

The top-selling passenger cars in March

The recovery of the South African new-vehicle market remains largely subdued, due to continued stock shortages, but there seems to be light at the end of the tunnel.



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“Consumers have an appetite for new vehicles, especially in the entry-level, crossover and SUV segments and although we are seeing growth, we have not been able to convert all the interest into sales due to global new vehicle stock shortages,” says the CEO of Motus Retail and Rental, Corné Venter.

The month of March saw the total reported industry sales counter stop at 44,217 vehicles, with 40,963 units attributed to dealer sales.

The top-selling passenger cars for the month of March 2021 were the Volkswagen Polo Vivo (1,913 units), the Volkswagen Polo (1,831 units), Toyota Urban Cruiser (977 units), Toyota Fortuner (966 units) and Hyundai Venue (944 units).



New car sales: January sees decline, but recovery looms

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Even though both Toyota and Hyundai reported higher volumes compared to February, the overall passenger car race was won by Volkswagen who sold a total of 5,787 vehicles in March, followed by Toyota with 4,726 vehicles. Motus Import and Distribution ranks in the third position with Hyundai who sold 2,999 units, and Renault and Kia sold 1,442 and 1,252 units respectively through the dealer channel.

In the light commercial segment, it was the Toyota Hilux who once again walked away as a clear leader, retailing 3,943 units for the month, followed by the Ford Ranger (2,416 units) Isuzu D-Max (1,606 units), Nissan NP200 (1,443 units) and the Toyota Hi-Ace (1,399 units).

Winners and losers

The biggest winners in terms of market share gained were Suzuki, with 3,4%, Hyundai Automotive South Africa with 1,35% and BMW with 1%. The biggest market share losses were recorded for Ford, which lost 2,1%, Volkswagen who lost 1,65% and Mercedes-Benz, which surrendered 1,3% of their market share to competitors. All three of these brands produce vehicles locally.

The top three segments in the passenger car market were, the entry-level segment with 6,641 units, crossovers with 5,565 units and SUVs with 4292 units. The light commercial market was dominated by the Above One-Ton Double Cab segment with 5,533 units, followed by the Above One-Ton Single Cab segment with 3,877 units.

Looking ahead

Motus represents the majority of the new vehicle brands in the retail market and confirmed that they saw limited price increases from OEMs during the month of April, with the only exceptions being Toyota, Ford, Mazda, Nissan and Datsun.

After a bumper start to the year with a myriad of new car launches, April is rather quiet when it comes to the arrival of new models. Ford's Everest Sport and Ranger FX4 models will be making their way onto showroom floors while Hyundai will finally be launching the much-anticipated new Santa Fe.

"Structural constraints, which exist in the economy, coupled with the growing debt of the country do not bode well for a quick recovery of the motor industry. New vehicle sales in 2021 may also be hampered by stock shortages of certain models in the coming months, caused by COVID-19 induced manufacturing supply chain disruptions, such as the current global shortage of semiconductors, which are an important part of modern vehicles," said Naamsa CEO, Mikel Mabasa.



Competition between various car brands remains extraordinarily strong

Corné Vente 5 Mar 2021



The hurdles surrounding stock are echoed by dealerships within the Motus group. New vehicle stock is still not freely available and the luxury vehicle market remains tough, mainly due to stock mix.

With only 19 working days in April, Motus expects a total dealer sales decline of approximately 7%, when compared to the same month in pre-Covid 2019. However, this number could be further negatively impacted by the new car stock supply.

As a significant player in the pre-owned vehicle market, Auto Pedigree's managing director, Fanie Kleynhans supports these sentiments and expects at least a 10% decline in April compared to the month of March 2021.

"Due to the public holidays this month really only kicked off on the 6th and with more public holidays towards the end of the month, trading days are reduced to only 19 days. In addition, April performance will be impacted by the ongoing shortage

of ex-rental and pre-owned vehicle stock,” says Kleynhans.

It is not all bad news though, interest in buying a new vehicle has certainly improved in March and bank approval numbers seem to have stabilised.

“Demand most certainly outstrips new vehicle supply in the market as a result of component shortages and will continue to do so for a period of time. Given that Motus Importers have managed to secure new vehicle stock, our importer pipeline will enable us to soon normalise supply to the market,” added Venter.

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