



MEDIA INFORMATION

FOR IMMEDIATE RELEASE

## **New vehicle sales in South Africa continue to outpace forecasts**

**South Africa, 01 June 2021:** New vehicle sales in South Africa are continuing to outpace forecasts as the industry recovers from the dire situation it experienced a year ago.

*“This is very heartening, particularly the fact that dealer sales represented 87.8% of the total reported new vehicles sales of 38 337 units in May,”* commented Mark Dommissie, the Chairperson of the National Automobile Dealers’ Association (NADA).

*“Strong sales through the retail dealer channel means there is an improvement in consumer confidence, which is good news for the remainder of the year. Admittedly, the figures in April and May last year were very skewed, as our members operated under stringent lockdown regulations. However, the ongoing upturn in 2021 is an encouraging positive with naamsa now forecasting year-on-year growth for 2021.*

*“A year ago, dealers were resuming limited retail sales in May under lockdown Level 4, but now the market is improving significantly while we await the possible negative effects that could flow from a third wave of COVID-19 infections.*

*“The lockdown had a devastating effect on the rental industry which has resulted in a lack of year-old cars coming onto the used vehicle stands at dealerships. That is putting upward pressure on used car pricing. This, in turn, is impacting on sales volumes of preowned models. However, it is encouraging to see that rental companies are re-fleeting again and in May these companies bought 8.2% of total vehicles and 11.4% of the passenger car volume.*

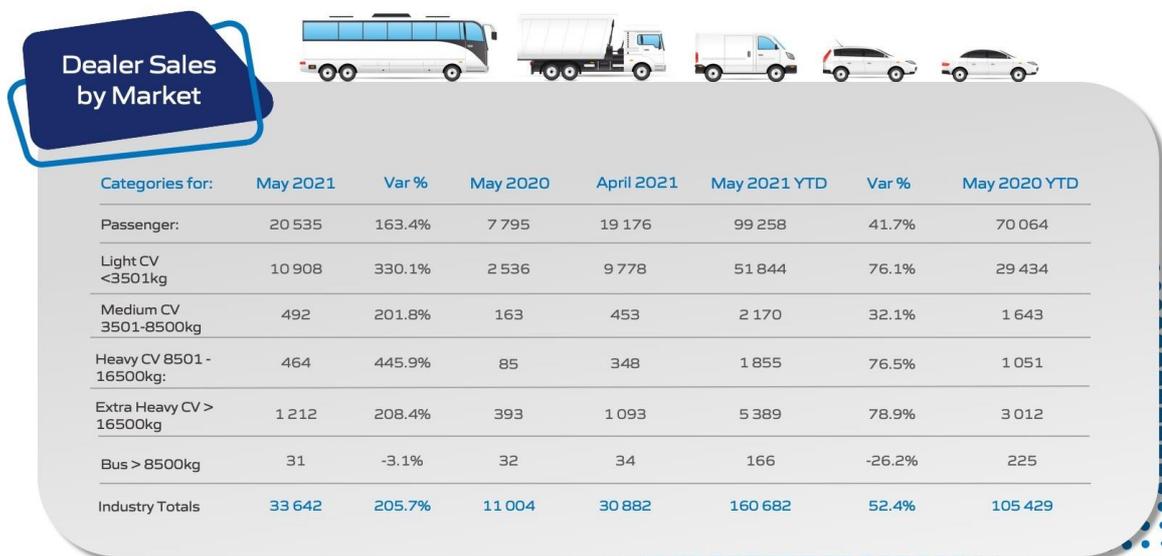
*“We are seeing limited new vehicle availability in certain segments due, in main, to the global microchip shortage which is taking longer to overcome than was originally presumed,”* added Dommissie.

*“There were also significant sales in all the commercial vehicle segments, while exports, the lifeblood of the local vehicle manufacturers rebounded strongly too.*

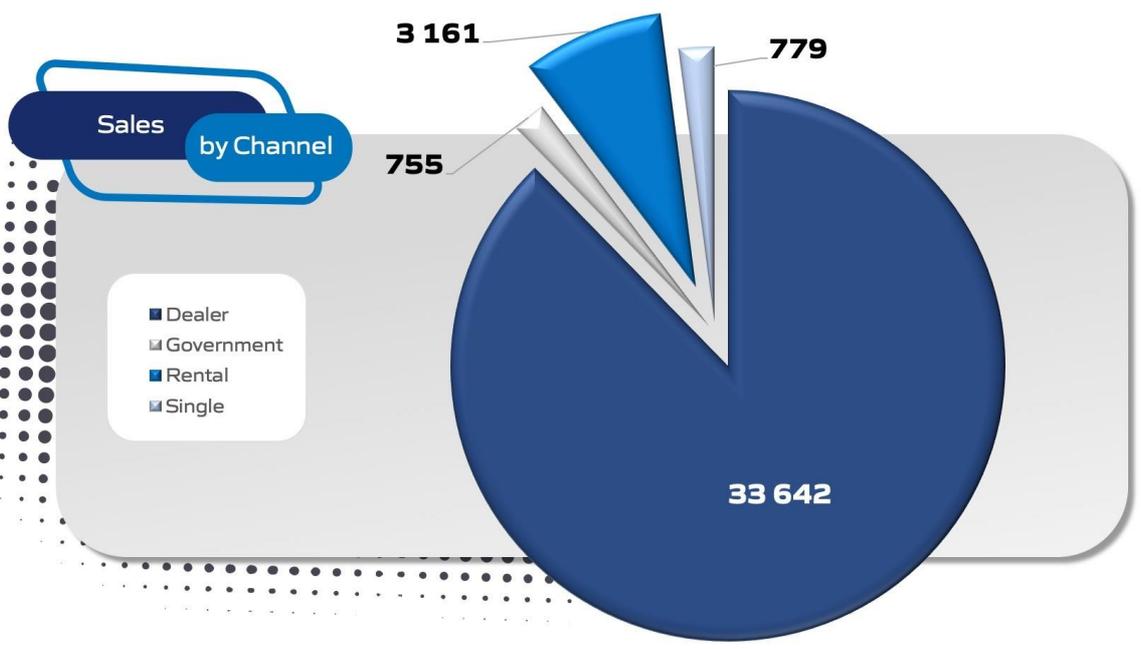
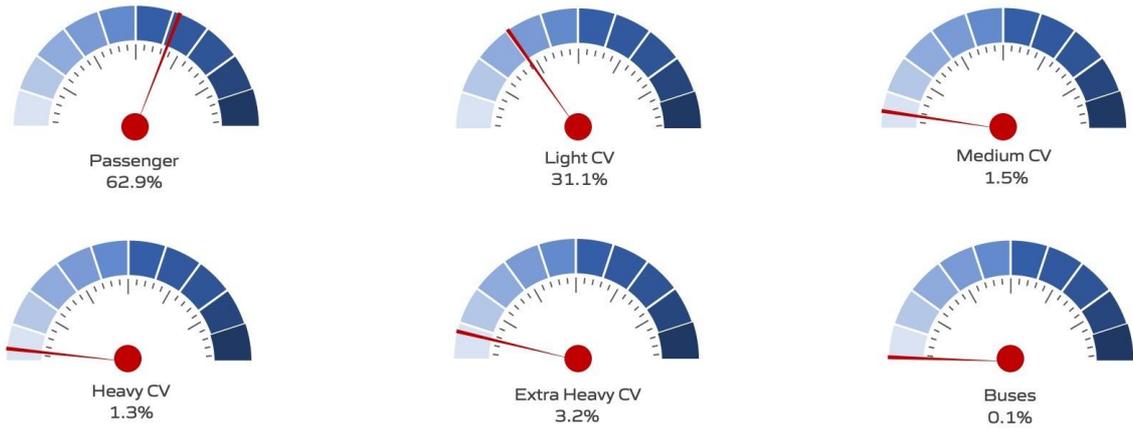
*“Although the strength of the local new vehicle market lies with the lower priced model ranges, as well as the SUV and Crossover segments, there was also strong buying sentiment at the more premium SUV end of the scale being retailed in May,”* explained the NADA Chairperson.

*“It is also invigorating to see the introduction of and the appetite South African car buyers have for new model ranges, specifically in the Compact SUV segment, such as the Toyota Urban Cruiser, Toyota Starlet, Suzuki Vitara Brezza, and the ongoing stream of new models from Hyundai and Kia. Notable as well is, the Peugeot 2008 and the Haval Jolion, with Nissan set to join the fray with its Magnite crossover,”* commented Dommissie.

NADA is a proud constituent association of the Retail Motor Industry Organisation (RMI).

**ENDS**


Market share by segment





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## **ABOUT NADA**

The National Automobile Dealers' Association (NADA) is a professional body representing the interests of business persons who own, operate and manage new passenger and commercial vehicle franchise motor dealerships and qualifying used vehicle only outlets in South Africa. There are currently 1,326 NADA members. NADA members make up 85% of all new franchise dealerships in South Africa. South Africa currently has approximately 1,600 new franchised automotive dealerships comprising R48-billion worth of investment. It employs 60,000 personnel directly and a further 25,000 indirectly.

NADA is a proud constituent association of the Retail Motor Industry Organisation (RMI) and has affiliations with a number of similar organisations world-wide. NADA is committed to enhancing the image of the retail motor business; facilitating the interface between dealers and the motor manufacturers and importers who supply them; building rewarding relationships between dealers and their customers; and bringing relevant issues facing its members to the attention of government at all levels.

As a major role player in the automotive industry, NADA and its members are strong supporters of complying with the Retail Motor Industry Organisation and the Consumer Protection Act's Codes of Conduct for the Automotive Industry. In all forums, NADA is the fully representative and respected voice of the retail motor industry in South Africa.

**PLEASE NOTE:** This content is relevant for June 2021. Please contact Meropa Communications for any updates if the content is going to be utilised thereafter.

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