

## Net profit of GAZ has increased by 18% in 2016

03.04.2017 / RNS

The net profit of GAZ has risen by 18.15% year-on-year in 2016 - to 78.7 million rubles, as stated by the company. The revenues increased by 34.5% - to 20.8 billion rubles. The gross profit of the company, on the other hand, was up by 78.2% - to 2.71 billion rubles.

## Avtovaz plans to sell around 300,000 Lada automobiles in Russia in 2017

29.03.2017 / RusAutoNews.Com

Avtovaz plans to sell 280,000-300,000 Lada automobiles in Russia in 2017, as told by the company chairman Nicolas Maure at the Tatarstan International Automotive Forum, TIAF supported by Automechanika. "Russian market will reach 1.45-1.5 million units this year. If you take into account the share of Lada as 20%, the sales figure of the brand will be somewhere in between 280,000-300,000 units maximum" - Maure said. Avtovaz has sold almost 266,300 Lada vehicles in 2016. Thereby, the sales of Avtovaz may grow by up to 13% in 2017.

According to Maure, revenue growth and efficiency improvement are the key targets of the company in 2017.

Revenue growth is expected through the promotion of the Lada brand image, growth of after sales services and export push: Avtovaz may start the exports of Lada 4x4 to China by the end of the year. Maure has noted that deliveries to China are expected to start towards the end of the year.

Efficiency improvement is targeted through leverage of synergies with Renault-Nissan Alliance, digital transformation, increasing process and manufacturing efficiency and purchase optimisation.

Avtovaz plans to increase the localisation level from 70% to 75% in the nearest future and up to 80% in the long term. Maure stated that 50% of the suppliers are local Russian manufacturers, 30% local foreign manufacturers and 20% from abroad.

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## **Ford sees good prospects for the development of the Russian market**

28.03.2017 / [RusAutoNews.Com](http://RusAutoNews.Com)

The leading American car manufacturer Ford expects positive results from its business activities in Russia, encouraged by the good prospects of the country's automotive market. The relevant statement has been made by the vice chairman of the corporation: David Schoch to TASS agency.

"I believe that there's a good future ahead of Ford in Russia and the Russian zone of activity" - Schoch noted. "Ford Motor has a strong foothold in the continuously developing Russian market. We have established a solid partnership with the car maker Sollers in the country." According to Schoch, the Russian-American joint venture Ford Sollers is successfully operating in the Russian market.

Ford Sollers was founded by Ford Motor Company and Sollers with equal participation of the parties in October 2011. Today, Ford Sollers offers its customers a completely updated model range of Ford, represented by seven localised models, manufactured at the facilities of the company with full-cycle technology, as well as a line of special vehicles based on Ford Transit. The company is represented in Russia with four factories and a full-scale R&D centre, specialised in the adaptation and localisation of Ford vehicles.

As published by Autostat previously, Ford Sollers has increased its sales by 10% in Russia in 2016, to 42,528 units. Ford Transit and the special versions based on the model (5562, +63%), Ford Kuga crossover (+18%) and Ford Focus (11973, +8%) have become the main contributors to the growth in sales.

## **GAZ Group may revive the Volga brand**

27.07.2017 / [Vedomosti](http://Vedomosti)

GAZ Group may resume the production of Volga brand vehicles in medium-term, in the commercial vehicles segment. The relevant statement has been made by the chairman of board of directors and the co-owner of Russian Machines: Siegfried Wolf, during an interview with Vedomosti.

"Russian Machines doesn't have many medium-sized vehicles" - said Wolf: "A transporter smaller than GAZel, to be more precise. Something like the Volkswagen Caddy, for example." Such vehicles are manufactured both in all-metal body cargo versions with two seats for the driver and the passenger in the front and 5-seater passenger versions.

GAZ has discontinued the production of the Volga classical passenger cars in 2008. The production of Volga Siber, based on Chrysler Sebring, was launched during the same year (GAZ Group acquired a 160,000 vehicles capacity line from Chrysler for the project). However, the project came to an end in 2010.

**The Ministry of Industry and Commerce expects 8% growth in Russian automobile industry in 2017**

23.03.2017 / Kommersant

The Ministry of Industry and Commerce expects 8.4% rise in Russian car production in 2017, to 1.4 million units. The production will increase relatively evenly amongst the segments, each by around 8.4%, according to the calculations of the ministry. Thus, car production should increase to 1.2 million units, trucks - to 64,900, light commercial vehicles (LCV) - to 122,200. The rise expected in bus production is a little bit more, by 8.7% to 13,800 units.

Car production has shrunk by 8.1% in 2016, to 1.106 million units, according to ministry data. Production of vehicles of all kinds was down by 5.5%, to 1.29 million units.

The total market (taking imports into account) of passenger cars and LCV will grow by 7.4% this year - to 1.53 million units, according to the Ministry of Industry and Commerce. The Association of European Businesses (makes a total forecast for the passenger segment and LCV) is slightly more cautious in its predictions: 1.48 million units. The Association assumes that the government support on automotive industry will be at planned levels and the new programmes will be effective. In addition, cautious signals concerning the improvement of the external factors (oil prices, GDP trends) are taken into the account in the predictions.

PwC agrees with the expectations of the Ministry of Industry and Commerce, the only relative contradiction being in the LCV segment: the ministry predicting 118,700 units, PwC only 97,000. Analysts believe that PwC has a more pessimistic approach towards the impact of government support. The market leader GAZ Group is also of the same opinion with PwC: the head of the company Vadim Sorokin had announced his expectation of growth in LCV market as 2-5% for this year in mid-March, to 98,000 units at the most. "I don't expect a significant improvement in Russia" - the senior manager explained his forecast.

**Net profit of Sollers has grown by 4.6 times in 2016**

23.03.2017 / RNS

The net profit of car manufacturer Sollers has grown by 4.6 times year-on-year in 2016, to 4.94 billion rubles, as stated by the company. The revenues from participation in UAZ have amounted to 5.37 billion rubles, according to the report. The revenue of Sollers fell by 3.5 times to 180.2 million rubles. The short-term loans of Sollers have gone down in 2016, from 3.46 billion rubles to 602,000 rubles. The company has repaid a loan its subsidiary UAZ in the amount of 3.5 billion rubles, as stated in the documents.

Sollers, established in 2002, includes Ulyanovsk Car Factory (UAZ) and a number of joint ventures, mainly manufacturing Mazda and Ford vehicles, amongst others.

## **Volkswagen has exported 10% of its vehicles manufactured in Russia in 2016**

22.03.2017 / RNS

Volkswagen Group Rus has exported 10% of its Russian production vehicles in 2016, as told by the general director of the company: Marcus Osegowitsch at the automobile forum. "10% of total production have been exported to four countries last year" - said Osegowitsch.

Approximately 5000 vehicles have been exported to Mexico, according to the general director. "That was a successful experience" - he added. VW Group Rus has manufactured 147,000 vehicles in 2016, 110,000 of which were produced in Kaluga.

VW Group Rus has signed an agreement as to the export of Russian production VW Polo automobiles to Mexico in July 2016. However, the export volumes have not been disclosed. The vehicles are being delivered to CIS countries, alongside Mexico. Indian production Volkswagen vehicles were being exported to Mexico previously, as told by Osegowitsch.

## **Russian LCV market has grown by 19% in February**

21.03.2017 / Autostat

According to Autostat data, the Russian new light commercial vehicle market (LCV) has amounted to 7100 units in February, following a 19.2% year-on-year rise. GAZ has kept its traditional leadership of the market during the last month of the winter, with 45% share. The company has sold 3100 vehicles, which is equivalent to a 24.5% year-on-year increase. Another home brand UAZ occupies the second spot with 1500 vehicles (+15.8%). Russian LADA completes the top-three (669, +42%). German Mercedes-Benz (517, +41.6%) and American Ford have also made it into the top-five.

Russian new LCV market has amounted to 13,300 units by the end of the first two months, exceeding 2016 figures by a quarter.

## **Russian truck market has grown by 28% in February**

21.03.2017 / Autostat

According to Autostat data, 4300 new trucks have been sold in Russia in February 2017, indicating a 28.1% year-on-year growth. The leader of the market remained unchanged in February: Russian manufacturer KAMAZ with approximately 40% share. The sales figure of the company is equivalent to 1700 units, up by 20% year-on-year. Another domestic manufacturer GAZ follows the leader with 511 vehicles (+3.7%). The top-three is completed by Belarusian MAZ (294, +28.4%). Swedish Volvo (260, +312.7%) and Russian URAL (228, -9.9%) are the remaining brands of the top-five.

7900 new trucks have been sold in Russia within the first two months of 2017, following a 27.2% growth in comparison with the same period of the previous year.

## **Car production has risen by 24% during the first two months**

20.03.2017 / RusAutoNews.Com

According to Rosstat data, 187,000 cars have rolled off Russian production lines within the first two months of 2017, indicating a 24.3% year-on-year rise. February production figure of 108,200 units is equivalent to a 0.9% increase in comparison with the previous year, on the other hand.

Truck production amounted to 15,600 units within the January-February period, exceeding last year's figure by 10.4%. February truck production figure was down by 3.1% year-on-year, with 11,200 units.

Bus production has increased by 51.9% in Russia by the end of the first two months of 2017, to 2700 units. Bus factories manufactured 2000 vehicles in February, on the other hand (+35.1%).

## **60% of Russian automobile fleet belongs to foreign brands**

18.03.2017 / Autostat

Analytical agency Autostat has conducted a survey of Russian passenger cars fleet as of 01 January 2017. According to the results of the survey, 59.1% of country's passenger car park is formed of foreign brand vehicles, which is equivalent to 26.4 million units.

Japanese car manufacturer Toyota has kept its leadership amongst foreign brands (3.6 million vehicles), with 9% market share. Another Japanese brand Nissan follows the leader (2 million units). Korean Hyundai occupies the third spot with 1.7 million automobiles. American Chevrolet (1.6 million) and French Renault (1.5 million) complete the top-five.

The rest of the top-ten is as follows: KIA (1.5 million), Volkswagen (1.4 million), Ford (1.3 million), Mitsubishi (1.1 million) and Opel (0.9 million). The market shares of foreign brands outside the top-ten are all below the 2% mark.

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