

## Mixed start to commercial vehicle sales in 2020

The South African commercial vehicle market got off to a mixed start in 2020, recording a 4.4% year-on-year decline in overall sales in January.



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According to the latest combined results released by the National Association of Automobile Manufacturers of South Africa (Naamsa), Associated Motor Holdings (AMH) and Amalgamated Automobile Distributors (AAD), 1,568 new trucks and buses were sold during January.

When compared to the first month of 2019, sales were down 8.0% in the Medium Commercial Vehicle (MCV) segment, to end January 2020 with 503 new trucks sold.

Using the same comparison, Heavy Commercial Vehicle (HCV) sales declined by 14.5% to 277 units. The Extra Heavy Commercial Vehicle (EHCV) segment experienced an upturn in sales, increasing by 6.2% to 758 units. Bus sales continued to struggle, with a significant 45.5% decline to 30 units sold during January.

“We have certainly seen an interesting start to the local commercial vehicle market in January 2020,” said Filip Van den Heede, managing director of UD Trucks Southern Africa.

“The sharp declines in both MCV and HCV sales are an indication that the fundamentals are under pressure, likely an indicator that the country’s economy is not yet seeing a recovery to growth. We hope that the Extra Heavy Commercial Vehicle trend in January can stabilise and gradually counter the other segments.”

Van den Heede said that the growth in the EHCV market can be attributed to some recovery in the movement of commodities, which drove new vehicle sales.

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