

PRESS RELEASE

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naamsa releases September 2022 new vehicle stats

PRETORIA: Monday, October 03, 2022: NOTE TO THE MEDIA

Reflecting on the new vehicle sales statistics for the month of September 2022 **naamsa** said that amid the despondency about load shedding and other weakening economic indicators, the new vehicle market continued to reflect a healthy performance, but the pace of recovery has started to slow down. Aggregate domestic new vehicle sales in September 2022, at 47,786 units reflected an increase of 4,639 units, or 10,8%, from the 43,147 vehicles sold in September 2021. Export sales recorded a huge increase of 21,199 units, or 104,6%, to 41,474 units in September 2022 compared to the 20,275 vehicles exported in September 2021.

Overall, out of the total reported industry sales of 47,786 vehicles, an estimated 39,152 units, or 81,9%, represented dealer sales, an estimated 14,2% represented sales to the vehicle rental industry, 2,3% sales to government, and 1,6% to industry corporate fleets.

The September 2022 new passenger car market at 32,392 units had registered an increase of 2,855 cars, or a gain of 9,7%, compared to the 29,537 new cars sold in September 2021. The car rental industry supported the new passenger car market during the month and accounted for a sound 18,9% of sales in September 2022.

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Executive Director: Chief Executive Officer: Mikel MABASA

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Domestic sales of new light commercial vehicles, bakkies and mini-buses at 12,573 units during September 2022 had recorded an increase of 1,632 units, or a gain of 14,9%, from the 10,941 light commercial vehicles sold during September 2021.

Sales for medium and heavy truck segments of the industry reflected a positive performance during the month and at 882 units and 1,939 units, respectively, showed an increase of 117 units, or 15,3% in the case of medium commercial vehicles, and, in the case of heavy trucks and buses an increase of 35 vehicles, or a gain of 1,8%, compared to the corresponding month last year.

The September 2022 exports sales number at 41,474 units reflected a significant increase of 21,199 vehicles, or 104,6%, compared to the 20,275 vehicles exported in August 2021. For the year-to-date, vehicle exports were now 14,4% ahead of the corresponding period 2021.

The new vehicle market's resilient performance continued during the month but at a slower pace as along with the sixth consecutive increase in interest rates since November 2021, September 2022 was by far the worst month of the year in terms of the cumulative amount of load-shedding. The higher stages of load-shedding seem to have an amplified negative impact on production and the South African economy as a whole. The South African Reserve Bank, at its September Monetary Policy Committee, noted that economic and financial conditions were expected to remain more volatile for the foreseeable future and revised its economic growth outlook for 2022 lower as a result of load shedding and other weakening economic indicators. However, in all this despondency there is some good news for motorists as the oil price has dropped to its lowest level since January 2022 with the petrol price to reduce further in October 2022, easing some cost pressures in a depressed economy. The new vehicle market's performance for the year-to-date is still 13,4% ahead compared to the corresponding period 2021 but the pace of growth being experienced in the market is expected to slow down for the balance of the year.

The strong performance in vehicle exports during the month could still be attributed to the knock-on effects of the cyberattack on Transnet operations during September 2021. However, the global economy has entered a period of persistently high inflation and weaker economic growth impacting on demand, but growth prospects for domestic vehicle exports remain optimistic on the back of new locally manufactured model introductions during the last quarter 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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