



T-MARK

Truck Market Data

Truck Market Comment: First Quarter, 2019

8 April, 2019

A solid first quarter

Australian truck market comment pieces are issued quarterly by the Truck Industry Council (TIC)ⁱ, owner and compiler of the official T-Markⁱⁱ truck market sales database.

The first three months of calendar year 2019 saw new truck sales fall from the record levels recorded for the same period in 2018, for the Medium and Light Duty Truck and Light Duty Van segments. However, Heavy Duty Truck sales continue to defy market trends and analyst predictions, to be up, slightly, over the record sales logged in quarter one of last year. In all, despite the weakening Medium and Light segments, the first quarter result is still the second best on record, only beaten by the January to March results from 2018. Year-to-date a total of 8,318 trucks and vans have been delivered in Australia, this is a decrease of 357 units over this time last year, a 4.1 per cent regression. Looking just at the month of March 2019 in isolation, 3,296 vehicles were sold, a decrease of 151 trucks (4.4 percent) over March 2018.

As detailed above, the Heavy Duty Truck segment was up again in March with a total of 1,185 units delivered, up slightly, 0.9 percent, or 11 trucks, on March 2018. The first quarter result is not quite as good, but still in positive territory with 2,915 Heavy sales year-to-date, representing just a 0.4 percent (12 trucks) increase over quarter one 2018 and a new record for Heavy sales for a first quarter.

The Medium Duty segment posted solid sales in 2018, however the segment is losing more ground than any other this year. March 2019 saw total sales of 664 trucks, down 10.5 percent, or -78 units, on March 2018. To the end of the first quarter a total of 1,651 Medium Duty trucks have been delivered, down by 6.6 per cent (-117 trucks) over the 2018 tally.

Light Duty truck sales (those with a GVM between 3,500 kg and 8,000 kg) saw record sales in 2018, but results this year have not been as strong. March saw sales for the small end of the truck market slide in-line with the trend seen year-to-date. 941 Light trucks were delivered for the month, down 5.3 percent (-53 trucks) over March 2018. For the quarter, Light Duty truck sales lag those of the same period last year by 6.6 percent, or -169 trucks.

Light Duty Van sales (vans with a GVM between 3,500 kg and 8,000 kg) were solid throughout 2018, leading to a new segment record by year-end 2018. Van sales in 2019 have fallen away from the record levels that were seen last year. The segment posted modest sales in March

with a total of 506 units, down 5.8 percent, or -31 vans, when compared with March 2018. The first quarter tally is tracking down by a similar percentage, with 1,346 vans delivered so far in 2019, this is down by 5.8 percent (-83 vans) compared to the end of March 2018.

Tony McMullan, CEO of Truck Industry Council, the peak industry body for truck manufacturers and importers in Australia, reflected “March sales are consistent with the trends seen in all heavy vehicle segments year-to-date, with Medium and Light Truck and Light Van segments tracking around six to seven percent down on 2018 results. The surprise continues to be the Heavy Truck segment that is in-line, or slightly ahead of the record sales that we saw for this segment last year. It should be noted that even with the mid and bottom end of the market softening, truck sales to the end of March are the second best on record. Given the potential financial market volatility that is typically associated with a federal election, the current heavy vehicle market’s strength and resilience will no doubt be tested over the course of the next few months.” Mr McMullan concluded.

ⁱ *Truck Industry Council is the peak body representing all suppliers of on-road heavy vehicles in Australia. TIC members represent 16 truck brands currently on sale in Australia, plus four truck engine and major component brands.*

ⁱⁱ *T-Mark is a database that compiles all trucks (that is, non-passenger carrying vehicles with Gross Vehicle Mass above 3,500 kg) sold into the Australian market that comply with Australian Design Rules. All road registered vehicles are captured, plus most of the off-road vehicles. Monthly data reports are made available to TIC members and the media.*

Heavy Duty Truck Segment is defined as cab-chassis type vehicles (both rigid and prime mover application) with a) Three or more axles; or
b) Two axles, a Gross Vehicle Mass greater than 8,000 kg, AND a Gross Combined Mass of more than 39,000 kg.

Medium Duty Truck Segment is defined as cab-chassis type vehicles with Gross Vehicle Mass of greater than 8,000 kg, but with a Gross Combined Mass up to and including 39,000 kg.

Light Duty Truck Segment is defined as cab-chassis type vehicles with Gross Vehicle Mass of 3,501 kg to 8,000 kg inclusive.

Light Duty Van Segment is defined as enclosed van (non passenger carrying) vehicles with Gross Vehicle Mass of 3,501 kg to 8,000 kg inclusive.

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