

PRESS RELEASE

FOR IMMEDIATE RELEASE | Friday, April 01, 2022

naamsa releases March 2022 new vehicle stats

PRETORIA: Friday, April 01, 2022: NOTE TO THE MEDIA

Reflecting on the new vehicle sales statistics for the month of March 2022 **naamsa** said that the new vehicle market's performance continued to exceed expectations during the month. Aggregate domestic new vehicle sales in March 2022, at 50 607 units, the highest monthly sales total since the pre-pandemic October 2019 sales total, reflected an increase of 7 184 units, or 16,5%, from the 43 423 vehicles sold in March 2021. Export sales, however, recorded a decline of 4 861 units, or 12,4%, to 34 285 units in March 2022 compared to the 39 146 vehicles exported in March 2021.

Overall, out of the total reported industry sales of 50 607 vehicles, an estimated 43 441 units, or 85,8%, represented dealer sales, an estimated 8,2% represented sales to the vehicle rental industry, 4,6% sales to government, and 1,4% to industry corporate fleets.

The March 2022 new passenger car market at 33 790 units had registered a substantial increase of 7 191 cars, or a gain of 27,0%, compared to the 26 599 new cars sold in March 2021. The car rental industry supported the new passenger car market during the month and accounted for 11,0% of car sales in March 2022.

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National Office Bearers: President: **Neale HILL** | Managing Director | Ford Motor Company
Vice-President: Manufacturing OEMs | **Billy TOM** | President and Chief Executive Officer | Isuzu Motors South Africa
Vice-President: Retailing OEMs | **Gary SCOTT** | Chief Executive Officer | Kia South Africa
Vice-President: Heavy Commercial OEMs | **Filip VAN DEN HEEDE** | Managing Director | UD Trucks
Immediate Past President: **Andrew KIRBY** | President and Chief Executive Officer | Toyota South Africa Motors

Executive Director: Chief Executive Officer: **Mikel MABASA**

Registration Details: **naamsa** NPC: 2021/358607/08 | VAT No.: 4070109972 | PBO No.: 930/023/609

Domestic sales of new light commercial vehicles, bakkies and mini-buses at 13 795 units during March 2022 had recorded a decline of 389 units, or a fall of 2,7%, from the 14 364 light commercial vehicles sold during March 2021.

Sales for medium and heavy truck segments of the industry reflected a positive performance during the month and at 798 units and 2 044 units, respectively, showed an increase of 124 units, or 18,4% in the case of medium commercial vehicles, and, in the case of heavy trucks and buses an increase of 258 vehicles, or a gain of 14,5%, compared to the corresponding month last year.

The March 2022 exports sales number at 34 285 units reflected a decline of 4 861 vehicles, or 12,4%, compared to the 39 146 vehicles exported in March 2021. For the first quarter 2022 vehicle exports were now 4,1% below the level of the same period 2021.

The positive new vehicle market performance during March 2022, reaching a level last achieved pre-COVID-19, could be attributed to pent up demand aligned with the increasing normalising of business conditions as well as enticing new model choices in the domestic market. The temporary reduction in the general fuel levy by R1,50 per litre from 6 April to 31 May 2022, to curtail the record fuel prices to some extent, as well as further relief measures to follow as announced by Finance Minister Godongwana, have been welcomed by motorists. However, escalating inflation risks, ongoing record fuel prices, low and stagnant economic growth and a rising interest rate cycle will impact the new market negatively going forward. The SA Reserve Bank has raised interest rates in November 2021 as well as in January and March 2022 and the upward trend is set to continue over the balance of the year in an effort to subdue inflation. Upward pressure on food, fuel and electricity prices will adversely impact all households over the short to medium term and consumers should brace themselves for ongoing cost of living increases.

Vehicle exports declined during the month but prospects for 2022 remain optimistic on the back of further new locally manufactured model introductions during the year. Global growth is expected to moderate as the Russia-Ukraine conflict increasingly impacts on demand and supply chains, in particular in Europe, the domestic industry's top export region. Vehicle production and consequently vehicle exports have already been hampered by the ongoing global semi-conductor shortage and global trade flows are anticipated to deteriorate even further if the conflict in Ukraine is drawn out.

ENDS!

Announcement: The Automotive industry journey of the past five years attest to a sector in sync with the Geopolitical demands of South Africa. Our industry transported test kits and Vaccine medications that geared the country for COVID-19 challenges. Similarly, the sector embraced transformation, setting up both investments and a Transformation fund to support economic development goals of our society. The next iteration of expression is realising the SA Automotive Masterplan ambitions of localisation, transformation, market optimisation and the evolution into e-mobility. Today naamsa launches the naamsa Dreams Academy website as critical lever in the delivery of SAAM35. Visit the site on <https://www.naamsadreamsacademy.biz/>

ABOUT THE SA AUTOMOBILE INDUSTRY

- the automotive industry contributes 4.9% to GDP [2.8% manufacturing and 2.1% retail];
- in 2020, the export of vehicles and automotive components reached a record amount of R175.7 billion, equating to 13.9% of South Africa's total exports;
- the industry accounts for 18.7% of the country's manufacturing output;
- vehicles and components are exported to 147 international markets;
- we are the country's 5th largest exporting sector out of all 104 sectors;
- the manufacturing segment of the industry presently employs in the order of 110,000 people across its various tiers of activity [from component manufacturing to vehicle assembly];
- combined with the industry's strong multiplier effect, the industry is responsible for approximately 457,000 jobs across the South African economy's formal sector.

NOTES FOR EDITORS

- Since 2021 **naamsa** introduced associate membership that offers tangible benefits such as access to information, visibility to key industry issues, business exposure, as well as related discounts.
- **naamsa** is a pre-eminent industry representative that *actively* and responsibly represents, promote, advance, and protect the interests of local manufacturers and assemblers of passenger, light, and heavy commercial vehicles as well as major importers and distributors of new vehicles in *South Africa*. We represent 41 companies;
- Our vision is to be *the most credible and respected thought leader and partner* of a globally competitive and transformed automotive industry that actively contribute to the sustainable development of South Africa;
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- More information can be found on www.naamsa.co.za.

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