

### **Russian Vehicle Market has shrunk by 8% in July**

09.08.2013 / OIB Russia

According to AEB data, 234,569 cars and light commercial vehicles have been sold in Russia in July. This figure is 8% below the same period of the previous year. AEB executives are of the opinion that the market, which has been on the decline for the last few months, may get back on the track of recovery, once the government's automobile credit programme starts to be implemented. On the other hand, with the inclusion of July figures, car and LCV sales reached 1,567,896 (-6%) by the end of the first seven months of the year. AEB's year-end total sales prediction is 2,800,000 vehicles (-5%).

### **65 banks will participate in the government's automobile credit programme**

09.08.2013 / Avtostat

A list of banks, participating in the government's automobile credit programme, has been published in Russian Ministry of Industry and Commerce's internet site. As of 05.08.2013, 65 banks are participating in the programme.

As one may remember, this programme had been designed by the government, for the purpose of reviving the declining automobile sales in the country. Credit is available for vehicles up to 750,000 rubles sales price and 3,5 tonnes weight, according to the programme. The programme covers vehicles both manufactured in Russia and the imported ones. The projected credit term is 36 months.

### **ZiL has made an agreement with Renault and FIAT for LCV production**

08.08.2013 / Vedomosti

As reported by Vedomosti newspaper, ZiL affiliate MosavtoZiL has signed a trilateral trade agreement with Renault and FIAT last week. In accordance with the agreement, Moscow ZiL factory will manufacture light commercial vehicles for Renault and FIAT. The newspaper states that the final agreement is likely to be signed by the end of the year. Vedomosti sources indicate that the production of Renault and FIAT LCVs at ZiL will start during the first quarter of 2014. The projected capacity is 25,000 for each brand. The first models planned to be manufactured are FIAT Ducato and Renault Master.

MosavtoZiL had acquired the majority shares of Himeks of Saratov at the end of 2012. This company has an inactive Industrial Assembly Regime agreement with the Russian government. ZiL had signed an initial agreement with Korean Hyundai for contracted assembly previously. As is known, Ford and Daimler are manufacturing LCVs in Tatarstan and Nizhni Novgorod respectively.

### **Automobile imports to Russia fell by 14.8% in January-June period**

08.08.2013 / [AutoNews.ru](#)

According to Russian Federal Customs Agency data, 445,200 automobiles have been imported to the country within the January-June period. This figure indicates a 14.8% decline, compared to the same period of the previous year. The monetary value of these imports has been calculated as \$8.671 billion.

44,608 trucks have been imported to the country during the same period (-19.2%), on the other hand. The monetary value of this amount is \$1,382,900,000. The export figures of Russia during the January-June period is as follows; cars - 61,800 (+18.2%, \$634.2 million), trucks - 11,400 (+34.1%, \$298.3 million).

### **KamAZ has increased its market share to 46.6%**

07.08.2013 / [Avtostat](#)

Russian truck producer KamAZ has sold 20,400 trucks within the first seven months of 2013 (-11.3%). KamAZ-43118, 65115 and 6520 became the best-sold models. Thereby, the share of KamAZ in countrywide sales has increased to 46.6% from last year's 34.7%.

The 14-40 tonnes truck market has shrunk by 33.9% during the same period, with 43,800 vehicles. The reduction of tariff rates on imported vehicles, following Russia's entry to World Trade Organisation, is shown as one of the reasons behind the decline in the market. The experts from KamAZ predict the 14-40 tonnes truck market for the year 2013 as 85,000 vehicles.

### **UAZ has started the production of the renewed Patriots**

06.08.2013 / [Avtostat](#)

Ulyanovsk Car Factory (UAZ) has started the serial production of 2014 model UAZ Patriots. As stated by Sollers, several improvements have been made in the model, primarily on the transmission. The model is now equipped with Hyundai Dymos transmission with electronic control block. The sales price of the vehicle starts from 568,000 rubles.

Soft-touch control panels, new door and ceiling panels and new heating systems were amongst the several new features added to UAZ Patriots at the end of 2012.

### **AvtoVAZ has received a loan of \$25.2 billion from VEB**

07.08.2013 / Avtostat

AvtoVAZ has received the first installment (\$25 billion) of the credit issued by the Russian Foreign Trade Bank (VEB). The two parties have announced that the loan term has been determined as 10 years, as from the date of agreement. AvtoVAZ and VEB had signed a memorandum of understanding, proposing the opening of a credit of 60 billion rubles until the year 2020, in April 2012. The value of the company's 2020 investment plan has been calculated as 180 billion rubles.

On the other hand, as announced by the factory, the export of Lada Granta to Europe has started. The company sent a party of 20,000 automobiles to Germany and Czech Republic in July. The press bureau of the company has stated that the models sent to Europe comply with Euro-5 environmental standards and are equipped with systems such as; ABS+BAS and ESP. In addition, the company is planning to start selling the new generation of Lada Kalina in Europe, as from the last quarter of the year. AvtoVAZ sold 37,471 automobiles to foreign markets within the first half of 2013 (+15.1%). The breakdown of this export is as follows: Kazakhstan - 66.7%, Ukraine - 16%, Azerbaijan - 7.4%.

### **IzhAvto has started the pilot production of Lada Granta Hatchback**

05.08.2013 / Avtostat

Izhevsk Car Factory (IzhAvto) has started the pilot production of Lada Granta Hatchback. The serial production of the model is planned to start at the factory in mid-2014. The model will be manufactured exclusively at IzhAvto in Russia. 32 plastic details and 55 metal components to be used in the model will be manufactured at workshops belonging to the factory.

IzhAvto is currently making the serial production of Lada Granta Sedan. The 2013 production target for this model is 60,000 vehicles. Modernisation works for the production of Lada, Nissan and Renault models are being carried out at the factory, on the other hand.

### **Bosch will establish a new factory in Samara**

02.08.2013 / news.mail.ru

The regional administration of Samara and Robert Bosch GmbH have signed a memorandum of understanding, proposing the establishment of a new automobile components factory near Samara. Chassis, starters, generators and diesel system components will be manufactured at the factory, which is planned to be established on 15,000 m<sup>2</sup> indoor area. The factory is anticipated to commence operations within the first quarter of 2015, following the completion of the construction at the end of 2014.

### **The total number of buses in Russia is 400,000**

02.08.2013 / [Avtostat](#)

According to Avtostat survey, as of 01.01.2013, there are 389,900 buses registered in Russia. Approximately 80% of these buses have been manufactured in Russia and the CIS countries. PAZ is the most popular bus brand in the country, with 153,800 vehicles. KavZ is the next popular brand. There are 64,200 of these buses in the country. LiAZ follows these two brands with 32,400 vehicles.

The Central Region has the most number of buses amongst the federal regions, with 88,100 vehicles. The second and third places are occupied by Volga Front (74,500) and Siberian Federal Region (69,300), respectively. The registered number of buses is below the 50,000 mark in other regions.

### **AvtoVAZ has declared loss at the end of the first half of the year**

01.08.2013 / [Avtostat](#)

AvtoVAZ has declared a net loss of 3.7 billion rubles by the end of the first six-months period of 2013. The turnover generated by the company during the same period is 81.4 billion rubles (-3.9%), on the other hand. The sales of AvtoVAZ had declined by 6.7% during the first half of the year (264,000 automobiles).

206,508 Lada vehicles have been manufactured in Tolyatti within the six-months period. The number of sales remained at 226,729 (-9.6%) during the same period, on the other hand.

### **Geely vehicles manufactured in Belarus will be sold in Russian market**

01.08.2013 / [MotorPage.ru](#)

Chinese Geely is getting ready to export its automobiles manufactured in Belarus to Russia, Kazakhstan and Ukraine, besides the domestic market. The company has assembled 109 automobiles in Belarus up to today. The number of Geely vehicles sold in Russia during the same period is 12,000. The Belarus factory of the company will manufacture 120,000 automobiles annually, once it commences operating in full capacity.

In accordance with the Customs Union Agreement amongst Russia, Kazakhstan and Belarus, the automobiles manufactured in these countries can be exported to each other customs-free, within a certain quota.

### **KamAZ has increased its net profit by 11% at the end of the first half of the year**

01.08.2013 / Prime

Russian truck manufacturer KamAZ has increased its net profit by 11% by the end of the first six-months period of 2013, in comparison with the previous year. The company has declared a net profit of 2,248 billion rubles. The turnover of the company reached 53.527 billion rubles at the end of the same period (-2.2%). \$3.6 billion profit has been generated from sales (-3.3%), on the other hand. KamAZ has manufactured 24,500 trucks during the first half of the year (-7%). 17,300 trucks have been sold during the same period, on the other hand (-11.3%). The market share of the company has increased to 45.4%, from last year's 37.7%

### **Mass redundancies at TagAZ**

30.07.2013 / AvtoSreda

The managing body of Taganrog Car Factory: OOO "Eych Ti Avto" has started making mass redundancies. As of 25.07.2013, labour contracts of 400 employees have been cancelled. As one may remember, TagAZ had made a bankruptcy petition in 2012 and the company went into administration subsequently. The total debt of the company is over 25 billion rubles. News about a possible start of production of Chinese Chery and Jeep brand automobiles in Taganrog had appeared in the sectoral press during May 2013.

### **AvtoVAZ has borrowed another €52 million from Renault**

29.07.2013 / 110km

Renault has made a new ten-year term loan of €52 million to its Russian partner: AvtoVAZ. The factory will use this amount on the finance of investment projects. As one may remember, Renault had lent AvtoVAZ the same amount in July 2012. AvtoVAZ is planning to spend a total amount of 169 billion rubles on the modernisation of the factory and the realisation of the B0 project (€4.1 billion).

### **Yekaterinburg automobile market has shrunk by 7%**

25.07.2013 / Auto-Dealer-Yekaterinburg

According to Auto-Dealer-Yekaterinburg agency data, 45,430 new cars and light commercial vehicles have been sold in the city within the January-June period (-7%). The sales figures according to the brands are as follows; Lada - 5900, Hyundai - 3800, KIA - 3800, Renault - 3300 and Chevrolet - 2500. 8032 vehicles have been sold in June-only, on the other hand (-12%). The year-end total sales forecast made by the agency is 90,000 vehicles (-7.5%). Yekaterinburg's share in Russian new automobile market is 3.4%.

### **There are 7.8 million commercial vehicles in Russia**

25.07.2013 / Avtostat

According to Avtostat data, there are 7.8 million commercial vehicles in Russia, as of the end of year 2012. 48% of this figure is formed of LCVs (3.74 million). The number of trucks in the country is close to this figure as well: 3.68 million (47%). The remaining 5% is formed of buses: 389,900. 36% of LCVs in the country is over 15 years old (1.35 million). This ratio is 10% (181,800) and 70% (2.49 million) for buses and trucks, respectively. 37% of LCV segment is formed of foreign brand vehicles (1.38 million). This ratio is 21% (81,600) for buses and 17% (631,500) for trucks.

### **St. Petersburg automobile market has shrunk by 5%**

24.07.2013 / Auto-Dealer-SPb

According to Auto-Dealer-SPb data, 97,226 new cars and LCVs have been sold in St. Petersburg, in January-June period. This figure is equivalent to a 5% decline, in comparison with the same period of the previous year. The number of vehicles sold in the city in June-only has been announced as 17,481 (-9%). Thereby, the St. Petersburg automobile market has shrunk for four months consecutively. 7.3% of Russian automobile market belongs to St. Petersburg. Renault, Ford and Skoda are the best-sold brands in the city.

### **200,000 automobiles have been manufactured in St. Petersburg within the January-June period**

22.07.2013 / Auto-Dealer-SPb

Toyota, GM, Nissan and Hyundai factories, established in St. Petersburg, have manufactured 200,600 automobiles during the first half of the year, according to Auto-Dealer-SPb data (+10%). 57% of this figure belongs to Hyundai factory. June-only production figure of the city is 32,100 vehicles, on the other hand (+31%).

In the light of the six-months production figures, 27.7% of Russian automotive production is made in St. Petersburg. The year-end production forecast of Auto-Dealer-SPb experts is in between 390-400,000 automobiles. The four factories had manufactured a total number of 390,000 vehicles last year.

The models manufactured in the city are as follows; Chevrolet Cruze, Opel Astra, Chevrolet Trailblazer, Nissan Teana, Nissan X-Trail, Nissan Murano, Infiniti FX, Infiniti M, Toyota Camry, Hyundai Solaris and KIA Rio.

### 35% of Russian automobile market is SUV

19.07.2013 / [AutoBusiness Review](#)

According to AutoBusiness Review magazine data, 35.45% of automobiles sold in Russia within the first six months of the year are SUV. This ratio was 24.6% last year. Renault Duster became the best-sold model of January-June period, with 40,710 vehicles (+227%). Duster is followed by Lada 4x4 (-17%), Toyota RAV4 (+43%) and KIA Sportage (+5%), in addition to last year's segment leader: Chevrolet Niva (-13%).

### Russian brand automobile production is on the decline

19.07.2013 / [AutoBusiness Review](#)

According to ASM Holding data, car production in Russia has fallen by 3.2% within the January-May period. 765,800 automobiles have been manufactured by the end of the five months. 209,200 of this figure belong to Russian brands. This is 15.9% below the production figure recorded during the same period of the previous year. The foreign brand automobile production, on the other hand, has risen by 2.6%, reaching 556,600 vehicles. In other words, while the production of Russian brands is on the decline, the foreign brands maintain their positive production dynamics.

The production forecast for Russia for the year 2013 is 1.943 million automobiles. According to anticipations, 1.342 million of this figure will be formed of foreign brand vehicles. Taking last year's production figure of 1,968,789 vehicles into consideration, it's estimated that the production will have fallen by 1.3%, by the end of 2013.