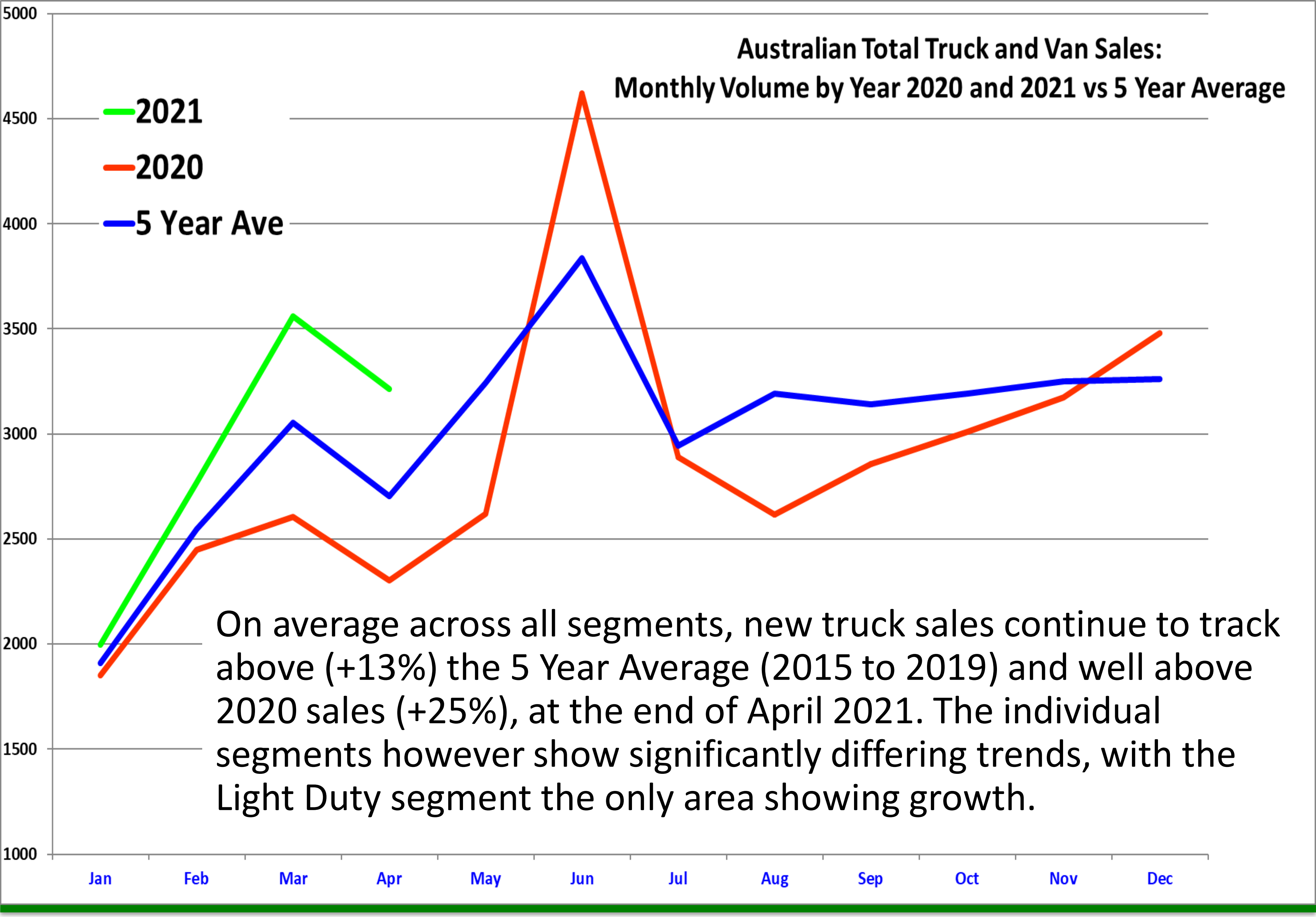
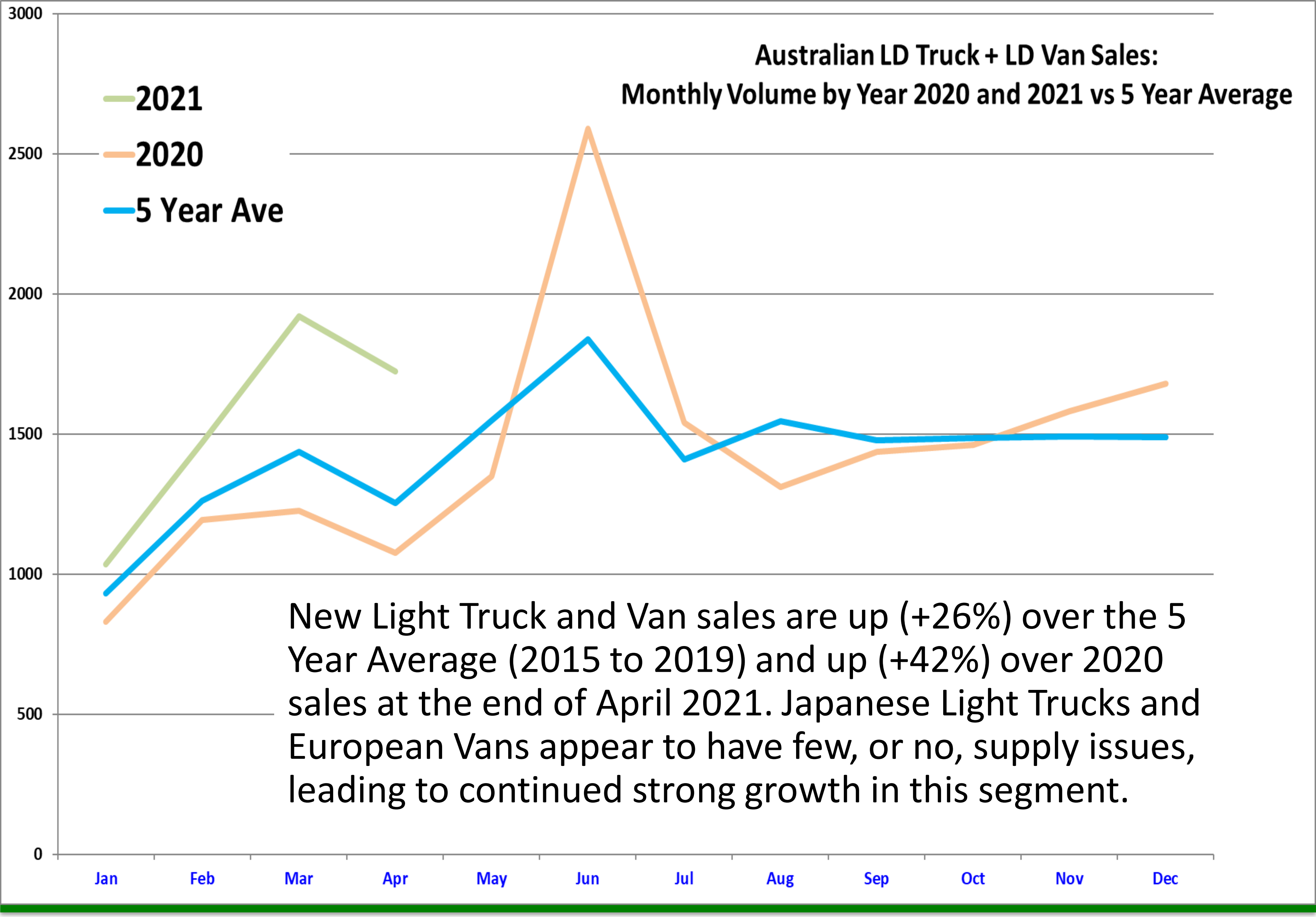
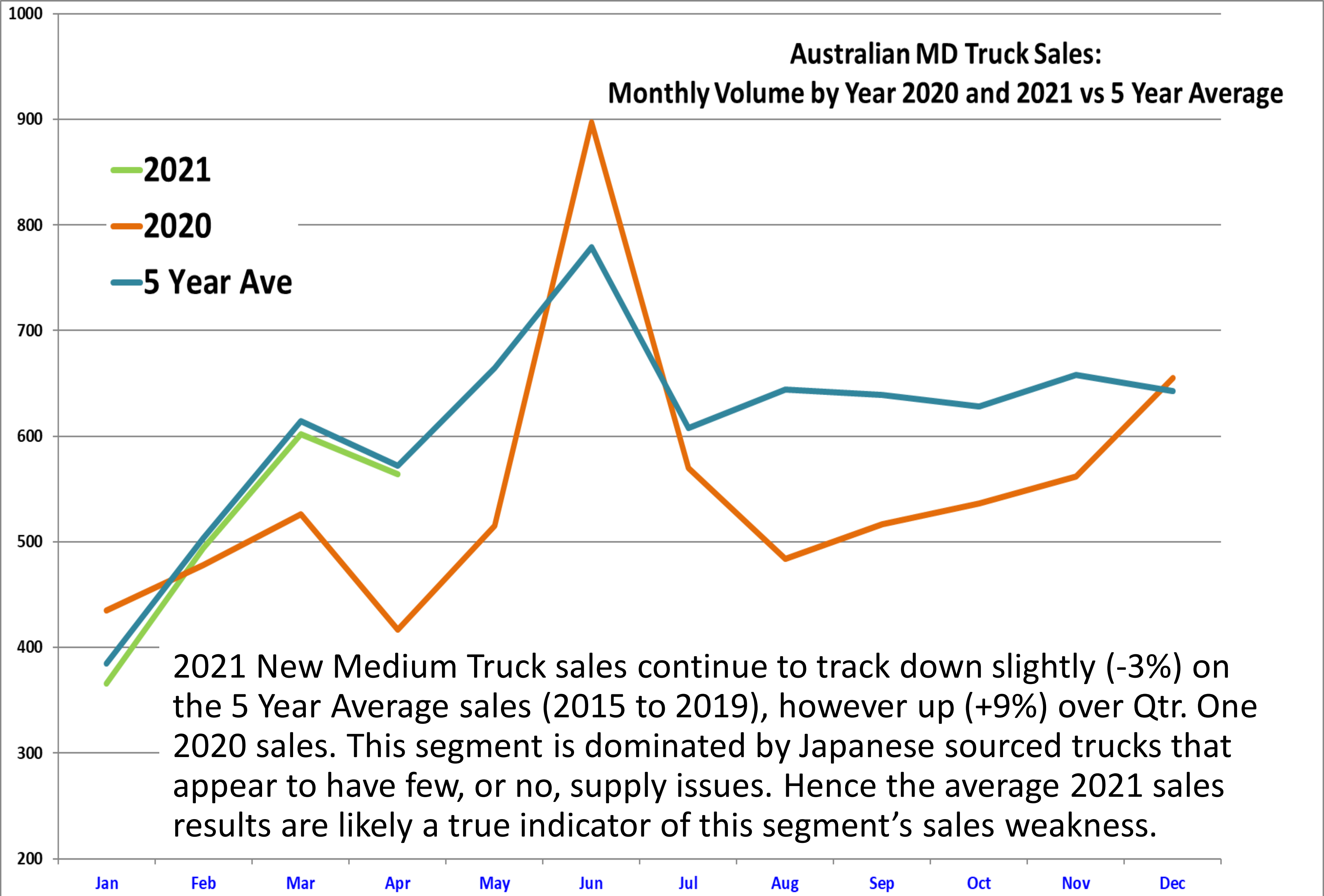


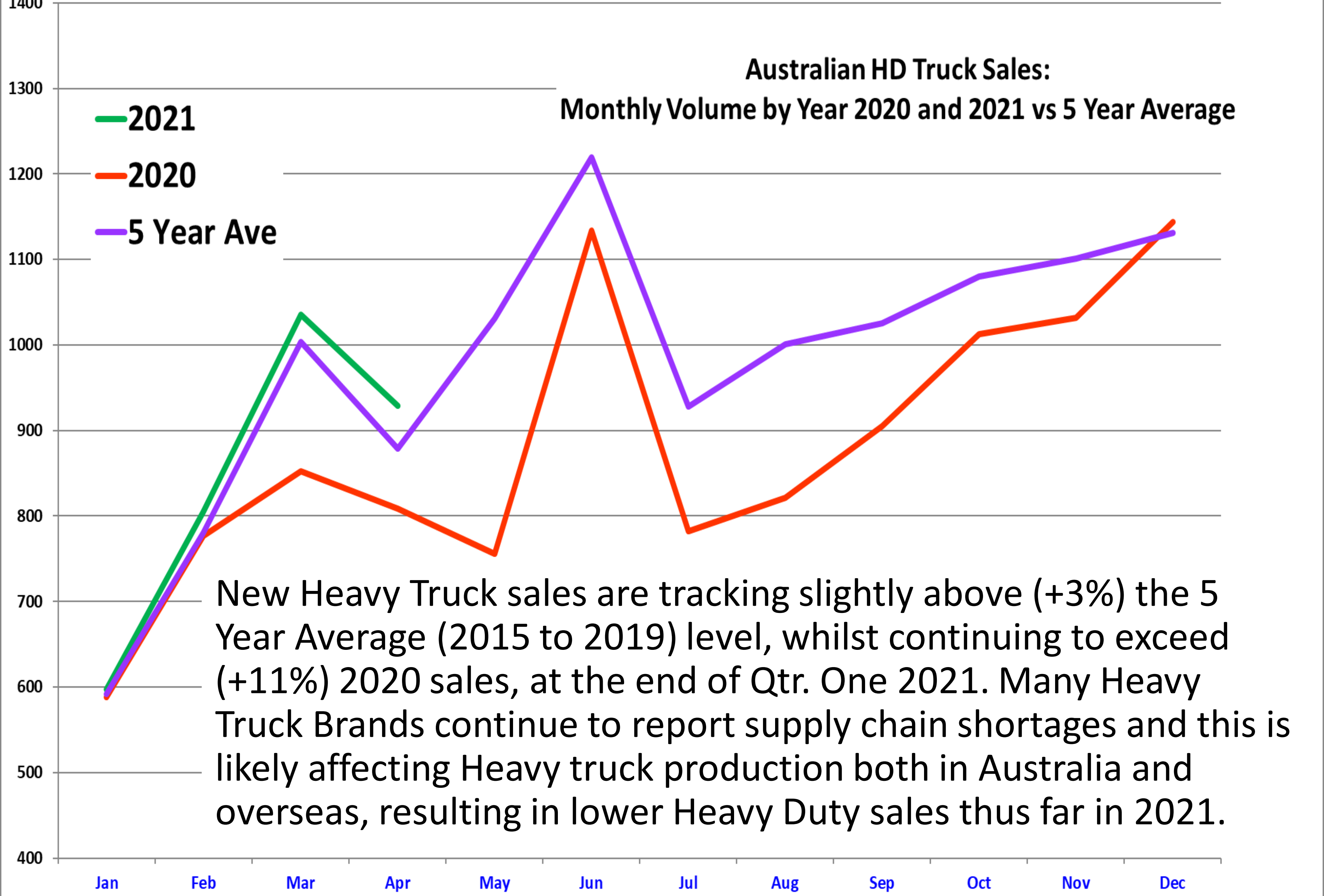

On average across all segments, new truck sales continue to track above (+13%) the 5 Year Average (2015 to 2019) and well above 2020 sales (+25%), at the end of April 2021. The individual segments however show significantly differing trends, with the Light Duty segment the only area showing growth.




New Light Truck and Van sales are up (+26%) over the 5 Year Average (2015 to 2019) and up (+42%) over 2020 sales at the end of April 2021. Japanese Light Trucks and European Vans appear to have few, or no, supply issues, leading to continued strong growth in this segment.



Australian MD Truck Sales:
Monthly Volume by Year 2020 and 2021 vs 5 Year Average
2021
2020
5 Year Ave
1000
900
800
700
600
500
400
300
200
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
2021 New Medium Truck sales continue to track down slightly (-3%) on the 5 Year Average sales (2015 to 2019), however up (+9%) over Qtr. One 2020 sales. This segment is dominated by Japanese sourced trucks that appear to have few, or no, supply issues. Hence the average 2021 sales results are likely a true indicator of this segment's sales weakness.




New Heavy Truck sales are tracking slightly above (+3%) the 5 Year Average (2015 to 2019) level, whilst continuing to exceed (+11%) 2020 sales, at the end of Qtr. One 2021. Many Heavy Truck Brands continue to report supply chain shortages and this is likely affecting Heavy truck production both in Australia and overseas, resulting in lower Heavy Duty sales thus far in 2021.

# TIC analysis and comments

- Whilst the Australian total heavy truck and van market is showing significant sales growth over the 5 year average, in reality, all the growth is in the Light Truck and Light Van segments, with the Medium and Heavy Truck segment sales tracking at about the 5 year average mark.
- TIC continues to receive feedback from many truck manufacturers and importers that international part and vehicle supply shortages, due to the global COVID 19 pandemic, are impacting on their ability to build Heavy Duty trucks in Australia and import Heavy Duty trucks from parent organisations in Europe and the USA. This problem is expected to continue until at least the middle of 2021.

# TIC analysis and comments

- Medium Duty truck sales (dominated by the Japanese brands) are weak and cannot be attributed to supply issues, as truck imports from Japan remain solid. Weak sales in this segment indicate other market forces are at play and that Government COVID 19 financial incentives are not proving to be particularly effective in incentivising operators in this segment to purchase new Medium Duty trucks.
- Supply of trucks out of Japan appears to be solid and Australian importers do not appear to be experiencing any significant shortages. Strong Japanese supply has supported very good Light Duty Truck sales in the first 4 months of 2021. European Van supply also appears to be solid, supporting strong Light Duty Van sales thus far in 2021.