

Russian Automotive – Selected News

28.07 – 18.08.2011

GAZ Group has made a profit of 341.8 million rubles during the first two quarters

18-08-2011 / bfm.ru

GAZ Group's net profits reached 341.8 million rubles in the course of the first two quarters of the year 2011. Same period of the previous year the group had declared a net loss of 848.7 million rubles. The company's revenue for the first 6 months has been realized as 10.3 billion rubles, as compared to previous year's 7.38 billion rubles. GAZ Group sold 48 410 vehicles during January-June period.

Sollers has turned to loss from profit

17-08-2011 / bfm.ru

At the end of the first two quarters of 2011, Sollers announced a net loss of 769.5 million rubles. Whereas, the company had declared a profit of 6.6 billion rubles during the same period of the previous year, followed by a 4.8 billion rubles profit at the end of the fourth quarter. Sollers owns factories such as; ZMZ, UAZ and Sollers Naberezhniye Chelny and a wide network of vehicle sales and distribution. The company produces UAZ, SsangYong, Fiat commercial vehicles and Isuzu trucks in addition to ZMZ petrol and diesel engines.

Toyota Corolla is the best-sold second hand car in Russia

16-08-2011 / Avtostat

Toyota Corolla has become the best-sold second hand car in Russia during the first 6 months of year 2011. Within January-June period 44 504 of this model have changed hands (+%12). Corolla, on the other hand, is the only foreign brand which is ranked in the list of best-sold second hand cars in Russia. During the first two quarters, second hand vehicle market in Russia has grown by 6 % as compared to the previous year, trading 106 505 vehicles.

Hyundai will increase its production capacity to 200 000

15-08-2011 / auto.vesti.ru

It's anticipated that the Hyundai Car Factory, established in St. Petersburg, will increase its production capacity to 200 000 vehicles within this year, as announced by South Korean Minister of Foreign Affairs and Trade Kim Sung-Hwan. Kim added that the current capacity in the factory stands at 150 000 vehicles and while the encouraging production trends prevail, it's planned to increase this capacity to 200 000 before year 2012.

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Net profit of AvtoVAZ during the first two quarters: 2 billion rubles

12-08-2011 / OIB Russia

AvtoVAZ has made a net profit of 2.065 billion rubles during the first two quarters of 2011. In contrast, the same period of the previous year the company had declared a net loss of 724 million rubles. The turnover of the Russian producer for January-June period stood at 82.865 billion rubles. Same period previous year this amount was 58.762 billion rubles.

According to the fiscal report of the second quarter, published by AvtoVAZ, the serial production of Lada Granta will start in October. Grantas will be on the market in December. The planned annual production of this model is 150 000 vehicles.

1.46 million cars and LCVs have been sold in Russia within January-July period

10-08-2011 / OIB Russia

According to AEB data, within the first 7 months of 2011, the car and LCV sales have increased by 50% in comparison with the previous year, reaching 1 460 062 vehicles. The increase rate recorded in July is 27%, following sales of 224 620 vehicles. These figures indicate the prevailing potency in the growth of the Russian market, however at a slower pace compared to the previous months. In the light of these data, AEB has revised its end of the year market prediction as 2.45 million vehicles.

The 7 months' best-sold brands are as follows;

Lada (342 058, +%25), Chevrolet (97 351, +%57), Renault (87 792, +%73), KIA (87 594, +%56), Hyundai (86 640, +%89), Nissan (70 618, +%105), Toyota(64 953, +%66), Ford (62 756, +%38), VW (56 471, +%104), Daewoo (54 081, +%36) and GAZ (48 410, +%32).

The rankings according to groups on the other hand;

AvtoVAZ-Renault-Nissan (503 994, +%39), GM Group (135 393, +%71), VW Group (116 316, +%71), KIA (87 594, +%56), Hyundai (86 640, +%89), Toyota Group (72 987, +%65), Ford (62 756, +%38), Sollers (56 466, +%44), Daewoo (54 081, +%36), GAZ Group (48 410, +%32), Mitsubishi (39 883, +%113) and PSA (39 818, +%56).

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PSA and Hyundai are preparing new models for the Russian market

09-08-2011 / OIB Russia

Peugeot-Citroen Consorsium and Hyundai have announced that they will be producing new models for the Russian market.

According to the statement made by Peugeot-Citroen, the design of the first budget-friendly vehicle will be based on the 308 model, production of which will start next year. The new Sedan, which will cost between 400-600 000 rubles, is considered to be a rival to Renault Logan. There are plans to produce a Citroen model, designed upon C4 platform, at Consorsium's Kaluga factory. By this move, the purpose of Peugeot-Citroen is to increase its share in Russian market to 6%. According to AEB data, within the first 7 months, 25 361 Peugeots and 14 457 Citroens have been sold in the country.

Hyundai is another producer which declared its plans to expand its range of models in Russia. According to the statement made by the Korean producer, three new models are on their way to Russian market; Veloster Coupe, Elantra and Grandeur Sedan. 86 640 (+%89) Hyundais have been sold in Russia within January-July period, 49 310 of which were Solaris.

Volvo seems to have found an alternative way to import duty-free components

05-08-2011 / Reuters, Kommersant

Swedish truck producer Volvo seems to have discovered an alternative way to the duty-free components import offered by the Industrial Assembly Regime in Russia. The company intends to cut corners by applying to the Industrial Assembly Regime as parts producer, therefore avoiding the customs tariffs applied on imported parts. Accordingly, Volvo will bring the components necessary for chassis, bodywork and engine assembly to the country, acting as a producer. According to Reuters, currently the company executives are negotiating with Russian ministries on this subject.

On signing a component producer assembly regime deal with Russian ministries, Volvo will be able to import parts within rates of 0-5%. Currently these rates are in between 10-12% for foreign truck producers. On the grounds of trailing way below Industrial Assembly Regime parameters concerning the annual production capacity, Volvo hadn't made an application to the ministries to sign OEM agreement (act:166). On the other hand, depending on the signature of the Industrial Assembly Regime Agreement (act:566) as component producer, the company plans to make a 150 million Euro investment in order to increase its current 15 000 vehicles production capacity to 25 000. According to AEB data, Volvo, who produced 1300 trucks in 2010, sold 1925 vehicles during the first two quarters of 2011.

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Ij-Avto will be sold as a whole

05-08-2011 / gazeta.ru

Udmurtija Arbitration Court has decided on the sale of Ij-Avto undividedly. The purchase of the factory by Obyedinonnaya Avtomobilnaya Gruppy (OAG), with later plans of transfer to AvtoVAZ is expected. The auction will take place in mid-September. Previously, the AvtoVAZ executives declared their intention to invest 7 billion rubles until 2016, to carry out works on modernisation, once they acquire the control of the factory.

Since the beginning of year 2011 the number of individual automotive credits reached 135 000

04-08-2011 / Auto.Vesti.Ru

Within the frame of the Russian Government's automotive credits programme, which started in March 2009, the number of credits given out has reached 135 000 since the beginning of 2011. The Ministry of Industry and Commerce aims to increase the number of credits to be given out by 20% within this year, as compared to the previous year. In 2010 the number of credits allocated was around 165 000. The programme supported by the ministry is only valid in the trade of cars and LCVs which are produced in Russia. The upper limit for the vehicles is 600 000 rubles. As the producers expand their model range, the list of the vehicles that can be purchased within the scope of the programme will also extend. The latest models to be included in the list are; Hyundai Solaris, Fiat Linea and Chevrolet Lacetti.

Sibur is selling its assets in tyres sector to Pirelli

28-07-2011 / Kommersant

Sibur is getting ready to exit the tyres sector by selling its assets in the sector to the partnership of Rostekhnologii and Pirelli for a total sum of 222 million Euro. The initial agreement, which proposes a certain amount of assets, has been signed by the parties yesterday. The complete list of establishments put on sale by the holding has not been declared yet, but it's common knowledge that the Kirov Tyre Factory is amongst those establishments. The deal proposing the sale of the factory will be signed in November 2011.

According to Kommersant, Pirelli is especially interested in Voronezh Tyres Factory. With the completion of the sale, the transfer of the assets with secondary importance to a second partnership, which will include Tatneft in addition to Pirelli and Rostekhnologii remains on the agenda.