

New Energy Vehicle

New energy vehicle (NEV) sales almost doubled from the first quarter of 2023 to the first quarter 2024, shooting up by 82.7%.

The number of brands selling NEVs now stands at 15, and these cars between them accounted for 3,042 units in the first quarter of 2024., from 1,665 units in the first quarter 2023.

NEVs achieved these sales despite ongoing supply chain disruptions caused by port congestion and delays on vehicle production, while the ongoing global computer chip shortage also had an impact.

These factors had a major impact on average industry capacity utilisation levels across all categories of cars during the first quarter of 2024.

This emerged from Naamsa's quarterly review of business conditions for the South African motor vehicle manufacturing industry, during the first quarter of 2024, submitted to the director-general of the Department of Trade, Industry and Competition.

Other key features of the report include:

- 2024 marks the centenary celebration of vehicle manufacturing in South Africa when domestic assembly operations began with the iconic Model T Ford on 19 January 1924.
- First quarter 2024 aggregate industry employment as of 31st March 2024 totalled 33,374, reflecting a decline of 5 jobs compared to the 33,379 industry head count as at the end of December 2023;
- Aggregate new vehicle sales during the first quarter 2024 recorded a decline of 5,6% compared to the corresponding quarter 2023 and a marginal increase of 0,2% compared to the fourth quarter 2023;
- Aggregate capital expenditure by the major light vehicle manufacturers in 2023 amounted to R5,2-billion, linked to new generation model investments;
- South African vehicle production market share increased from 0,65% in 2022 to 0,67% in 2023, but its global vehicle production ranking remained at 22nd. First quarter 2024 domestic vehicle production reflected a decline of 2,2% compared to the corresponding quarter 2023 linked to a constraint domestic new vehicle market along with lower vehicle exports.
- Vehicle exports lost momentum and declined by 3,7% from the first quarter 2023 to the first quarter 2024, following the record export performance of 399,594 vehicles exported in 2023.

The naamsa CEOs Confidence Index, as an in-house leading business confidence indicator of current and future developments in the domestic automotive industry, reflects the sentiment expressed by the naamsa CEOs for the first quarter 2024 compared to the first quarter 2023 as well as automotive business conditions and the country's economy in general for the next 6 months

Source: <https://gadget.co.za/nevsalesleap82/>

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