

New vehicle sales drop 9.6% year-on-year in November to 46,413 units

By [David Furlonger](#)

2 Dec 2016

Another month, another nightmare. If there is one thing to be said for the new-vehicle market in 2016, it is that it has been consistently depressing.



Figures released on Thursday show that in November, sales of new cars fell 13.8% from the corresponding month in 2015, and sales of all new vehicles by 9.6%. Cars slid from 32,882 to 28,334 and the total market from 51,338 to 46,413.

The net result was that, for the first 11 months of 2016, cars sales were down 12.3%, from 379,517 to 332,805, and all sales by 11%, from 568,490 to 505,876.

As usual, one of the few glimmers of hope came from exports, which grew by 12.1% in November, from 28,113 to 31,508. Up to November, year-on-year shipments grew 3.1%, from 316,401 to 326,169.

The National Association of Automobile Manufacturers of SA (Naamsa) described the immediate outlook for sales as "extremely challenging". It said: "Double-digit new vehicle price inflation, pressure on household disposable incomes, low

levels of consumer and business confidence and relatively high interest rates represent a negative environment for new-vehicle sales."

A rare reason for optimism was a recent improvement in Reserve Bank indicators, hinting at modest economic improvement over the next 18 months. If the economy were to grow 1% in 2017, said Naamsa, sales could improve 3%-4%.

Other analysts were less optimistic, sticking to previous forecasts that, at best, the new-vehicle market would remain flat in 2017.

Source: BDpro

For more, visit: <https://www.bizcommunity.com>