

Vehicle sales show slow recovery

The National Automobile Dealers Association (NADA), a proud member of the RMI, is encouraged to see a slight improvement in new vehicle sales figures for the month of June. Nonetheless, there is a long way to go before the market sees any recovery.



Source: www.pexels.com

“Following the disastrous months in March, April and May, we saw positive activity on dealership floors in June. Of the total reported industry sales of 31,867 vehicles across all segments, an estimated 29,100 units or 91,3% represented dealer sales,” says Mark Dommissie, chairperson of NADA.

The global automotive industry has been decimated by the coronavirus pandemic. In South Africa, the industry was brought to an abrupt halt in March, following the government’s declaration of a State of Disaster and the resultant national lockdown. Dealers were mandated to close their doors to any sales activity, which continued for two and a half months.

“The trend at the moment is that of new vehicle buyers leaning towards the mid- to low-end-priced vehicles. However, on the back of new vehicle price increases from the weakening Rand, there are currently decent buying opportunities in new cars across all ranges. The fuel price that although recently increased, but lower than before lockdown started, coupled to the lowest interest rates we’ve seen in years, will also create buying opportunities for consumers. We are hoping that this positive trend continues in July and for the balance of the 3rd quarter,” Dommissie concludes.

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