



6th November 2020

All heavy vehicle segments show positive growth over year-to-date sales, in October

October saw positive growth in all heavy vehicle truck and van segments over and above the yearly sales averages recorded thus far in 2020. While both the Heavy and Medium Duty segments were down on October 2019 sales, they were well ahead of sales posted year-to-date in 2020. The Light Duty Truck and Van segments were ahead of October 2019 sales results and ahead of the sales average posted to date in 2020. Year-to-date sales across all segments are down 12.0 percent, however when looking at the month of October in isolation, sales on average were down just 2.3 percent over October 2019, this is a significantly better result particularly considering that sales in Victoria have been soft due to the 112 day COVID-19 lock down.

As detailed above, Heavy Duty Truck sales were down in October when compared with 2019 results (-6.1 percent, 66 fewer Heavy trucks), however were up significantly relative to the 2020 yearly average which is running at -20.3 percent year-to-date for the HD truck segment. In 2020 a total of 8,440 trucks have been delivered, well down (-2,146 trucks) on the 10,586 trucks sold to the end of October 2019. However, the trend is looking positive for the remainder of this year with many truck OEMs reporting a solid order bank for November and December.

Year-to-date Medium Duty Truck sales have been down 14.3 percent on average with 5,372 trucks sold compared with 6,267 vehicles in 2019. However as with the HD segment, MD truck sales in October were stronger, with 536 Medium trucks delivered, down only 58 trucks over October 2019.

The Light Duty Truck sales were in positive territory in October, just, when compared with October sales last year. 934 Light Duty Trucks were sold for the month, four more than October 2019. That was a 0.4 percent improvement over the 2019 October result. Year-to-date the Light Truck segment is down on average 5.9 percent. In terms of sales numbers that looks as follows, 9,497 LD truck sales in 2019, compared with 8,934 little truck sales thus far in 2020 (-563 trucks).

Least effected of all the heavy vehicle segments in 2020, Light Duty Van sales in October were solid, up 10.2 percent for the month. 528 vans were sold in October 2020, an increase of 49 vans over the 479 sold in October 2019. Year-to-date the Light Duty Van segment trails 2019 sales by 208 units (-3.9 percent), with 5,078 vans delivered in 2020, compared with 5,282 van sales to the end of October 2019.

Tony McMullan, CEO of Truck Industry Council, the peak industry body for truck manufacturers and importers in Australia, noted the October results were a positive progression.

“Having seen the new truck sales market stabilise to a large degree in quarter three, we are now realising a level of positive growth, although slight, across the Light Truck and Van segments in October, while sales in the Medium and Heavy segments, though down on October 2019 results, were well up on the 2020 year-to-date trend.”

“These positive results across all heavy vehicle segments are most likely due to the ongoing financial benefits of the federal government’s instant asset write-off incentive, that operators can leverage.”

Mr McMullan continued, “I am pleased to see that the Truck Industry Council’s lobbying efforts, for an increase in the instant asset write-off limit and the schemes duration, were acted upon by government. With the Treasurer announcing in the recent federal budget that the \$150,000 cap was to be removed and the scheme extended until the 30th June 2022.”

Mr McMullan concluded by recognising the unique events in the state of Victoria, “While Victoria came out of their almost four month lockdown in mid-October, this likely had no positive effect on new truck sales, for the month just past, due to the lag time taken from truck order, body fit-out, to registration and customer delivery. The easing of restrictions in Victoria was pleasing for residents and should have a positive effect on new truck sales in November and December. Furthering sales gains as the year closes out.”

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.

**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.*

Please contact Mark Hammond on 0408 225 212 or m.hammond@truck-industry-council.org regarding T-Mark Truck Market Data.

Truck Industry Council Limited

ABN 37 097 387 954

GPO Box 5350, Kingston ACT 2603

T: (02) 6273 3222 E: admin@truck-industry-council.org W: www.truck-industry-council.org