



STATISTICHE

UNDERSTANDING VENETO IN FIGURES AND DIAGRAMS

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At the beginning of 2018, international markets were characterised by a climate of uncertainty and tension as a result of the intensification of the protectionist measures between the United States and China, indirectly affecting all those territories that have a strong tradition and vocation to export. The world wealth is growing at a good pace, but shows signs of a slowdown in some countries and with forecasts downwards primarily due to commercial duties, in addition to the energy price increases and the financial tensions in some emerging countries.

Nevertheless, the dynamics of the exports from Veneto in the first nine months of the year remained positive, showing a slowdown only in the last months: between January and September foreign sales of Made in Veneto products reached 47 billion euros, with an increase of +2.9% compared to the same period of 2017.

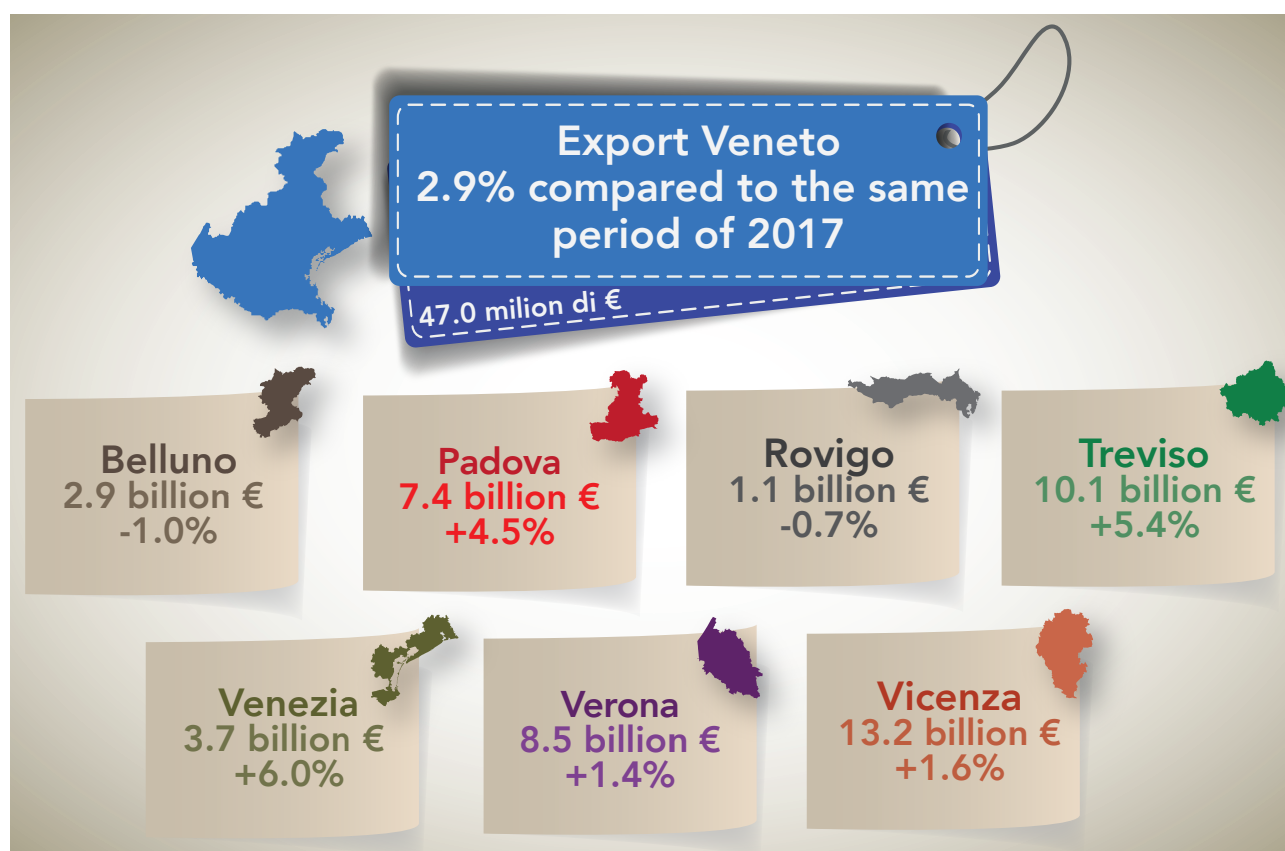
Veneto is confirmed as the second exporting region. and, in absolute terms, the exports from Veneto represent

approximately 14% of national exports. Veneto is also one of the leading regions in Italy for propensity to exports (exports represent 38% of GDP), outlining the profile of a dynamic production system, oriented towards international markets.

Veneto provinces which contribute most to the trend growth of the regional export are Treviso and Padua, which in the first nine months of 2018 registered, respectively, a +5.4% and a +4.5% compared to the same period of the previous year. Positive variations also come from the provinces of Venice (+6.0%), Vicenza (+1.6%) and Verona (+1.4%). Also, in the first three quarters of 2018 three Veneto provinces (Vicenza, Treviso and Verona) reached the top ten of the national export

EXPORTS DURING THE FIRST NINE MONTHS OF 2018

THE VALUE OF THE GOODS EXPORTED FROM VENETO IN THE FIRST NINE MONTHS OF 2018



Source: Processing of data from ISTAT by the Statistics Office of Regione Veneto

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ALSO AVAILABLE:

- The new website of the Statistics Office is now available
- Resident population by sex, age and marital status - Year 2017
- International trade - Final data for 2017 and provisional data for the 3rd quarter of 2018

<http://www.regione.veneto.it/web/statistica>

The result of Veneto is supported by an increase in the foreign sales of manufactured products, which represent almost the totality of regional exports, with diversified results as to intensity of growth, with respect to the different sectors.

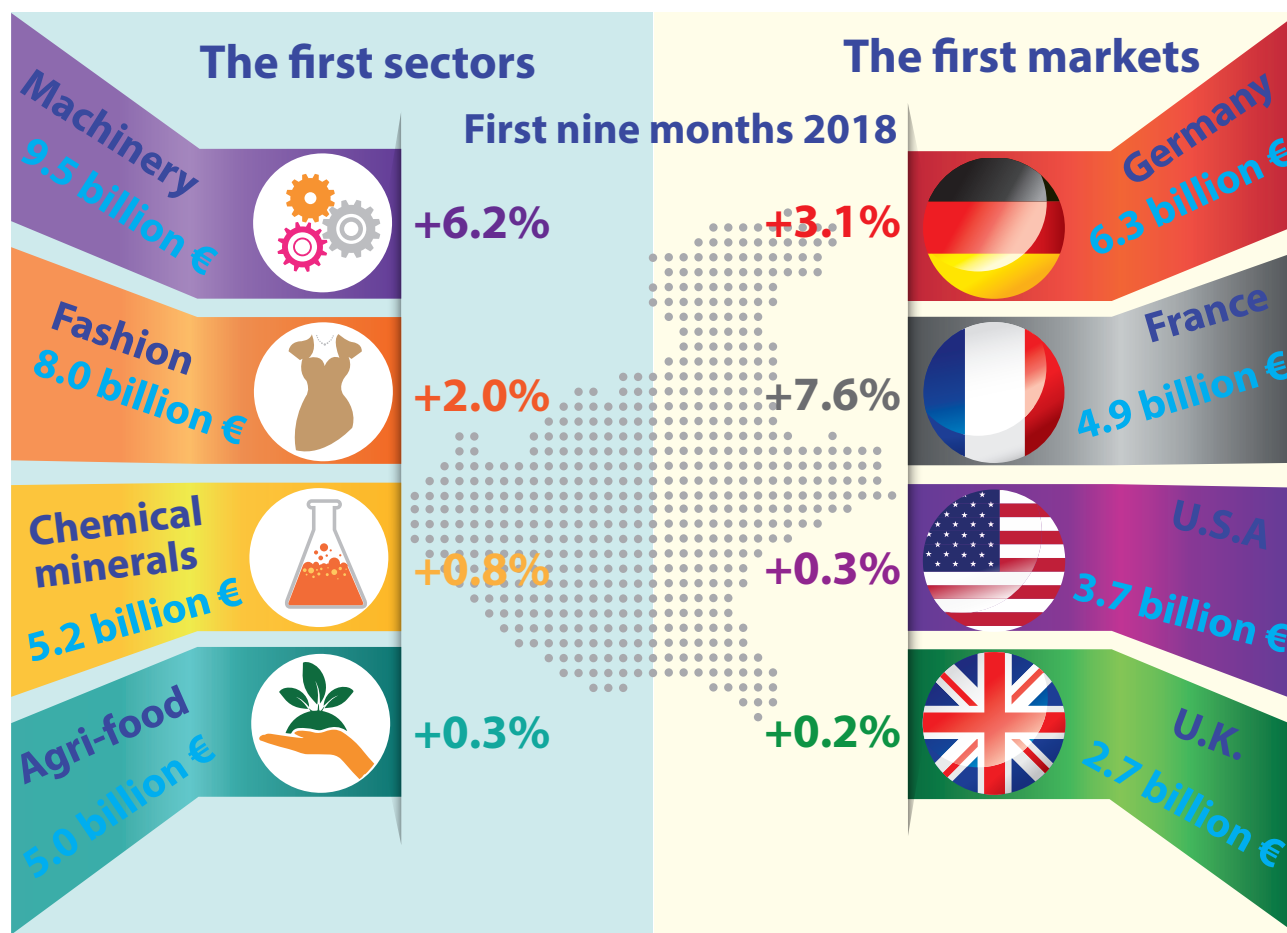
In fact, the analysis of the export of the main economic activities suggest a significant positive variation, equal to +6.2% for the mechanical industry, which is confirmed as the most significant sector for regional exports. It is worth noting the positive performance of the fashion sector (+2.0% compared to the first nine months of 2017), which is ranked second in the regional classification of foreign sales, with an incidence of more than 17%. The results of the two other important export sectors in the Veneto region are less brilliant: +0.8% for the chemical sector (rubber, plastic and pharmaceutical) and only +0.3% for agri-food production. On the other hand, the foreign sales of medical instruments and eyewear show a slight slowdown (-1.6%).

As regards the target markets, Germany is confirmed as the main destination of goods from Veneto, with a

share equal to 13.3% and a growth of almost three percentage points in the first nine months of the year. As for the other main destinations, there is a dynamic increase, equal to +7.6%, of sales in France, second reference market of Veneto businesses. There is also an increase of exports directed to Spain (+7.7%), fifth reference market, while those towards the USA (+0.3%) and the UK (+0.2%) remain almost stationary. A positive contribution to the growth of the regional export also came from sales toward some important non-EU markets: + 15% in Mexico, +11.8% in India and +16,2% in Brazil. On the contrary, exports towards the Middle East markets declined sharply (-12.7% compared to the first nine months of 2017).

THE MADE IN VENETO CONTINUES TO GROW

THE PERFORMANCES OF THE EXPORT FROM VENETO



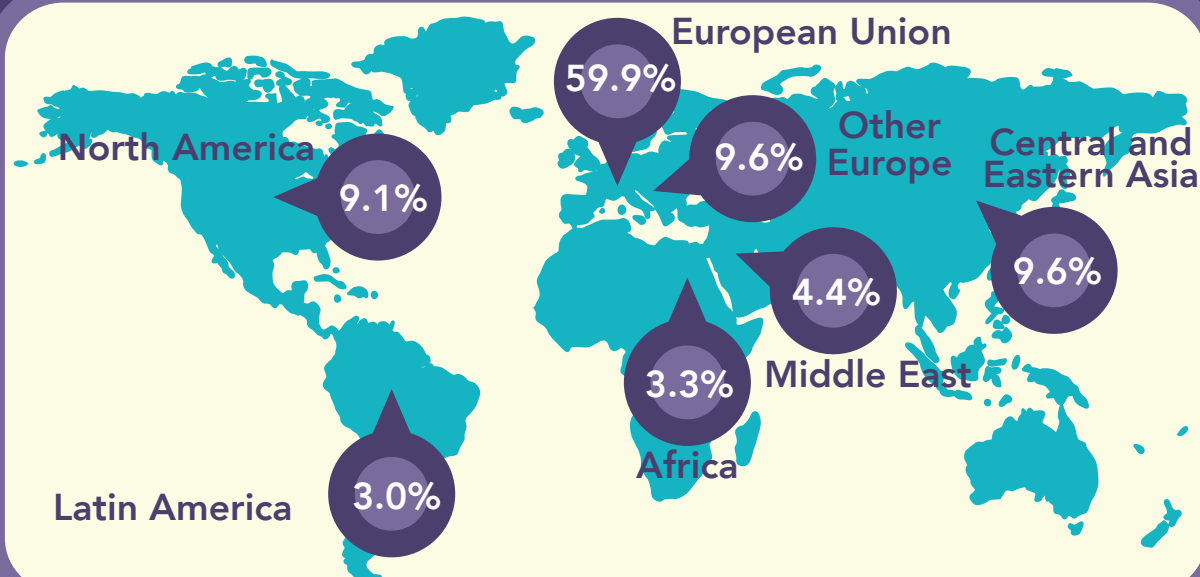
2017 was a brilliant year for exports from Veneto: the value of exports from Veneto stood at 61.6 billion euros, an increase of +5.6% compared to 2016. This figure confirms a greater dynamism compared to 2016, the year in which Veneto exports managed to grow, albeit at a slower pace than the previous two years, even in a context of reduced world trade. Analysing the destination of foreign sales from Veneto, it can be seen that the main reference catchment area was, also in 2017, the EU, to which 59.9% of regional exports were directed, against 40.1% destined to non-EU markets. In fact, exports from Veneto grew thanks to the European and North American traditional markets: in 2017 over 90% of the contribution to the growth of regional exports derived from the sales made in these markets, of which 72.8% in EU countries. The positive trend also affected the markets of Central Asia (+5.6%) and Eastern Asia (+3.6%), whereas the value of Veneto product sales to the Middle East continued to fall (-1.9%).

2018 COMPARED TO A BRILLANT 2017

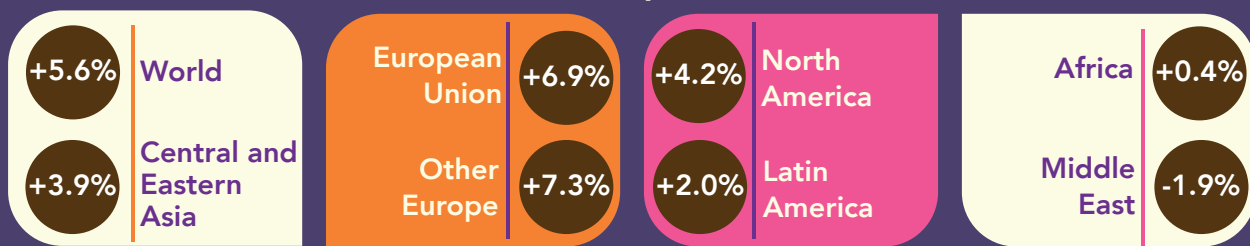
At sector level, instrumental mechanics has managed to maintain a competitive advantage enabling it to achieve a significant growth rate in foreign sales in 2017 as well: exports of the sector grew by +4.2% on an annual basis, accelerating sales especially in European and East Asian markets. The positive trend of mechanical engineering also drove metalworking product exports, which resumed growth (+9.3%) after the significant adjustment recorded the previous year. Agri-food production (6.8 billion euros in 2017) grew by +6.9% abroad, thanks to the performance of some of the main sectors - meat production, the dairy and cheese industry and the beverage industry - aimed at European and American customers, who are already used to quality and high-end products.

EXPORTS FROM VENETO IN 2017

THE SHARES BY DESTINATION



Variation compared to 2016



Veneto's ability to successfully exploit the leverage of foreign demand to promote growth, especially in times of crisis of domestic demand, is beyond dispute, and the more or less recent history of the regional economic system speaks for itself.

The number of Veneto businesses that export is high, 28,864, 13,143 of which are share capital companies, but volumes of foreign sales are concentrated in a small number of operators: one tenth of these covers 80% of exports.

How important is the advantage of exporting in terms of company turnover?

From our analysis¹, conducted during the period 2010:2016, it is estimated that the advantage directly deriving from exports, where all other business conditions are equal, is equal to 22% in terms of turnover, 5,6 % for what concerns productivity at work.

The advantage of exporting was also found to be higher if the business is characterised by a greater geographical differentiation of the sending of the goods and even more if it exports highly innovative goods.

We also tried to quantify the additional turnover associated

with the hypothesis that all the Veneto businesses that, although having characteristics similar to the exporters, currently target the domestic market, become large habitual exporters.

A group of about 1,100 businesses was selected through a statistical matching procedure, among the non-exporting businesses more similar to large habitual exporters. If these businesses undertook an internationalisation strategy, they would generate an additional turnover of 470 million euros, equal to 1.3 % of the industrial value added of the region.

PERFORMANCES OF THE VENETO EXPORTING BUSINESSES

¹ 1 2018 Statistical Report - Regione del Veneto, pp. 46-52

THE ADVANTAGES DERIVING FROM EXPORTS



Source: Processing of data from ISTAT and Prometeia by the Statistics Office of Regione Veneto