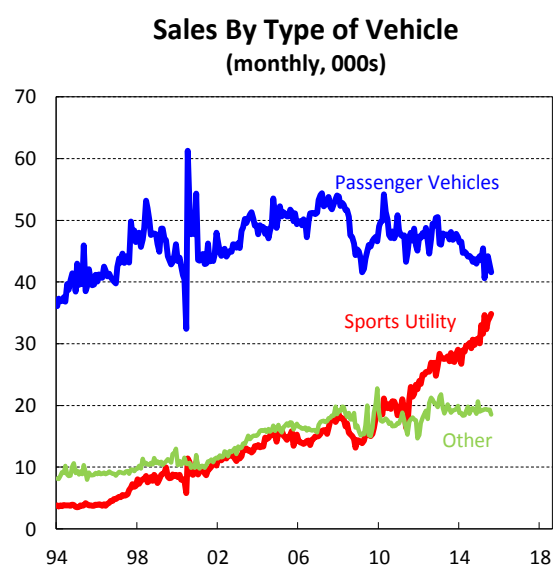
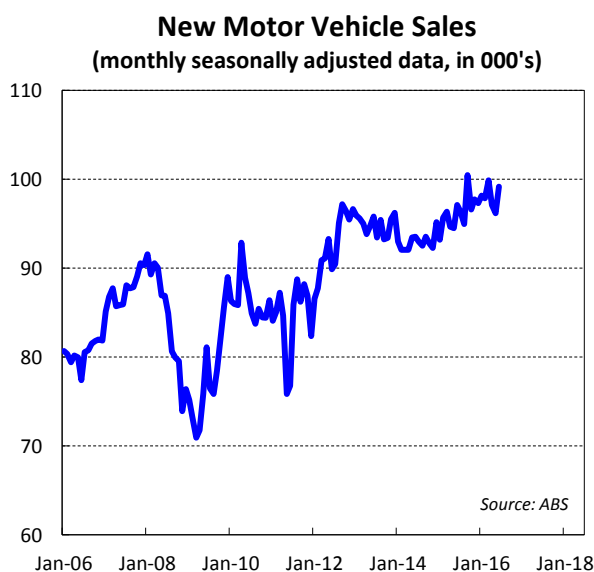


New Motor Vehicle Sales

Sales Accelerate in June

- New motor vehicle sales rose 3.1% in June following a 1.0% decline in May. Monthly sales have recovered to be within a whisker of the all-time peak of 100,474 seen September 2015. In June, 99,162 new motor vehicles were sold for an increase of 2.1% over a year earlier.
- It was encouraging to see a pick-up in sales of “other” vehicles (which includes vans, trucks and buses) following two months of decline. Sales were up 1.4% in June and are up 7.7% on June 2015. The ‘other vehicles’ category can be a pointer towards activity in the business sector. Growth of 7.7% over the year is a welcome pick-up in momentum, after slipping in recent months.
- June saw a 6.3% surge in the sales passenger vehicles, although over the year, sales of passenger vehicle were down 3.9%. Over the course of 2015-16, half a million passenger vehicles were sold.
- Interest rates are historically low. The population in each of the States and Territories continues to grow and jobs continue to be created across the country. Businesses are reporting reasonable trading conditions. Each of these should support demand. With the election now behind us and consumer sentiment not noticeably damaged, the scene appears set for sales to be maintained at current high levels and potentially lifted. The outlook, however, varies from region to region.



New motor vehicle sales rose 3.1% in June following a 1.0% decline in May. Monthly sales have recovered to be within a whisker of the all-time peak of 100,474 seen September 2015. In June, a seasonally adjusted 99,162 new motor vehicles were sold for an increase of 2.1% over a year earlier.

The increase during June reverses two consecutive months of decline and monthly sales are now only 1.3% below their September 2015 record.

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The popularity of sports utility vehicles (SUVs) continues. During June, sales of SUVs rose 0.5% to be up 6.8% on June last year. During 2015-16, 429,919 SUVs were sold compared to 376,796 in 2014-15 – an increase of 14.1%.

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By State

Monthly sales figures are notoriously volatile. Western Australia, which had seen four consecutive months of decline, reported a 3.5% rise in June. Victoria had a strong month with sales up 5.1% following a 2.0% decline in May. The strongest rebound was in the ACT where sales rose 8.7%. Other regions to see sales growth in June were Queensland (3.9%), NSW (1.7%), and the Northern Territory (0.1%). Sales were down in Tasmania (-1.8%) and South Australia (-0.4%).

Over the year to June, new motor vehicle sales were strongest in the ACT (14.4%) followed by the Northern Territory (7.6%) and South Australia (6.1%). Victoria (5.8%) and NSW (1.9%) also saw sales growth over the year while in Queensland they were flat. Sales fell in Western Australia (-6.5%) and in Tasmania (6.8%).

Outlook

Interest rates are historically low. The population in each of the States and Territories continues to grow and jobs continue to be created across the country. Businesses are reporting reasonable trading conditions. Each of these should support demand. With the election now behind us and consumer sentiment not noticeably damaged, the scene appears set for sales to be maintained at current high levels and potentially lifted. The outlook, however, varies from region to region.

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The Detail

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