

PRESS RELEASE

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naamsa releases June 2022 new vehicle stats

PRETORIA: Friday, July 01, 2022: NOTE TO THE MEDIA

Reflecting on the new vehicle sales statistics for the month of June 2022 **naamsa** said that the new vehicle market's performance was inspiring considering ever-increasing challenging market conditions. Aggregate domestic new vehicle sales in June 2022, at 41 019 units reflected an increase of 2 888 units, or 7,6%, from the 38 131 vehicles sold in June 2021. Export sales recorded an increase of 5 044 units, or 18,0%, to 33 054 units in June 2022 compared to the 28 010 vehicles exported in June 2021.

Overall, out of the total reported industry sales of 41 019 vehicles, an estimated 34 935 units, or 85,2%, represented dealer sales, an estimated 8,6% represented sales to the vehicle rental industry, 5,0% to industry corporate fleets, and 1,2% sales to government.

The June 2022 new passenger car market at 29 545 units had registered an increase of 5 048 cars, or a gain of 20,6%, compared to the 24 497 new cars sold in June 2021. The car rental industry supported the new passenger car market during the month and accounted for 11,2% of sales in June 2022.

Domestic sales of new light commercial vehicles, bakkies and mini-buses at 8 877 units during June 2022 had recorded a decline of 2 329 units, or a fall of 20,8%, from the 11 206 light commercial vehicles sold during June 2021.

Sales for medium and heavy truck segments of the industry reflected a good performance during the month and at 697 units and 1 900 units, respectively, showed an increase of 9 units, or 1,3% in the case of medium

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National Office Bearers: President: Neale HILL | Managing Director | Ford Motor Company
Vice-President: Manufacturing OEMs | Billy TOM | President and Chief Executive Officer | Isuzu Motors South Africa
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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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commercial vehicles, and, in the case of heavy trucks and buses an increase of 160 vehicles, or a gain of 9,2%, compared to the corresponding month last year.

The June 2022 exports sales number at 33 054 units reflected an increase of 5 044 vehicles, or 18,0%, compared to the 28 010 vehicles exported in June 2021. For the first half of the year vehicle exports were now 2,9% below the level of the corresponding period 2021.

Considering several upside risks to the economy and the inflation outlook, the new vehicle market delivered an upbeat performance during the month of June 2022. However, as consumers start to feel the pinch of rising food and fuel prices along with higher interest rates on their cost of living, the spill-over effect of reduced disposable income will increasingly result in lower demand for non-essentials. In a further blow to the economy resulting in escalating business and consumer anxiety, stage 6 load shedding was implemented during the month, only the second time since 2019. Just emerging from COVID-19 and the impact of the devastating floods in KZN, stage 6 load shedding will cost the South African economy dearly at a time when it is already facing a myriad of headwinds battling to recover.

Passenger car exports performed well during the month, but LCV exports lagged due to the knock-on effects of the KZN floods as well as the ongoing shortage of semi-conductors impacting on vehicle production. Although the ongoing war in Ukraine, supply chain disruptions and the risk of stagflation are hampering global growth and will weigh in on the domestic industry's export potential, prospects for 2022 remain optimistic on the back of further new locally manufactured model introductions during the year.

ENDS

ABOUT THE SA AUTOMOBILE INDUSTRY

- the automotive industry contributes 4.3% to GDP [2.4% manufacturing and 1.9% retail];
- in 2021, the export of vehicles and automotive components reached a record amount of R207.5 billion, equating to 12.5% of South Africa's total exports;
- the industry accounts for 17.3% of the country's manufacturing output;
- vehicles and components are exported to 152 international markets;
- 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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