



## **The Brazilian auto industry overcomes challenges and continues its path to recovery in October**

**São Paulo, November 6<sup>th</sup>, 2020** – Giving continuity to September's positive results, the Brazilian automotive sector continues to show encouraging sales and production results in October, according to the Associação Nacional dos Fabricantes de Veículos Automotores (ANFAVEA), the national association of automotive vehicles manufacturers. This recovery is taking place in a scenario with big challenges for the automotive industry, but year-end projections are very close to the forecast made by the association.

This month production of 236,468 vehicles represents an increase of 7.4% over September, but a drop of 18% in relation to October 2019. In the accumulated ten months period of 2020, the decrease is 38.5%, very close to the projected -35%. The domestic market ended the month with 215,044 units sold, an increase of 3.5% over the previous month, but a decrease of 15.1% over October last year. The accumulated drop in the year already reaches 30.4%, in line with the -31% forecasted by ANFAVEA.

Exports had a noticeable reaction in October, thanks to the recovery of Brazil's neighboring countries, after a prolonged quarantine period. Almost 35,000 vehicles were exported, an increase of 14.3% over September and 16.4% over October 2019. However, the accumulated drop in 2020 is 34.2%, in accord with the projected -34% made by ANFAVEA.

"October's results reveal the efforts made by our industry to meet the increasing demand in some market segments. We have many challenges to overcome in order to reach a more vigorous recovery, such as the health protocols in the factories, the difficulty of medium term planning, the cost increase in raw materials and components, and the recent shortage of some supplies products", said the President of ANFAVEA, Luiz Carlos Moraes.

The agricultural and road machinery sector, less affected than the auto vehicles segment, registered a 9% increase in production (4,919 units) compared to September. Much of this growth was due to the exports of 901 units, 21.1% over the previous month. Domestic market sales (4,530) decreased by 5% in October. The accumulated sale results for the year grew 1.6%, but production and exports fell 18.1% and 32.1%, respectively.

Contact:

Communication ANFAVEA

Tel: 11 2193 7800

Email: [imprensa@anfavea.com.br](mailto:imprensa@anfavea.com.br)