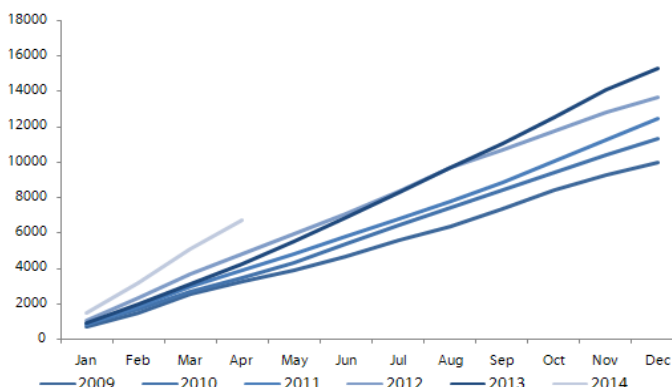


April 2014 New Vehicle Sales

Jan-Hendrik Conradie - 14 May 2014

Seasonal slowdown

Vehicle sales	Units	2014 YTD	Mar14 y/y %	Apr 14 y/y %	Sentiment*
Passenger	805	3,186	77.1	60.4	x
Light Commercial	777	3,270	51.8	32.1	x
Medium Commercial	21	89	50.0	16.7	x
Heavy Commercial	54	198	136.4	74.2	x
Total	1,657	6,743	65.2	45.5	x



Source: Naamsa

*Sentiment describes the y/y% movement

1,657 new vehicles were sold in Namibia during April, a decrease of 10.9% m/m off the previous month's record. The lower monthly figures were caused by a decline in both commercial and passenger vehicle sales, which appears to be a seasonal slowdown. On annual basis growth remained high, however eased to 45.5% from 65.2% in March on account of base effects. At this point, 6,743 vehicles have been sold so far in 2014, up 58.5% on the comparable period of 2013.

The 12-month cumulative measure increased further to 17,748 and is now 35.2% higher than a year ago and up 3.0% on the previous month. The increase in the 12m cumulative figure is a combination of a low base and strong results in the current period.

Sales of passenger vehicles decreased by 13.4% m/m to 805 vehicles sold, coming off the March record level. Passenger vehicle sales are 60.4% higher than a year ago. Commercial vehicle sales declined 8.3% to 929, the decrease was on account of declines in the light, medium and heavy categories.

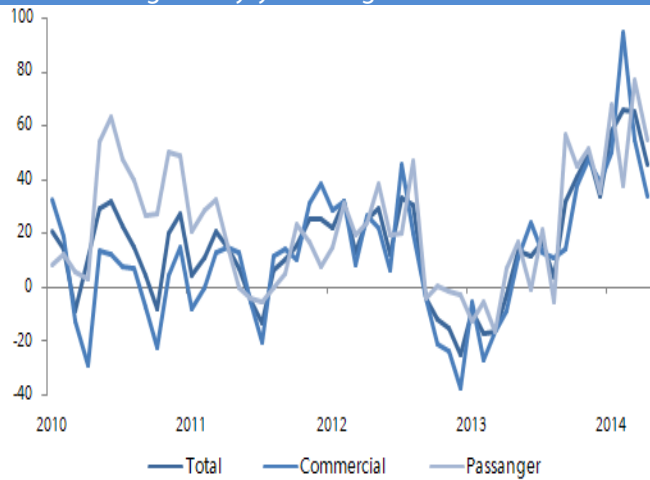
Toyota and Volkswagen dominated the passenger market, selling the most vehicles in April, with the two brands claiming 27.3% and 26.1% of sales respectively. Toyota once again was the market leader in light commercial vehicles, having the lion's share of sales at 46.5% of the market, followed by Nissan at 11.2%.

The Bottom Line

The strong increase in vehicle sales is attributed to a number of factors, namely the on-going expansive fiscal and monetary positions of the Ministry of Finance and Bank of Namibia, as well as purchase of vehicles by Government. The Ministry of Finance has allocated N\$984.5m to vehicle purchases in the 2014/15 National Budget, a N\$517.8m or 111.0% increase on the vehicle expenditure budget of the 2013/14 financial year. Additionally, the mining sector has purchased a number of commercial vehicles over recent months, largely on account of the on-going construction of the Tschudi, Otjikoto and Husab mines in the country.

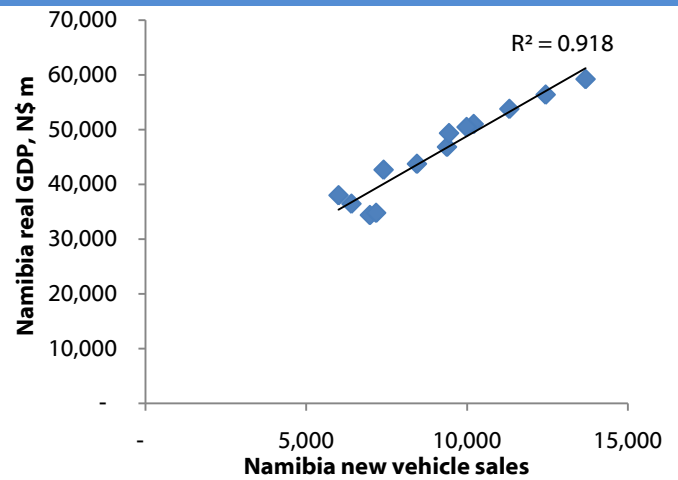
All though April was seasonally slower, the strong growth trend is expected to continue, however may slow towards the end of the year as monetary policy tightening starts to gain traction. Nevertheless, government tenders yet to be delivered will maintain the momentum of vehicle sales through 2014.

Vehicle sales growth y/y % change

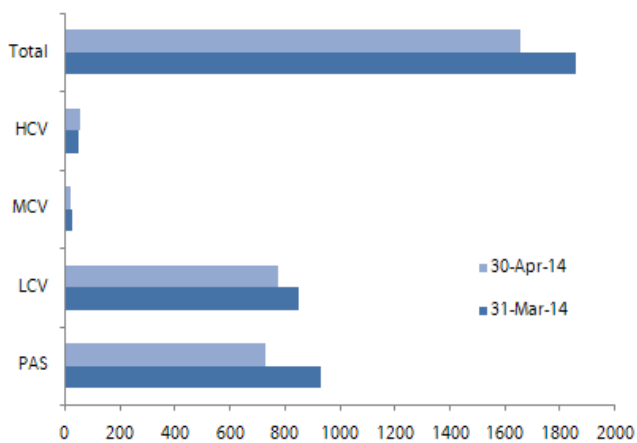


Source: NAAMSA

Annual new vehicle sales vs Namibian real GDP

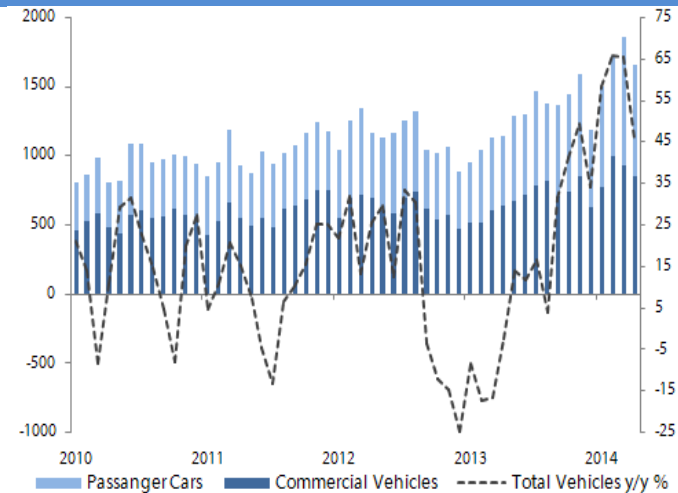


Vehicle Sales Volume

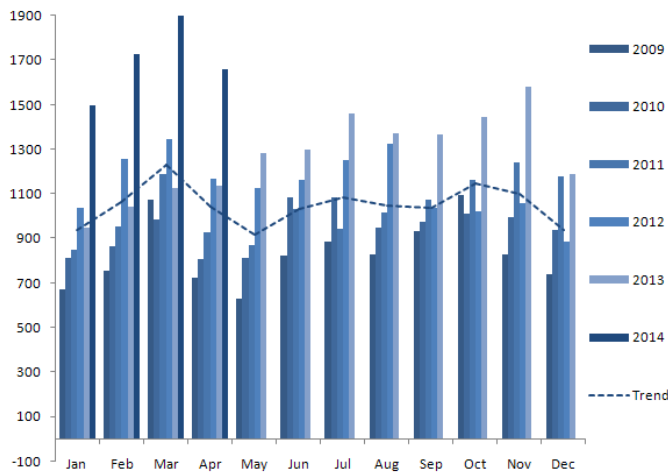


Source: NAAMSA

Sales Volume

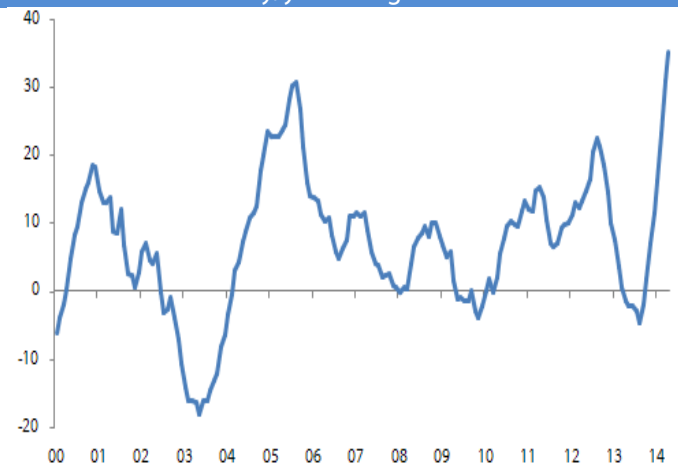


Total Vehicle Sales



Source: NAAMSA

12-month Cumulative y/y % change



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