

Healthy gain in vehicle exports

 By [Henrie Geyser](#) 9 Sep 2014

While August and year-to-date local sales of new vehicles continued their negative trend, exports picked up speed to record a gain 18.5% compared to the same month last year.

The total of 25,027 exported units was 3,911 more than the previous year.

Overall, out of the total local sales of 55,751 vehicles, 79.8% represented dealer sales, 13.1% represented sales to the vehicle rental industry, 3.6% to industry corporate fleets and 3.5% to government.



Industry sources say the outlook for the SA automotive sector for the balance of 2014 would remain challenging. Relatively low economic growth, recent increases in interest rates and above inflation new vehicle price increases will dampen sales. The domestic market was expected to register a decline, in volume terms, of between 4% and 5% compared to 2013.

Sources say South Africa requires stronger growth, faster employment creation and a narrowing of the country's current account and fiscal deficits. An improvement in domestic and foreign investor confidence and the implementation of the National Development Plan would assist in boosting business sentiment.

Against the background of more normalised industry vehicle production volumes, a further improvement in export numbers was anticipated over the remainder of 2014.

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