

Bank of Ireland Motor Sector News January 2020

In the month of January, new passenger car (PC) sales declined 3.5% to 31,251 units, Light Commercial Vehicle (LCV) sales increased 2.1% to 5,666 units and used imports declined 26.4% to 6,623 units.

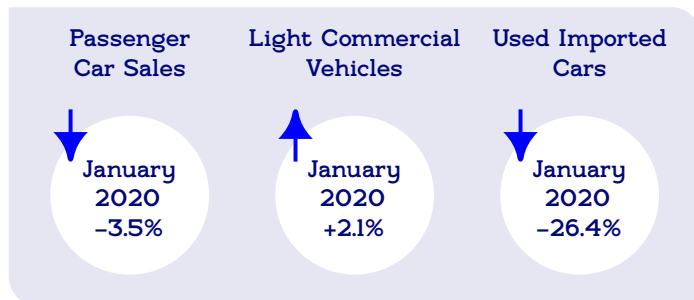
PC Registrations

Toyota finished the month in #1 position with 13.8% market share, followed by Hyundai with 10.8% in #2, Volkswagen with 10.2% in #3, Skoda with 7.9% in #4 and Ford with 7.5% in #5.

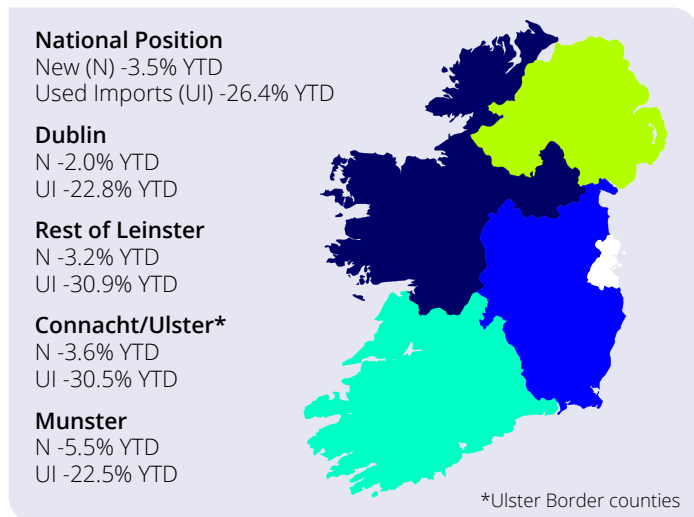
LCV Registrations

Ford finished the month in #1 position with 21.9% market share, followed by Volkswagen with 18.1% in #2, Peugeot with 11.5% in #3, Renault with 11.1% in #4 and Citroen with 10.2% in #5.

A number of volume models are due to be launched in late Q1 2020 which will impact the market in this period – the new Skoda Octavia (ranked 5th in 2019) and Volkswagen Golf (ranked 7th in 2019).



Provincial Developments January 2020 YTD



Bank of Ireland Information Classification: Green – Public
Data Source: Society of Irish Motor Industry (SIMI) data as at 31/1/2020

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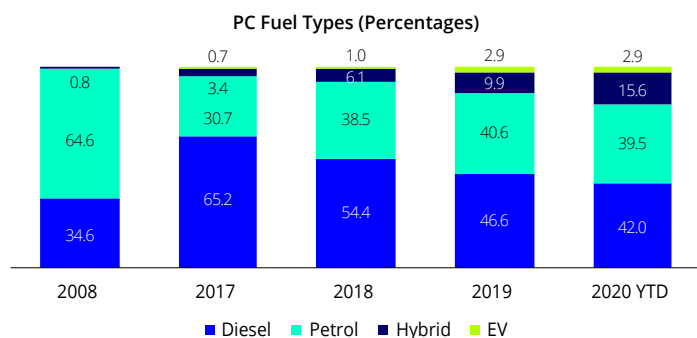
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Will declining new car sales bottom out in 2020?

Following three consecutive years of a declining new car market, the sector is hopeful for a year of stability in 2020 with there being a number of factors to support this:

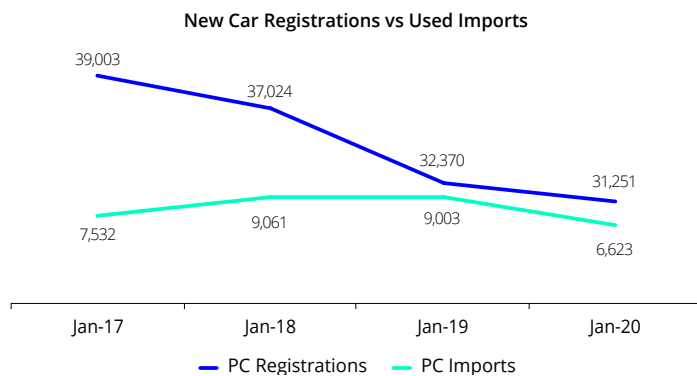
1. Strong macroeconomic environment with robust GDP forecasts.
2. Vehicle distributors widely forecast new car demand to be level with 2019, and many report growth in vehicle pre-orders for delivery in 2020.
3. Eight consecutive months of LCV growth to November 2019.
4. A Nitrogen Oxide (NOx) emissions levy introduced in January 2020 is likely to reduce the level of older used vehicle imports. This could support new car sales this year.
5. The desire for consumers to drive more environmentally friendly vehicles coupled with the “decade effect” for new vehicles registered in 2020 may attract consumers to change their vehicles.

Motor Trends



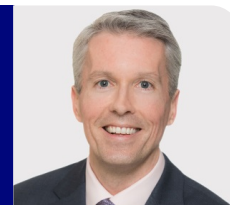
2008: CO₂ based taxation introduced

Ytd = Jan



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Stephen joined Bank of Ireland in 2018 and brings over 20 years Motor Sector Industry experience having held senior positions in both wholesale distribution and in retail as a motor dealer where he operated as Dealer Principal for 7 years – read more about him at boi.com/motorsector.