

53,134 new cars sold in November

New vehicle sales increased to 7.3% year-on-year (y/y) in November to 53,134 units after rising by 10.5% y/y in October to 57,845 units, according to the latest National Association of Automobile Manufacturers of SA (Naamsa) data.



Naamsa noted that overall new car and commercial sales for November reflected another relatively solid performance compared with the corresponding month last year.

Total domestic sales for the eleven months of 2012 remained 9.8% ahead of the corresponding period in 2011.

November export sales at 28,541 vehicles surged by 39.5% y/y.

Mercedes-Benz SA (MBSA) still provides only a single total sales number for passenger cars, commercial vehicles and export sales.

Based on historical sales trends and forecasting techniques, RGT Smart (Naamsa's data processing service provider) had compiled estimates for MBSA commercial vehicle sales by segment.

Overall, out of the total detailed (disaggregated) reported industry sales of 50,736 vehicles (excluding MBSA), 82.6% or 41,929 units represented dealer sales, 6.9% represented sales to the vehicle rental industry, 6.2% to government and 4.3% to corporate fleets.

New car sales during November had performed well and at 36,686 units (including MBSA) reflected an improvement of 3,615 units or 10.9% compared with the 33,071 new cars sold during November last year. The year-on-year improvement was despite the lower number of sales to car rental companies. Year-to-date new car sales remained 11.6% ahead of the corresponding eleven months of last year.

Including estimates for MBSA commercial vehicle sales by segment - sales of industry new light commercial vehicles, bakkies and mini buses at 13,949 units during November reflected a decline of 183 units or 1.3% compared with the 14,132 light commercial vehicle sales during the corresponding month last year.

Sales of vehicles in the medium and heavy truck segments of the industry, at an estimated 902 and 1,597 units respectively, had recorded an increase of 59 units or 7.0%, in the case of medium commercial vehicles, and an increase of 145 units or 10.0%, in the case of heavy trucks and buses, compared with the corresponding month last year.

Exports of South African-produced motor vehicles, including MBSA export sales data, during November at 28,541 vehicles had registered an impressive increase of 8,088 units or 39.5% compared with the 20,453 vehicles exported in November last year. Year-to-date export sales were 1.5% above the corresponding eleven months of 2011. The momentum of vehicle exports was expected to improve in 2013 as various export programmes are ramped up and exports of light commercial vehicles are expected to increase substantially.

Despite signs of weakness in the economy, the performance of the South African automotive sector continued to be positive. Factors that continued supporting domestic sales included the historically low interest rate environment, strong replacement demand, the highly competitive trading environment, attractive incentives and new model introductions.

In terms of aggregate domestic sales, the industry remained on track for growth of around 10%.

Negative factors that could influence the new vehicle market over the medium term include a slow down in the economy, rising inflationary pressures as well as the effect of exchange rate weakness. The modest new vehicle price increases experienced for the past two years might not be sustainable.

The outlook for 2013 was one of modest growth in vehicle volume terms, probably in the range of 6% to 8%.

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