

February cars sales: More good news for manufacturers, dealers

By [Henrie Geysler](#)

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Commenting on the new vehicle sales statistics for February 2011, released this morning, the National Association of Automobile Manufacturers of South Africa (NAAMSA) says that new car sales in particular, as well as medium and heavy commercial vehicle sales, have registered exceptional gains compared to the corresponding month last year.



Aggregate industry sales have improved by 9880 units or 25,2% to 49 164 vehicles from 39 284 units in February last year. The current strength in the market reflects the strong underlying momentum and it was encouraging that total industry sales for the first two months of 2011 were 21,9% ahead of the corresponding two months in 2010. Attractive special incentive packages offered by a number of manufacturers/importers during the month of February, 2011 also contributed to the rise in sales volumes.

Overall, out of the total NAAMSA reported industry sales of 49 164 vehicles, 80,3% or 39 505 units represented dealer sales, 10,2% represented sales to the car rental industry, 6,0% sales to government and 3,5% to industry corporate fleet sales.

Aggregate industry new car sales during February 2011 at 34 056 units reflected a substantial improvement of 8077 units or 31,1% compared to the 25 979 new cars sold during February 2010.

Light commercials show improvement

Sales of industry new light commercial vehicles, bakkies and minibuses at 12 854 units during February, 2011 reflected an improvement of 1307 units or 11,3% compared to the 11 547 units of the corresponding month last year. Sales also reflected an improvement of 21,8% compared to the previous month of January, 2011 which could be attributed to some pre-emptive buying to avoid the new CO2 tax on double-cab light commercial vehicles to be implemented from 1 March, 2011.

Busses buck the trend

Sales of vehicles in the medium and heavy truck segments of the industry, with the exception of the bus segment, continued the strong upward momentum and the February, 2011 sales at 861 units and 1393 units, respectively, had recorded a gain of 271 units or 45,9%, in the case of medium commercials, and 225 units or 19,3% in the case of heavy trucks and buses - compared to the corresponding month last year.

Exports expectations

Exports of South African produced motor vehicles during February, 2011 at 25 129 vehicles had registered a significant improvement of 10 997 units or 77,8% compared to the 14 132 vehicles exported during February last year. In light of a revival in demand for South African-produced motor vehicles in foreign markets, industry export sales were expected to reach 300 000 units in 2011.

The outlook for 2011 in terms of total industry sales remained positive. Domestically, new vehicle sales over the medium term would remain a function of the performance of the South African economy and, in the case of export sales, the sustainability of the recovery in the global economy. For 2011, domestic new car sales, at this stage, were projected to improve by 10% to 15% in volume terms. New commercial vehicle sales, on the back of anticipated higher economic activity levels, could improve by up to 15%. The automotive industry's performance in 2010 and the momentum carried over into 2011 represents a solid platform for the industry to build on this year.

ABOUT HENRIE GEYSER

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