

Naamsa comments on February 2017 new vehicle stats

Commenting on the [new vehicle sales statistics for the month of February 2017](#) – released yesterday, 1 March 2017 – NAAMSA said that the positive trend in new vehicle sales had been maintained during February 2017, characterised by noteworthy gains in light commercial vehicle as well as medium and heavy commercial vehicle sales. The consumer driven new car market had however registered a decline.



© Bilderandl via pixabay

In the event, February 2017 aggregate new vehicle sales at 48,113 units had been virtually unchanged from the 48,144 vehicles sold in February last year. Similarly, February 2017 export sales were also virtually unchanged from last year and reflected an increase of 65 vehicles or a gain of 0.2% compared to the 29,323 vehicles exported in February last year.

Overall, out of the total reported industry sales of 48,113 vehicles, an estimated 38,155 units or 79.3% represented dealer sales, 13.3% represented sales to the vehicle rental Industry, 4.2% to government and 3.2% to Industry corporate fleets.

Car rental industry's strong contribution

The February 2017 new car market at 31,400 units reflected a decline of 1,454 cars or a fall of 4.4% compared to the 32,854 new cars sold in February last year. The car rental industry had again made a strong contribution and had accounted for 19.1% of new car sales in February 2017. The rental industry's share was understated since it excluded BMW SA and MBSA car rental sales.

Domestic sales of industry new light commercial vehicles, bakkies and mini buses at 14,416 units during February 2017 reflected a significant improvement of 1,277 units or a gain of 9.7% compared to the 13,139 light commercial vehicles sold during the corresponding month last year.

Medium and heavy truck segments

Sales of vehicles in the medium and heavy truck segments of the industry had also recorded welcome gains and at 705 units and 1,592 units, respectively, reflected an increase of 55 units or 8.5% in the case of medium commercial vehicles and, in the case of heavy trucks and buses, an improvement of 91 vehicles or a gain of 6.1% compared to the corresponding month last year.

Industry new vehicle exports had been at the lower end of expectations and at 29,388 units exported during February 2017 reflected a marginal increase of 65 units, an improvement of 0.2% compared to the 29,323 vehicles exported in February last year.

Momentum will increase

NAAMSA continued to anticipate that the momentum in vehicle exports would increase over the medium term.

Domestically, key indicators such as the latest Purchasing Managers' Index (PMI) and the Reserve Bank's leading indicator – which had recorded an extraordinary improvement for five consecutive months – heralded the possibility of an improvement in South Africa's medium term economic outlook.

In addition, the easing of drought conditions and projected global economic growth of around 3.4% as well as continuing Rand strength which should benefit new vehicle pricing – represented factors which should contribute positively to sales of new motor vehicles over the medium term. Export sales were expected to benefit from the projected improvement in global economic conditions.

Based on the improvement in key economic indicators, NAAMSA continued to anticipate that 2017 aggregate annual domestic sales volumes would improve modestly by around 3.5% in volume terms.

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