

### Hyundai is the leader of Moscow automobile market

19.07.2013 / AutoBusiness Review

According to the survey conducted by AutoBusiness Review magazine, the sales of new automobiles in Moscow has declined by 9.3% by the end of January-June period, in comparison with the previous year. 351,800 cars and LCVs have been sold in the city within the six months. While Hyundai became the best-sold brand with 28,106 vehicles (+6.8%), KIA's sales figure reached 27,682 (-15.2%). 15.5% of Moscow market is held by these two brands, according to these figures.

Volkswagen has become the third best-sold brand of the aforementioned period, with 26,309 vehicles (-14.5%). VW is followed by Renault (25,332, -14.5%) and Nissan (21,350, -20.5%). The overall leader of Russian market AvtoVAZ, on the other hand, has sold 19,680 automobiles in Moscow, within six months (+3%). The highest and the lowest sales dynamics, compared to the previous year, belong to Chinese Geely (+111%) and Chrysler (-48.7%), respectively.

The premium class German automobiles display steady sales graphics in the capital. 11,422 Mercedes-Benz (+13.4%), 10,900 BMW (+12.4%) and 9800 Audi (+3.9%) have been sold in the city, within the six-months period.

### 161,000 automobiles, 18,000 trucks and 4800 buses have been manufactured in Russia in June

17.07.2013 / Rosstat

According to Russian State Institute of Statistics Rosstat data, 929,000 automobiles have been manufactured in Russia, within the first six months of 2013 (-2.7%). The number of vehicles manufactured in June-only is 161,000, on the other hand (-4.4%). Lada has become the most-manufactured brand with 32,678 vehicles (-29.9%).

95,100 trucks have been manufactured during the first half of the year (-4.8%). The June-only production figure is 18,100 (+1.1%). The share of the biggest truck manufacturer of the country KamAZ in this total figure is 4400 vehicles (+30%). Other Russian brands NefAZ and AZ Ural manufactured 1064 and 495 trucks in June, respectively.

The number of buses manufactured in Russia within the January-June period is 24,600 (-2.9%). The production figure recorded in June-only is 4800, on the other hand (-4.7%).

### **GAZ has started the serial production of natural gas operated buses**

18.07.2013 / Avtostat

GAZ Group has started the serial production of natural gas operated PAZ-320412 model buses in Pavlovo. The buses are equipped with Cummins engines, conforming to Euro-5 environmental standards. The Group had invested 50 million rubles in the project. The company is also planning to start the serial production of gas-fuelled small-class PAZ-3203 and 32053 model buses in 2014, within the frame of the same project.

### **Russian LCV market has shrunk by 1.8% in June**

Avtostat / 16.07.2013

15,877 light commercial vehicles have been sold in Russia in June (-1.8%). Thereby, the number of LCVs sold within the first half the year has reached 80,455 (+1.2%). 67.1% of these vehicles belong to Russian brands.

GAZ has once again become the market leader in June with 7446 vehicles (-10.6%). This sales figure is equivalent to 46.9% of the Russian market. UAZ occupies the second place with 2271 vehicles (-5.1%).

Other numbers are ranked as follows; Volkswagen - 1190, (-0.5%), Ford - 992, (+6.1%) and Peugeot - 883, (-21%).

### **Premium class car sales in Russia has increased by 18%**

15.07.2013 / AutoBusiness Review

Premium segment car sales in Russia has increased by 18% during the first half of the year, in comparison with the same period of the previous year, with 91,137 vehicles. The total market share of these vehicles has reached 7.3%. This percentage is 2 points higher than the period preceding the 2008 crisis.

German brands lead the premium class car market. The sales of Mercedes-Benz, BMW and Audi form 63% of this segment. The sales of the three brands have increased by 13%, in comparison with the previous year. The sale figures are as follows; Mercedes-Benz - 20,030 (+20%), BMW - 19,274 (+16%), Audi - 18,181 (+10%).

The sales figures of other brands are; Land Rover - 9592 (+1%), Lexus - 7476 (+11%), Volvo - 7386 (-27%), Infiniti - 4426 (-9%), Porsche - 1864 (+10%) and Mini - 1350 (+10%).

### **GAZ is starting the production of Mercedes-Benz Sprinter Classic**

15/07/2013 – Avtostat

GAZ car factory, established in Nizhniy Novgorod, will start the serial production of the classical model of Mercedes-Benz Sprinter light commercial vehicles today. The vehicles will be equipped with Mercedes-Benz engines, manufactured at Yaroslavl Engine Factory, under licence. GAZ and Daimler had invested nearly €200 million in the project.

### **Avtotor has started the production of Hyundai Equus**

12/07/2013 – Avtostat

Avtotor car factory, established in Kaliningrad, has started the serial production of premium class Hyundai Equus model vehicles. Limousine version of the vehicle will also be manufactured in the factory. There are plans to manufacture 800 Equus model automobiles until the end of the year. As is known, Hyundai i40 Business Sedan model is being manufactured at the factory since March. Avtotor is also manufacturing HD-78, HD-120 and HD-170 model commercial vehicles with Hyundai. The factory had previously announced that 5300 of these models will be manufactured annually.

### **Automobile import to Russia has fallen by 12.5% in 5 months**

10.07.2013 / AutoNews.ru

According to Russian Federal Customs Agency: FTS data, automobile import to the country has fallen by 12.5% in January-May period, with 378,800 vehicles. The monetary value of the aforementioned import has been calculated as \$7,424,400,000. The number of imported trucks reached 36,000 during the same period (-16.7%). The monetary value of the imported trucks is \$1.084 billion.

The car export of Russia has increased by 25.4% by the end of the five-months period, reaching 53,300 vehicles. 8500 trucks have been exported within the same period (+28.8%, \$224.6 million), on the other hand.

### **There are 37 million automobiles in Russia**

10.07.2013 / Avtostat

According to Avtostat data, there are 36.9 million licensed automobiles in Russia, as of 01.01.2013. 13.67 million of this amount is formed of Lada vehicles (37%). The Russian brand is followed by Toyota, with 3.13 million vehicles. The remaining popular models in the country are as follows: Nissan (1.5 million), GAZ (1.4 million), Moskvich (1.27 million), Chevrolet (1.22 million), Ford (1.08 million), Hyundai (1.07 million), VW (0.97 million) and Mitsubishi (0.91 million).

### **EU has made a complaint about Russia at the World Trade Organisation**

09.07.2013 / BBC Turkish Service

European Union has brought a complaint against Russia, who's a member since last year at the World Trade Organisation (WTO). The taxes implemented by Russia on imported automobiles forms the basis of the complaint. Not even a year has passed since Russia's admission to the WTO. EU executives have been voicing their criticisms on whether Russia acts within the frame of WTO rules or not, for some time. These criticisms have now taken the form of an official complaint.

Brussels states that an unfair tax, under the name of "recycling fee", is being implemented on imported automobiles by Russia, drawing attention to the fact that the automobiles manufactured in Russia, Belarus and Kazakhstan are exempt from this tax. WTO has the authority to call for the member states to amend the policies they implement. In case the member states choose not to abide by the call and fail to cooperate with the Organisation, it's within the rights of WTO to permit the counterparty of the disagreement to respond with a similar implementation.

Russia, who became a member of WTO in August 2012, had concerns about the potential harm that might be inflicted on its economy, by the entry of higher quality Western-made products to the country. World Trade Organisation is a platform with 159 members, where legal frames are set, on how member states legislate their domestic commerce laws and regulations and commercial relationships are developed amongst countries by the way of collective bargaining and negotiations.

### **MAN factory in St. Petersburg still hasn't managed to commence operations**

10.07.2013 / Vedomosti

The factory established by the German manufacturer MAN, near St. Petersburg, is ready to start production, but due to the lack of necessary permissions the operations still haven't commenced. Previously, June 2013 had been announced as the starting month for production.

German newspaper Die Welt, where the topic has been reported, has also drawn attention to corruption problems in Russia. The newspaper has warned against a possible suspension of previously signed agreements, in case a new regional governor takes office. The Director of Moscow based Association of European Business (AEB) Frank Schauff, on the other hand, is of the opinion that the insistence of MAN on the implementation of transparent procedures is the reason behind the failure to obtain the necessary permissions.

### **Russian car and LCV markets shrank by 11% in June**

09.07.2013 / OIB Russia

According to Association of European Business (AEB) data, 241,346 cars and LCVs have been sold in Russia in June (-11%). Thereby, the number of vehicles sold within the first six months of the year reached 1,333,314 (-6%). AEB executives draw attention to the 10% decline experienced in sales during the second quarter, following a stable first quarter. However, it's anticipated that the situation will improve to a certain extent during the second half of the year, following the implementation of government's new automobile credit programme. As a reminder, AEB's 2013 year-end car and LCV sales forecast for Russia is 2.8 million units (-5%).

### **KamAZ has increased its market share to 45%**

08.07.2013 / Avtostat

KamAZ has manufactured 4400 trucks in June (+30%). Thereby, the company's production figure has reached 24,500 (-7%), by the end of the first half of the year. On the other hand, the 14-40 tonnes trucks market has shrunk by 28.3% in January-June period, with a sales figure of 38,200 vehicles. KamAZ executives state that the market has been affected negatively due to a series of factors, notably the entry to WTO. The executives also add that thanks to some precautionary measures, the decline in the sales of KamAZ has been limited to 11.3% (17,300 vehicles). In other words, KamAZ held 45.4% of the Russian truck market, during the first half of 2013. This ratio was 37.7% by the end of the same period of the previous year

### **Industrial Assembly Regime Compensation has become law**

04.07.2013 / RBK Daily

The act on state subsidies for motor vehicle and component manufacturers has been approved by the legislative power of Russia: Duma. According to the new legislation, the losses to be suffered by companies -which had the advantage of making imports with low tariff rates within the frame of the Industrial Assembly Regime- due to the admission of the country to World Trade Organisation, will be compensated by the Russian government. Such losses are expected, due to the equalisation of tariff rates implemented on component imports for all companies, as of 01.07.2013.

As one may remember, there are four consortia, who signed the Industrial Assembly Regime agreement: 1) AvtoVAZ-Renault-Nissan-IzhAvto and KamAZ-Mercedes, 2) Ford Sollers, 3) Volkswagen and 4) General Motors.

### **Russian truck components market is worth \$9 billion**

05.07.2013 / Avtostat

According to a survey made by Avtostat, 227.6 million truck components, worth \$9.34 billion, have been sold in Russia in 2012. The components used in Russian trucks formed 55% of the market, with a monetary value of \$5.2 billion.

The three best-sold components are tyres, various liquids and oils and fuel system components. Over 7 million truck tyres have been sold in Russia in 2012 (\$3 billion). 159.1 million litres of liquid and oil have been sold in the country, during the same year (\$748 million). The fuel system component sales, which formed 6.5% of the market, summed up to around \$610 million (10.41 million units). These top three components are followed by brake systems, engines, suspensions, batteries, filters and clutch components. The annual sales figure is above \$200 million, for each of these components.

Moscow has become the city with most truck components sales in 2012, with a total sales value of \$542.2 million. \$353.6 billion of this figure belongs to components of foreign brand trucks. The immediate surroundings of Moscow, named as Podmoskovye, came second behind Moscow in truck components sales (\$420 million).

These two regions are followed by Primorski (\$397 million) and Krasnodar Krai (\$359.4 million). The breakdown of foreign/domestic truck components in Primorski and Krasnodar are: \$296.3/\$100.7 million and \$180.5/\$178.8 million, respectively. This breakdown ratio is highest in Russia in Kaliningrad region with \$104.1/\$22.5 million and lowest in Republic of Chechnya with \$6.1/\$41.7 million.

### **PSMA Rus has started the production of Mitsubishi Pajero Sport**

02.07.2013 / Motor.ru

Japanese manufacturer Mitsubishi has started manufacturing Mitsubishi Pajero Sport model automobiles at PSMA Rus factory, established in Kaluga. No statement has been made about the annual production volume of the model. The sales price of Pajero Sport starts from 1,299,000 rubles in Russia.

As is known, PSMA Rus is currently manufacturing Peugeot, Citroen and Mitsubishi automobiles in Kaluga. The factory had started the production of third generation Mitsubishi Outlander, using CKD method, last November. Peugeot 408 and Citroen C4 Sedan are the other models manufactured at the factory.