

'Car registrations heading for 25 per cent increase'

The Society of the Irish Motor Industry (SIMI) has issued its first Quarterly Motor Industry Review in association with DoneDeal for 2016, highlight the progress which the trade had made so far this year while presenting an outlook for the coming year.

According to the report, the key drivers of new car sales are set to remain positive, with the current momentum of the Irish economy strong, employment set to increase, improved earnings and consumer confidence remaining positive.



Against this background, Jim Power Economist and author of the SIMI/DoneDeal Report stated: "New car registrations should be capable of expanding by around 25 per cent, giving total sales of 156,181 for 2016. Looking ahead to 2017, while it is impossible to forecast that far ahead with any degree of confidence, another good year should be in prospect for the auto industry."

According to SIMI Director General Alan Nolan: "The first quarter of 2016 has been a strong start for our Industry, with VAT and VRT receipts for new and used cars totalling €752.4 million, 31.4 per cent ahead of the first quarter of 2015 demonstrating that car sales continue to make an increasing contribution to the Exchequer.

"The increased growth in sales is partly due to the pent-up demand from older cars been replaced with new ones over recent years and we would expect to see the industry continuing to improve towards more normal levels of sales with a projected €1.3 billion likely to be collected for the Exchequer towards the end of 2016 for new car sales."

Figures from DoneDeal, Ireland's most popular motoring site, mirrored the growth rate seen in the Motor Industry, with their car section advertising volumes increasing by over 11 per cent on the same quarter last year, with a total advertised value of over €1.4 Billion in the Motor section alone for the first quarter of 2016.

Adding his two cents, Cathal Cremen, Commercial Manager of DoneDeal's Motor Section, stated: "With 260,534 motor ads published on DoneDeal.ie in the first quarter of 2016, the site continues to strengthen its position as the online platform of choice when it comes to the buying and selling of cars for both private individuals and professional dealerships.

"Our partnership with the SIMI dealership network is contributing positively to the range of higher value select cars on offer and the number of dealership ads now being published on the site, which has increased by 25 per cent on the same period last year."

The review also highlights that the cost of motoring in general has decreased with the price of new cars down on average 2.8 per cent, petrol prices have declined by 11.1 per cent and diesel prices also declined by 17.7 per cent in contrast the cost of motor insurance is increasing at a significant pace have again increased by 32.4 per cent in the first quarter of 2016.

Car Sales in Q1 2016

* New car sales total in first 3 months 2016 (82,830) up 28% on 2015

* Strongest Growth in Car Sales Q1 2016: Roscommon (highest) 45.1%, Longford (lowest) 17.7%

- * €752 million Exchequer contribution from car sales Q1 of 2016: up 31.4%
- * Commercial Vehicles Q1 2016: Light Commercial +33.6% (13,460) and Heavy Commercial Vehicles 62.8% (1,063)
- * Employment currently 40,600 in the motor industry
- * Cost of Motoring: Petrol prices down -11.1 %, Diesel prices down -17.7%, Insurance Costs up +32.4% Price of a new car -2.8%
- * 2016 forecast of new car sales to reach 156,181 and projected 1.3 Billion for the Exchequer.
- * DoneDeal motor ads published Q1 2016: 260,534