the All Seasons segment but remained negative in Truck.

The second quarter was better than the first quarter, even if the inflationary and the geopolitical context led to a drop in demand and a reduction of inventory levels.

Agricultural tyre sales were supported by rainy weather conditions."

	Q1			Q2				H1
	000s Units	Change	2023 Q2	2024 Q2	Change	2023 H1	2024 H1	Change
 	Consumer	1%	50.442	52.557	4%	106.236	108.850	2%
	~ Car Summer	-6%			1%			-4%
	~ Car All Seasons	16%			19%			17%
	~ Car Winter	26%			3%			8%
 	Truck & Bus	-8%	2.575	2.537	-1%	5.583	5.301	-5%
	Agricultural	-1%	179	190	6%	392	402	3%
	Moto & Scooter	-6%	2.562	2.747	7%	6.040	6.027	0%

Discrepancies with data previously published could happen because of periodic data corrections

Consumer = Passenger car, SUVs and light commercial vehicles

Source: EUROPOOL ETRMA

About ETRMA

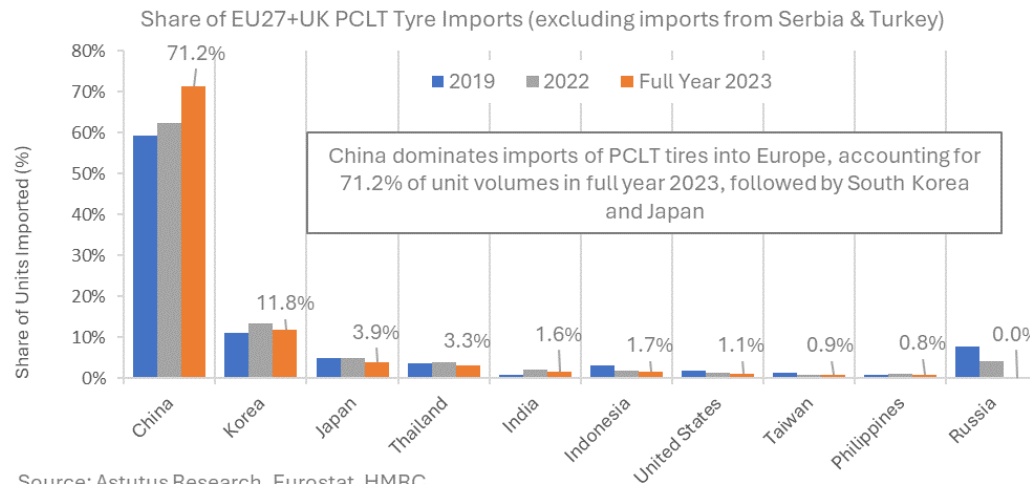
The European Tyre & Rubber Manufacturers Association (ETRMA) represent nearly 4.400 companies in the EU, directly employing more than 350.000 people. The global sales of ETRMA's 13 corporate members represent 70% of total global sales and 7 out of 10 world leaders in the sector are ETRMA Members. We have a strong manufacturing and research presence within the EU and candidate countries, with over 80 tyre-producing plants and 17 R&D centres.

For further information, please contact communication@etrma.org

EU27+UK Tyre Imports

Data excludes imports from Serbia and Turkey. See note 1 in references, page 4 for more information

Total PCLT tyre imports up 2% in 2023; significant increase in share from China



	2023 H1	2024 H1
Mn Units*	67.2	73.9
1	70.7%	70.6%
2	11.0%	13.7%
3	4.5%	3.3%
4	3.7%	3.0%
5	1.5%	1.7%

* Excludes tyres from Serbia & Turkey

Source: Astutus Research, Eurostat, HMRC

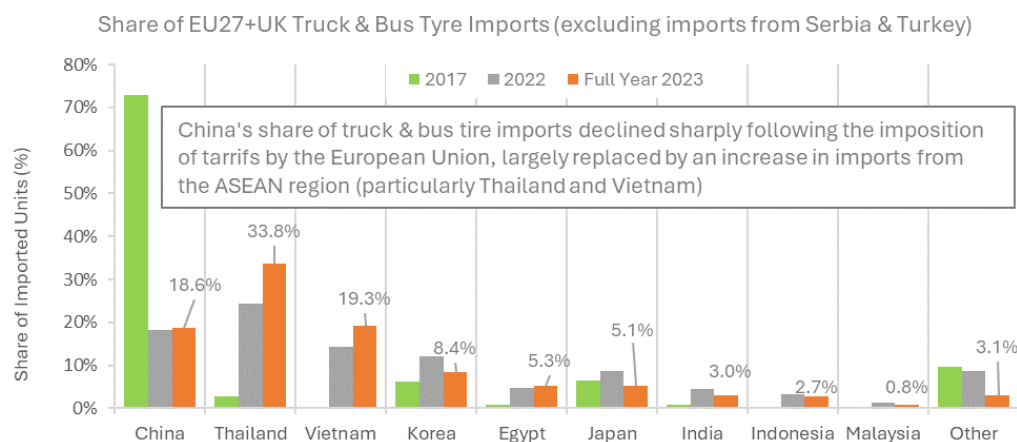
Total passenger car and light truck (PCLT) tyre imports into Europe (EU27 plus UK) have increased substantially in the past decade, despite a sharp decline in 2020 when the Covid-19 pandemic affected both demand and supply. Low-cost PCLT tyres from China have continued to gain significant share, increasing from 59% of unit imports in 2019 to 71.2% in full year 2023. Volumes from China rose by more than 10 million units in both 2022 and 2023, and by the end of 2023 were over 40 million units higher than in 2015. Imports from Russia had reached over 11 million units in 2021 but ceased in the second half of 2022 because of sanctions. In the first half of 2024, total imports have increased by 10% over the same period in 2023, with a significant increase in volumes from Korea.

Truck & Bus tyre imports remained significantly above average in 2023, albeit lower than the highs of 2022



	2023 H1	2024 H1
Mn Units*	3.34	2.98
China	18.6%	22.3%
Thailand	33.2%	30.3%
Vietnam	16.9%	21.9%
Egypt	5.4%	7.4%
Korea	10.2%	4.6%

* Excludes tyres from Serbia & Turkey



Source: Astutus Research; Eurostat; HMRC

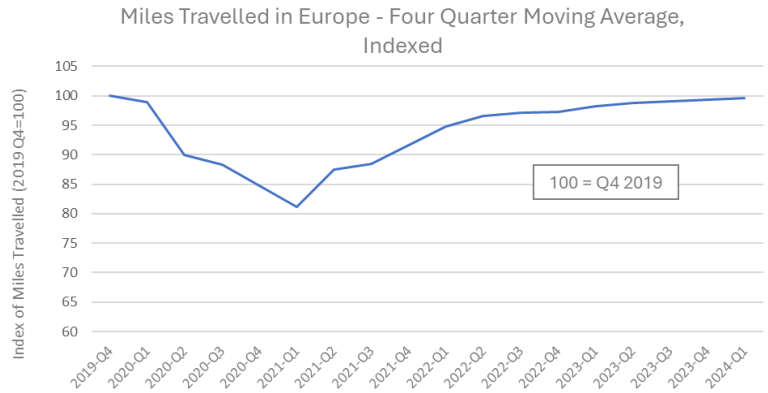
Truck and bus tyre imports (EU27+UK) from outside Europe* jumped from 5.7 million units in 2021 to 7.0 million in 2022, before falling back somewhat to 6.6 million in full year 2023. China's share reached over 70% in 2017, however the imposition of tariffs in 2018 led to a 75% decline in import volumes by 2019. This decline has been offset by a sharp increase in imports from other sources, particularly the ASEAN countries. Thailand and Vietnam alone supplied 3.5 million units in 2023, compared to just 0.2 million in 2017.

In the first half of 2024 total imports of truck and bus tyres declined by 10.7%, however volumes from China, Vietnam and Egypt increased, offsetting declines from other sources including Korea and Japan.

Focus on Passenger Mobility Trends

Vehicle usage continues to recover from the pandemic-related declines

Miles Travelled Car + Light Commercial



Source: Astutus Research VKMT Database

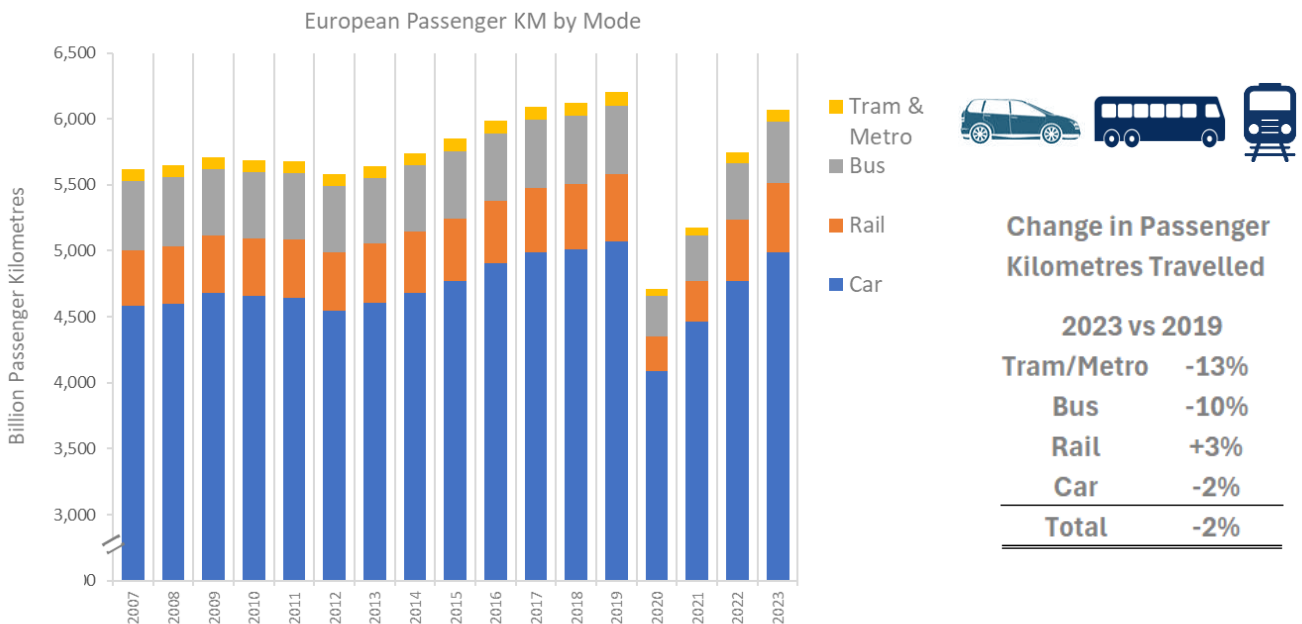
Across Europe, miles travelled by light vehicles (cars and light commercials) increased by 2.1% in 2023 but remained slightly below pre-pandemic levels.

Miles travelled for vans are already above pre-Covid levels, partly due to the pandemic related boom in home deliveries. By the end of 2023 miles travelled for cars remained 2% below the volumes achieved in 2019 and are only expected to exceed pre-pandemic levels in 2025.

Despite the prevalence of hybrid working, many companies are demanding that employees spend more time in the office. Furthermore, the decline in demand for car-based commuting appears to have been counter-balanced by a relative increase in demand for leisure travel, with higher traffic volumes at weekends.

See note 2 in references on page 4

Changing mobility patterns see slower recovery in commuting, growth in rail



Source: Astutus Research, Eurostat, National Sources, Companies

Changes in patterns of mobility are clear from the evolution of passenger kilometers travelled, with a strong recovery in long distance and leisure travel helping the rail sector to a full recovery, whilst modes that were more heavily used by commuter traffic have seen a far slower growth. Rail travel has also benefited from policy initiatives to encourage a switch to public transport.

See note 3 in references, page 4

Used Tyres Generated in Europe

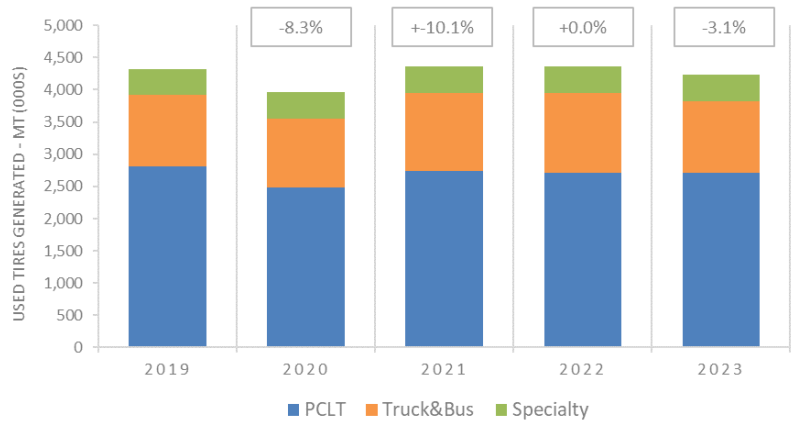
Astutus Research estimates that around 4.2 million tonnes of used tyres were generated in 2023.

The PCLT tyre share was up slightly at 64%, with truck & bus tyres down to 26% and specialty at 10%.

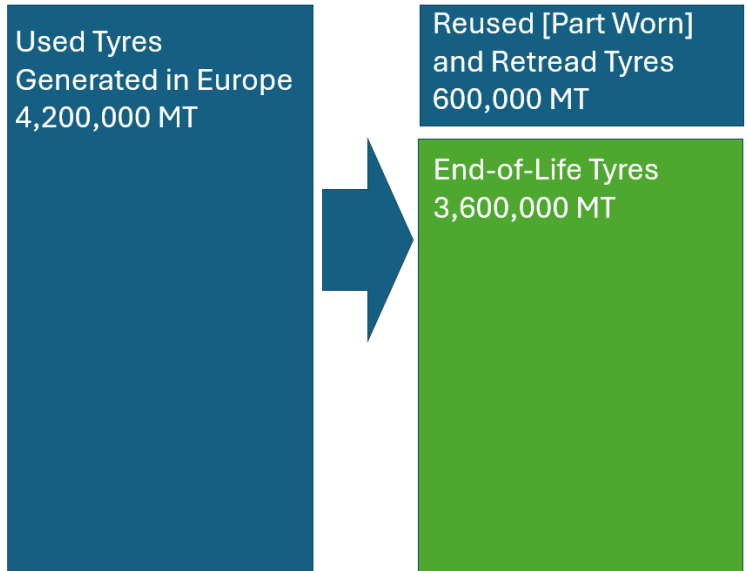
Used PCLT tyre volumes remain below their pre-pandemic peak, but used truck & bus tyre and specialty tyre tonnages were in line with pre-pandemic volumes.

Used tyres generated on tyre replacement accounted for 93% in 2023. This is down slightly on 2022, but above the pre-pandemic share, because of lower scrappage rates.

Of the 4.2 million tonnes of used tyres generated in Europe, around 600,000 tonnes are reused or retreaded, with 3.6 million tonnes of end-of-life tyres.



Source: Astutus Research



See note 4 below

References

- 1) Imports relate to total volume (units) imported by the EU27 plus the UK from outside 'greater Europe'. For the purpose of this analysis imports from Serbia and Turkey are excluded.
PCLT = Sum of HS Codes 40111000 & 40112010; Truck & Bus – HS Code 40112090
- 2) Data for miles travelled relates to cars and light commercial vehicles with a GVW of up to 3.5 tonnes. Country coverage is the EU27, plus UK, Switzerland, Norway but excludes Bulgaria, Cyprus and Malta.
- 3) Data for passenger kilometres relates to the EU27, plus UK, Switzerland, Norway but excludes Bulgaria, Cyprus and Malta.
- 4) Data relates to EU27, plus UK, Switzerland and Norway. Volume of Used Tyres relates to all tyres removed from a vehicle, either for replacement or vehicle scrappage. Some of these tyres are resold as part-worn / second hand tyres or are retreaded. The remaining volume is referred to as End-of-Life Tyres.

About Astutus Research

This Quarterly Update has been prepared for the ETRMA by Astutus Research, an independent provider of market intelligence focused on the tyre industry, mobility (tyre usage) and tyre recovery & recycling.

For further information please contact info@astutusresearch.com or visit www.astutusresearch.com