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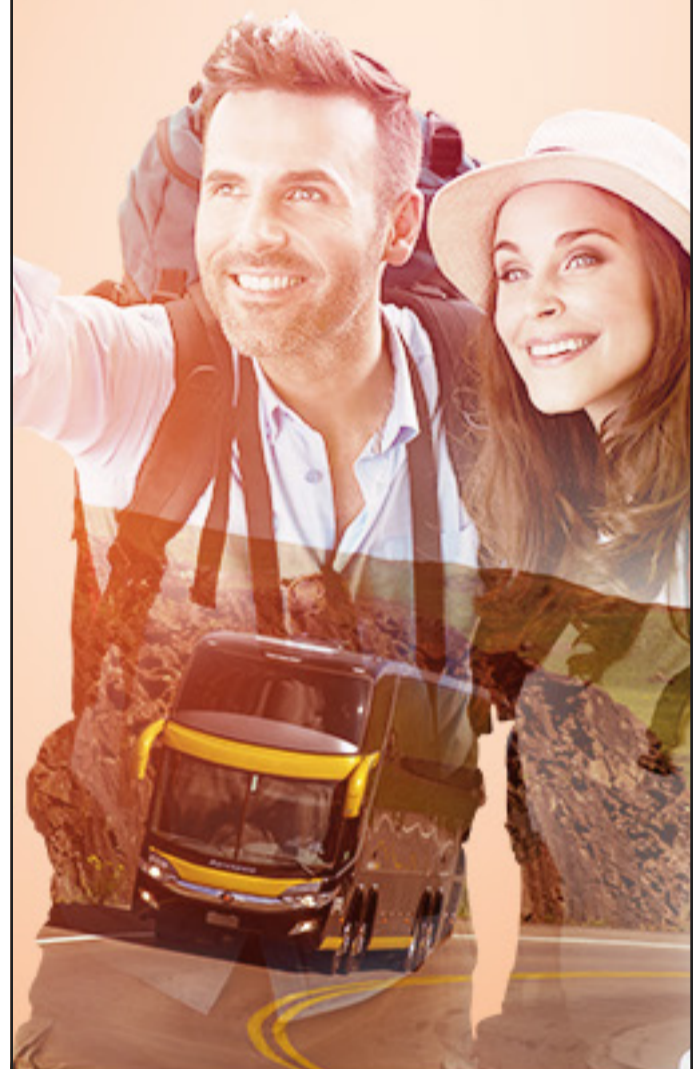
Its chairman, Alcides Braga, justified the fallout "as we can not bring to zero the losses because of urban commerce, which has not yet responded to the wave of economic recovery. The recovery of the segment of body on chassis depends on the outcome of the retail trade sales and of micro and small industries performance that generate a lot of their own load."



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The light industry, bodywork on chassis, quoted by the president, delivered 35 thousand 569 units compared to 38 thousand 809 in 2016, down 8.35%, which was expected by Anfir, who believes in the recovery of this sector this year but it depends on the economic recovery in the retail market. Last year the segments that recorded the biggest declines were: the mixer with -42.23%, the dump with -23.24% and lonado chest with -21.39%.

The remaining segments fell below 10%, close to the downturn in the industry.

Heavy on high - Not all road equipment industry closed 2017 with decrease, it's the case of the heavy segment, trailers and semi-trailers, which sold 24 thousand 928 units compared to the 23 thousand 187 units in 2016, an increase of 7.5%. According to Braga "the recovery of the heavy segment represented an important mark for the industry in 2017".

The segments that recorded the highest increase were the aluminum tank with 136%, the lonado chest with 49.3%, the dolly with 32.4% and the refrigerator chest with 30.78%. Despite the high some segments did not follow the growth, such as sugar cane with -28.5%, the silo with -24.3% and the special with -21.4%.

For 2018 Anfir expects the segment to continue to grow, "because we must expand this result following the recovery of the economy, which should also bring the light industry to a positive performance." **WE**

Argentina surpasses sales projection of 800 thousand units in 2017

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It was completed in Argentina, the largest trading partner of Brazil, the projection to finish 2017 with domestic sales close to the 800 thousand units of cars. Its vehicle dealers sold in the year, 883 thousand 802 cars, both domestic and imported. The milestone represents 22.5% of the sales volume recorded in 2016. It was the best sales performance since 2013, when the country reached a record of 963 thousand 917 units sold.

The local industry has credited the sales increase to the economic measures adopted by the government - in its vision it created a favorable scenario for financing with the falling of bank interest and maintaining the employment rate, a fact that would have increased consumer confidence to sign long-term commitments.

Sales during the year were more than 50 thousand units / month and volumes were higher than in 2016 in every month. In

December, the best in commercial terms, 90 thousand 307 vehicles were sold, 25.4% more than in December of 2016, according to the Adefa, the Association of Argentinian manufacturers. Of the total sales last year 259 thousand units and 8 vehicles were produced in the country.

The largest scenario of imported vehicles sales before the nationals is part of the Argentinian plans for the coming years and should be maintained. Through the 1 million plan, which projects the production of this volume of cars until 2023, the Argentinian industry wants to consolidate itself as an export platform in the region along the lines of the plan of Brazilian companies in the period following the crisis that worsened in 2012. It will be an important jump step: in 2017 the country produced 472 thousand and 158 vehicles, less than half the volume it craves.

To achieve the goal the vehicles produced abroad will be key to meet all the demands

without roughly make major changes to its installed capacity year by year. At least this seems to be the plan of the new managers of Adefa, elected in November: Luiz Fernando Peláez Gamboa, the new president, said at the time that the Argentinian plants need to be more competitive in order to seek new markets and not depend so much on Brazil, although it is its main regional partner.

In 2017 shipments to Brazil were lower and there was growth in exports to Central American countries, a clear demonstration that Argentina stepped up its search for new markets. It exported 209 thousand and 587 vehicles, 10.3% more than in 2016. 135 thousand and 900 vehicles embarked to Brazil, a volume that represented 64.8% of its vehicle exports. 17 thousand 868 units were exported to Central America, the second main destination of their cars. Peru, Chile and Mexico closed the group of top five destinations of Argentine vehicles.

Mexico 2017: production and export grows, sales fall.

The Mexican market closed 2017 with 8.9% increase in production: 3 million 773 thousand and 569 units left the assembly lines - country record compared to the 3 million 465 thousand and 615 vehicles in

2016, according to data disclosed by AMIA Mexican Association of Automotive Industry.

Exports also followed the same path of production, growing 12.1% a record breaking volume, with 3 million 102 thousand 604 vehicles, compared to 2 million 768 thousand 268 units in 2016.

The United States was the main destination of Mexican vehicles during the year, with 2 million 335 thousand 245 units, Canada ranked in the second position with 267 thousand 219 units, and Germany in third, with 96 thousand 753 units. Brazil was the fifth largest importer of Mexico with 49 thousand 43 vehicles.

If production and export broke records, vehicles sales has not kept the pace and fell by 4.6% in the year, with 1 million 530 thousand and 317 vehicles licensed against the 1 million 603 thousand 672 units in 2016. Out of the sales volume 41% were produced in Mexico and 59% were of foreign origin.

Expectations for 2018

Eduardo Solis, president of AMIA, believes it is possible to produce 4 million units this year and to export over 3.2 million, due to the good prospects of some markets that import from Mexico, like the United States, which is its main commercial partner. WE

Renault-Nissan Alliance reserves \$ 1 billion for startups

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The alliance formed by Renault, Nissan and Mitsubishi announced on Wednesday, the 10th, the launch of the Alliance Ventures, a new corporate venture capital fund that plans to invest up to \$ 1 billion to support innovation over the next five years.

In the first year the fund expects to invest up to \$ 200 million in technology companies working in the field of mobility, vehicle electrification, autonomous systems, connectivity and artificial intelligence.

Carlos Ghosn, President and CEO of the alliance, said, "Our innovative approach will enable us to invest and collaborate with technology companies that will benefit from the global scale of the three manufacturers of the alliance."

The first strategic investment will be made in Ionic Materials, one US company that developed cobalt batteries that promise better performance and profitability of the high energy density for automotive applications.

Francois Dossa, CEO of Nissan in Brazil, will lead the Alliance Ventures.

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Market resuming will also come to imported vehicles



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After the volume of imported cars sold in Brazil only falling over in the past three years due to Innovate-Auto barriers, 2018 brought the light at the end of the tunnel because since the vehicle program is now over and there is no longer a collection of 30 additional points for these vehicles. The expectation is that now the registrations will grow over 50%, with its market share reaching 15% in December, according to data released by Anfavea on Friday, the 5th.

Last year the imports accounted for 10.9% of vehicles sold in Brazil, 244,1 thousand units, and if the segment wins the share of 15% market over the year, considering the expectation of Anfavea is reached and 2018

closes with 2.5 million vehicles sold to the domestic market, imports should account for 375 thousand units.

The numbers of Anfavea consider all imported vehicles, including those from countries with which Brazil has bilateral trade agreements, such as Argentina and Mexico.

The Abeifa, representing seventeen imported brands, said it expects to close the year with 40 thousand units sold, a high of 35% compared to 2017 with 29 thousand 751 vehicles licensed. The sales volume in 2017 was 17% lower than in 2016. The entity also expects to grow in the coming years if the import rules remain as they are, but did not reveal its projection. **WE**



Trucks: dispute should be stressed in the heavy segment in 2018

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If the truck market returned to growth in 2017 it was due to sales performance that manufacturers had in the heavy segment, indicate figures released by Anfavea in January - the higher volume of registrations were among the categories that make up the sector: 18 thousand 747 units, an increase of 23.4% compared to the overall of 2016 which was due to the agribusiness.

Its importance last year, and a number of particular factors of the plans of manufacturers operating in the segment, show competitors adjusting to capture larger slices of this market in

the coming years - which should grow with the GDP projections larger on the horizon and the emergence of new investments in fleet from it.

Volvo ended the year as the company's biggest selling vehicle category. 5 thousand and 44 units were sold, up 18.9% over the volume sold in 2016. The company managed to stay on top in heavy with the strength of its consolidated portfolio in different applications such as mining, agriculture and long-distance transport.

However, in terms of sales, the distance to other manufacturers decreased in 2017, which may suggest that something should be done in 2018 so that the lead is maintained. Mercedes-Benz has undergone structural changes since 2014 and managed to finish the last year as a second manufacturer who sold more heavy trucks: 4 thousand and 914 units.

According to Robert Leoncini, the company's vice president of sales, MB realized that it should bring customers closer to their products for the segment, such as the Actros line, Axor and Atego. The executive said the company had to resort to this kind of approach to better exploit the heavy segment:

"When Philipp Schiemer hired me, my mission was to change a little the company's position and apply market practices that are specific to cater to this segment. Mercedes-Benz was geared to meet the dealer. I helped spice up the deal also by going talking to the other end. "

Prior to his position at MB, Leoncini had long-standing pass at Scania Brazil where he held various positions in sales. Coincidence or not, since his arrival at the Mercedes-Benz the company managed to approach the top positions in the heavy segment. Since 2014, for example, it keeps the second place ahead of Scania.

The executive credited the performance of last year to business deals closed with large fleet owners, as was the case of the sale of 524 trucks for off-road operation for Raizen: "It was a business that secured the volume in an extremely competitive segment in which we seek leadership in off-road sales and also road. "In 2017, road vehicles accounted for the largest share of the manufacturer sales mix. Out of the 4 thousand 914 units sold, 2 thousand and 839 were these model vehicles.

Scania, third company who sold more heavy trucks, had as a highlight for last year the registrations of its best-selling model, the R440. The company sold 4 thousand 901 units last year, of which 3 thousand and 33 units were of the model.

To Roberto Barral, general director of Scania Brazil, 2017 was a year in which the company showed good commercial performance: "In terms of market, we had a good year. We grow in sales every month, while competitors and segments fell compared to 2016. For 2018, the outlook is growing, on the same market 10% to 15% compared to 2017 ".

MAN was the fourth company in sales last year, with 1 thousand 987 registrations recorded, 17.5% more than in 2016. The manufacturer sees in the heavy the niche where there is still room to grow its operations in the country, as in the others, judge the company, its products are more consolidated.

Carlos Eduardo Rocca, special sales manager at the company, said the company would focus its efforts in the heavy segment in 2018. The company had to adapt its portfolio to meet specific applications and mature the heavy TGX line, available on the market since 2012, between customers in the country.

The executive said that in 2017 heavy models sales accounted for one-third of the total sold by the company: "In 2018 is where we are concentrating all our efforts, both in team composition and processes to meet complex demands, such as cane transport".

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