



November is the best month for the Brazilian auto industry in 2020, but still under the negative effects of the pandemic

São Paulo, December 7th, 2020 - According to the Associação Nacional dos Fabricantes de Veículos Automotores (ANFAVEA), the national association of automotive vehicles manufacturers, November kept the growth trend of the second semester, showing the best monthly results of 2020. Exports and production volumes surpassed November 2019, but domestic sales are still 7,1% below last year.

Production volumes are still being negatively impacted due to the strict sanitary protocols in place in our factories, as well as for the shortage of components and raw materials. November production was 238.000 units, a 0,7% increase over October and 4,7% above November 2019, but still not enough to attend the market's demand. Last year, November's vehicle stock was over 330.000 units, but today is less than 120.000, enough only to supply the market for 16 days. Year to date production is 1.804.759 units, a long 35% drop compared to 2019.

The positive news came from exports, with 44.077 shipped units, best result since August 2018. However, this result is due to the backlog generated by the pandemic restrictions of our importers during the last months, specially by Argentina, and also due to year end volume increase related to shipment anticipations. The accumulated export volume of 285.925 units is still 28,4% smaller than 2019.

November domestic sales of 225.010 units represented an increase of 4,7% over October, but a drop of 7,1% when compared to the same month last year. Year to date sales were 1.814.470 units, 28,1% less than the same period in 2019. The highlight goes to the trucks segment, outperforming cars and buses. Agriculture and construction machines showed a discrete production increase, despite a slight sales decrease.

"The positive performance of November gives us hope for a better 2021, as long as the pandemic is controlled by the new vaccines, and that the business environment gets

stimulated by government measures to control the public debt as well as the quick implementation of structural reforms that allow our economy to be competitive. But before that we must overcome some short-term challenges in our sector, such as the covid-19 cases increase, the real risk of factories standstill due to lack of auto parts supply, and the costs pressure caused by the devaluation of our currency, interest rates increase and raw materials price surge. The combination of these factors is preventing a faster recovery of our auto industry”, said Luiz Carlos Moraes, President of ANFAVEA

Contact:

Communication ANFAVEA

Tel: 11 2193 7800

Email: imprensa@anfavea.com.br