



## NATIONAL ASSOCIATION OF AUTOMOBILE MANUFACTURERS OF SOUTH AFRICA

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# PRESS RELEASE

**PRETORIA - Friday, November 01, 2019:** The National Association of Automobile Manufacturers of South Africa [NAAMSA] welcomed the uptick in new vehicle sales during October 2019. The car rental industry continued to provide substantial support to new vehicle sales volumes during the month. Reflecting on the new vehicle sales statistics for the month of October 2019 released today for public consumption via the website of the Department of Trade and Industry, NAAMSA confirmed that aggregate domestic new vehicle sales, at 51 978 units, reflected a marginal increase of 122 units or 0,2% from the 51 856 vehicles sold in October last year. Monthly export sales had registered a further solid performance in line with industry expectations.

Overall, out of the total reported industry sales of 51 978 vehicles, an estimated 38 558 units or 74,2% represented dealer sales, an estimated 20,3% represented sales to the vehicle rental industry, 3,7% to industry corporate fleets, and 1,8% to government.

The October 2019 new passenger car market increased by 860 cars or 2,5% to 35 904 units compared to the 35 044 new cars sold in October last year. The car rental industry continued to support domestic volumes, accounting for a significant 28,2% of new cars sales in October 2019.

Domestic sales of new light commercial vehicles, bakkies and mini-buses at 13 366 units during October 2019 had recorded a decline of 833 units or a fall of 5,9% from the 14 199 light commercial vehicles sold during the corresponding month last year.

Sales in the medium and heavy truck segments of the industry reflected an improved performance and at 839 units and 1 869 units, respectively, reflected an increase of 63 vehicles or a gain of 8,1%, in the case of medium commercial vehicles, and, in the case of heavy trucks and buses, an improvement of 32 units, or an increase of 1,7% compared to the corresponding month last year.

The October 2019 export sales number at 41 277 vehicles reflected a strong increase of 7 152 units, or 21,0%, compared to the 34 125 vehicles exported in the same month last year. For the first ten months of the year, vehicle exports, at 338 955 units, are now at their third highest level on record with still two months to go for the year and well on track to achieve another record in 2019.

Although some positive signs during October 2019, the turnaround in the new vehicle market, anticipated for the second half of the year, has not realised yet. Furthermore, the low growth environment and the rise in South Africa's fiscal risks do not bode well for the foreseeable future. Prospects for domestic new vehicle sales would continue to be affected by the depressed current macro-economic environment, enduring pressure on household disposable income as well as low business and consumer confidence. Demand for domestic new vehicles, particularly the new passenger car market, therefore, would continue to remain under pressure over the medium term.

Of significance, however, is the continued strong performance on the export side. After only 10 months the third highest vehicle export level on record has been achieved and the industry is now squarely set to achieve a new record in 2019.

### **NOTES FOR EDITORS**

- NAAMSA represents 41 car, light commercial vehicles, truck and bus manufacturers plus all importers and distributors of automobiles in South Africa.
- Our purpose is to actively and responsibly represent, advance and protect our members' collective, non-competitive interests across the automobile industry.
- More information can be found on [www.naamsa.co.za](http://www.naamsa.co.za).
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### **ABOUT THE SA AUTOMOBILE INDUSTRY**

- Total automotive revenue in the ambit of the automotive business sphere in South Africa amounted to R503 billion in 2018;
- In 2018, the export of vehicles and automotive components reached a record amount of R178,8 billion, equating to 14,3% of South Africa's total exports.
- Vehicles and components are exported to a record 155 international markets;
- The number of export destinations to which the export values more than doubled on a year-on-year basis in 2018 was 25;
- The automotive industry contributes 6.8% to GDP [4.3% manufacturing and 2.5% retail].

### **NAAMSA OFFICES: PRETORIA**