



## **Production of 164,000 units in August was 0.3% higher than in July, even with factories paralyzations**

**São Paulo, September 8<sup>th</sup>, 2021** – Despite the total or partial stoppages of 11 factories throughout the month of August, due to the semiconductor crisis, the automakers logistical efforts resulted in the production of 164 thousand units, surpassing July's volumes by 0.3 % the volume of July. According to the monthly report published by the Associação Nacional dos Fabricantes de Veículos Automotores (ANFAVEA), there was a 21.9% production drop when compared to August 2020, when there was no shortage of electronic components. This was the worst result for an August since 2003.

After so many months with an output below market demand, inventories at factories and dealerships are being consumed quickly, with no short-term perspectives to correct this situation. By the end of August there were only 76,400 units available, enough for less than two weeks of sales, the worst level in more than two decades.

“The semiconductor situation brings an enormous unpredictability to the industry's performance for the rest of the year. Normally we would be producing at a fast pace at this time of year, when sales are historically stronger”, said the president of ANFAVEA, Luiz Carlos Moraes. “In 2020 the production levels were good during the second half of the year, but demand was very unstable and unpredictable due to the pandemic. This year we are experiencing a considerable drop in production due to the semiconductor crisis, but demand did return,” he added.

The offering shortage brought down the licensing numbers once again. 172,800 units were sold in the worst August since 2005. The drop was 1.5% over July and 5.8% compared to August 2020. Amid the retraction, some segments stand out positively. For the first time in history, SUVs sold more than the sum of hatches and sedans.

Hybrids and electrics also had record participation in sales, with 3,873 units, 2.4% of the entire market.

Other positive highlights are the reaction of exports and the maintenance of employment throughout the pandemic. After a decline in July, in August exports rose 23.9% over the previous month. In all, 29,400 vehicles were shipped, 5.5% more than in August last year. The truck segment also presents good results, even suffering with the supply of some raw materials. The production of 15 thousand units grew 1.1% over July, while sales of 13 thousand units represented an increase of 8.1% over the previous month.