

Bank of Ireland Motor Sector News

August 2021

In the month of August, new passenger car (PC) sales increased 25.1% year-on-year (y-o-y) to 6,013 units, Light Commercial Vehicle (LCV) sales increased 76.0% y-o-y (to 2,792 units) and used imports declined 37.5% y-o-y (to 5,088 units).

PC Registrations YTD

In the first 8 months, new passenger car registrations increased 22.1% year on year (to 96,309 units). Toyota holds the #1 position with 12.6% market share, followed by Volkswagen with 12.2% in #2, Hyundai with 10.5% in #3, Skoda with 8.7% in #4 and Ford with 7.1% in #5.

LCV Registrations YTD

In the first 8 months, new light commercial vehicle registrations increased 48.4% year on year (to 24,783 units). Ford holds the #1 position with 25.1% market share, followed by Renault with 12.5% in #2, Volkswagen with 11.8% in #3, Peugeot with 11.1% in #4 and Toyota with 8.2% in #5.

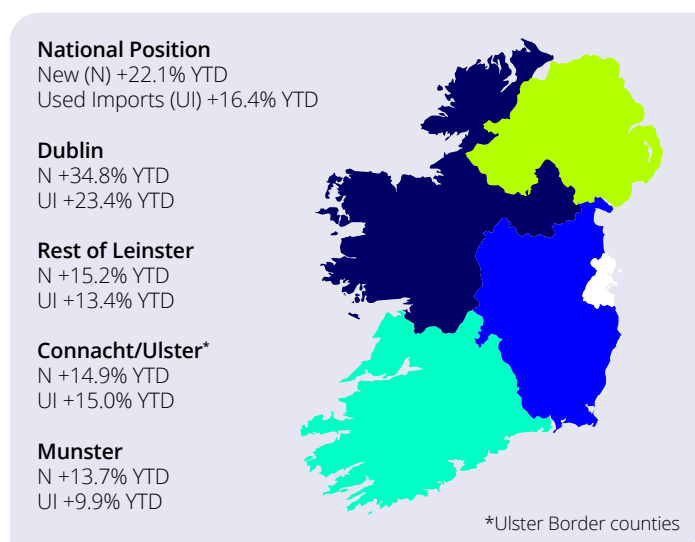
Used Imports

Registrations of used imports increased 16.4% year on year (to 46,185 units) in the first 8 months of 2021.



Provincial Developments

August 2021 YTD



Bank of Ireland Information Classification: Green – Public

Data Source: Society of Irish Motor Industry (SIMI). Data as at 31/08/2021

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Market News

August was another strong month for new vehicle registrations, despite semi-conductor shortages delaying some vehicles. Pent up demand continues to support the motor recovery. The months of July and August combined represents c. 26% of annualised sales and Q4 represents c. 5% historically. Manufacturers will soon be planning volumes and production for the 2022 market and although the chip shortage is expected to continue in the short term, further recovery in new car sales is expected in 2022.

Looking at July and August new registrations combined, it is encouraging to see a strong recovery in new vehicle registrations.

Table: July/August Registrations 2021 v 2019

	2019	2021	Diff. Units	Diff. %
	2 months	2 months		
PC ¹	29769	32496	2727	9.2%
LCV	6587	7766	1179	17.9%
Combined	36356	40262	3906	10.7%
¹ thereof, Hire Drive	3624	4152	528	14.6%
Used Imports	19088	10433	-8655	-45.3%

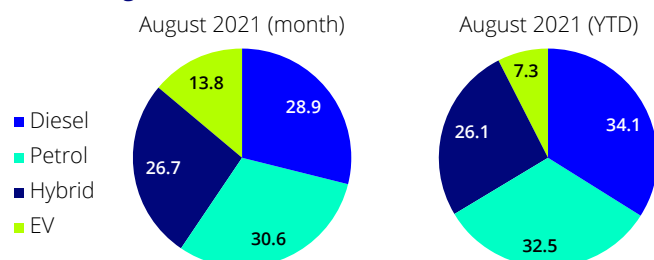
PC = Passenger Cars; LCV = Light Commercial Vehicles; HD = Hire Drive

Also positive to note is an uptick in hire drive registrations. International travel resumed in July and car rental companies are replacing fleets that were sold during the health crisis. The HD sales channel usually accounts for c. 15% of annual car sales. Due to the pandemic and a sharp fall in tourism, HD registrations accounted for just 3% of car sales in 2020. In the first 8 months this year, new HD registrations account for c. 8% of new car sales.

As reported in our July Newsletter, dealers are reporting shortages of used cars. The new car market is in recovery however lower volumes of trade-ins were generated in 2020 and 2021. Due to Brexit, less used imported cars are being imported and registrations of used imports are down 45% in July/August when compared to pre-pandemic levels in 2019. The government made changes to the Vehicle Registration Tax system in January this year with the impact of higher new car retail prices. This slows the recovery of new car sales and compounds a growing shortage of used cars. Additionally, lower volumes of car rentals are in circulation for a second year in a row, meaning that overall supply will remain tight in Q4 this year.

Fuel Type Developments

New Passenger Cars



Supporting our Customers

Bank of Ireland Finance (BIF) supports 14 motor franchises representing c. 43% of annual new car sales and we remain committed to our customers.

Bank of Ireland and the Irish motor sector is open for business.

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