



naamsa
THE AUTOMOTIVE BUSINESS COUNCIL



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PRESS RELEASE

FOR IMMEDIATE RELEASE | Monday, May 03, 2021

naamsa releases April 2021 new vehicle stats

PRETORIA: Monday, May 03, 2021 | Reflecting on the new vehicle sales statistics for the month of April 2021 **naamsa** said that in view of the COVID-19 country hard lockdown restrictions during April 2020 when vehicle production and retail sales came to a standstill at the time, a comparison of the April 2021 new vehicle sales and export performance with the distorted industry performance in April 2020 will not be meaningful.

Since only 574 new vehicles were sold during April 2020, comparisons for purposes of this media release will therefore focus on the performance of April 2021 with the previous month of March 2021. Aggregate domestic sales in April 2021, at 35 779 units, reflected a decline of 7 649 units, or 17,6%, from the 43 428 vehicles sold in March 2021. Export sales also recorded a fall of 12 619 units, or 32,2%, to 26 522 units in April 2021 compared to the 39 141 vehicles exported in March 2021.

naamsa CEO, Mikel MABASA said that the configuration of public holidays and consequent fewer selling days impacted on the new vehicle sales and export performance during April 2021 compared to March 2021. For the first four months of 2021, however, the new vehicle market was now 28,3% above the corresponding period last year. Overall, out of the total reported industry sales of 35 779 vehicles, an estimated 31 482 units, or 88,0%, represented dealer sales, an estimated 7,5% represented sales to the vehicle rental industry, 2,4% sales to government, and 2,1% to industry corporate fleets.

The April 2021 new passenger car market at 22 911 units had registered a decline of 3 688 cars, or a fall of 13,9%, compared to the 26 599 new cars sold in March 2021. The car rental industry accounted for 10,1% of car sales in April 2021.

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NATIONAL OFFICE BEARERS: President | Andrew KIRBY | Chief Executive Officer | Toyota South Africa Motors
Vice-President: Manufacturing OEMs | Neale HILL | Managing Director | Ford Motor Company
Vice-President: Retailing OEMs | Gary SCOTT | Chief Executive Officer | Kia Motors
Vice-President: Heavy Commercial OEMs | Fabio SOUZA | Managing Director | Scania South Africa

EXECUTIVE DIRECTOR: Chief Executive Officer: Mikel MABASA

REGISTRATION DETAILS: PBO No.: 930/023/609 | VAT No.: 4070109972 | **naamsa** NPC: 2021/358607/08



Domestic sales of new light commercial vehicles, bakkies and mini-buses at 10 879 units during April 2021 had recorded a decline of 3 485 units, or a fall of 24,3%, from the 14 364 light commercial vehicles sold during March 2021.

Sales for medium and heavy truck segments of the industry also reflected a negative performance and at 511 units and 1 478 units, respectively, showed a fall of 163 units, or 24,2% in the case of medium commercial vehicles, and, in the case of heavy trucks and buses a fall of 313 vehicles, or a decline of 17,5%, compared to the previous month, 2021.

The April 2021 exports sales number at 26 522 units reflected a decline of 12 619 vehicles, or 32,2%, compared to the 39 141 vehicles exported in March 2021. For the first four months of 2021 vehicle exports were now 48,3% above the corresponding period last year.

The hard lockdown restrictions in South Africa and globally during the second quarter of 2020 distorted the domestic new vehicle sales performance and will impact on accurate and meaningful comparisons with the corresponding months of 2020 during the quarter. Renewed activity in the rental market, interest rates remaining at their low levels, the easing of the lockdown restrictions, as well as all five subcomponents of the ABSA Purchasing Managers' Index (PMI) being in positive terrain for the first time since early 2012, will aim to support business and consumer sentiment and subsequently the new vehicle market in 2021. However, COVID-19 induced manufacturing supply chain disruptions, such as the current global shortage of semi-conductors, or computer chips, an important part of modern vehicles could impact on availability of specific models during the year. Importantly to take note off is that, although the new vehicle market in 2021 is expected to rebound substantially compared to 2020, aggregate new vehicle sales in 2020 dropped back to the level of 18 years ago and a recovery to the pre-COVID-19 level would take at least three years.

Vehicle exports for the year to date are substantially higher than the corresponding period of 2020. Vehicle exports are important to the viability of the domestic automotive industry, as exporting remains key to generating sufficient economies of scale and to achieving improved international competitiveness. The three main factors likely to determine the trajectory of the global economy in 2021 and subsequently the export performance of the domestic automotive industry include the path of the pandemic and how it is managed; the vaccine and how it is rolled out; and the actions of governments in response to the pandemic.

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

- **Since 2021 naamsa introduced associate membership that offers tangible benefits such as access to information, visibility to key industry issues, business exposure, as well as related discounts.**
- **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;
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- More information can be found on www.naamsa.co.za.

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