



Vehicle Sales

17 May '21

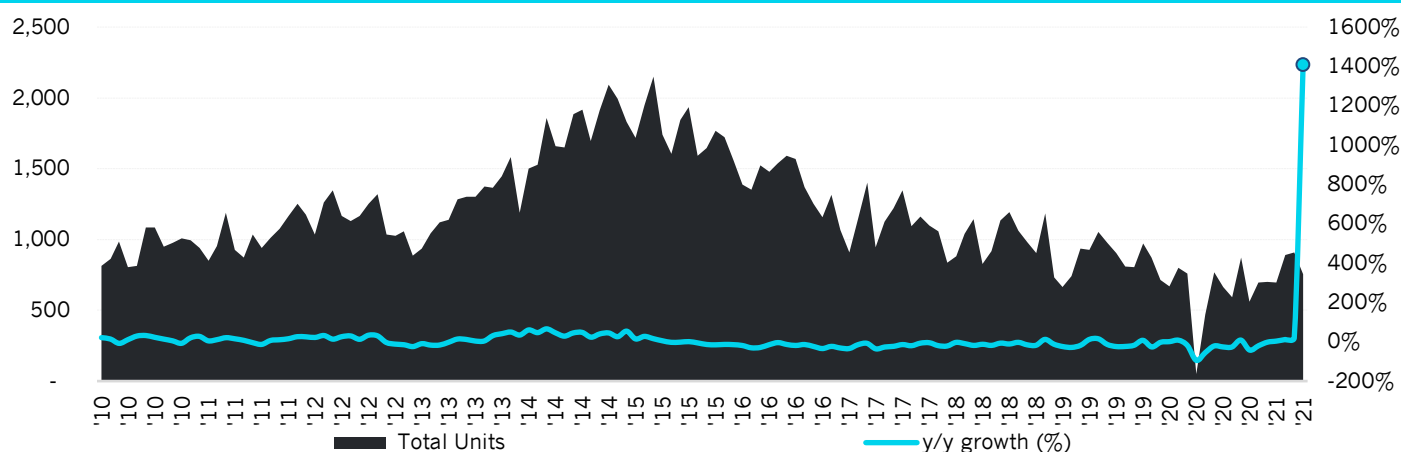
April 2021

Vehicle sales decreased by 16.9% m/m however increased by 1410.0% on an annual basis in Apr '21. The significant annual increase is primarily as a consequence of the comparable period, Apr '20, witnessing a national lockdown muting commercial activities. Compared to 2019, Year-to-date (YTD) vehicles sales are marginally lower with growth of -0.6% in '21. Vehicles sold in Apr '21 totalled 755.

Vehicle sales in Apr '21 amounted to 755 new vehicles being sold. This represents a m/m decrease of 16.9%. Conversely, annual sales growth represented a rate of 1410.0% y/y; the highest annual growth on record. Year on year figures ought to be taken with a grain of salt, as Namibia declared a state of emergency on 17 Mar '20, and entered full lockdown on 28 Mar '20, which indubitably muted consumer activity. When comparing 2021 YTD sales to 2019 sales, over a comparable period, sales are marginally (-0.6%) lower with 21 less vehicles being sold. Seasonally, April historically sees weaker sales growth on a monthly basis and this pattern was brought forward in April. This could give some indication that normal spending habits are returning for consumers. Commercial vehicle sales increased by 868.3% y/y and -27.9% m/m, which amounts to 397 commercial vehicles sold. Passenger vehicle sales remained relatively flat over the month decreasing by 0.3%, while outselling Apr '20 by 3877.8%.

Total Vehicle Sales

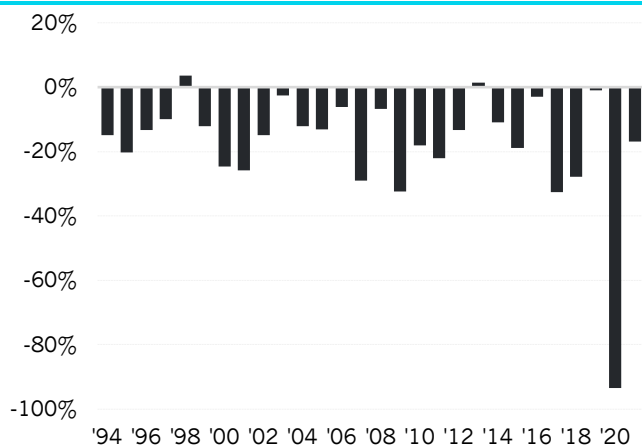
755 Vehicles were sold in Apr '21 with 1410.0% annual growth.



Source: Cirrus Securities, Lightstone Auto

Month-on-month Q1 '21 Growth

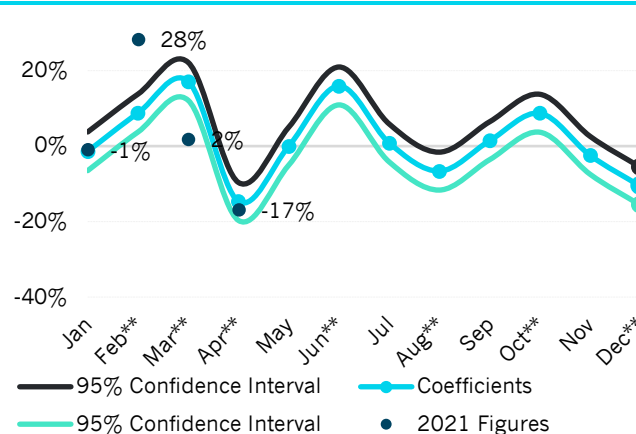
Apr '21 m/m growth predominately negative



Source: Cirrus Securities, Lightstone Auto

Vehicle Sales Seasonality

Apr shows statistically weaker vehicle sales,



Source: Cirrus

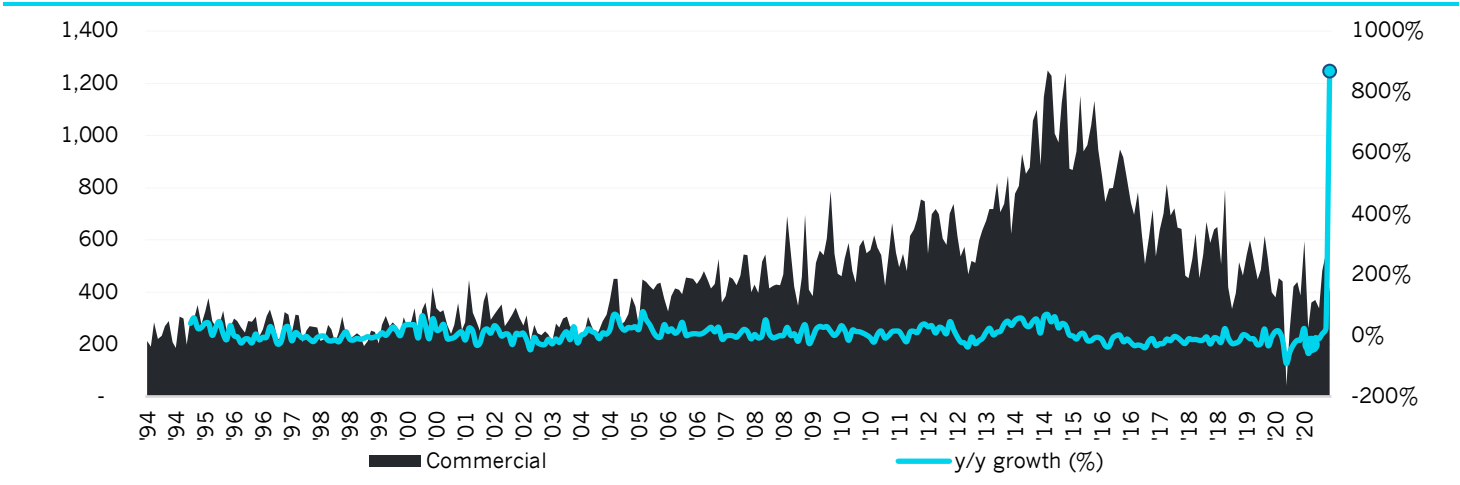


Moving forward, it is expected that the vehicles sales trend will remain elevated as compared to 2020. This trend is expected to continue due to the unique circumstances witnessed in '20, however Q1 '20 represents the last quarter without major extrinsic forces. As business operations return, vehicle sales are expected to rebound in '21. Notwithstanding the expected synthetic demand for new vehicles, sales will remain somewhat in line with 2019 figures, due to the slow economic recovery. Moreover, households remain constrained by high debt levels (relative to disposable income) and face greater difficulty accessing finance given the riskier macro environment, while Government forecast lower vehicle spending for FY '21/22.

Commercial Vehicles

Commercial Vehicles

397 Commercial vehicles were sold in Apr '21 with annual growth of 868.3%

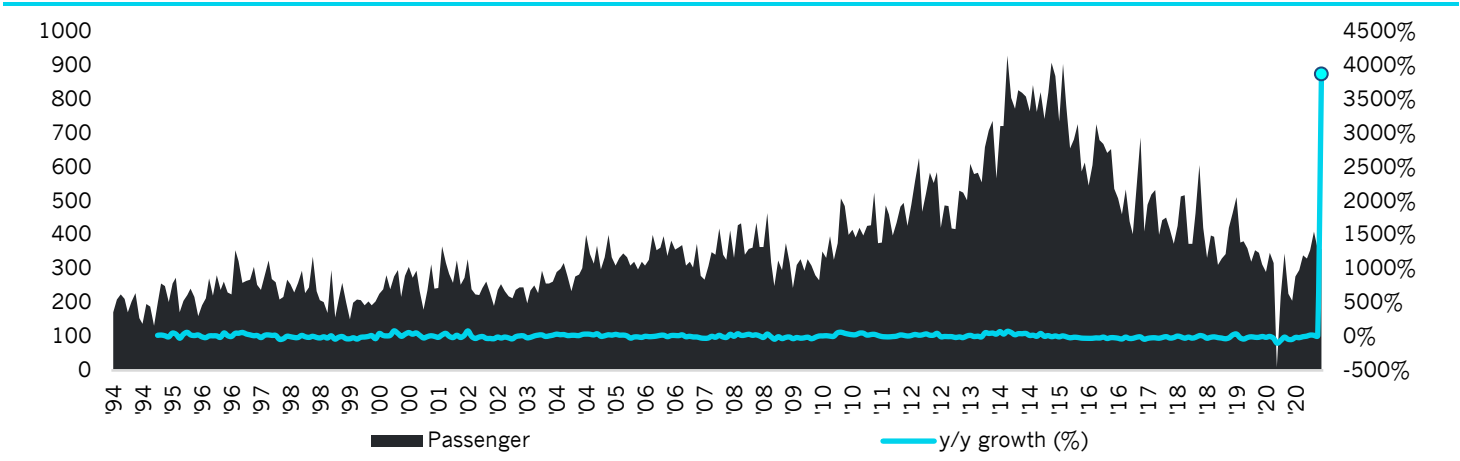


Source: Cirrus Securities, Lightstone Auto

Passenger Vehicles

Passenger Vehicles

358 Passenger vehicles were sold in Apr '21, up 3877.8%



Source: Cirrus Securities, Lightstone Auto

Passenger vehicle sales totalled 358 in Apr '21, down 0.3% m/m. On an annual basis, passenger vehicle sales are up 3877.8%. When comparing Apr '21 to Apr' 19 passenger vehicle sold were down 22.8%. This lower figure was echoed when YTD passenger 2021 sales figures are compared to 2019. On a normalised basis, YTD, as compared to 2019, passenger vehicle sales were down 5.2%. Passenger vehicle sales are expected to remain muted due to the continued high unemployment, risk of retrenchments and strained household balance sheets as the country struggles to recover from the pandemic's economic toll.

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