

# PRESS RELEASE

**FOR IMMEDIATE RELEASE | Monday, November 02, 2020**

## naamsa releases October 2020 new vehicle stats

### “NOT OUT OF THE WOODS YET”

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**PRETORIA: Monday, November 02, 2020:** “New vehicle sales in South Africa are slowly picking up but not at 2019 levels yet. We are not out of the woods yet. While vehicle exports are making a steady comeback, we remain cautiously anxious about the reports of a COVID-19 second wave across Europe which could further depress our overall outlook for the balance of this year”, said Mikel Mabasa, **naamsa** CEO.

Reflecting on the new vehicle sales statistics for the month of October 2020, **naamsa** confirmed that the downward trajectory in new vehicle market continued during the month, albeit at a slower pace with aggregate domestic sales at 38 752 units reflecting a decline of 13 216 units, or 25,4% from the 51 968 vehicles sold in October last year. Export sales at 33 474 units also declined by 7 792 units or 18,9% compared to the 41 266 vehicles exported in October 2019.

Overall, out of the total reported industry sales of 38 752 vehicles, an estimated 32 478 units or 83,8% represented dealer sales, an estimated 9,4% represented sales to the vehicle rental industry, 3,8% sales to government, and 3,0% to industry corporate fleets.

The October 2020 new passenger car market at 26 793 units had registered a decline of 9 106 cars or a fall of 25,4% compared to the 35 899 new cars sold in October last year. The car rental industry accounted for an encouraging 12,8% of car sales in October 2020.

Domestic sales of new light commercial vehicles, bakkies and mini-buses at 9 644 units during October had recorded a decline of 3 717 units or a fall of 27,8% from the 13 361 light commercial vehicles sold during the corresponding month last year.

Sales for medium and heavy truck segments of the industry reflected a weak performance and at 662 units and 1 653 units, respectively, showed a decline of 178 vehicles or a fall of 21,2% in the case of medium commercial vehicles, and, in the case of heavy trucks and buses a decline of 215 vehicles or a fall of 11,5% compared to the corresponding month last year.

The October 2020 the exports sales number at 33 474 units represented a decline of 7 792 vehicles or 18,9% compared to the 41 266 vehicles exported in 2019. The performance for the year to date now reflected a fall of 119 803 vehicles, or 35,3% compared to the level of the same period last year.

Activity in the new vehicle market is gradually improving every month but sales remain very slow to recover to previous levels. The country's economy remains fragile and while the economy would slowly regain momentum, tough months were still ahead before business and consumer confidence was rebuilt. The year to date sales figures tells a dismal story now reflecting a decline of 146 261 units, or 32,5% compared to the corresponding period last year. Going forward, interest rates at an all-time low could assist some businesses and consumers from an affordability point of view. However, the sentiment expressed by the **naamsa** CEOs relating to automotive business conditions over the next six months by and large remains pessimistic. With the easing of lockdown restrictions, the new normal has begun as the country will ease gradually into rebuilding the economy.

Vehicle export numbers are gradually regaining momentum but in terms of a recovery much will depend on an improvement in the economic climate of the South African automotive industry's main trading partners. A second wave of COVID-19 infections in Europe, accounting for three out of every four vehicle exports at present, poses significant downside risks on the pace of recovery in domestic vehicle exports over the short to medium term.

**NOTE TO THE MEDIA - **naamsa** has introduced a new way of reporting and is currently renovating its data management offering to the market and will be introducing a number of value adding services that will be announced shortly. However, it is worth noting that this information will be securely migrated and housed in our new website at [www.naamsa.co.za](http://www.naamsa.co.za)**

**ENDS**

## ABOUT THE SA AUTOMOBILE INDUSTRY

- the automotive industry contributes 6.4% to GDP [4.0% manufacturing and 2.4% retail];
- total automotive revenue in South Africa amounted to R500 billion in 2019;
- in 2019, the export of vehicles and automotive components reached a record amount of R201.7 billion, equating to 15,5% of South Africa's total exports;
- the industry accounts for 27.6% of the country's manufacturing output;
- vehicles and components are exported to 151 international markets;
- we are the country's 5th largest exporting sector out of all 104 sectors;
- the manufacturing segment of the industry presently employs more than 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

- **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;
- Enquiries: Mikel M. MABASA, Chief Executive Officer, [mike@naamsa.co.za](mailto:mike@naamsa.co.za),
- Contact Numbers: +27 12 807 0152 or +27 82 909 6621;
- More information can be found on [www.naamsa.co.za](http://www.naamsa.co.za).

**naamsa OFFICES: PRETORIA** | Monday, November 02, 2020

OUR STRATEGY: REIMAGINING THE FUTURE TOGETHER

OUR AMBITION: "the most credible thought leader and respected partner of a globally competitive and transformed automotive industry that actively contribute to the sustainable development of South Africa".

OUR VALUES: Partnership | Consistency | Trust

