



naamsa
THE VOICE OF THE AUTOMOTIVE INDUSTRY



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PRESS RELEASE

FOR IMMEDIATE RELEASE | Thursday, July 01, 2021

naamsa releases June 2021 new vehicle stats

PRETORIA: Thursday, July 01, 2021: NOTE TO THE MEDIA

Reflecting on the new vehicle sales statistics for the month of June 2021 **naamsa** said that the recovery in the new vehicle market is gaining momentum and in line with industry expectations, notwithstanding the country moving from level 2 to level 3 in mid-June and subsequently to adjusted alert level 4 lockdown restrictions at the end of June 2021. Aggregate domestic sales in June 2021, at 38,030 units, reflected an increase of 6 387 units, or 20,2%, from the 31,643 vehicles sold in June 2020. Export sales also recorded a gain of 9,567 units, or 50,9%, to 28 384 units in June 2021 compared to the 18,808 vehicles exported in June 2020.

Overall, out of the total reported industry sales of 38,030 vehicles, an estimated 32,847 units, or 86,3%, represented dealer sales, an estimated 7,6% represented sales to the vehicle rental industry, 3,9% to industry corporate fleets, and 2,2% sales to government.

The June 2021 new passenger car market at 24,482 units had registered an increase of 5,348 cars, or a gain of 28,0%, compared to the 19,134 new cars sold in June 2020. The car rental industry accounted for 10,5% of car sales in June 2021.

Domestic sales of new light commercial vehicles, bakkies and mini-buses at 11,208 units during June 2021 had recorded an increase of 986 units, or a gain of 9,6%, from the 10,222 light commercial vehicles sold during June 2020.

Sales for medium and heavy truck segments of the industry reflected a mixed performance and at 687 units and 1 653 units, respectively, showed an increase of 110 units, or 19,1% in the case of medium commercial vehicles, and, in the case of heavy trucks and buses a decline of 57 vehicles, or a fall of 3,3%, compared to the corresponding month last year. The June 2021 exports sales number at 28,384 units reflected an increase of 9,576 vehicles, or 50,9%, compared to the 18 808

vehicles exported in June 2020. For the first six months of 2021 vehicle exports were now 65,8% above the corresponding period last year.

The new vehicle market continued its gradual recovery during the month of June 2020 in the face of a number of challenges, but also opportunities. Ongoing stronger sales through the dealer channel signals improved consumer and business sentiment, rental companies are re-fleeting again while the delayed replacement cycle, due to lockdown restrictions in 2020, are catching up in contributing to improved new vehicle sales. However, of concern is the persistent electricity supply disruptions, port delays, and the third Covid-19 wave of infections being experienced. The vaccine rollout is slow and a third wave of the pandemic threatens to dent the momentum in consumption in the country, especially if the adjusted alert level 4 lockdown restrictions are extended for longer than the initial two-week period. Compared to the first six months of 2020, the new vehicle market was now 40,1% above the corresponding period last year, but compared to the pre-Covid-19 first six months 2019, the new vehicle market was still 11,7% below the corresponding period 2019, highlighting that a full recovery would be protracted until around 2023.

Vehicle exports continued their upward momentum during the month and according to the ABSA Purchasing Managers' Index (PMI), the outlook for manufacturers targeting the European and US export markets remains very bright, with recent international PMI readings remaining at or near record-high levels. In terms of a timeframe for a full recovery to pre-COVID-19 vehicle record export levels, much will depend on the ongoing path and management of the global pandemic.

ENDS

ABOUT THE SA AUTOMOBILE INDUSTRY

- the automotive industry contributes 4.9% to GDP [2.8% manufacturing and 2.1% retail];
- in 2020, the export of vehicles and automotive components reached a record amount of R175.7 billion, equating to 13.9% of South Africa's total exports;
- the industry accounts for 18.7% of the country's manufacturing output;
- vehicles and components are exported to 147 international markets;
- we are the country's 5th largest exporting sector out of all 104 sectors;
- the manufacturing segment of the industry presently employs in the order of 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.

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

OUR ASSETS: #MOBILITYMatters | #naamsaAutolytics | #naamsaDreamsAcademy | SA-AutoWeek



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;
- Enquiries: Mikel M. MABASA, Chief Executive Officer, mikel@naamsa.co.za,
- Contact Numbers: +27 12 807 0152 or +27 82 909 6621;
- More information can be found on www.naamsa.co.za.

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