Grant Thornton
An instinct for growth™

Automotive Dashboard

Welcome to the August 2015 Monthly Dashboard. Internationally, Grant Thornton member firms are leaders in the automotive supply chain and dealership advice, with specialist teams across the globe dedicated to this industry.

In this Dashboard, we preview August 2015 results and YTD results.

Key Headlights – August 2015

- Vehicle sales were up 2.9% in August and up 3.2% CYTD
- Six of the last eight months sales nationally have been up compared to 2014 sales
- Tasmania and New South Wales had the largest increase in sales up 20.6% and 7.5% respectively compared to August 2014
- South Australia and Western Australia had the largest decrease in sales with falls of 9.4% and 8.4% respectively
- Passenger market fell 4.6% while the SUV market has risen 19.4%
- The largest % falls in the Top 20 brands were Jeep (down 34.7%), Ford (down 22.5%) and Holden (down 8.9%) compared to August 2014
- The largest % increases in the Top 20 brands were Lexus (up 58.7%), Kia (up 50.0%) and Isuzu Ute (up 35.2%) compared to August 2014
- The Top 10 brands combined vehicle sales increased 1.0% whilst brands 11 to 20 combined vehicle sales increased 14.7%
- Locally manufactured vehicles fell 1.8%
- Private and Business buyers have risen 1.7% and 4.4% respectively compared to August 2014
- Top three vehicles sold in August were Toyota Corolla (3,050 vehicles), Mazda 3 (2,673 vehicles) and Holden Commodore (2,144 vehicles)

Table 1 – Top 10 brand sales for August 2015 and CYTD

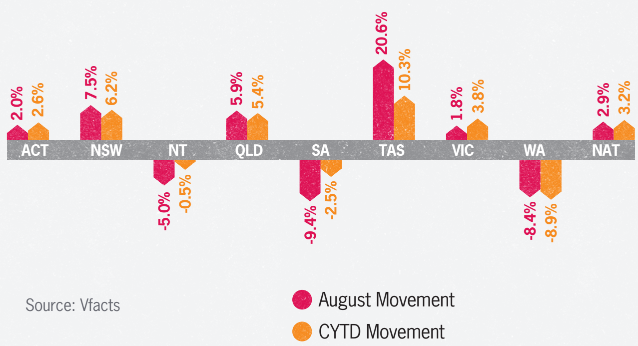
Brand		Month sales			CYTD sales		
Standing	Brand	Movement	August 2015	August 2014	Movement	2015	2014
1	Toyota	▼	14,505	15,638	▼	133,059	133,229
2	Mazda	▲	9,166	7,529	▲	75,113	67,487
3	Hyundai	▲	9,505	8,601	▲	68,115	66,549
4	Holden	▼	7,870	8,635	▼	67,502	74,398
5	Mitsubishi	▲	5,574	5,233	▲	46,629	42,951
6	Ford	▼	5,354	6,908	▼	45,911	55,360
7	Nissan	▼	4,731	5,124	▼	42,618	43,730
8	Volkswagen	▲	4,794	4,066	▲	41,722	36,628
9	Subaru	▲	3,361	2,901	▲	28,374	26,062
10	Honda	▲	3,210	2,759	▲	26,859	20,910

August results

Vehicle sales increased 2.9% (2,550 vehicles) for August 2015 compared to August 2014, and are up 3.2% (23,470 vehicles) current year to-date. Total Sales for August 2015 were 90,705 vehicles and total CYTD sales are 761,440 vehicles. Outlined in Figure 1 are the state based movements for August and CYTD. Figure 2 details the market share by state.

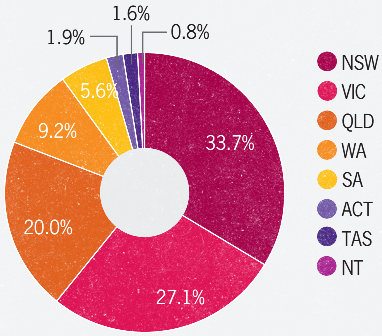
Sales across the larger market share states continue to show strong growth with New South Wales (up 7.5%), Victoria (up 1.8%) and Queensland (up 5.9%), all three states have shown positive grown in seven of the past eight months. South Australia and Western Australia were to only states that fell for the month being down 9.4% and 8.4% respectively. All state based sales for the 2015 calendar year other than Western Australia, South Australia and the Northern Territory have risen compared to 2014.

Figure 1 – State based movements for August and CYTD



Source: Vfacts

Figure 2 – Market share by state



Source: Vfacts

Table 2 – Sales figures September 2014 to August 2015 outlines the last twelve months' movements. Sales nationally have experienced positive growth in six of the last eight months, however the Western Australian market has fallen every month this past year-to-date.

Table 2 – Sales figures September 2014 - August 2015

	SEP-14	OCT-14	NOV-14	DEC-14	JAN-15	FEB-15	MAR-15	APR-15	MAY-15	JUN-15	JUL-15	AUG-15
New South Wales	5.9	4.6	-0.3	1.0	-1.0	5.1	10.2	2.5	4.1	12.1	6.1	7.5
Victoria	0.9	-1.5	-4.6	1.8	4.3	5.7	8.5	5.0	-3.1	4.1	4.6	1.8
Queensland	2.1	-5.9	-8.5	5.8	-0.5	4.9	12.1	1.7	0.3	10.7	5.3	5.9
South Australia	4.3	-1.8	-5.3	-3.5	-0.8	6.1	-0.4	-1.1	-5.8	-3.3	-4.7	-9.4
Western Australia	-2.7	-7.5	-9.6	-11.1	-7.0	-6.1	-2.9	-11.6	-15.8	-7.5	-12.7	-8.4
National	2.5	-1.5	-4.8	0.1	-0.2	4.2	8.0	1.2	-1.3	6.4	2.7	2.9

Positive

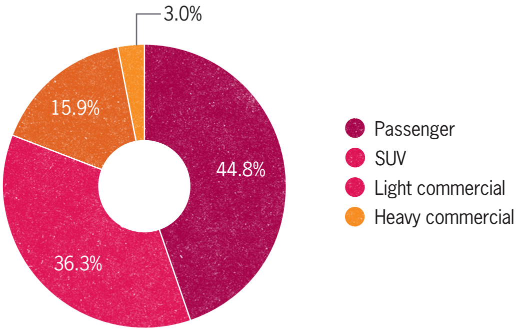
Negative

Source: Vfacts

Segmentation

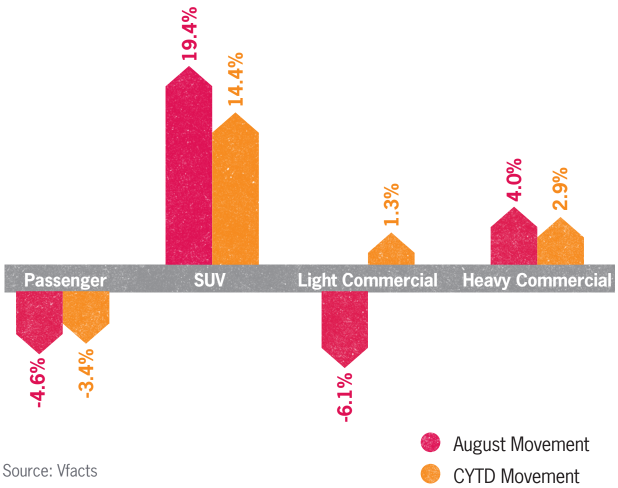
The market is broken into four key segments being passenger (45%), SUV (36%), light commercial (16%) and heavy commercial (3%) as shown in Figure 3. The movement in the key segments for August and CYTD are detailed in Figure 4. The SUV market continues to rise, up a staggering 19.4% (5,352 vehicles) from August 2014 and up 14.4% (33,382 vehicles) CYTD. There has been strong swing towards more versatile vehicles such as the SUV and Light Commercial segments which have taken 3.1% market share away from the passenger market in 2015.

Figure 3 – Market segments



Source: Vfacts

Figure 4 – Movements in key segments

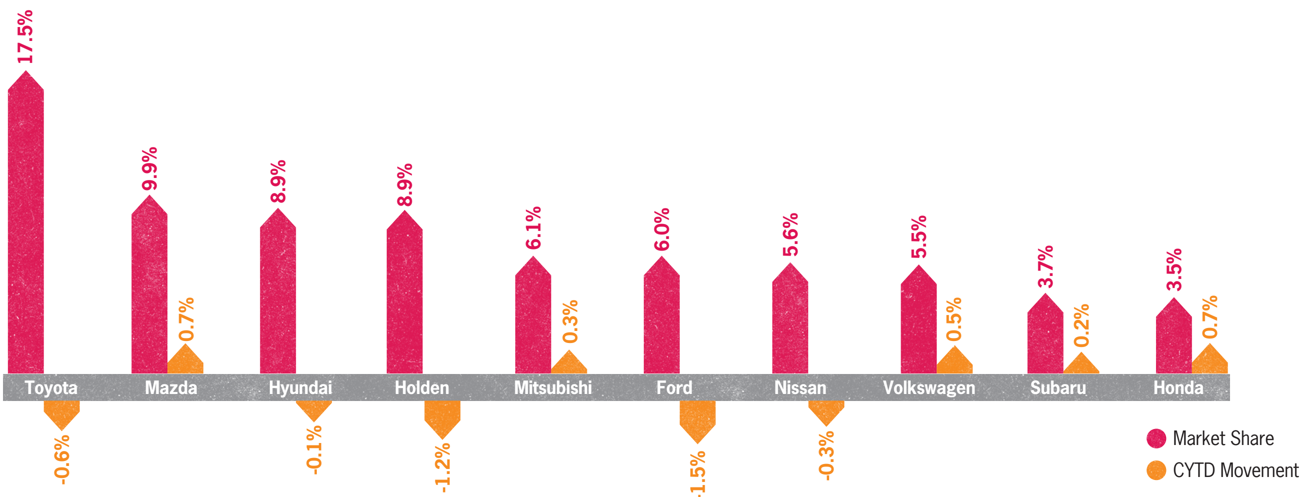


Source: Vfacts

Brand

Toyota lead the market with 17.5% market share followed by Mazda on 9.9% and Hyundai on 8.9% as detailed in Figure 5. The largest % rises in the Top 10 brands for the CYTD are Honda (up 0.69%) and Mazda (up 0.72%), while Ford and Holden has the largest % falls of 1.47% and 1.22% respectively.

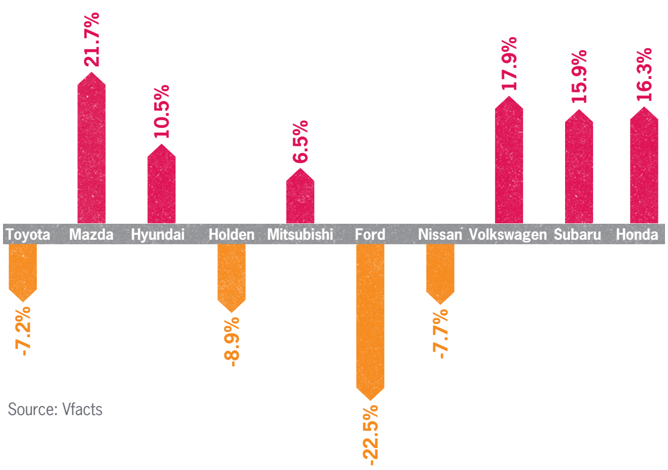
Figure 5 – Market share by brand – Top 10



Source: Vfacts

Figure 6 – August sales growth by brand – Top 10 demonstrates that six brands experienced an increase in sales. Mazda (up 21.7%) and Volkswagen (up 17.9%) were biggest movers in the top 10. While Ford and Holden had the biggest falls of 22.5% and 8.9% respectively.

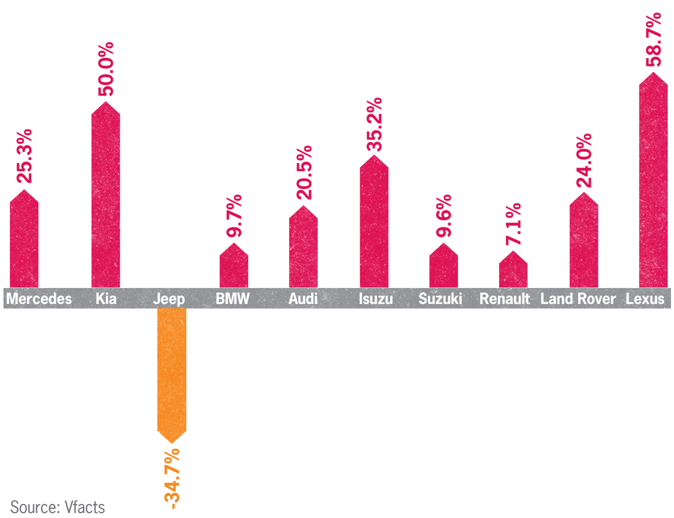
Figure 6 – August sales growth by brand – Top 10



Source: Vfacts

Whilst six of the Top 10 experienced increases, nine brands in position 11 to 20 experienced growth as shown in Figure 7 – August sales growth by brand – Top 11-20.

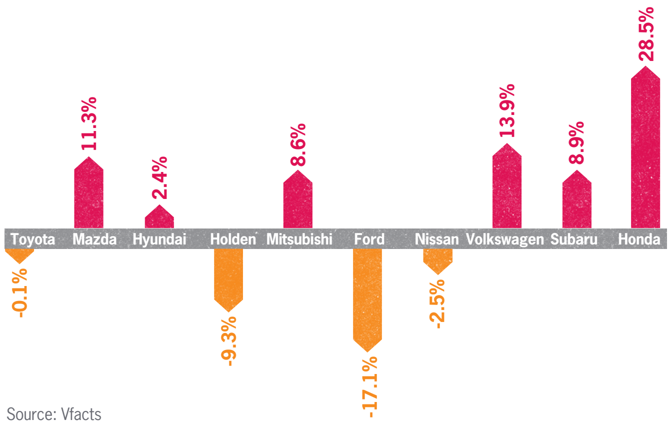
Figure 7 – August sales growth by brand – Top 11-20



Source: Vfacts

In relation to the Top 10 brands, on a CYTD basis, six brands have been able to increase market share compared to the 2014 calandar year. With the Top 10 brands currently accounting for 75.6% of the total market share, 2015 sales appear to be optimistic.

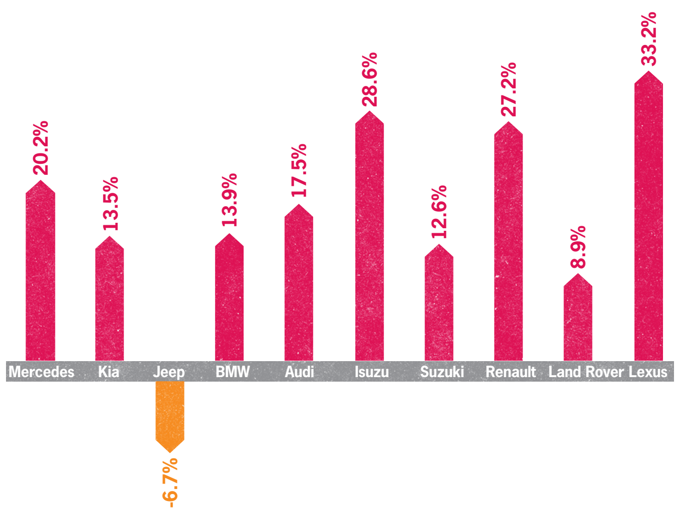
Figure 8 – CYTD sales movement by brand – Top 10



Source: Vfacts

Figure 9 – CYTD sales movement by brand – Top 11-20, shows the significant increase in vehicle sales with nine manufacturers experiencing growing sales.

Figure 9 – CYTD sales movement by brand – Top 11-20

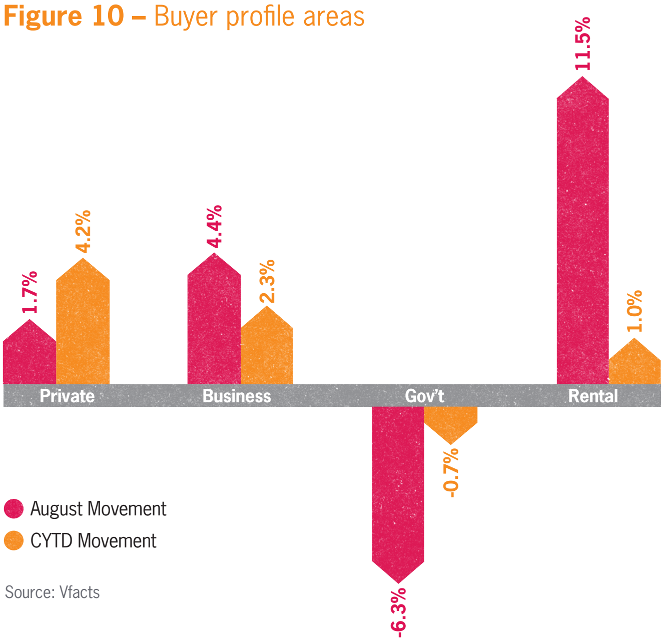


Source: Vfacts

Buyer profile

The market is broken into four key segments being private, business, government and rental. The movement in the buyer profiles for August and CYTD are detailed in Figure 10. Private and business buyers have risen 1.7% and 4.4% respectively compared to August 2014. Rental buyers appear to be quite volatile rising 11.5% in August after falling a staggering 24.9% in July.

Figure 10 – Buyer profile areas



Source: Vfacts

Outlined below in Table 3 is the Top 10 vehicle sales for August 2015 and CYTD by model. Models 1-5 have all fallen for the month and CYTD compared to 2014, whereas models 6-10 have closed the gap on the Top 5 by all increasing for the month and CYTD.

Table 3 – Top 10 model sales for August 2015 and CYTD

Model		Month sales			CYTD sales		
Standing	Brand	Movement	August 2015	August 2014	Movement	2015	2014
1	Toyota Corolla	▼	3,050	3,247	▼	28,373	29,213
2	Mazda3	▼	2,673	3,124	▼	25,925	29,069
3	Hyundai i30	▼	2,098	2,651	▼	20,649	20,777
4	Holden Commodore	▼	2,144	2,344	▼	17,943	21,168
5	Toyota Hilux 4X4	▼	1,674	2,057	▼	16,696	18,156
6	Mazda CX-5	▲	1,980	1,649	▲	16,692	14,550
7	Volkswagen Golf	▲	1,703	1,267	▲	15,207	13,143
8	Mitsubishi Triton 4X4	▲	1,709	1,513	▲	15,105	11,838
9	Toyota Camry (4 Cyl)	▲	2,095	1,685	▲	14,645	13,608
10	Ford Ranger 4x4	▲	1,740	1,696	▲	14,561	13,539

For more information about Grant Thornton's Automotive Dealerships Services, contact:

National
Graham Killer, National Head of Automotive Dealerships
T +61 7 3222 0384
E graham.killer@au.gt.com

Adelaide
Dale Ryan, Partner
T +61 8 8372 6535
E dale.ryan@au.gt.com

Brisbane
Graham Killer, National Head of Automotive Dealerships
T +61 7 3222 0384
E graham.killer@au.gt.com

Cairns
Gerry Mier, Partner
T +61 7 4046 8888
E gerry.mier@au.gt.com

Melbourne
Matthew Hingeley, Partner
T +61 3 8320 2168
E matthew.hingeley@au.gt.com

Perth
Kim Hayman, Partner
T +61 8 9480 2096
E kim.hayman@au.gt.com

Sydney
Ben Matthews, Partner
T +61 2 9286 5732
E ben.matthews@au.gt.com

Grant Thornton
An instinct for growth™

www.grantthornton.com.au