

SA's car sales continue to soar despite global chaos

Alex Boavida, vice chairperson of the National Automobile Dealer Association (Nada), has commented on car retail sales for March, which has been released by the National Association of Automobile Manufacturers of South Africa (Naamsa), the Automotive Business Council.



Alex Boavida, vice chairperson of Nada | image supplied

“March was a long selling month and the end of the fiscal year for many companies and organisations, but few industry commentators could have expected an aggregate figure of 50, 607 units, which was 16.5% higher than March 2021 and the highest monthly total since pre-pandemic October 2019. The retail dealer channel was responsible for 85.8% of sales, which was encouraging as many dealers are still short of stock, both new and used.

“The passenger car segment was a staggering 27% higher than the same month a year ago, while the medium and heavy truck segments show marked increases too, which signal improved business confidence,” Boavida said.

“The increased interest rate hike, which had been anticipated, was low, so would have had negligible effect on sales numbers, while there was good news for consumers in the R1.50 per litre decrease in the fuel price due to a tax cut funded by the sale of strategic crude oil reserves.

“Earlier, at the time of the budget speech, we were pleased to hear from the finance minister, Enoch Godongwana, that there were no major implications in terms of personal tax or company vehicle perks tax increases to change potential buyers’ vehicle purchasing decisions.

“There was more good news at the government’s fourth investment conference, where automotive companies – both OEMs and component manufacturers – were again prominent in making significant pledges on upcoming investments in their South African operations. This is good for morale-building in the motor industry while providing peace of mind to consumers in terms of the ongoing commitment by local motor manufacturers,” concluded Boavida.

For more, visit: <https://www.bizcommunity.com>