

10-day new year holiday period has started in Russia

30-12-2012

Ten day long new year holidays in Russia has started on 30th of December. The country will formally go back to work on Wednesday, the 9th of January. However, according to old Russian calendar, the new year corresponds to 13th of January. Therefore, in practice the holidays will extend thereuntil.

Our next newsletter will be published at the end of January 2013.

We wish you a happy new year!



KamAZ and Marcopolo started bus production in Neftekamsk

26.12.2012 / Avtostat

Russian KamAZ and Brazilian Marcopolo partnership has started manufacturing Bravis model small-class buses in Neftekamsk Car Factory, established in Bashkortostan. The passenger capacity of 8-metres-long Bravis buses is 8 people. The buses, which are built on KamAZ-3297 chassis with Marcopolo bodywork, are equipped with Cummins engines, ZF gearboxes and Knorr-Bremse brake systems. 20 of these buses will be manufactured in the factory until the end of the year. The production target for next year is 500 buses.

Schaeffler will establish a factory in Ulyanovsk

25.12.2012 / AutoBusiness info

German automotive supply industry manufacturer Schaeffler AG is getting ready to establish a factory in Ulyanovsk region. The company will manufacture components for clutches and engines and belt and pulley mechanisms in the region, in addition to hub bearings for cars and trucks. The production will start in the factory, which will be established with an investment of 2 billion rubles, in 2014, according to plans. St. Petersburg automobile market has shrunk for the first time since 2009

The growth of Yekaterinburg automobile market has come to a halt

26.12.2012 / Auto-Dealer-Yekaterinburg

According to Auto-Dealer-Yekaterinburg agency data, 89,101 new automobiles have been sold in Yekaterinburg within the January-November 2012 period (+16%). The number of automobiles sold in November-only is 7703 (+1%). In other words, the monthly automobile sales in the city remained below the 8000 mark for the first time since February. In the light of these figures, Auto-Dealer-Yekaterinburg suggested that the year-end total number of sales will not reach the 100,000 vehicles mark.

Lada has once again become the leader of Yekaterinburg automobile market in November, being followed by KIA in second place. The most popular foreign brand of the 11-months period is Chevrolet, on the other hand.

St. Petersburg automobile market has shrunk for the first time since 2009

25.12.2012 / Auto-Dealer-SPb

According to Auto-Dealer-SPb data, 186,020 automobiles have been sold in St. Petersburg in January-November 2012 period (+8%). The sales figure for November-only is 16,684 (-5%). Thereby, on monthly basis, the market has shrunk for the first time since 2009. This is also the lowest monthly sales figure of 2012 after February.

Volkswagen has become the leader of automobile sales in St. Petersburg in November. (VW is also the leader of the January - November period). The second place is occupied by Renault, on the other hand.

Auto-Dealer-SPb is of the opinion that the St. Petersburg automobile market will go beyond the 200,000 vehicles limit at the end of the year, however, the retailers will not be able to achieve the 220-240,000 target, set in the beginning of the year.

GAZ Group and Bulten are going into partnership

25.12.2012 / Avtostat

GAZ Group and Bulten of Sweden have signed an agreement proposing the establishment of a partnership, which will manufacture fasteners on GAZ infrastructure in Nizhniy Novgorod. This will be the first formal production facility of FinnvedenBulten in Russia. The share of the Swedish manufacturer in the investment is around €7 million. It's anticipated that the facility will commence operations by the end of 2013. The Chairman of GAZ: Bo Anderson has stated that the fasteners manufactured with Bulten will be used in GAZel Biznes and GAZel Next models, in order to enhance the security of the models.

The number of suppliers in Togliatti SEZ is increasing

21.12.2012 / *The Moscow Times*

The Supervisory Board of Togliatti Special Economic Zone (SEZ) has approved the projects submitted by two Japanese companies: Atsumitec Toyota Tsusho Rus, Hi-Lex Rus and Orhan Holding of Turkey, proposing the establishment of automotive supply industry factories in the region. As is known, Orhan Holding's Nobel Automotive Russia has been operating in Tolyatti since 2011. The company is planning to move to the SEZ, upon the approval of its application. The Governor of Samara region: Nikolai Merkuskin has stated that the projects will bring in an extra investment of \$81 million and create 660 new jobs.

St. Petersburg car factories have broken a production record in November

20.12.2012 / *Auto-Dealer-SPb*

According to Auto-Dealer-SPb data, Toyota, GM, Nissan and Hyundai factories have manufactured a total number of 356,800 vehicles in January-November period of 2012 (+57%). The total number of automobiles manufactured in these four factories in November-only is 39,800 (+32%), on the other hand. This is the highest ever figure recorded in a month up to today.

Mihail Chaplugin from Auto-Dealer-SPb relates the record breaking figures to the high performance shown by the factories in November, in order to compensate for the anticipated future decline in production due to the new year holidays. According to Chaplugin, the year-end total production of the city will go over 390,000.

The share of the four factories in the Russian automobile production has been more or less around 19.8% since September. The models manufactured in the factories are as follows; Chevrolet Cruze, Opel Astra, Nissan Teana, Nissan X-Trail, Nissan Murano, Infiniti FX, Infiniti M, Toyota Camry, Hyundai Solaris and KIA Rio.

Bosch will construct a new components factory in Samara

19.12.2012 / *AutoBusiness info*

German manufacturer Bosch is getting ready to establish a new factory, in order to manufacture components in Samara. The company intends to invest approximately €40 billion in the construction of the new factory until the year 2015. Starters and generators will be manufactured, besides chassis' and diesel system elements, in the factory which will be established on 15,000 square metres area. The construction of the factory will start during the first half of 2013, according to plans.

Russian automobile and LCV markets may shrink in 2013

19.12.2012 / Vedomosti

Russian automobile and LCV markets had grown by 39%, reaching 2.65 million vehicles the previous year, according to AEB data. AEB predicts a 9.4% growth rate for the year 2012. However, the experts are of the opinion that the situation might change during the course of the following year.

Oleg Datskiv of Auto-dealer.ru has stated that expecting the market to keep its 2012 levels would be wishful thinking and added that a 5% decline is a more realistic scenario. Sergei Udalov from Avtostat, on the other hand, has predicted a 3% decline and linked the current drop in sales with the saturation in consumer demand.

The manufacturers are more optimistic. For instance, a representative from Ford Sollers has admitted that the tempo of sales might slow down, however disagreed with the prediction that the sales figures of 2013 will remain below 2012 values. The representative has added that as a company, they are aiming to increase their market share in 2013, with the help of the growing Crossover and LCV segments.

AvtoVAZ executives also think that the growth will come to a halt, however this will happen in 2014, rather than in 2013. According to the prediction of AvtoVAZ, the Russian automobile market will grow by 11% the following year, reaching 3 million vehicles and keep this growth rate until the year 2016. The Russian manufacturer estimates the market to reach 3.4 million and 3.6 million vehicles by 2017 and 2020 respectively.

Both Udalov and Datskiv are of the opinion that the only way for the Russian automobile market to maintain its current level in future is keeping up with the models with high sales potentials. In this context, it should be remembered that Nissan Almera -manufactured in AvtoVAZ- and Chevrolet Cobalt -assembled in Uzbekistan- will be put in the market in 2013. In addition to this, the production of Renault models will start in AvtoVAZ, as from the second half of the year.

Oleg Datskiv has drawn attention to the 600,000-1,500,000 rubles price segment, where the competition and the saturation are at their highest, as potentially the most problematic area of the year 2013. According to Datskiv, there's a wider perspective in budget-friendly and luxury segments. Finally, Datskiv predicts that the total magnitude of the market will fluctuate between 2.7-3.5 million during the course of the next five years.

On the other hand, according to an executive from GAZ Group, the volume of the LCV market will more or less remain in its 2012 level in 2013. The group is aiming to increase its market share to 50% for the next year, following this year's LCV sales figure of 175,000 vehicles.

The Russian automobile market has a volume of \$62 billion

19.12.2012 / PwC

According to the survey conducted by PricewaterhouseCoopers, the volume of the Russian automobile market has grown by 20%, reaching a magnitude of \$62 billion, by the end of the first eleven months of 2012. In numerical terms, the market has reached 2,616,000 vehicles (+12%).

The monetary value of the 526,000 (-7%) Russian brand automobiles sold within the January-November period, has been calculated as \$62 billion (-2%). The sales of the foreign brand vehicles manufactured in Russia in the same period has reached 1,100,000 (+26%), on the other hand. The monetary value of this sales figure adds up to \$25.3 billion (+39%). 890,000 imported automobiles have been sold in the country during the same period (+10%). This segment once again has the biggest share in monetary point of view with \$30.5 billion (+12%).

Stanley Root, from the automotive department of PwC, is of the opinion that although the automobile imports have gone down due to the renewal tax, which came into force on 01.09.2012, this decline has not reflected on numbers as yet. According to PwC, the automobile imports have declined by 19% in September-October, following an increase of 15% by the end of the first eight months of the year.

PricewaterhouseCoopers anticipates the 2012 year-end figure for the automobile market as 2,750,000 vehicles (+12%). According to this prediction, the market will take the following shape: 570,000 Russian brands, 1,190,000 foreign brands manufactured in Russia and 990,000 imported automobiles.

Russian LCV market has shrunk by 5.4% in November

17.12.2012 / Avtostat

The sales of light commercial vehicles in Russia has gone down by 5.4% in November, in comparison with the previous year, with 16,157 vehicles. Thereby, the Russian LCV market has shrunk consecutively for two months. A total number of 160,503 LCVs have been sold since the beginning of the year (+2.7%). 67.5% of this figure is formed of Russian brands.

GAZ has become the market leader on brand basis once again in November (8433 vehicles, +5.4%). UAZ occupies the second place with 2654 vehicles (-4%). On the other hand, Ford has maintained its leader position amongst foreign brands (1256, +75.9%). Volkswagen has the fourth best sales figures (1140, +9%). The number of Peugeot LCVs sold during the penultimate month of the year is 625 (-45.1%).

2.04 million vehicles have been manufactured in Russia within January-November period

18.12.2012 / OIB Russia

According to Russian Institute of Statistics: Rosstat data, 1.8 million automobiles have been manufactured in the country, within the January-November 2012 period (+14.6%). The number of automobiles manufactured in November-only is approximately 200,000 (+15.7%), on the other hand. AvtoVAZ has become the production leader once again in November (48,722 vehicles, +25%). Priora is the most-manufactured Lada model in Tolyatti (12,268 vehicles).

Significant developments of the previous month, concerning the foreign manufacturers are as follows; GM-Auto has started the production of Opel Astra Sedan in its St. Petersburg factory in the beginning of November. Volkswagen has manufactured its 500,000th automobile in Russia on 21.11.2012. Ford Sollers had to stop production for a few times during the month, due to problems experienced in the procurement of certain components needed for the production of Mondeo.

On the other hand, 191,000 trucks have been manufactured in the country within January-November period (+1.5%). The number of trucks manufactured in November-only is 19,000 (+2.3%). Russia's biggest trucks manufacturer: KamAZ has manufactured 3728 vehicles in November (-25%). Sollers-Isuzu, for its own part, has produced 282 N-Series chassis'.

The bus production has increased by 34.1% by the end of the 11-months period, in comparison with the same period of the previous year, reaching 50,500 vehicles. The monthly production level for November has been recorded as 5200 vehicles (+8.1%).

AvtoVAZ will manufacture Renault and Datsun in Tolyatti

13.12.2012 / OIB Russia

The President of Renault-Nissan: Carlos Ghon has stated that the production of Renault models will start in Tolyatti AvtoVAZ factory, as from the second half of the year 2013. However, Gohn has avoided revealing the name of the models. As one may remember, the serial production of Nissan Almera automobiles started earlier this week.

On the other hand, an agreement has been signed between AvtoVAZ and Nissan manufacturing Rus, proposing the production of new models that will be developed by Nissan on AvtoVAZ's 2190 platform, under the brand name of Datsun, the previous day. Datsun production in AvtoVAZ will start during the second half of the year 2014, according to the plans.

Sollers-Isuzu is aiming to manufacture 1600 trucks by the end of the year

12.12.2012 / Avtostat

After resuming production at UAZ facilities in May, the Sollers-Isuzu partnership has manufactured 1410 N-Series Euro-3 standard chassis' by the end of November. 1320 of this figure is formed of trucks with the capacity of carrying loads up to 5 tonnes. The annual production number is estimated to reach 1596 vehicles following the inclusion of December figures.

Currently, 10 different N-Series Isuzu modifications with load carrying capacities in between 1.5 and 5 tonnes are being manufactured at UAZ facilities.

AvtoVAZ is increasing its investment in engine production

11.12.12 / auto.vesti.ru

AvtoVAZ has revised its development strategy for the year 2020. While the amount of funds to be allocated on the strategy remained unchanged, some alterations have been made on priorities. Accordingly, the share of investment in capacity increase has been reduced, in contrast with the increased amount of investment in engine and chassis production. The amount of money planned to be spent according to the strategy, until the year 2020, is 180 billion rubles. The previously proposed amount of 9.8 billion rubles investment in engine production has been revised as 32.4 billion rubles for engines and chassis'.

On the other hand, AvtoVAZ has started the serial production of Nissan Almera model automobiles on B0 production line, in its Tolyatti factory. As one may remember, this line had been established with an investment of €400 million, with the sponsorship of Renault-Nissan.

Renault has acquired the complete ownership of Avtoframos

07.12.2012 / auto.vesti.ru

The French car manufacturer Renault has purchased the remaining 5.9% shares of Avtoframos Car Factory, established in Moscow, from the government of the city. Thereby, the complete ownership of the factory has shifted to Renault. Avtoframos had been established by Renault and the Government of Moscow in 1998, on equal partnership principle. Renault had increased its share in the partnership up to 94.1%, by gradually acquiring shares from the Moscow government in the course of time. Logan, Sandero, Fluence, Duster, Latitude and Koles are the models currently under production at the factory, in which Renault has invested €480 million up to today.

European Union: “Russia’s Renewal Tax implementation is unacceptable.”

07.12.2012 / Vedomosti

The EU Commissioner of Trade: Karel De Gucht has defined the Renewal Tax, implemented in Russia since 01.09.2012, as an unacceptable precaution. As one may remember, Russia had entered the World Trade Organisation (WTO) in August. Since the admittance of Russia to the WTO, the EU executives have been expressing their concerns about the contradiction of the Renewal Tax with the rules of the Organisation.

Karel De Gucht has drawn attention to the fact that the tax rates implemented on the vehicles entering Russia from the EU countries are higher today, in comparison with the period prior to Russia’s admittance to the WTO. De Gucht has added that although they support the government incentives available to manufacturers and importers, to encourage the renewal of automobiles in environmentally-friendly ways, this shouldn’t mean that they also approve the implementation of instruments such as; tax or tariff rate increases in order to achieve this goal.

Automobile imports in Russia have increased by 15% in 10 months

11.12.2012 / AutoBusiness Info

According to Russian Customs House data, following an increase of 14.9%, the number of automobiles imported has reached 918,100 by the end of the first 10 months of 2012. The monetary value of these imports sums up to \$17.3 billion (+15.4%). The number of automobiles imported in October-only is 89,800 (+23.4%), on the other hand.

Russian vehicle market did not grow in November

10.12.2012 / OIB Russia

According to Association of European Business data, 240,322 cars and LCVs have been sold in Russia in November (+0.38%). Thereby, the number of cars and LCVs sold in the country within the 11-months period has reached 2,681,985 (+12%). All of the most popular top-ten models have been manufactured domestically.

The President of AEB Automotive Manufacturers Committee: Joerg Schreiber interprets the figures as follows: “The Russian vehicle market failed to grow for the first time since two years. Looking at the situation the galleries throughout the country are in currently, it’s hard to anticipate a quick return to growth in the course of the following months.” Schreiber estimates that with the addition of the December figures, the year-end number of sales will exceed 2.9 million.

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