

Mercedes-Benz has signed the agreement on the Greater Moscow plant for passenger cars

22.06.2016 / Deutsche Welle

German automobile group Daimler will start the production of Mercedes-Benz passenger cars in Russia. The agreement on the arrangement of production in Moscow Region has been signed with Mercedes during the St. Petersburg International Economic Forum, told the deputy chairman of Moscow Region: German Elyanushkin on Wednesday the 22nd of June, as reported by Interfax. "In 2019, the year in which we hope to launch production, a new life environment will be created in Solnechnogorsk district" said Elyanushkin. Earlier, the press office of Daimler had confirmed the negotiations with the Russian authorities to Deutsche Welle. According to Handelsblatt newspaper, 30,000 automobiles will be assembled at the Greater Moscow plant annually, using imported components.

Mercedes-Benz is considering the 280 hectares Esipotho Moscow Region, as written in Vedomosti newspaper. The construction of the factory may start before the end of 2016, accovo site in rding to the information published.

Avtovaz expands the model range of its assembly production in Kazakhstan

28.06.2016 / Lada.ru

The first serial assemblies of Lada Kalina, Lada Granta and the 5-door Lada 4x4 automobiles have rolled off the production line of Asia Auto. These passenger car models have expanded the model range of Lada. Lada 4x4 and 4x4 Urban SUV were the only models assembled at the Kazakhstan plant previously. Avtovaz and its Kazakh partner plan to organise the assembly of Lada Priora in August. The question concerning the supply of auto components for other Lada models will be considered in due course. Avtovaz has shipped the first party of auto components for Lada Granta, Lada Kalina and the 5-door version of Lada 4x4 to the Asia Auto assembly plant in Ust-Kamenogorsk (Kazakhstan) in the beginning of June.

"Kazakhstan is the biggest market for Lada outside the borders of the Russian Federation and our main partner in the organisation of local assembly production" - noted the chairman of Avtovaz: Nicolas Moore. "Over the past 5 years, the inhabitants of Kazakhstan have purchased over 200,000 new Lada vehicles. Despite the current industrial downturn, Lada retains its number one car brand status in the country. Lada Granta, Lada Kalina and Lada 4x4, the productions of which have started at Asia Auto facilities, are amongst the top-ten bestseller models of the republic. The expansion of the range of manufactured models will allow us to increase the production volumes considerably and to acquire the technological experience, necessary to run a full cycle of production capacities" - said the president of Asia Auto: Erik Sagymbaev.

According to 2015 figures, 28% of the passenger cars segment of Kazakh market belongs to LADA. During the aforementioned period, more than 24,500 Lada vehicles have been sold through the distribution network, which consists of 23 dealer centres in 19 cities of Kazakhstan.

Avtotor has reached a localisation rate of 18-25%

28.06.2016 / Autostat

The current average localisation rate of the Kaliningrad Avtotor plant is 18-25% for all brands, depending on models and modifications. On some models, the rate reaches 30%. The relevant statement has been made to Autostat by the press office of the company, adding that in cooperation with its partners, Avtotor has nominated the local suppliers for a number of components and currently operations continue on the realisation of the projects.

As one may remember, Avtotor has started its programme on the localisation of production in May 2002, with the establishment of welding and painting lines for KIA Sportage production (in CKD mode). A number of car models are manufactured using components produced directly in Kaliningrad. For example, some passenger cars manufactured in Avtotor are equipped with car seats made by a local company and Grunwald bodies, manufactured in Kaliningrad, are used in the production of TATA Daewoo heavy-duty trucks. Russian-made universal and special superstructures equip Hyundai HD commercial vehicles. Within the frame of the localisation of component production programme, test installments of batteries, tyres and alloy wheels manufactured in Russia have started on the aforementioned models, in 2015.

In future, there are plans to use components manufactured within the territory of the Eurasian Economic Union, alongside Russian production. In terms of the implementation of the programme on the creation of new capacities and enhancing the localisation of production, the company plans to carry on with the transition programme, using a more advanced technology in car production and above all opting out of SKD assembly in 2018.

Russians have spent 1 trillion rubles on parts in 2015

17.06.2016 / Autostat

Analytical agency Autostat has made a survey on the aftermarket and defined its basic characteristics. According to the results of the survey, the total volume of car components and spare parts aftermarket in Russia has amounted to 953 million units of different parts in 2015. The capacity of the market has reached \$19 billion in monetary terms, which is equivalent to 1.16 trillion rubles.

The troika of leaders in components and spare parts aftermarket is usually formed of three segments: suspension parts, tyres and oil. The capacity of the suspension parts market amounted to more than 121 billion rubles last year. This is equivalent to 10.5% of the total capacity of the components market in financial terms. 10.3% of the market belongs to passenger car tyres, which sums up to 119 billion rubles. Oils and technical liquids occupy the third place (share - 7.9%). 306 million litres have been used on the service of the country's passenger car fleet in 2015, costing car owners 92 billion rubles in monetary terms.

KAMAZ plans 100 billion rubles investment until 2020

20.06.2016 / Vedomosti

The investment in the construction of Mercedes-Benz cabin frames factory in Tatarstan will amount to €400 million, said the general director of KAMAZ: Sergei Kogogin, at St. Petersburg International Economic Forum. The plant will be built as a joint venture of KAMAZ and the German manufacturer Daimler (who owns 15% of KAMAZ), with 50%-50% shares, within the framework of Daimler KAMAZ Rus, as explained by Kogogin during his interview with Vedomosti. KAMAZ will finance the investment with means including bonds (yet another one can be allocated till the end of 2016) and Daimler will invest its own funds, as highlighted by the general director. The construction of the factory is intended for Daimler's fulfillment of the conditions of the industrial assembly agreement.

For comparison: the construction cost of the Volvo and Renault heavy-duty trucks factory, built in Kaluga next to the plant of Volvo Group, amounted to €90 million. The factory has an annual capacity of 15,000 units. The Tatarstan plant will have approximately four times larger capacity: 57,000 per year. The cabins will be used in the equipment of KAMAZ and Mercedes-Benz (manufactured at Daimler KAMAZ Rus facilities) heavy-duty trucks.

Initially, the factory was planned to commence operations in 2019. However, as announced by Kogogin on Thursday, the start of production may be postponed for another year.

Kogogin has named the organisation of the production of the new 12 litres engine, which is designed with support from Liebherr, as the priority investment project. The serial production is planned to start in 2019 and the investment amount is \$150-200 million.

KAMAZ plans to invest 7 billion rubles in 2016 and 7-10 billion rubles in 2017. The total cost of the investment programmes of the company until 2020 is around 100 billion rubles, as stated by Kogogin.

The serial production of third generation Nissan Murano has started in St. Petersburg

22.06.2016 / Vedomosti

The sales of the locally assembled vehicles will begin as of 1 September 2016. The average localisation rate of the Renault-Nissan alliance is 63.8%, as stated by the general director of Nissan factory: Dmitry Mikhailov. Body sides are stamped at the factory for Murano, alongside the production of bumpers and dashboards.

Since the beginning of Murano assembly in St. Petersburg, Nissan manufactures 95% of cars sold in Russia domestically, said Mikhailov. The plant operates 5-days-a-week, in a single shift. The production speed is 22 vehicles per hour since April 2016. 33,000 automobiles have rolled off the production line in 2015, which is equivalent to a 6% year-on-year increase. X-Trail, Pathfinder, Murano and Qashqai models are currently being manufactured at the plant.

ZMZ will invest 1.6 billion rubles in the development of new turbocharged engines

29.06.2016 / Kommersant

Zavolzhye Engine Factory (of Sollers Group) has begun to develop a new family of turbocharged petrol engines of Euro-5 and Euro-6 classes. The relevant statement has been made by the deputy general director for the development of ZMZ industrial park: Sergei Ryabov. According to Ryabov, the investment amounts in the development of the new engines and the new family of transfer gearboxes amount to 1.1 billion and 0.5 billion rubles respectively.

Research and Development process is underway on both projects at the moment, as written by Kommersant. The new engines will be supplied to UAZ automobiles. The launch of the serial production is intended for 2018-2019. ZMZ has appealed to the government of Nizhny Novgorod region for provision of support, in connection with the implementation of the new investment project.

As previously reported by Autostat, a project on the expansion of the range of processed automotive components has been implemented at the site of the Zavolzhye Engine Factory in June, required by the plant's own production scheme, with an investment amount of approximately 2 million rubles. Following the preparations, the serial production of the components for the ZMZ kit -pump mounting brackets for the manufactured ZMZ-409 engines, supplied as a complete set to UAZ vehicles- has been mastered, in accordance with the approved schedule. The significance of the project lies in the fact that the items were previously purchased from third-party suppliers.

GM-Avtovaz has localised Chevrolet Niva by 95%

17.06.2016 / Autostat

The localisation rate of Chevrolet Niva automobiles has reached 95%. The relevant statement has been made to Autostat by the press office of GM-Avtovaz.

Currently, there are no plans to order new components for Chevrolet Niva from foreign suppliers, however, component imports are not ruled out for the new generation development programme, considered by the company.

“Taking into account the macroeconomic situation and the devaluation, the extension of localisation is one of the main vectors of development, helping the component suppliers to remain in the industry and the car manufacturers to maintain competitive prices on end products. However, localisation is not always cost effective: demanding investment and time on certification, validation, preparations, tests etc. In such cases, there is an option to resort to domestic analogues, which already exist in the market or used previously on Chevrolet Niva” as stated by the GM-AVTOVAZ press office.

Russian automobile market: The change in 10 years

27.06.2016 / Autostat

According to the survey conducted by specialists from Autostat analytical agency, more than 23 million passenger cars have been sold in Russia within the last decade. Lada has become the best sold model with more than 5 million vehicles. Chevrolet occupies the second spot - 1.48 million units. Hyundai lags behind Chevrolet by 20,000 vehicles, with a sales figure of 1.46 million. The top trio is followed by Renault - 1.32 million. Another Korean brand: KIA completes the top-five (1.3 million). The rest of the top-ten are as follows: Toyota (1.27 million), Nissan (1.17 million), Ford (1.11 million), VW (850,000) and Mitsubishi (711,000).

In 10 years the automobile fleet has grown by 51%. The passenger car fleet has risen from 25.57 million units in the beginning of 2006 to 40.9 million in the beginning of 2016. The average price of a new car has tripled in our country - from 450,000 rubles to 1.36 million rubles. The number of official dealers has increased by nearly 40%, from 2569 in 2006 to 3557 in 2016. The share of foreign car production has risen by more than a triple in Russia - from 23.5% to 76.7%. The share of new automobile sales with automatic transmission has doubled in Russia (from 25% to 52%). The share of new Korean cars has risen by 10 percentage points - from 13% in 2006 to the current level of 23%. Microcar (class A) sales have plummeted to almost "null". Their market share of 2.6% a decade ago has fallen to 0.3% in 2016. The share of SUV has gone up by more than 2.5 times - from 13% to 38%. The share of foreign brand vehicles has risen from 58% in 2006 to 79% in 2016. and the share of home brand vehicles has fallen by more than a double in a decade - from 42% to 21%.

The Ministry of Industry and Commerce expects a shrinkage of less than 5-7% in car production in 2016

14.06.2016 / Autostat

The shrinkage in car production in 2016 may remain below the previously predicted level of 5-7%, as stated by the deputy director of the Transport and Special Vehicles Department of Ministry of Industry and Commerce: Vsevolod Babushkin. According to Babushkin, this is due to the fact that the first half of the year is not over yet and the first quarter was not very revealing. "These are just numbers, however there is optimism in the eyes of the manufacturers" - concluded Vsevolod Babushkin, as quoted by TASS.

1.213 million cars and 131,000 trucks have been manufactured in Russia in 2015. The shrinkage rates are 27.7% and 14.7% respectively. The ministry has taken a series of measures aimed at supporting automobile sales, due to the crisis conditions and the worsening situation in automotive industry as a result. In particular, the ministry will partly reimburse the costs of manufacturers in areas such as: modernisation of production, supporting jobs etc. In addition, the ministry will stimulate the demand on automotive, through utilisation programmes, trade-ins, preferential leasing and preferential car loans.

The Ministry of Economy expects minimal growth in Russian automobile industry in 2017

27.06.2016 / TASS

Statistical growth will take place in the automotive sector in 2017, however at a very low level. The relevant statement has been made to the journalists by the minister of economic development: Alexei Ulyukaev. "Statistics may show the beginnings of growth (in the automotive sector - Editor's note). However, this growth will be minimal" - said the minister. According to Ulyukaev, there's a hope for pent-up demand from the population, which will play its role in 2018.

At the same time, the minister has noted that the government support for the automotive industry needs to be reoriented, from company support to assistance in exports. "It's necessary to promote the automotive industry. However, so far our export figures are low. The government support should be reoriented from basic support for companies in automotive industry to support on export opportunities" - the minister said, as quoted by TASS. In this regard, Ulyukaev has highlighted the importance of subsidising the transport costs of the exporters.

Russian car industry was at risk, due to the excess capacity, which came into existence during the years of sharp expansion of foreign car companies in the Russian market. Major manufacturers such as: Renault-Nissan, Toyota, Ford etc. operate in the market. The automotive industry has become the main beneficiary of government support, in time of crisis.

In turn, the presidential aide Andrei Belousov has stated during an interview with TASS that foreign companies are exploring export opportunities for the Russian automotive industry, which appeared due to the devaluation of the ruble and the shrinkage of the domestic market.

Earlier, the Russian minister of industry and commerce: Denis Manturov has stated that the exports of automobiles manufactured in Russia must reach 25% of the total car production of the country by 2020. Manturov has noted that support measures on exports have been taken, such as: compensation of transport costs of exported vehicles and the adaptation of products to the standards of the acquiring countries. The measures also apply to vehicles, manufactured by foreign companies under the full-cycle scheme in Russia.

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23,100 automobiles have been manufactured in St. Petersburg in May

23.06.2016 / Auto-Dealer-SPb

According to Auto-Dealer-SPb data, Hyundai, Nissan and Toyota factories, established in St. Petersburg, have manufactured a total number of 102,900 passenger cars within the January-May period of 2016. The figure indicates an 18% year-on-year decline. The production made by the car manufacturers of the city has amounted to 23,100 vehicles in May, which is equivalent to a 7% shrinkage, in comparison with the same period of the previous year. The suspension of Toyota factory between the May holidays and the small amount of production made by GM last year have contributed to the negative dynamics of last month's figures - state the analysts from Auto-Dealer-SPb.

In addition to suspension between May holidays, Toyota plant has reduced the working scheme to a single shift, increasing the speed of the production line by more than a double. Despite the shrinkage in production, the share of St. Petersburg in the country's automobile production continued to rise, reaching 23.7% in January-May (23.1% by the end of the first four months). Seven models have been manufactured in St. Petersburg plants in May: Nissan Qashqai, Nissan X-Trail, Nissan Murano, Nissan Pathfinder, Toyota Camry, Hyundai Solaris and KIA Rio.

Car production has risen by 4.1% in May

Rosstat, Autostat / 17.06.2016

According to Rosstat data, 434,000 passenger cars have rolled off Russian production lines within the first five months of 2016, which is equivalent to a 20.4% year-on-year increase. In the meantime, 89,000 vehicles have been manufactured in May, indicating a rise of 4.1%. It should be noted that some Russian car plants have suspended production last month, due to May holidays (Avtovaz, Lada Izhevsk, PSMA Rus, Russian branches of Toyota and Renault). With regards to foreign car assembly, Avtotor has launched three new Hyundai models: Genesis, Santa Fe Premium and the renewed Elantra. In addition, Avtovaz has resumed the production of Datsun vehicles after the May holidays, which was suspended since mid-March, due to component problems. The 60,000th Ford Mondeo sedan has rolled off the production line at Ford Sellers Vsevolozhsk plant, since the start of the production of the model in Russia in March 2009.

46,100 trucks have been manufactured within the January-May period, indicating a 0.5% growth. Truck production has shrunk last month, on the other hand, by 25.2% to 8200 units. Bus production went down by 4.2% to 12,300 vehicles in Russia, by the end of the first five months of 2016. Bus factories have manufactured approximately 3000 vehicles in May, following a 5.8% decline in comparison with the year before.

Russia cancels tariffs on certain components for gas engine vehicles

16.06.2016 / Autostat

Eurasian Economic Commission has decided to abolish the 3% import duties on gas injectors supplying fuel to cylinders, on engines operating with natural gas as motor fuel, from September 2016 till the end of 2020. Temporary abolishment of duties on a number of other components will be proposed at the board meeting of EEC, as told by the EEC Minister of Trade: Veronika Nikishina.

The zero-tariff policy has been proposed by the Russian side, said the EEC representative to Vedomosti. The representative has added that gas regulators, gas cylinders, certain types of valves and other components may also be included in the scheme. The current import rates on the aforementioned components are between 9%-11.9%. The components in consideration belong to LPG equipments and make up to 26% of all LPG equipment costs for GAZ Group and 84% for KAMAZ.

Imported components account for approximately 90% of the LPG equipments used, therefore the abolishment of tariffs will reduce the costs due to the devaluation of the ruble, holding back price increases on gas engine vehicles, says the KAMAZ representative. Such automobiles are 10%-20% more expensive than ordinary cars, however, in terms of fuel costs, gas is two times cheaper than diesel, the representative adds. The domestic production of LPG components develop in a slow pace, due to the limited production volumes of gas engine equipments. The factory has manufactured 29,000 trucks in 2015, more than 1000 with gas engine. The share of gas engine vehicles is 5% of the production made by the Group, including buses. There are plans to increase the ratio to 25% within the next 5-7 years. The abolishment of tariffs on components will help keep the costs down until their production is organised in Russia, comments the GAZ Group representative.

The abolishment of tariffs on components will act as another supportive measure. The government will subsidise part of gas engine vehicle procurements in the regions. 3.3 billion rubles have been allocated on the programme for 2016. However, the support for manufacturers is insufficient, a full refuelling infrastructure is needed, as emphasised by the members of the industry. The current low number of fuelling stations makes the government agencies and municipalities the main consumers of gas engine technology.

There are 270 CNG stations (automobile gas filling compressor stations) in Russia, 216 of which are managed by Gazprom Group, cites a representative from Gazprom Gas Engine Fuels. "It's planned to increase the federal network of CNG stations to approximately 470 units until the end of 2018, enabling the creation of a single federal gas fueling network", says the source. According to him, in order to activate the existing and under construction CNG stations, an annual increase of 15,000-20,000 units is required in gas engine technology. The current volumes are more modest: 3172 natural gas operated vehicles have been sold in the country in 2015, 3044 manufactured in Russia. In terms of gas engine vehicle users -around 140,000 automobiles- Russia occupies the 20th place. 60.3% of vehicles in Russia are petrol fuelled, 37.1% diesel, 2.1% LPG and 0.5% compressed natural gas, according to Gazprom Gas Engine Fuels.

Secondhand car sales have risen by 17.4% in Russia in May

15.06.2016 / Autonews.ru

419,200 used cars have been sold in Russia in May 2016, as published by the analytical agency Autostat. The figure indicates a 17.4% year-on-year increase. Russian secondhand car market has amounted to 2,015,200 vehicles by the end of the first five months, following a 10.7% growth.

As usual, Lada models have become the most popular models in the secondhand market last month. A total number of 119,800 Lada vehicles were sold in March (+5.5%). 569,900 secondhand Lada have been sold within the first five months of the year, on the other hand, which is equivalent to a 0.4% year-on-year decline.

Toyota occupies the second place according to last month's sales figures, with 48,200 vehicles. Toyota sales have risen by 24.7% year-on-year. The top-three is completed by Nissan. 22,100 secondhand Nissan vehicles have been sold in Russia in May (+23.3%). Chevrolet (20,500, +27.1%) and Hyundai (20,100, +37.3%) follow the top sellers.

“A rapid change is being observed in the model structure of secondhand market, foreign vehicles such as; Hyundai Solaris (+75.6% compared to the first five months of 2015) and KIA Rio (+54.6%), achieving the most dynamic and fastest growing sales volumes. Lada Granta sedan is also amongst the models in demand (+65.1%). The increase in the second-hand sales of the aforementioned models is due to the fact that they were the leaders of the new automobile market a few years back, equivalent to the average period of time the first owners tend to change their vehicles” - as stated by Autostat.

GAZ Group has started the serial production of Vector Next buses

[Autostat](http://Autostat.ru) / 07.06.2016

GAZ Group has started the serial production of buses from the new Vector Next family in the Pavlovo bus plant, to be used in municipal and corporate transport. This is the beginning of a new family, the model range of which will be formed of 7m to 9m long buse. More than 800 million rubles have been invested in the creation and organisation of the production of Vector Next buses.

Vector Next is a new generation of multi-functional buses, built on the chassis of the medium-tonnage vehicle: GAZon Next. The project is the continuation of the flagship Next line of GAZ Group. The buses are developed on the basis of a modular design, thus allowing the production of models in different dimensions to continue on the same basis, saving time and resources in the creation and organisation of the production of the entire family. The Vector Next line has been launched with the production of the 7.6m long, 43 to 53 passenger capacity model. The model range of the Vector Next family is planned to be extended in the future, with the addition of the 7.1m and 8.5m models, up to 70 passengers carrying capacity.

Truck market has grown two months in a row

14.06.2016 / Autostat

According to Autostat data, 3300 new trucks have been sold in Russia in May 2016, which is equivalent to an 8.2% year-on-year rise. The market has grown for two consecutive months. Russian manufacturer KAMAZ has kept its leadership, with approximately 40% share of the market. The company has sold 1256 vehicles, which is more than last year's figure by a third. The second spot is occupied by another home brand - GAZ, with a sales figure of 533 vehicles (-3.8%). Belarusian brand MAZ completes the top-three (209, +31.4%). Japanese Isuzu (202, +46.4%) and Russian NEFAZ (168, +158.5%) came fourth and fifth respectively. Russian new truck market has amounted to 17,800 units by the end of the first five months of the year, which indicates an 11.7% year-on-year decline.

The new LCV market, on the other hand, has shrunk by 0.3% in comparison with the same period of the previous year in May, with 6800 units. Thereby, the growth observed in March and April was followed by a slight decline in May. Russian brand GAZ has remained the market leader with a share of 45%. In quantitative terms, the sales figure of the company is equivalent to 3100 vehicles, which is 11.5% superior to last year's performance. GAZ is followed by another home brand UAZ, which sold 1200 vehicles in May (-35.9%). American Ford occupied the third place (592, +176.6%). LADA (456, -34.2%) and Mercedes-Benz (449, -3.6%) have completed the top-five. The LCV market has shrunk by 4.9% year-on-year by the end of the first five months, with 32,500 units.

Car imports fell by 38% in January-April period

08.06.2016 / Autostat

Passenger car imports to Russia have fallen by 38.4% by the end of the first four months of 2016, to 79,400 vehicles. According to the Russian Federal Customs House (FTS) data, the monetary value of the cars imported to Russia during the aforementioned period is \$1.6294 billion. Trucks imports to Russia went down by 26.4% to 5300 units within the January-April period, amounting to \$266.6 million in monetary terms.

Russian car exports have also shrunk during the first four months of 2016, by 32.8% to 21,900 vehicles, generating \$335.4 million. 6500 vehicles have been exported to non-CIS countries and the remaining 15,400 to CIS countries, equivalent to \$173.4 million and 162 million respectively. Truck exports have declined by 25.5% - to 3800 units, generating \$95.7 million. 2100 trucks were exported to non-CIS countries for \$68.2 million and 1700 to CIS countries for \$27.5 million.

This year in January—May 548.119 cars were sold in Russia

08.06.2016 / AEB

In May 2016, sales of new cars and light commercial vehicles in Russia decreased by 14,5% compared to May 2015 or by 18 203 sold units, and amounted to 107 665 cars, according to the AEB Automobile Manufacturers Committee (AEB AMC). Among the top ten bestselling models so far, nine models are locally produced. This year in January—May 548 119 cars were sold.

Joerg Schreiber, Chairman of the AEB Automobile Manufacturers Committee commented: “Total sales result in May demonstrates that the road towards market stabilization remains bumpy. As the car market keeps struggling, the macroeconomic picture gives reason for cautious optimism: The prevailing view among the experts appears to be that the country’s economy has passed the low point, and that the outlook until the end of this year is stable at least, or even positive moving into 2017. Such perspective is encouraging of course, but yet has to materialize in consumers’ minds before it can translate into growing confidence and purchase activity. For now, patience remains the order of the day. The detailed sales figures are on rusautonews.com/statistics/

Renault will lend money to AVTOVAZ

07.06.2016 / Vedomosti

Renault will provide Avtovaz 20 billion rubles (nearly €268 million at the exchange rate of the Central Bank - Vedomosti) until 29 December 2016 at 11.5% per annum, as stated in the materials prepared for the annual meeting of Avtovaz shareholders. The meeting is scheduled for 23 June. The money is needed to pay for auto components, according to the materials.

In 2015 and during the first months of 2016, AVTOVAZ has delayed the component payments for long periods of time, up to 100-150 days, as told by one of the contractors of the company. The situation has improved towards June, according to the contractor, the repayment periods declining to around 80 days. “However, it’s still too long” he stated: “not many component manufacturers can afford to wait for nearly three months”.

Avtovaz had also received loans to pay for debts during the 2008-2009 crisis, including the money owed to the suppliers. At the time, the government provided an interest-free loan of 75 billion rubles to the company, through Rostech. Renault also helped Avtovaz, by allocating €126 million since 2012. The money, however, was necessary for the modernisation of the factory, especially the B0 line in Tolyatti, where car production is made for Renault-Nissan Alliance and Lada.

The Avtovaz representative did not answer the questions of Vedomosti. The Renault representative, on the other hand, has explained that the decision to allocate 20 billion rubles loan has been taken, in case AVTOVAZ faces difficulties in attracting external funding. The loan will be given, when such a situation occurs, he added.

The Russian plant of Hyundai will manufacture 20,000 Creta crossovers in 2016

07.06.2016 / Autostat

Hyundai plant in Russia has started the test production of the compact crossover Creta in March. The serial production is due to start in August. The company plans to manufacture approximately 20,000 Creta vehicles until the end of the year. The factory will manufacture the hatchback version of Hyundai Solaris at the same time, in order to utilise the full production capacity. The new model will be produced on the same line with Hyundai Solaris sedan, as stated by Hyundai Motor CIS press office.

In the meantime, the Russian plant of Hyundai has invested \$100 million in the large-scale modernisation of the production lines in the facility, within the scope of preparations towards Creta production. The production capacity optimisation works, which started in January 2016, are now complete.

Car production has declined by 21.7% in Russia in April

06.06.2016 / Interfax

Passenger car production has fallen by 21.7% in Russia in April, to 96,000 units according to Rosstat data. Truck production, on the other hand, has remained almost unchanged in comparison with previous April, with 12,000 units. Bus production was on the rise according to Rosstat data, by 7.6% to 3300 units. As stated previously, 345,000 passenger automobiles have been manufactured in Russia during the January-April period, following a 25.1% year-on-year decline.

April, which is generally the most productive month for car dealers alongside December, has shown that the market is still in stagnation, stated by the Association of Russian Car Dealers. The customers have renewed their vehicles in the past few years, however now everyone waits to see how the economic situation will turn out, explains the executive director of Autostat: Sergei Udalov. New vehicles are bought for work purposes or in events of high depreciation, by people who benefit from state support programmes. "Since the beginning of the market shrinkage, the customers have postponed their purchases, creating a pent-up demand. Vehicles are being bought by those who absolutely need to make the purchases" added the director of dealer network.

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KAMAZ sales have risen by 17.6% in Russia in May

02.06.2016 / Finmarket

KAMAZ has sold 2000 trucks in Russia in May. The figure goes up to approximately 2600 with the inclusion of exports. The relevant statement has been made by the deputy director general of KAMAZ for sales and services: Sergey Afanasiev to Interfax agency. Afanasiev has added that nearly 62% of the truck production in Russia is made by KAMAZ.

According to Afanasiev, KAMAZ had sold around 1700 trucks in Russia in May 2015 and the export figure was 550 vehicles. Thereby, the sales in Russia have increased by 17.6%, as published by Finmarket.

As previously stated by Autostat, KAMAZ plans to sell 32,000 vehicles in 2016, 25,000 in the domestic market and the remaining 7000 abroad. As one may remember, the Russian sales of the company had shrunk by 31% in 2015 (to 22,600 vehicles) and exports by 4% (to 5900 vehicles).

Top-ten foreign secondhand car brands in Moscow

01.06.2016 / Autostat

According to Autostat data, 32,200 second-hand cars have been sold in Moscow in April, indicating a 10.7% year-on-year increase. Approximately 90% of the figure is formed of foreign brand vehicles, which is equivalent to 28,700 units (+14.5%).

Ford Focus has become the most popular model amongst used vehicles not only in Moscow, but also countrywide. 1079 Focus have changed hands in the capital during last month (-4.6%). However, the similarities between the car preferences of Muscovites and the residents of the rest of the country end here.

Hyundai has become the second most popular used car model in Moscow (690 vehicles), following an 88.5% rise compared to last year. Opel Astra occupies the third place (545, +7.5%). The top-five is completed by Skoda Octavia (498, +18%) and Volkswagen Passat (476, +5.8%). The rest of the top-ten is as follows: KIA Rio (443, +44.8%), Mercedes-Benz E-Class (413, +7.3%), BMW 5-Series (407, +8.8%), Toyota Camry (400, +14%) and Mitsubishi Lancer (382, +4.1%).

The share of foreign brands in the secondhand market is considerably higher in Moscow, compared to the country average, according to the director of Autostat: Sergey Tselikov. One-tenth ratio of home brands to foreign vehicles in the secondhand market in the capital rises to one in every third vehicle throughout the rest of Russia.

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