

World car sales likely to grow by 3%

GENEVA, SWITZERLAND: Global sales of cars, buses, utility vehicles and trucks are expected to grow by 3% this year, down from 5% in 2012, according to a forecast published on Wednesday (6 March).



The growth forecast, presented by the International Organisation of Motor Vehicle Manufacturers (OICA) at the Geneva Motor Show, is based on figures provided by the national car federations in three quarters of OICA member countries.

The world's leading car market China was expected to see sales swell 7% to 20.6m vehicles. And the world's second-largest car purchaser, the United States, was expected to post a 6% increase to 15.7m units, according to the forecast.

Japan however will likely see car sales slump 12% to 4.7m cars due to a backlash following the economic stimulus programme after the 2011 tsunami, which led to a spike in car sales last year. The German market was also expected to slip 2% to 3.3m cars sold while Britain expects to see sales fall 1% to 2.3m. Car sales in France were forecast to shrink a full 5% to 2.2m units.

In 2012, global vehicle sales grew 5% year-on-year to 81.7m units, according to OICA. Production last year followed the same curve, with manufacturers producing 84.1m vehicles, 5% more than in 2011.

"Europe is obviously slowing in term of volumes," head of the organisation Patrick Blain told reporters at the Geneva show. "Between 2011 and 2012, all the large regions of the world saw sales rise, except south and central America and of course crisis-hit Europe, whose share of global sales dwindled from 20% to 18%.

"I don't think anybody is optimistic about Europe coming back with a positive evolution with the next few years," Blain said.

Source: *AFP* via I-Net Bridge