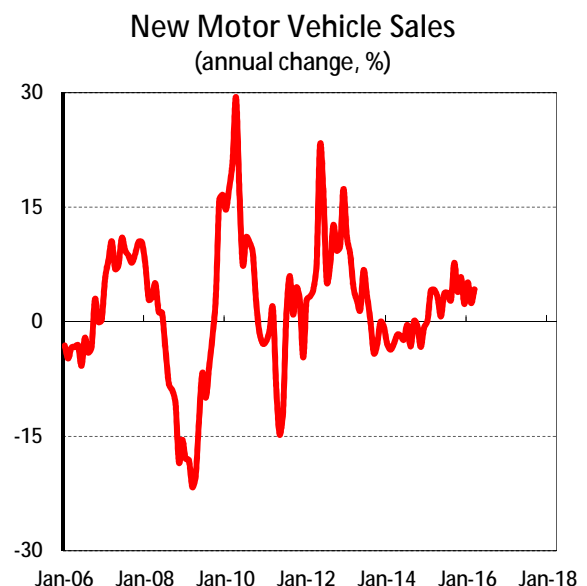
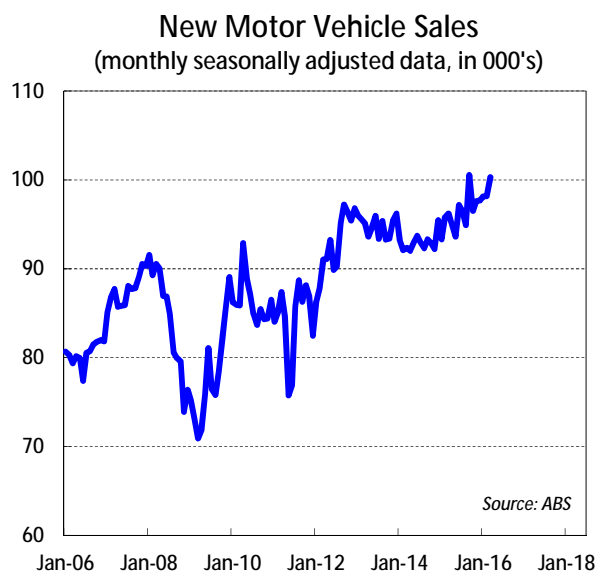


Motor Vehicle Sales Revving Up For Another Record

- Sales of new motor vehicles remain at historically high levels, with a 2.2% increase in March. It was the largest monthly increase since September 2015. New motor vehicle sales for the year to March hit a record annual tally of 1,166,180, building on a record year in 2015.
- In March, growth in new motor vehicle sales was led by sales of 'other' vehicles, which jumped 5.2% to a record high above 22k. Strong sales of 'other' vehicles suggest that business activity remains solid.
- Australians' love affair with sports utility vehicles (SUVs) took a breather again in March, easing 0.3%. For the year to March, however, new SUV sales have jumped 14.7%.
- Sales of passenger vehicles rose 2.8% in March, however, they have been trending lower and have declined 7.5% over the past year.



Sales of new motor vehicles remain at historically high levels, with a 2.2% increase in March. It was the largest monthly increase since September 2015, taking new motor vehicle sales back above 100,000 for the first time since September 2015. Over the year to March, new motor vehicle sales

rose 4.2%. New motor vehicle sales for the year to March hit a record annual tally of 1,166,180, building on a record year in 2015.

In March, growth in new motor vehicle sales was led by sales of 'other' vehicles, which jumped 5.2% to a record high above 22k. These include vans, trucks and buses. Sales of these vehicles have risen 14.4% over the year to March. Strong sales of 'other' vehicles suggest that business activity remains solid, possibly supported by the introduction last year of the immediate tax deduction for small businesses of purchases up to \$20,000.

Sales of passenger vehicles rose 2.8% in March, however, they have been trending lower and have declined 7.5% over the past year. Australians' love affair with sports utility vehicles (SUVs) took a breather again in March, easing 0.3%. For the year to March, however, new SUV sales have jumped 14.7%.

By State

New vehicle sales were strongest in the ACT in March, jumping 7.6%. This was followed by Queensland (5.2%), Tasmania (2.8%), NSW (2.1%), South Australia (1.6%), Victoria (0.7%) and Northern Territory (0.4%). The only State to experience a decline in new motor vehicle sales in March was WA, where sales fell 0.1%, following a 1.4% decline in February.

Over the year to March, new motor vehicle sales were strongest in NSW (10.3%), followed by South Australia (5.7%), the ACT (3.8%), the Northern Territory (3.8%), Victoria (2.8%) and Queensland (0.7%). Sales of new motor vehicles fell in WA (-4.2%) and Tasmania (-1.6%), over the year to March.

Outlook

Solid sales of new motor vehicles suggest that the Australian economy continues to expand. Ongoing low interest rates, combined with the lower Australian dollar will support economic activity and continue to create jobs. These will, in turn, continue to support sales of new motor vehicles.

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