



Editor's Note

Although the first month of 2021 is already behind us, I would like to take this opportunity to wish all our loyal *AutoLive* readers a prosperous and profitable new year. If we learned anything in 2020 it's that South Africans are resilient and resourceful, so let's give it our best shot!



At the end of last year Lightstone, one of the leading providers of comprehensive data, analytics and systems on property, automotive and business assets, came to the conclusion that the automotive industry will take more than a year to recover from the negative impact of COVID-19 and the lockdowns.

This came after over 70 per cent of respondents across the motor industry who participated in the Lightstone Confidence Indicator in September said that business would need more than nine months to recover from the impact of COVID-19.

According to industry experts, the dramatic crash of car sales due to COVID-19 in the first half of 2020 and the subsequent convalescence in the third quarter bodes well for the 2021 industry recovery. However, pre-COVID sales levels will not be attained anytime soon due to the country's enduring recession and the creeping macro-economic effects of the Coronavirus.

Predictions are that the local automotive market will improve significantly in 2021 compared to last year and that around 460 000 sales will be achieved for the year. This translates into an increase of 21%, compared to last year's retail total.

The 30% market decline in 2020 was a huge knock to the local automotive sector, but from the fourth quarter there were indications of a revival in the demand for vehicles because of the economic recovery attributed to relaxed lockdown regulations and the improving ease of doing business. That said, it is expected that industry trading conditions will remain intensely competitive in 2021, with margins under continued pressure.

In this issue of *AutoLive*, we reflect on the year that was 2020, but we also look ahead at what the foreseeable future might hold for the local automotive and related industries. There is good news and bad, and there are some hard lessons that were – and still need to be – learned.

As always, we will be with you every step of the way and we will continue to both inform and entertain you as we bring you all the latest, news, views and opinions pertaining the industry.

May fortune once again smile on us all this year.

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