

PRESS RELEASE

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naamsa releases August 2022 new vehicle stats

PRETORIA: Thursday, September 01, 2022: NOTE TO THE MEDIA

Reflecting on the new vehicle sales statistics for the month of August 2022 **naamsa** said that the new vehicle market's performance remained remarkably buoyant despite the increasingly challenging economic conditions. Aggregate domestic new vehicle sales in August 2022, at 47,420 units reflected an increase of 5,887 units, or 14,2%, from the 41,533 vehicles sold in August 2021. Export sales recorded an increase of 10,402 units, or 57%, to 28,662 units in August 2022 compared to the 18,260 vehicles exported in August 2021.

Overall, out of the total reported industry sales of 47,420 vehicles, an estimated 40,889 units, or 86,2%, represented dealer sales, an estimated 8,3% represented sales to the vehicle rental industry, 4,3% to industry corporate fleets, and 1,2% sales to government.

The August 2022 new passenger car market at 31,269 units had registered an increase of 3,992 cars, or a gain of 14,6%, compared to the 27,277 new cars sold in August 2021. The car rental industry supported the new passenger car market during the month and accounted for 11,2% of sales in August 2022.

Domestic sales of new light commercial vehicles, bakkies and mini-buses at 13,281 units during August 2022 had recorded an increase of 1,536 units, or a gain of 13,1%, from the 11,745 light commercial vehicles sold during August 2021.

Sales for medium and heavy truck segments of the industry reflected a mixed performance during the month and at 715 units and 2,155 units, respectively, showed a decline of 3 units, or 0,4% in the case of medium

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National Office Bearers: President: Neale HILL | Managing Director | Ford Motor Company
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Executive Director: Chief Executive Officer: Mikel MABASA

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commercial vehicles, and, in the case of heavy trucks and buses an increase of 362 vehicles, or a gain of 20,2%, compared to the corresponding month last year.

The August 2022 exports sales number at 28,662 units reflected an increase of 10,402 vehicles, or 57,0%, compared to the 18,260 vehicles exported in August 2021. For the year-to-date, vehicle exports were now 5,8% ahead of the corresponding period 2021.

The new vehicle market remained resilient despite increasingly tough economic conditions via elevated inflation and the upward trend in interest rates which are eroding households' spending power and present an affordability challenge to consumers. Annual consumer inflation reached a 13-year high, increasing to 7,8% in July 2022 and further interest rate hikes are anticipated for the remainder of the year. However, the car rental business continued to support the new vehicle market as the tourism sector is starting to stabilise after the lifting of all COVID-19 lockdown restrictions in the country. According to the ABSA Purchasing Managers' Index, domestic demand is also likely continuing to benefit from the reopening effect while an easing in the intensity of loadshedding meant that conditions in the manufacturing sector improved in August 2022. The new vehicle market's performance for the year-to-date is still 13,8% ahead compared to the corresponding period 2021 but the pace of steady growth being experienced in the market is expected to slow down for the balance of the year.

Vehicle exports continued their strong upward momentum during the month but the knock-on effects of the market disruptions as well as the cyberattack on Transnet operations were still visible on the vehicle export performance during August 2021. While the deteriorating global growth outlook and tighter global financial conditions will dampen prospects for vehicle exports, in particular to Europe due to the repercussions of the ongoing geopolitical conflict between Russia and the Ukraine, further new locally manufactured model introductions are expected to enhance vehicle exports for the balance of the year.

ENDS

ABOUT THE SA AUTOMOBILE INDUSTRY

- the automotive industry contributes 4.3% to GDP [2.4% manufacturing and 1.9% retail];
- in 2021, the export of vehicles and automotive components reached a record amount of R207.5 billion, equating to 12.5% of South Africa's total exports;
- the industry accounts for 17.3% of the country's manufacturing output;
- vehicles and components are exported to 152 international markets;

- 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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