

# PRESS RELEASE

FOR IMMEDIATE RELEASE | Thursday, May 02, 2024

## naamsa RELEASES APRIL 2024 STATISTICS AND ANNOUNCES THAT THE SA AUTO INDUSTRY WILL BE CELEBRATING A CENTURY OF AUTOMOTIVE EXCELLENCE

**IMPORTANT NOTICE:** Please note that **naamsa** uses a different naming convention, namely **naamsa** | The Automotive Business Council or **naamsa**. The National Association of Automobile Manufacturers of South Africa is no longer a legal entity, and we wish to advise all reporters to use the new naming conventions as advised above.

**PRETORIA: Thursday, May 02, 2024:** This year [2024] is a momentous occasion to celebrate the heritage, resilience, passion, ingenuity, and unwavering dedication of the automotive industry to South Africa and her people. “As the sun rises on a century of automotive innovation, South Africa proudly commemorates 100 years of automobile manufacturing excellence. From humble beginnings to global recognition, this milestone reflects a journey of resilience, ingenuity, and passion that has shaped the nation's automotive legacy,” Mikel MABASA, **naamsa** CEO said. “We are a nation that has built a strong auto industry which our people are very proud of. **naamsa** will announce the details for how the industry will commemorate this milestone later during the month of May 2024.

Reflecting on the new vehicle sales statistics for the month of April 2024, **naamsa** | The Automotive Business Council welcomed the growth in the new vehicle market after eight consecutive months of decline. Aggregate domestic new vehicle sales in April 2024, at 38,172 units, reflected an increase of 814 units, or a gain of 2,2%, from the 37,358 vehicles sold in April 2023. Export sales recorded a decline of 7,355 units, or 23,9%, to 23,394 units in April 2024 compared to the 30,749 vehicles exported in April 2023.

Overall, out of the total reported industry sales of 30,057 vehicles, an estimated 39,016 units, or 89,9%, represented dealer sales, an estimated 5,0% represented sales to the vehicle rental industry, 2,7% to government, and 2,4% to industry corporate fleets.

The April 2024 new passenger car market at 25,972 units had registered an increase of 1,493 cars, or a gain of 6,1%, compared to the 24,479 new cars sold in April 2023. Car rental sales accounted for 6,6% of new passenger vehicles sales during the month. Domestic sales of new light commercial vehicles, bakkies and mini-buses at 9,646 units during April 2024 had recorded a decline of 953 units, or a loss of 9,0%, from the 10,599 light commercial vehicles sold during April 2023.

Sales for medium and heavy truck segments of the industry reflected a sound performance for April 2024 at 590 units and 1,964 units, respectively, which is an increase of 33 units, or 5,9% from the 557 units sold in April 2023 in the case of medium commercial vehicles, and, in the case of heavy trucks and buses an increase of 241 vehicles, or 14,0%, compared to the 1,723 units sold in the corresponding month last year. The April 2024 exports sales number at 23,394 units reflected a decline of 7,355 vehicles, or 23,9%, compared to the 30,749 vehicles exported in April 2023. For the first four months of 2024 exports were now 9,1% below the corresponding quarter 2023.

The positive performance in the new vehicle market during April 2024 was a welcomed development along with a full month of no load-shedding, which likely supported business conditions. Economic factors remain the most important aspects affecting new vehicle sales, and these include interest rates, unemployment rates, GDP growth rates, disposable income, and exchange rates. As increases in interest rates changed the affordability model for consumers, downsizing purchases remained a significant factor linked to consumers being more selective and financially conscious in their vehicle choices. Intelligent demand along with digital knowledge are progressively reshaping the new vehicle buying journey. The composition of the South African vehicle market is therefore reflecting the growing popularity of less expensive, smaller cars, sport utility vehicles [SUVs] and crossovers, and light commercial vehicles. After the upcoming May 2024 national elections and once the interest rate cutting cycle commences, likely during the second half of the year, prospects for the new vehicle market are anticipated to improve.

Vehicle exports again declined by a big margin in April 2024 and export growth in 2024 will remain a function of the direction and economic performance of global markets. For the export-oriented South African automotive industry, the longer-term global economic outlook remains clouded by risks to the inflation trajectory, the recent conflict in the Middle East, and the effects of climate change. As an export-oriented industry, it is essential for the domestic automotive industry to continue diversifying risk by pursuing wider geographical exposure to mitigate the impact of country or regional cyclical economic conditions.

## **FOUNDATIONS OF INNOVATION**

A century ago, when the first engines roared to life on South African soil, little did the world know that it was witnessing the birth of an automotive revolution. From the pioneering days of assembling basic vehicles to the sophisticated manufacturing processes of today, South Africa's automotive industry has laid enduring foundations of innovation. Brands like Ford, Mercedes-Benz, Toyota, Volkswagen, Nissan, Isuzu, and BMW among others, have contributed to this legacy by introducing cutting-edge technologies, advanced manufacturing techniques, and innovative design concepts. These foundations have not only stood the test of time but have also evolved to meet the ever-changing demands of a dynamic global market.

## **PIONEERING SPIRIT**

In the face of challenges, South Africa's automotive pioneers embodied a spirit of resilience and daring innovation. They turned dreams into realities, conceptualizing and producing vehicles that not only met local needs but also captured the imaginations of enthusiasts worldwide. Many of our brands exemplify this pioneering spirit, pushing boundaries, breaking conventions, and setting new benchmarks in automotive excellence. Their contributions have shaped the industry's trajectory, inspiring generations of engineers, designers, and visionaries to continue pushing the boundaries of what's possible in automotive innovation.

## **GLOBAL RECOGNITION**

Today, South Africa stands proudly among the world's automotive giants, a testament to the industry's ingenuity and commitment to excellence. With a diverse portfolio of vehicles ranging from commercial trucks to luxury sedans, South Africa's automotive sector has captured the attention of consumers worldwide. This global recognition is not just a reflection of superior craftsmanship but also a tribute to the industry's adaptability and market responsiveness.

## **SUSTAINABLE SOLUTIONS**

As the world shifts towards sustainable mobility, South Africa's automotive industry has embraced the future with eco-friendly initiatives. From hybrid models to zero-emission electric cars, South Africa's automotive landscape is a testament to the industry's commitment to environmental stewardship and responsible manufacturing practices.

## **STRATEGIC PARTNERSHIPS**

Collaborations with international partners have been instrumental in propelling South Africa's automotive sector to new heights of success. These strategic partnerships have not only expanded market reach but have also facilitated knowledge exchange and skills development, ensuring that South Africa remains a hub of automotive excellence on the global stage.

As we celebrate this momentous occasion, we honour the pioneers, the workers, and the visionaries who have fuelled the engine of progress. Together, we look towards a future where innovation knows no bounds, and South Africa continues to shine as a beacon of automotive excellence on the global stage.

Join us in celebrating a century of driving dreams, shaping destinies, and moving forward with pride.

**NOTE TO ALL EDITORS AND JOURNALISTS: This is the last press release naamsa will distribute via e-mail. Going forward, all our media releases will only be available from a dedicated naamsa website platform called The Members Lounge. For more information on how to access this portal kindly contact Mme Theresa NEL at naamsa at [theresa@naamsa.co.za](mailto:theresa@naamsa.co.za) or on the naamsa website <https://naamsa.net/contact-us/>.**

## STATEMENT ENDS

### ABOUT THE SA AUTOMOBILE INDUSTRY

- the automotive industry contributes 4.9% to GDP [2.9% manufacturing and 2.0% retail];
- in 2022, the export of vehicles and automotive components reached a record amount of R227,3 billion, equating to 12.4% of South Africa's total exports;
- the industry accounts for 21.7% 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;
- Enquiries: Mikel M. MABASA, Chief Executive Officer, [mikel@naamsa.co.za](mailto: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](http://www.naamsa.co.za).

**naamsa OFFICES: PRETORIA | Thursday, May 02, 2024.**