

AutoData

NEWS AGENCY WEEKLY EDITION

Edition
733

Weekly Brazilian automotive industry news | 04.11 to 04.15.2016 Year XII

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Image/FCA

Fiat Mobi: double journey.

George Guimarães | gguimaraes@autodata.com.br

The Mobi will go on sale officially on April 16. However, Fiat has been celebrating - a lot - its arrival since Wednesday, 13. The subcompact hatchback is seen by the vehicle manufacturer's executives as hope of new times for the brand in the segment.

The domestic market leader for the past 14

years, Fiat has been experiencing a strong decline in market share during the past 2 years. In 2014, its share of sales was 21%, dropping to 17.7% in 2015, and closing the 1st quarter with 15%.

The brand's passenger vehicles are responsible for the negative performance. Were it not for the light commercial vehicles, the drop would have been

Product launch

significantly bigger. In 2013, Fiat vehicles accounted for 20% of the total amount of vehicles licensed in Brazil, dropping to 14.9% in 2015, and a timid 12% during the 1st quarter of 2016, with models such as the Uno and the Palio losing ground to the recent launches by the competition.

Result of investments valued at R\$ 1.3 billion, the Mobi is produced in Betim, in the state of Minas Gerais. The 4-door vehicle is not as innovative as the Toro pickup, which has been in the market for only 2 months. The company prefers to characterize it as a functional urban vehicle. Translation: of small dimensions.

The car is, so to speak, the smaller brother of the Uno. It has the same platform and four-cylinder 1.0-liter flex engine - although it has an A label from Inmetro, with a not so brilliant consumption for its

size: 8.4 km/liter in the city, fueled with ethanol, and 11.9 km/liter with gasoline. Its price, incidentally, is not very different. The least expensive Mobi, the Easy, starts at R\$ 31.9 thousand, while the four-door Uno Vivace is priced at R\$ 32.3 thousand and, in the two-door configuration, even less, R\$ 30 thousand.

Even so, Carlos Eugênio Dutra, product director at FCA, projects sales of approximately 65 thousand units of the model up to the end of the year, that is, approximately 7000 units per month, almost double the volume the Uno has been managing to achieve in 2016, and in the same performance rhythm as the Palio, whose entry-level version, the Fire, with an old body, alone accounts for half of sales - without any significant cannibalization among themselves, despite the proximity of their prices.

Dutra does not shy away from stating that the





company expects the Mobi to be the brand's best-selling car already in its first year at the dealers, with the Easy and Easy On, the least expensive versions, accounting for not more than 15% of total sales.

According to the vehicle manufacturer, the intermediary Like and Like On, priced respectively at R\$ 37.9 thousand and R\$ 42.3 thousand should account for the biggest portion of sales. "We hope they will account for 55% of the total," revealed the executive, adding that there are very few optional items in each version. The consumer who desires some additional content will need to change version. In addition to the first four, there are two others: the Way and the Way On, with adventure details, priced at R\$ 39.3 thousand and R\$ 43.8 thousand.

Fiat chose to link the new body to initially aggressive prices in order to call consumers back to the brand, despite clearly sacrificing content. The

Easy version is as devoid of content as it hasn't been seen in a product launch before in the country for a long time: even hot air is optional. The consumer will need to acquire the Functional package to have, for example, a rear windshield wiper and defogger and predisposition for radio, in addition to electric front windows and locks.

Starting in June, the Mobi can be equipped with the Fiat Live On, the application that turns the Android or iOS mobile phones into the vehicle's multimedia center. The user places the mobile phone on the panel and will be able to control it via links in its own initial screen, or through commands at the steering wheel. There are resources such as the Eco Drive, which helps drive more economically, and the Car Parking, an application that helps remember where the car has been parked, in addition to informing about traffic restrictions.

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Mobi will arrive in Mexico

George Guimarães | gguimaraes@autodata.com.br

Stefan Ketter, president of FCA Latin America, ensures: during the next twelve months, the Fiat Mobi will already play a relevant role in the Brazilian operation's exports. Although he did not specify dates or countries, the executive stated the compact will be in the streets of many Latin American markets until then, including, naturally, the Argentinean market, and even the Mexican market.

Fiat calculates that approximately 30% of the production volume of the Mobi will be shipped to other countries in the future. Shipments will begin gradually, culminating with exports to Mexico, where the company is already shipping its Uno and Palio models, in addition to the Strada pickup, which is sold there under the Ram brand, and the Grand Siena, sold there as the Dodge Vision.

Last year, FCA shipped 60.5 thousand vehicles abroad, approximately 13% of its production volume in the country. The volume represents a strong recovery when compared to 2014, when only 43.5 thousand vehicles were shipped. Ketter, however, avoids speaking about numbers for 2016 - he says only that the more vigorous recovery of exports depends on economic stability and, principally, competitiveness, conditions that enable sustainability of business out there.

"Opportunism has a short fuse. It generates non-structured demands. Growth must occur naturally. It is not possible to turn the key only when the domestic market is not good," stated the executive, who admitted there are studies to increase the number of destinations of products made in Betim, MG, and Goiana, in the state of Pernambuco.



Stefan Ketter

Image/FCA



One of these studies points to NAFTA countries, potential markets for the Toro pickup, a model that shares its platform with the Jeep Renegade and already complies with a good portion of local legislation. “But these are still strategic studies, not effective. Just like we are also evaluating the shipment of the Renegade to a few African markets, since demand for the European model has been big.”

In any event, says the president of FCA, the company is structuring itself to recover part of the role it detained in vehicle exports throughout its forty years in Brazil - in 1994, it shipped more than 191 thousand vehicles abroad, an absolute record, maintained until today. “We would not be considering these markets if we did not have, for example, built the Goiana plant,” stated Ketter, who regrets the lack of commercial agreements between Brazil and other countries.

A more significant number of vehicles shipped abroad would be a natural alternative to the retracted domestic market. Ketter believes that domestic sales

should not surpass 2 million vehicles this year. But he does not lose his hope: “Brazil will become once again one of the biggest automobile markets in the world, I am sure. I just don’t know when. But it can happen very quickly, because pent-up demand is being created.”

Indeed, the company has not altered one comma of its strategy for the region, stated the executive. “We have not slowed down anything.”

FCA will move ahead with its business plan for up to 2018. There will be one launch per semester until then, stated the executive - the majority to renew the complete Fiat family in Brazil. However, one of the models will be imported from Argentina. Its exclusive production in Cordoba was confirmed by Ketter to begin in early 2017.

“I can say that with the Toro and the Mobi we have already changed the extremities. Now we need to change the content of this sandwich,” concluded the president of FCA.

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Remodeled, Ford Ranger wants to fight Toyota Hilux for the leadership

André Barros, from Puerto Iguazú, Argentina | andreb@autodata.com.br



Image/Ford

Amidst the crisis, the pickup segment is one that receives the greatest amount of news in the Brazilian market. During the past months, the Renault Duster Oroch, the Fiat Toro, and the new generation of the Toyota Hilux - which was well accepted by consumers and moved into the second position within the segment in March, behind only the Fiat Strada compact - arrived at the dealers.

On Friday, 11, it was Ford's turn to present the remodeled Ranger to the press. A few changes were made to the engine and the catalog, which received

new series items. Despite the arrival of two new models in the segment, and the Chevrolet S10 also undergoing reformulation, which will be presented in the coming weeks, the vehicle manufacturer sees only one competitor: the Hilux.

Toyota's pickup was chosen for comparisons with the New Ranger during the launch event that was held in Puerto Iguazú, close to the border between Brazil and Argentina, the two major markets for the pickup - which should also arrive in Mexico, Chile, and other South American countries from the plant

in Pacheco, Argentina. Among the advantages of the Ranger, including other details, the five-year complete factory warranty prevails, the longest in the category.

“In this time of pickup reformulation, Ford and Toyota have moved ahead by first presenting their new models,” stated Osvaldo Ramos, Ford’s general manager of marketing. “Our objective is to increase sales and we will search for consumers with high purchasing power. They exist and are looking for news in safety and technology, which the Ranger offers.”

The target of Ford executives is mainly the agribusiness, the only sector of the Brazilian economy which has been presenting positive results. In order to enable this, the company is offering versions ranging from the most basic, equipped with manual transmission, up to more sophisticated ones, full of comfort items usually found in sedans.

The XLS entry-level version offers a flex engine and manual transmission, and is priced at R\$ 99.5 thousand. The Limited, the most complete, is equipped with a 3.2-liter diesel engine, automatic transmission, 4 x 4 traction, and is priced at R\$ 176.9 thousand. There is no single cabin; every Ranger now has a double cabin.

In order to comply with the most rigid demands of Inovar-Auto, the Ranger gained items that reduced consumption by an average of 15%: electric steering in all versions, new manual transmission calibration, and low rolling resistance tires from Bridgestone. The 2.2-liter and 3.2-liter diesel Duratorq and the 2.5-liter flex engines are also equipped with new injection nozzles, turbo-compressors and calibration - the flexible fuel engine no longer requires the use of the auxiliary gasoline and can cold-start. **WE**



Hyundai Brasil looking at Uruguay and Argentina

André Barros | andreb@autodata.com.br

After concluding the first shipment of HB20X to Paraguay - the first models produced in Piracicaba, in the state of São Paulo, to be exported - Hyundai is working to increase the destinations for the family of compact vehicles. During the past month, the company's engineering team has been involved in the development of a solution to enable the HB20 to be shipped to Uruguay and Argentina.

There is an explanation: while the fuel used in Paraguay is compatible with the flex version sold in the Brazilian market, in the case of Argentina and Uruguay modifications and further certifications of the engines are needed.

"I want these shipments to begin as quickly as possible. It is already commercially viable," explained Sérgio Rodrigues, executive director of sales and marketing at Hyundai. "In the case of Uruguay, we should have a solution in the coming months. It will take a little longer for Argentina."

According to Rodrigues, distributors in Argentina have been interested in selling the model since its launch in 2012, when the scenarios were quite different: Hyundai needed to assign priority to increasing demand in the Brazilian market, and the exchange rate was unfavorable. With the reversion of both scenarios, exporting there became a natural opportunity, although, given the difficulties related to certification, there is also a need to adjust to the trade balance rules.

"We need to develop a few suppliers in Argentina

and increase trade. This is why I do not believe a solution will be possible by the end of the year."

Other local markets, such as Chile, Colombia, and Peru, are not yet in the radar. According to Rodrigues, the former is a very open market and has been supplied with Hyundai models produced elsewhere. Peru and Colombia also required technical modifications in the vehicles in order to comply with the adverse altitude-related conditions.

Nonetheless, the plant in Piracicaba is operating on three complete work shifts, the only plant in the country operating under this condition. The HB20 family is bucking the trend of the Brazilian market: sales increased 3.4% during the first quarter of this year, when compared to an overall drop of 27%.



Image/Hyundai

Mercedes-Benz holds on to the leadership position during the first quarter

André Barros | andreb@autodata.com.br

Mercedes-Benz not only held on but also increased its leadership in the Brazilian heavy truck market, conquered last month. At the end of the first quarter, 3968 of its vehicles were licensed, a drop of 12.2% when compared to the first three months of last year - lower, therefore, than the market's drop of 32.1%.

This year, the company, which celebrates its 60th

anniversary in Brazil, is also celebrating taking the leadership position away from MAN, which moved into the second position of the ranking, with 3582 of its units licensed during the first quarter, representing a drop of 37.4%.

Ford closed in the third position of the ranking despite a 49.8% drop in sales: 1875 vehicles licensed, above fourth-placed Volvo, with 1.6

Heavy trucks - Brazil Domestic Sales

Source: Anfavea

	Vehicle Manufacturers	YTD/16	YTD/15	% Change	Market Share
	Total	13 111	19 306	-32,1%	
1°	Mercedes-Benz	3 968	4 519	-12,2%	30,3%
2°	MAN	3 582	5 720	-37,4%	27,3%
3°	Ford	1 875	3 732	-49,8%	14,3%
4°	Volvo	1 601	2 060	-22,3%	12,2%
5°	Scania	988	1 226	-19,4%	7,5%
6°	Iveco	678	1 156	-41,3%	5,2%
7°	FCA (RAM)	163	0	-	1,2%
8°	DAF	132	83	59,0%	1,0%
9°	Agrale	81	75	8,0%	0,6%
10°	International	12	31	-61,3%	0,1%

thousand units sold, and Scania, with 988 units licensed

DAF and Agrale were the only ones to register increases, despite a low volume: 59% and 8%, respectively.

Bus chassis - Similar to the truck segment, Mercedes-Benz and MAN occupied the first and second positions in the ranking. Mercedes-Benz registered more than half of the sales in the segment during the first quarter: 1.4 thousand units, representing a drop of 42.4% - once again, below the market's negative performance of 47.8% during the period.

MAN registered a drop of 61.1%, totaling 503 units. Agrale closed in the third position, with 469 bus chassis licensed, representing a drop of 29%. **WE**



Bus - Brazil Domestic Sales

Source: Anfavea

	Vehicle Manufacturers	YTD/16	YTD/15	% Change	Market Share
	Total	2 720	5 207	-47,8%	
1°	Mercedes-Benz	1 429	2 480	-42,4%	52,5%
2°	MAN	503	1 294	-61,1%	18,5%
3°	Agrale	469	661	-29,0%	17,2%
4°	Volvo	146	323	-54,8%	5,4%
5°	Iveco	115	384	-70,1%	4,2%
6°	Scania	53	46	15,2%	1,9%
7°	International	5	19	-73,7%	0,2%