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HICOMOBIL-CAR SALES

HICOMOBIL EXPECTS CAR SALES TO IMPROVE

KUALA LUMPUR, Sept 13 (Bernama) -- Hicomobil Sdn Bhd, a wholly-owned subsidiary of DRB-Hicom and distributor of Chevrolet vehicles in Malaysia, expects the country's car sales to improve following the 2004 Budget announcement yesterday.

Car sales had declined as potential car buyers expect prices to be lower with the implementation of the Asean Free Trade Area (AFTA).

Under AFTA, import duty on completely knocked down (CKD) of Asean origin has to be reduced from the current 42 percent to 20 percent in January 2005 and to five percent in 2008.

Yesterday, when presenting the 2004 Budget, Prime Minister Datuk Seri Dr Mahathir Mohamad said that excise duties would be imposed on imported cars when import duties are reduced from Jan 1, 2004.

He also encouraged Malaysian consumers to buy cars "now" to take advantage of foreign car makers' move to cut prices in recent months by an average of 13 percent to compete in a saturated market.

From Dr Mahathir's statement, DRB-Hicom Bhd group director (services), Datuk Rashid Rahim, said the company was confident that buyers who previously hesitated to buy cars until they get a clearer picture on what car prices would be with AFTA, would change their minds.

Speaking at a press conference on the sidelines of the Kuala Lumpur International Motorshow 2003 (KLIMS '03) at the Putra World Trade Centre (PWTC) here, he said Hicomobil expected to sell 2,500 to 3,000 units of Chevrolet this year.

Rashid said in just 10 days following the launch Chevrolet vehicles in the country, the company had received slightly over 1,000 orders for the four models priced between RM65,000 and RM205,000.

The best selling models are the 1.5 liter hatchback Aveo and the 1.6 liter sedan Optra. Aveo accounted for 60 percent of the bookings while Optra, 25 percent.

He said Hicomobil also received a lot of enquiries for the other two models, the multi purpose vehicle, Nabira, and sedan, Lumina.

However, the Lumina would only be available here next month following a recent model change in Australia due to the need to meet the strict Euro II emission standard. To date, the company had received 10 bookings for the Lumina.

On delivery, he said the first Chevrolet was expected to be available on Malaysian roads from next Monday.

Hicomobil currently has a ready stock of 660 units of Chevrolets while the second batch of 900 more units were scheduled to arrive next week.

On another note, Rashid said Hicomobil aimed to increase its nationwide dealers to 40 by end 2003 from the current 15. It has 46 service centres at present. -- BERNAMA

MAD TJK