

2012 Set To Be An Exciting Year For Car Industry
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KUALA LUMPUR, Dec 30 (Bernama) -- The local car industry is set to shift into high gear in 2012 despite having gone through a roller-coaster ride this year.

Both the national and non-national car companies have announced exciting model launches, facility and network expansion as well as upgrading programmes.

Some have received enquiries and bookings ahead of the Chinese New Year on Jan 23-24, 2012.

Proton Holdings Bhd will launch the new global car, P3-21A, in the first quarter of 2012 and two new variants of multi-purpose vehicle Exora by the second week of January.

UMW Toyota Motor Sdn Bhd plans to unveil a few models for both Toyota and Lexus, while Naza Kia will accept bookings for its new Optima K5 in January.

Naza Kia will set up its second 3S (sales, service and spare parts) outlet -- Kia Red Cube -- and upgrade 27 existing outlets to incorporate its new identity.

Perusahaan Otomobil Kedua (Perodua) will ink a collaborative agreement with Proton on certain aspects early next year.

Perodua has revealed that both parties will make the announcement on the agreement either this year or next year.

On Khazanah Nasional Bhd plans to sell its stake in Proton to DRB-HICOM Bhd, most analysts reserved comments to await Khazanah's formal announcement.

Other factors that industry players need to keep close watch included the revision to the National Automotive Policy and exchange rates for the US dollar and yen.

The younger Malaysian population, which usually forms a large pool of first-time buyers, will propel the car industry towards achieving higher overall total industry volume (TIV).

Car analysts said effective business plans to tap growth opportunities, including strategies to cope with economic reality in view of Europe's debt woes and tight credit, are crucial.

Industry players and analysts expect TIV next year to record positive growth.

OSK Research Sdn Bhd said next year's TIV is expected to grow by 1.1 per cent on the back of a forecast gross domestic product growth of 5.2 per cent.

RHB Research Institute forecasts TIV to remain relatively flat at 607,000 units in 2012 versus 2011, which is estimated at 604,000 units.

MIDF Amanah Investment Bank Bhd predicts the TIV to grow by 0.5 per cent to 611,140 units from 608,100 units estimated this year.

Naza Kia expects sales volume to remain flat next year in view of the coming general elections and said that "maintaining sales at the current level is good enough for next year."

In 2010, the TIV hit a record 605,155 units, an increase of 12.7 per cent compared with 2009's 536,905 units.

As for this year, the Malaysian Automotive Association (MAA) forecasts industry sales to hit 608,000 units.

The market saw a momentum driven by stronger purchasing power and higher demand from customers this year but faced several challenges like earthquake and tsunami that hit Japan in March and the flooding in Ayutthaya, Thailand in the third quarter of the year.

As a result, some delays were seen in the launch of certain models and delivery of spare parts for companies like UMW Toyota Motor and Honda.

With 2011 turning out to be the year best forgotten by the car industry, most analysts agree that the parts production and delivery are nearly back to normal.

Total vehicle sales rose by 8.6 per cent to 48,702 units in November, from the 44,845 units sold in the same month last year.

According to MAA said sales volume for December is expected to moderate further, due to the preference of customers to wait and take delivery of 2012 production year stocks.

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