

# Russian Automotive – Selected News

04.07 – 11.07.2011

## **BAW and BAIC are going into partnership in Ulyanovsk**

11-07-2011 / Avtostat

On the 19<sup>th</sup> of July an agreement will be signed between two Chinese companies BAW and BAIC, proposing the establishment of a partnership in order to produce light commercial vehicles and cars. BAW has already a production facility in Ulyanovsk. The annual production capacity of BAW-Rus Motor Corporation, with an investment value over 5 billion rubles, has been declared as 40.000 vehicles. The aim is to achieve 70% localisation rate by the year 2015.

## **YAPP has established a factory in Kaluga**

11-07-2011 / Interfaks

Last Wednesday, Chinese spare parts manufacturer YAPP Automotive Parts launched a factory in Kaluga, which will be producing fuel tanks and relevant components. The investment value has been declared as 20 million USD. During his speech at the opening ceremony, YAPP General Director So Deng Hua stated that YAPP has been supplying VW Kaluga Factory with products since last year. Hua also added that the facility established in Kaluga has an annual fuel tanks production capacity of 250.000 and depending on the success of the project, an additional production line with the capacity of 200.000 units may be established in future. The factory in Grabtsevo Industrial Estate is located next to VW and Magna plants.

## **More than 1,2 million vehicles have been sold in Russia within the first half of 2011**

11-07-2011 / OIB Russia

According to the AEB data, 1.235.442 cars and light commercial vehicles have been sold in Russia during the first six months of 2011, as compared with 793.483 vehicles sold within the same period last year. Accordingly, 56% growth rate has been achieved in the market. The sales volume for “June only” has been realized as 246.429 (+%40).

Nine out of ten best-sold vehicles have been made in Russia. These brands are ranked as follows; Lada (291.540), Chevrolet (81.527), Renault (74.337), Hyundai (73.813), Kia (72.901), Nissan (59.374), Toyota (57.615), Ford (53.556), VW (45.517) and Daewoo (45.127).

The sales volumes rankings for the first half of 2011 amongst groups and partnerships are as follows; AvtoVAZ - Renault - Nissan (428.441), GM Group (113.104), VW Group (96.290), Hyundai (73.813), Kia (72.901), Toyota Group (64.846), Ford (53.556), Sollers (47.987), Daewoo (45.127) and GAZ Group (39.992).

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## Daimler engines for Gazel-Next

08-07-2011 / Vedomosti

Bo Anderson, the Chairman of GAZ Group, has stated that Daimler engines will be used in Gazel-Next light commercial vehicles, serial production of which is planned to start in 2012. This will enable the company to extend the current 100.000 km engine and gear-box guarantee to 150.000 km. 50% of the parts and components of Next is identical to Gazel-Business model. Next has been developed taking Business as a base model. Anderson has also added that the company sees Gazel-Next as a model with a serious export potential

## Continental will produce ECU in Kaluga

06-07-2011 / Auto.Vesti.Ru

German producer Continental has signed an investment agreement with the Regional Government of Kaluga yesterday. The company will invest 6 million Euro in order to produce Engine Control Units (ECU) in the region. Continental has chosen to make use of the capacity of Avtel, the parts producer which has been making production for the company since 2009, instead of building a factory from scratch. In conjunction with this decision, Avtel has been renamed as Continental Automotive Systems Rus. The annual capacity of the line has been declared as 1 million blocks, as stated by the General Director Christian Kögel. He also predicted that the volume of Russian automobile market in 2015 will reach 3,5 million vehicles thanks to the annual growth rate of 12-16%. Continental also has plans to establish a tyre factory in Kaluga.

## Russian government is planning to grant 200.000 car credits in 2011

05-07-2011 / Auto.Vesti.Ru

Russian Ministry of Industry and Commerce is planning to give out 200.000 credits through car credits in 2011 within the frame of a stimulation programme, as stated by the Ministry's Automotive Industry Director Aleksei Rakhmanov. Last year's figure was 165.000. Rakhmanov has added that 112.000 of these credits have already been allocated since the beginning of the year. Sectoral analysts presume that 9,5% of the sales in Russian vehicle market are financed by the ministry's consumer credits stimulation programme. On the other hand, the credits allocated within the frame of the programme form 30% of car credits in the country.

The credit programme of the ministry has started in March 2009. The repayment period of the credits is 36 months and it is for the purchase of Russian made cars and LCVs with value up to 600.000 rubles. The interest rate is 15%.

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## **KAMAZ has produced 23.000 vehicles within the first 6 months of the year**

05-07-2011 / KAMAZ

Russian truck producer KAMAZ has produced 23.000 vehicles within the first 6 months of the year. During this period, spare parts with a total value of 3,351 billion rubles have been manufactured in order to equip these vehicles. This amount is over the predicted figure, which was calculated at the beginning of the year, by 156 million rubles. The number of engines produced in the same period by KAMAZ and Cummins Kama has already exceeded 25.000.

## **358.000 cars have been imported to Russia during the first 5 months of 2011**

04-07-2011 / OIB Russia

According to ASM Holding data, the number of cars imported to Russia within the first 5 months of 2011 has reached 357.860, following a 96% increase as compared to the same period of last year. The total financial value of these cars add up to 7 billion USD. The five most imported brands are as follows: Toyota (47.574, +%169,9), Daewoo (35.059, +%61), Nissan (32.377, +%131,9), Mitsubishi (25.525 +%141,9) and Volkswagen (19.273, +%299,6). The total number of cars produced in the country within the same period is 652.544.