

PRESS RELEASE

FOR IMMEDIATE RELEASE | Tuesday, November 02, 2021

naamsa releases October 2021 new vehicle stats and welcomes Neale HILL as its new President

PRETORIA: Tuesday, November 02, 2021: In releasing its October 2021 new vehicle sales, **naamsa** | The Automotive Business Council said that adverse events that occurred during the month of October, including the three-week strike in the steel and engineering sector as well as the return of an acute load-shedding programme, impacted the new vehicle market and vehicle exports. Aggregate domestic new vehicle sales in October 2021, at 41,035 units, reflected an increase of 2,341 units, or 6,1%, from the 38,694 vehicles sold in October last year. Export sales recorded a decline of 10,159 units, or 30,0%, to 23,685 units last month compared to the 33,844 vehicles exported in October 2020.

Overall, out of the total reported industry sales of 41,035 vehicles, an estimated 33,842 units, or 82,5%, represented dealer sales, an estimated 14,0% represented sales to the vehicle rental industry, 2,1% sales to government, and 1,4% to industry corporate fleets.

The October 2021 new passenger car market at 27,496 units had registered an increase of 815 cars, or a gain of 3,1%, compared to the 26,681 new cars sold in October 2020. The car rental industry supported the new passenger car market during the month and accounted for a sound 18,2% of car sales in October 2021.

Domestic sales of new light commercial vehicles, bakkies and mini-buses at 11,188 units during October 2021 had recorded an increase of 1,535 units, or a gain of 15,9%, from the 9,653 light commercial vehicles sold during October 2020.

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National Office Bearers and: President: Neale HILL | President | Ford Motor Company Africa
Non-Executive Directors: Vice-President: Manufacturing OEMs | Billy TOM | President and Chief Executive Officer | Isuzu Motors South Africa
Vice-President: Retailing OEMs | Gary SCOTT | Chief Executive Officer | Kia South Africa
Vice-President: Heavy Commercial OEMs | Filip VAN DEN HEEDE | Managing Director | UD Trucks
Immediate Past President: Andrew KIRBY | President and Chief Executive Officer | Toyota South Africa Motors
Executive Director: Chief Executive Officer: Mikel MABASA

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Sales for medium and heavy truck segments of the industry reflected a mixed performance and at 576 units and 1,775 units, respectively, showed a decline of 97 units, or 14,4% in the case of medium commercial vehicles, and, in the case of heavy trucks and buses an increase of 88 vehicles, or a gain of 5,2%, compared to the corresponding month last year.

The October 2021 exports sales number at 23,685 units reflected a fall of 10,159 vehicles, or 30,0%, compared to the 33,844 vehicles exported in October 2020. However, for the year-to-date, vehicle exports were still 12,0% ahead of the same period last year.

The sigh of relief with the country's move to adjusted alert level 1 from 1 October 2021 was short-lived due to the adverse events that occurred during the month, including the three-week strike in the steel and engineering sector as well as businesses having to endure several days of rolling blackouts during the month ahead of the local government elections. In addition to COVID-19 supply chain disruptions resulting in vessel and container shortages consequently resulting in higher logistics costs, load-shedding remained an area of great concern impacting on the ability of the industry to plan and grow. On the positive side, respondents to the Absa Purchasing Managers' Index [PMI] remained upbeat about an improvement in business conditions over the next six months.

Vehicle exports continued their four-month downward trajectory during the month which could be linked to the three-week strike in the steel and engineering sector impacting on vehicle production as well as new model introductions normally taking time to ramp up to full production. On the upside, the domestic automotive industry will continue to benefit from the strong rebound in global economic activity and the favourable conditions abroad.

naamsa also confirmed that Neale HILL who was recently appointed President of Ford Motor Company Africa, from October 01 this year was elected unopposed as the new **naamsa** President for a two year term. HILL who serves on the boards of Ford Motor Company of Southern Africa, and Ford Financial Services South Africa said he was humbled by the vote of confidence by all other automotive company CEO's in electing him to the position of **naamsa** President. "**naamsa** is increasingly playing an indispensable transformative role that contributes directly to the sustainable development of the country's productive economy. I am very pleased to lead our country's automotive industry in this capacity as we accelerate our role as a major industrial and economic force that adds real value every day, by providing mobility; facilitating trade; creating sustainable jobs; moving people, goods and services; and by serving communities and creating prosperity for the people of South Africa", said Mr. HILL.

Neale is succeeding Andrew KIRBY, President and CEO of Toyota South Africa Motors as **naamsa** President.

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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.

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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- 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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