

Car and truck productions have fallen by 1.3% and 21.1% respectively in Russia during the first six months

18.07.2014 / Rosstat

According to Russian Federal Institute of Statistics: Rosstat data, 920,000 automobiles have been manufactured in the country during the first six months of the year (-1.3%). The June production figure is around 160,000, on the other hand (-0.5%). AvtoVAZ has become the production leader once again in June, with 32,902 vehicles (+0.7%). St. Petersburg Hyundai factory has started the production of the new generation of Solaris on 16 June. GM-Avto and Nissan factories have stopped production for two-weeks summer holiday.

75,000 trucks have been manufactured during the January-June period (-21.1%). 14,700 of this figure have been manufactured in June (-19.3%). 18,200 buses have been manufactured in Russia during the first half of the year (-26.3%). The June production figure is 3700, on the other hand (-21.2%).

AvtoVAZ has made a loss of 2.75 billion rubles in the first quarter

15.07.2014 / Avtostat

AvtoVAZ has made 91.1 billion turnover during the first half of 2014. The loss of the company for the same period has been declared as 2.75 billion rubles. The company has related these results to the shrinkage in the market and the depreciation of rouble. As one may remember, 220,251 Lada have been sold in Russia, during the first six months of the year (-5%).

AvtoVAZ President: Bo Andersson has made the following statement: “At the moment, our main focus is on the production of new automobiles such as; Granta Liftback, Largus Cross, Kalina Cross and 4x4 Urban. We hope that the positive market response towards these models will help increase our sales. We will continue working on product quality enhancement and the optimisation of expenses. Our aim is to end the year with positive financial indicators.”

AvtoVAZ has started the serial production of Datsun on-DO

14.07.2014 / autonews.ru

AvtoVAZ has started the serial production of Datsun on-DO Sedan model automobiles with a ceremony today. The model will be put on the market with prices starting from 329,000 rubles, as of the end of July. The horsepower of the automobile with 1.6lt engine varies between 82 and 87.

AvtoVAZ will manufacture two more Datsun models apart from on-DO. The serial production of the second model is due to start this year and the third model in three years time, according to plans.

Russian second hand market has grown by 12% during the first six months

14.07.2014 / Avtostat

According to Avtostat data, the secondhand market in Russia has grown by 12.2% during the first half of 2014, with 2.89 million vehicles. The June-only sales figure for second hand automobiles is 486,000, on the other hand (-2%).

153,000 of the second hand automobiles sold in June belong to Lada (-6.1%). Toyota occupies the second place with 55,800 vehicles (-5.7%). The top two brands are followed by; Nissan (23,600, -2.1%), Chevrolet (18,700, +6.3%), KIA (12,600, +8%) and Daewoo (12,000, +4.4%).

Russian vehicle market has shrunk by 17.3% in June

09.07.2014 / AEB

According to Association of European Businesses (AEB) data, new passenger car and LCV sales in Russia failed to reach the 200,000 vehicles mark in June: 199,398 (-17.3%). The sales figure for the first half of 2014 has reached 1,229,839 vehicles (-7.6%).

The president of the AEB Car Manufacturers Committee (AMC) Joerg Schreiber on figures: "The market continues its downward trend, at an accelerating pace: Compared to 2013, sales volume in June declined by 17.3%, bringing total 2nd quarter sales down to minus 12.4%. In the opinion of AMC member companies, the market weakness has not reached its bottom yet: Sales volume in the 2nd half of 2014 is expected to reach a level of 1.2 million units, equivalent to a 16% reduction compared with the same 6-months period in 2013.

In view of the recent trend, the AEB is adjusting its 2014 full year forecast for the Russian PC and LCV market 2.45 million units, down 335 thousand units or 12% from the market result in 2013".

Continental has opened its third factory in Kaluga

01.07.2014 / Avtostat

Continental has opened the ContiTech factory which will manufacture pipes for air conditioning systems and hydraulic steering systems in Kaluga Rosva Industrial Zone. Continental has invested €17 million in its third factory. The facility aims to manufacture 1 million pipes this year. As one may remember, the company had activated its second factory on the same premises, which manufactures electronic systems and fuel injection systems, on 05 June.

Russian commercial vehicle manufacturers are on the brink of a crisis

03.07.2014 / Vedomosti

This year, the Russian light commercial vehicle market may shrink down to the “crisis year” levels of 2009.

During the first six months of 2014, the LCV sales have declined by 16% in comparison with the same period of the previous year, with 57,300 vehicles. It's estimated that the shrinkage rate may reach 31% by the end of the year (111,900 vehicles), an amount very close to 2009 sales figures.

The sales of the biggest LCV manufacturer of the country: GAZ have fallen by 20% during the first six months, with 25,000 vehicles. The vice president of GAZ: Elena Matveyeva, who attended the session of the Russian Parliament: Duma's Committee of Industry, has warned that labour layoffs may occur, in case the situation gets any worse. As one may remember, AvtoVAZ and Ford Sollers Vsevolozhsk factories had laid off staff this year.

According to Matveyeva; the economic instability, the changes taking place within the Russian transport sector, the shift of the clients in the sector to other types of automobiles and the decline in government purchases, are the factors behind the shrinkage in the market. The director of Avtostat: Sergei Udalov, on the other hand, states that the savings measures taken by the consumers affect the commercial vehicles market, more than any other segment. Udalov predicts that the market will go down by rates in between 20%-30% this year, in different segments. The sharpest decline is expected in the heavy commercial vehicles segment.

Elena Matveyeva lays emphasis on the manufacturers' need for state subsidies. Accordingly, the primary measure to be taken is the encouragement of the renewal of the vehicle park, more than 70% of which is above 15 years of age. The replacement of transport tax with environmental tax, limiting the usage periods of commercial vehicles and a participation ban for imported vehicles in government purchase tenders are amongst other measures proposed by Matveyeva.

The director of the Russian Ministry of Industry and Commerce Automobile and Special-Purpose Vehicle Production Department: Alexander Morozov has stated that the commercial vehicles have the priority in terms of market support and 3.7 billion rubles have been allocated for this purpose in 2014. This amount will subsidise the purchase of gas-fuelled vehicles.

The car manufacturers also expect support from the Russian government, however the government is reluctant due to lack of resources.

The magnitude of the Russian car components market has exceeded \$22.5 billion

02.07.2014 / Avtostat

The volume of the Russian vehicle park, formed of more than 1000 models -some of which have several generations- and tens of thousands of modifications, is heading towards the 40 million vehicles mark (+6.5%). This situation brings along a wide spectrum of components diversity and a high volume market. According to Avtostat's assessment, the volume of Russian car components and spare parts market reached 900 million units in 2013. The monetary value of the aforementioned amount is \$22.5 billion (+10%). The assessment also includes the 2013 sales figures of different components in the country: 35 million tyres, 294 million litres of liquids and 6.65 million car batteries.

Avtostat draws attention to the fact that the expected 3.5%-4.5% rate of growth in the vehicle park in the forthcoming years will also make a positive impact on the components market. Avtostat predicts that 950 million units will be sold in the components market in 2014. This amount is equivalent to \$24 billion in monetary terms.

There are 39.3 million automobiles in Russia

30.06.2014 / Avtostat

According to Avtostat data, as of the beginning of 2014, the number of automobiles has reached 39.3 million in Russia (+6.5%). 20.4 million of this figure is formed of foreign brand vehicles. 40% of foreign automobiles registered in the country belongs to Japanese brands. The share of European brands is 30%, on the other hand. Korean (15%), American (12%) and Chinese (2%) follow these countries. The sectoral experts anticipate that the number of vehicles in Russia will grow by 3.5%-4.5% on a yearly basis, within the next few years. Furthermore, the number of foreign cars in the country is expected to reach 25 million by 2016.

New inducement for Avtoframos

26.06.2014 / RBK

Moscow City Council has made a change in the act, regulating the income tax taken from car manufacturers operating in the city. While the tax rate stated in the aforementioned act remained unchanged (13.5%), due to the negative trend in the market, the time limits on the realisation of the compulsory investments have been relaxed. Thereby, Avtoframos factory, manufacturing Renault brand automobiles in Moscow, has obtained the opportunity to save 25% of the amount planned to be allocated for modernisation works in 2014. According to the agreement signed between the Moscow city administration and Avtoframos last year, the factory is under the obligation to invest a total amount of 21 billion rubles in modernisation within the 2013-2020 period. In return, Avtoframos has the right to benefit from several tax cuts.

Sergei Kogonin: “More than Ukraine, I’m worried about the Russian market”

30.06.2014 / kazanfirst.ru

The annual meeting of KamAZ shareholders has taken place in Naberezhniye Chelny on 27.06.2014. During his speech at the event, the General Director of KamAZ: Sergei Kogonin has stated that 2013 has been a tough year for his company. However, Kogonin has drawn attention to the fact that despite the 28% shrinkage in the truck market, KamAZ sales have fallen only by 4% and the market share of the company has risen to 45% from 33%. KamAZ has sold 38,100 vehicles in 2013. 5700 of these vehicles have been exported. While the turnover of the company has reached 107.2 billion rubles, the net profit of the company has been declared as 2.2 billion rubles.

As stated by Kogonin, KamAZ has invested 4.7 billion rubles in areas such as; new cabins, engines, the compatibility with Euro-5 environmental standards and the KamAZ-5490 tow trucks, in 2013. With these investments, KamAZ is aiming to increase its share in tow trucks market to 25% from the current 3%.

In addition to all these, Kogonin has stated that the partnership with Daimler will be improved even further. The General Director has made the following statement: “Within a few years we will be obliged to manufacture and sell modern trucks only. Therefore, we have to re-organise our production and engineering processes. Our production needs to be more flexible, more compact and more competitive.”

Kogonin has added that the company has set an annual production target of 80,000 vehicles. In addition, the company is aiming to increase the labour productivity by two-and-a-half-fold and triple the energy efficiency.

Russian truck market has shrunk by 16.5% in May

24.06.2014 / Avtostat

Approximately 4700 16+ tonnes new trucks have been sold in Russia in May (-16.5%). Thereby, the number of trucks sold within the first months of the year has reached 25,600 (-16.2%). KamAZ has become the market leader in May with a sales figure of 1840 vehicles (-14.6%). The second place is occupied by MAZ (-5.5%). The top-two are followed by Scania, with 500 vehicles (0%). The sales figures for MAN and Volvo are: 300 (-26.4%) and 230 (-44.8%), respectively. The other brands are ranked as follows: Ural - 200 vehicles (-4.7%), Mercedes-Benz - 190 (-14.2%), Shaanxi - 150 (-50%), DAF - 120 (-57.9%) and NefAZ - 90 (0%).

Avtostat’s comment on the figures: “In the absence of major infrastructure projects, the commercial vehicle market continues to shrink.” Udalov has also drawn attention to the fact that the truck market is more responsive to economic fluctuations, compared to other segments.

Car production has declined by 3% in St. Petersburg in May

23.06.2014 / Auto-Dealer-SPb

According to Auto-Dealer-SPb agency data, St. Petersburg based Toyota, GM, Nissan and Hyundai factories have manufactured 164,900 automobiles during the January-April period of 2014 (-2%). Thereby, the share of the city within Russian automotive has shrunk from 2013 January-April period's 22.2% to 21.7%.

The number of automobiles manufactured in St. Petersburg in May is 29,100, on the other hand (-3%). With this figure, the city's car production has fallen below the 30,000 mark for the first time this year, on a monthly basis.

The nine different models manufactured in four factories are as follows: Chevrolet Cruze, Opel Astra, Chevrolet Trailblazer, Nissan Teana, Nissan X-Trail, Nissan Murano, Toyota Camry, Hyundai Solaris and Kia Rio.

Volvo Kaluga factory has stopped production

19.06.2014 / Kommersant

Volvo Trucks have announced that the production has been suspended at Kaluga factory. The company press office has stated that it's traditional with Volvo Group Trucks to suspend production throughout its factories worldwide in July-August period, however, due to the shrinkage in the market, the operations will be halted in Russia during the first two weeks of September.

Volvo had opened its Kaluga factory in 2009. The factory has the capacity to manufacture 10,000 Volvo and 5000 Renault trucks annually. Volvo had signed an Industrial Assembly Regime agreement with the Russian government as a sub-industry manufacturer, as opposed to OEM status, in 2011 and obtained the opportunity import components in favourable conditions. The currently low localisation rate at the factory is planned to be increased with the establishment of the new cabin welding and paint shops in November.

According to Avtostat data, the Russian truck market has shrunk by 12.1% within the January-May period, with 38,400 vehicles. 6810 vehicles have been sold in May-only (-16.7%). The decline in Volvo sales is sharper, on the other hand. The brand has sold 1470 vehicles during the first month of the year (-46%). The May sales figure is 230 (-46.3%).

Volvo's share in Russian truck market is 3.4%. The leader of the market is the Russian brand KamAZ, with 30.5% share.

St. Petersburg car market has declined for the first time this year

19.06.2014 / Auto-Dealer-SPb

According to Auto-Dealer-SPb agency data, 78,921 new cars and light commercial vehicles have been sold in St. Petersburg within 2014 January-May period (-1%). 15,265 vehicles have been sold in May-only, on the other hand (-9%). Thereby, St. Petersburg market has shown a negative dynamics on a monthly basis for the first time this year. The share of St. Petersburg market in Russia has been calculated as 7.7% for the January-May period. This ratio was 7.3% last year. The best-selling brands of May are as follows: Renault - 1508 (0%), Volkswagen - 1192 (-8%), Škoda - 1125 (+31%) and Lada - 1093 (+14%).

Auto-Dealer-SPb has stated that the consumers' tendency to postpone their purchase decisions due to factors such as: the uncertainties in the region, the increase in automobile prices and the expectation of a new purchase incentive, is the reason behind the decline in sales.

Car production has risen by 5.9% in Russia in May

19.06.2014 / Avtostat

According to data published by the Russian Federal Institute of Statistics: Rosstat, 760,000 automobiles have been manufactured in Russia within the first five months of 2014 (-1.4%). The number of automobiles manufactured in May-only is 147,000, on the other hand (+5.9%).

The leader of Russian automotive: AvtoVAZ has manufactured 28,866 Lada automobiles in May (+26.1%). The increase in the sales figures of the company is being related to the relatively low production figure of the same period of the previous year, due to the transition process to the new generation Lada Kalina production. AvtoVAZ had also halted the Lada 4x4 production line last May, due to modernisation works.

Truck and bus production figures continue to decline in Russia. 60,300 trucks have been manufactured in January-May period (-21.6%). The May production figure is 13,200, on the other hand (-21.3%). 14,500 buses have been manufactured in the country within the first five months of the year (-27.5%), May-only production figure being 3400 vehicles (-28.4%).

Car components are the third best-sold product item online in Russia

17.06.2014 / Rossiyskaya gazeta

According to the Association of Russian e-Trade Companies (AKIT) survey, car components have become the third best-sold product item online in the country in 2013. Electronic goods and clothing occupy the top-two spots. The share of car components within the total is 10%.

In order to understand the dynamics of this market in Russia, one only needs to check the distance covered by the major players of the market within one year. According to the survey conducted by Rossiyskaya Gazeta, the sales of the most popular car components company in the country have increased by 80% in 2013, reaching 2.3 billion rubles (\$67 million).

The newspaper's report includes that the Russian consumers often prefer ordering the products directly from countries like USA and Japan, rather than waiting for the dealers to supply the items. Generally, the products sent from these countries reach the consumer within two weeks. The delivery period may take up to a several months with Russian dealers. The Russian car-enthusiasts seem to prefer dealing with the customs and shipping problems themselves, in order to save money and time.

The best-sold components in Russia online are ranked as follows: starter engines (22%), lights (21%) and car windows (17%). Tyres are another popular segment in online sales. According to Frost&Sullivan's survey, 8% of tyres in Russia are sold through the internet. Throughout Europe this ratio is 7.8%. It's predicted that this ratio will have gone over 20% by the year 2020.

Components, accessories and even car sales are amongst the up and coming niches of the internet in Russian language. Although the big players have long ago started to dominate the market, a certain amount of demand still remains to be satisfied.

Russian LCV market has shrunk by 15% in May

16.06.2014 / Avtostat

The sales of new light commercial vehicles have shrunk by 15% in Russia in May, with 10,250 vehicles. Thereby, the number of LCVs sold within the first five months of the year has reached 52,920 (-16.7%).

60% of the market is held by Russian brands. GAZ has once more become the market leader in May, with a sales figure of 4400 vehicles (-13.9%). Despite the falling sales, the brand's market share is still as high as 42.9%. The second place is occupied by another Russian brand: UAZ. The company has sold 1250 vehicles in May (-22.9%). Lada follows these two brands with 750 Largus and VIS sales (+29.8%). Ford occupies the fourth spot with 550 vehicles (-29.7%). Volkswagen's sales figure is 510 (-27.3%).