

# AutoData

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## Rota 2030 keeps itself on the route

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**Balance of the strike:**  
**less 70 thousand vehicles.**

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AutoData Seminar

# REVISION OF THE PERSPECTIVES 2018

**JUNE 25**

08h00 to 17h30  
WTC São Paulo



## THE RETURN OF THE POSITIVE NUMBERS

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# CHECK BELOW WHO ARE THE EXECUTIVES INVITED AND MAKE YOUR REGISTRATION FOR THIS IMPORTANT SEMINAR OF AUTODATA:



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President of Anfavea



**George Rugitsky**  
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**José Eduardo Luzzi**  
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# Rota 2030 keeps itself on the route

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**S**ão Paulo - The Ministry of Treasury has guaranteed: Rota 2030 will come out soon. Antônio Megale, president of Anfavea, spoke by telephone with a representative of his technical area before the press conference promoted by the entity on Wednesday, 6, to get up to date on the issue and received positive signal from the secretary.

The newspaper Valor Econômico reported that the Ministry of Treasury had alleged problems

in the text of the new automotive regime - which is almost ready - but the secretary assured the president of Anfavea that these issues were resolved internally:

“The secretary told that the issues were resolved at the meetings last week and the text is almost closed. The government has authorized me to say that Rota 2030 will be released soon.”

Megale did not want to stipulate a date, since it was not his decision, but affirmed that the secretary assured that “there is no possibility of not releasing Rota 2030 .”

The new automotive regime has been on the verge of being released last month, but the truckers’ strike froze the intentions of the federal government. Since the beginning of the year, the industry expects the release of the rules that will guide the decisions of companies in the coming years.

According to Megale, the industry does not work with a scenario without Rota 2030. Optimistic, the president of Anfavea said during the press conference that projections for production, sales, exports and segment of agricultural machinery will be revised, with new figures released in July in the balance sheet for the first semester: “The leaning is for an increase. I believe we will produce more than 3 million vehicles in 2018”.

The last time that Brazil produced more than 3 million vehicles in one year was in 2014, with 3 million 146 thousand units. The record of Brazilian industry was registered one year earlier: 3 million 712 thousand automobiles, light commercials, trucks and bus chassis.

WE

# Balance of the strike: less 70 thousand vehicles.

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**S**ão Paulo - The days of production line stoppage due to the truck drivers' strike last month caused the industry to stop producing at least 70 thousand vehicles. This was the account made by Anfavea based on information from its associates and disclosed by its president, Antônio Megale, on Wednesday, 6, during a press meeting for the monthly balance.

“The strike broke the growth that we had recorded in recent months. We lost from 70 to 80 thousand units in the production.”





212 thousand 300 automobiles, light commercial vehicles, trucks and bus chassis left the assembly lines last month, 20.2% lower than in April and 15.3% lower than in May last year. It was the worst production performance in a month this year - curiously, in addition to the estimated 70 thousand units that were not produced, May would be the month with the highest production of the year, with about 280 thousand vehicles.

Anyway Megale believes that the industry will recover the lost production, be it with overtime, increase of the rhythm of the lines or with work on the weekends: "In the last holiday of corpus christi we had factory working. In two or three months we will recover these volumes."

According to the president, the sector has been operating normally since Monday, 4. He considered, however, that some of the aftermath of the strike will still have an impact on June data, as there may be a slow recovery of certain equipment suppliers.

Year-to-date production continues to grow: 1 million 178 thousand units, up 12.1% over the period from January to May last year.

In May, the industry recorded 616 hirings, employing 132 thousand 400 people - the best result since July 2016. According to Megale there are 1 thousand 645 workers in lay off or in the PSE, Programa Seguro Empleo (Job Safety Program), a stable figure in relation to April: "There are few companies using this feature."

**WE**

# Average daily sales return to the 10 thousand range

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**S**ão Paulo - The performance of vehicle sales resumed the pace registered by the market before the truck drivers' strike. Antônio Megale, president of Anfavea, said on Wednesday, 6, that the daily average of vehicles in the first two business days returned to the level of 10 thousand units.

During the shutdown the market reached a daily average of 7 thousand units, found by AutoData.

With the shutdown, which interrupted the production of vehicles due to shortages of parts, the delivery of vehicles to the dealers was also affected. According to the balance of the entity representing the manufacturers there was a 7% decrease in sales in May compared to April because of the strike.

Megale also said that the industry can not accurately record how many vehicles were sold in the period, but stipulated, considering the pace of sales in the weeks leading up to the shutdown, that losses could reach 25 thousand units: «We will be able to recover the sales in the following months. The most important thing is that the market kept the daily volume. «

The retraction, by category, reached 8% in car sales and 1.8% in light commercials. Of the three companies that led the car market in the country up to May - General Motors, Volkswagen and FCA - GM was the one with the biggest decrease in the April-May trade comparison: minus

8.7%. Volkswagen saw sales fall 1.5%. FCA, on the other hand, registered a slight increase: 2.1% higher than in April, due to the sales performance of Jeep models.

In the category of light commercials the situation of the FCA, with the Fiat vehicles, was of retraction of the sales of April to May, 8.5% less, arriving to sell 11 thousand 832 units, the greater one of all the manufacturers that act in the segment. In Volkswagen, decrease of 5.9%, 5 thousand 675 vehicles. GM's sales increased 41.3% in the period and reached 3 thousand 984 units.

The strike, however, did not reflect sales volume in the accumulated result of the year, which continues to increase compared to the first five months of 2017. Up to May, 964 thousand 772 vehicles were sold, including cars, trucks and buses. The result represents a volume 17% higher than last year.

In the segment of commercial vehicles, sales decreased, from April to May, by 8.7%. The biggest falls recorded were the sale of medium trucks, 20.6% less, and heavy trucks, down 17.8%. The low basis of comparison that constituted the market of 2017, however, caused that the fall in sales did not reflect in falls in the annual performance of 2018.

Up to May, 26 thousand 323 trucks were sold in Brazil, up 52.7% from five months last year.

Equal scenario in the bus segment: up to May 4 thousand 464 units were up, up 28%. **WE**

# Export contracts were held, even with strike

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**S**ão Paulo - Export contracts remained unchanged even with the May truckers' strike, although the manifestation affected the volume of shipments. According to the president of Anfavea, Antônio Megale, the situation will return to normal soon.

"We have not had any contracts canceled, and that's very good. We lost a few days of shipments that will be resumed in the next few days."

During a press conference held on Wednesday, 6, to disclose the updated numbers of the industry, the president said that during the strike 15 thousand vehicles were no longer shipped, because they could not get to the ports: "These vehicles were stopped at the factories, because it was not possible to transport them to the ships".

Despite the shutdown of truckers Megale believes that the industry will reach a new record of sales to other countries this year, maintaining the projection of exporting 800 thousand units.

In May, 60 thousand 749 vehicles were exported against 73 thousand 152 units in the previous month, a 17% decrease - reflecting the truck drivers' strike. In the comparison with the same month last year, the drop was 17.3%, and in the accumulated of the year, the industry registered a rise of 1.6%, 314 thousand 96 exported vehicles.

Brazil's main commercial vehicle partner remains Argentina, where it was from January to May, 76% of total shipments. Megale said, however, that the situation in Argentina is worrying in the coming months: "Exchange volatility and higher interest rates can slow the growth of the



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Argentine market and, as a result, may affect our exports in the coming months. We have the alert signal on.”

Mexico, the second largest partner, accounted for 7% of total sales, but volume fell and this also worries: “The drop in shipments was 46%. There were 21 thousand units sold to Mexico, compared to 39 thousand units in the same period last year. The Mexican market is in decline and, faced with this situation, we have to be attentive with the fall.”

**WE**

# Stationary truck drives disturb the truck market

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**S**ão Paulo - The truck drivers' movement disturbed production and truck sales in May. The impact, according to Anfavea, was lower than that recorded in the car business. The strike at Mercedes-Benz, one of the main competitors in the segment, coupled with the shutdown of the supply of assembly lines of commercial vehicles took from the market in May from five hundred to six hundred units, according to Antonio Megale, president of the association representing the automakers.

“The impact was weaker on trucks. We are already producing almost at the same pace as the post-strike. And we remain optimistic that this volume will be recovered over the second half of the year.”

In May, 5 thousand 600 units were traded, a result 8.7% lower than the 6.2 thousand trucks sold in April. However, before May there was a 37% increase in sales. “The market was spinning at 6 thousand units a month, a bit more in some periods, signaling a significant rebound in sales. In May we lost these five or six hundred units, which made a difference in the result against the month of April.”

Considering the total sales in 2018 so far, 26.3 thousand units, the performance is 52.7% better than from January to May last year. “This result reflects last year’s poor performance. The basis of comparison is low.”

Even so, the expectation is for the recovery of the truck market this year. Anfavea projects sales of 79.5 thousand units, up 24.7% compared to 2017. Production, due to the increase in exports, will close 120.3 thousand trucks, 16.2% more than last year.

“Even with the uncertainties in the political and economic scenario and these surprises that happen from time to time in Brazil, we will keep the projection made at the beginning of the year. And who knows, we can have good news from now on.”

**WE**

# Machinery sector returns to normal status

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São Paulo - Alfredo Miguel Neto, vice president of Anfavea for the agricultural area, during a press conference in São Paulo on Wednesday, 6, said that the production of agricultural and road machinery returned

to its normal rhythm from of Monday, 4. Because of the truck drivers' strike, the companies had to stop their production for seven days, which caused falls throughout the sector.

“All the companies have been able to resume production this week. Besides the strike, what also contributed to the fall was the fact that the Plano Safra (Safra Plan) has not yet been announced. It was announced today and with this the expectation is that we will return to normal status”.

In May the production of agricultural and road machinery was 4 thousand 641 units against 5, 5 thousand machines in April, down 7.3%. Compared to the same month last year, the drop was 19.6%, with production of 5 thousand 772 units.

In the accumulated of the year were produced 21 thousand 646 machines against 22 thousand 565 in the comparison with the same period last year, a decrease of 4.5%.

Internal sales - In addition to the drop in production, the downturn also led to a drop

in all index: “Since we do not have adequate transportation at the same speed as it is produced, this also affects domestic sales and exports.”

May’s domestic sales fell by 20.6%: 3 thousand 286 units compared to 4 thousand 139 units in April. Compared with the same month of 2017, there was a decrease of 15.8%. This year, from January to May, 14 thousand 950 machines were sold against 16 thousand 480 in the same period last year, down 9.3%.

Exports - Year-to-date exports totaled 5 thousand 56 units, against 4 thousand 487 in the same period of the previous year, up 12.7%. In May 1 thousand 62 machines were shipped against 1 thousand 110 in April, down 4.3%. In comparison with May last year, 1 thousand 329 shipments, there was a decrease of 20.1%. **WE**

# The Family is now complete

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**S**ão Bernardo do Campo - The gap that existed in Toyota's portfolio in the Brazilian market is finally occupied. Since Thursday, July 7, the dealers of the brand are accepting orders to sell Yaris, the model that came to occupy the vacuum of Etios until the Corolla. All commercial plan for the middle son of the Toyota family has been developed from this concept, and the company will stop

producing the more equipped versions of its younger son Etios and the larger Corolla's entry model for Yaris to occupy this space in price, size and content.

"They will leave the market for the higher versions of Etios," said Maurilio Pacheco da Silva Neto, Toyota product manager. According to him the price-ceiling of the entry



Yaris will be R\$59,590 - value ordered by the Yaris hatch XL 1,3 manual. The most complete Yaris, XLS sedan body with 1.5 engine with CVT transmission, comes for R\$ 80 thousand, one step below the entry Corolla.

In the Toyota accounts the platform models A and B represent 62% of sales in the Brazilian market. The hatches and sedans B account for 44% of the placards, 10% are the A models, such as Mobi and up, and 8% the derivatives that came up in design of these two platforms, such as Ka Freestyle.

Yaris will attack this large - and competitive - percentage of the B. Silva Neto platform divided into two segments: the B core and the B premium. The model is, for the brand, in premium B - whose sales grew 47% from January to April, to 131.7 thousand units.

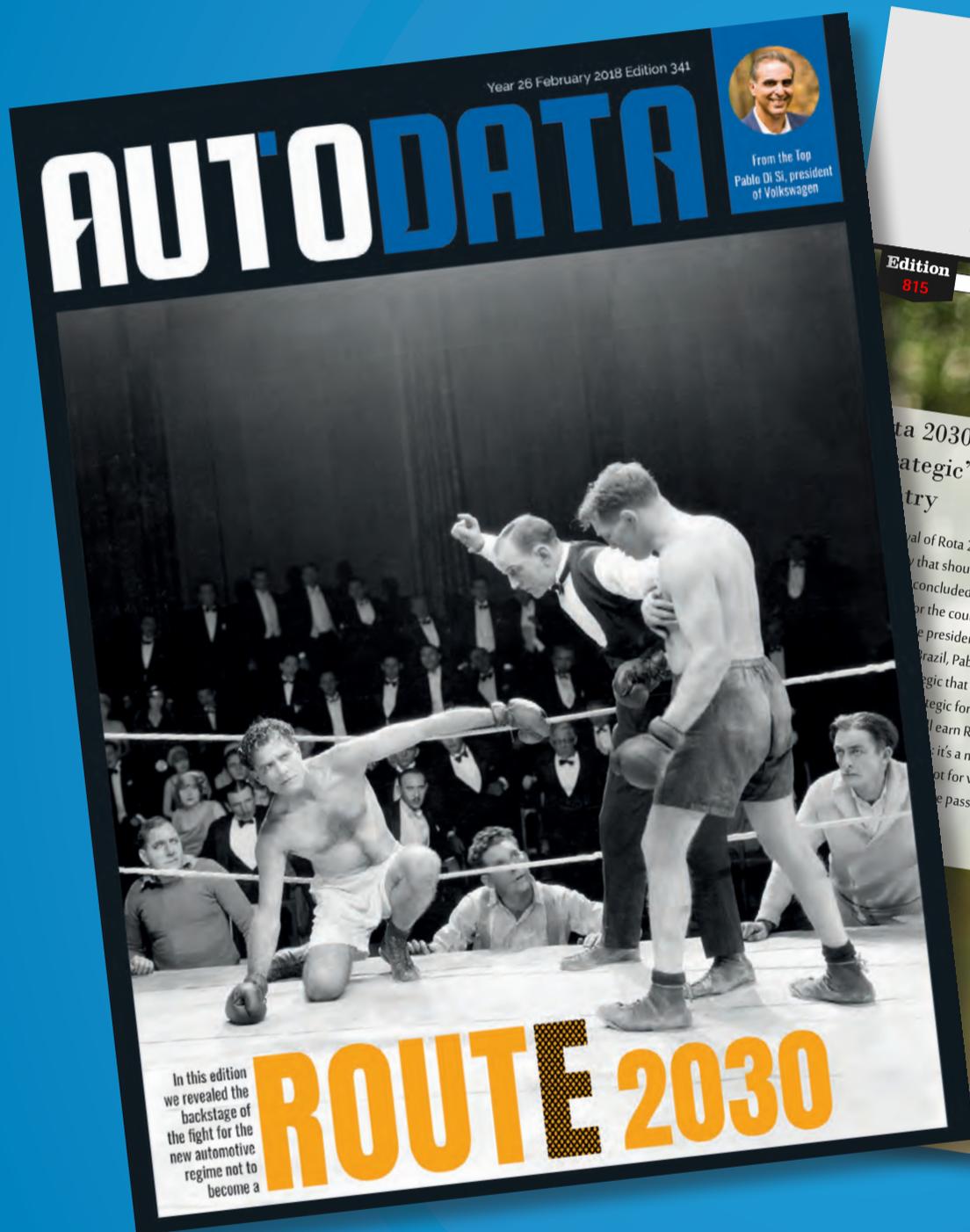
“We will seek consumer retention from the upper stratum of the Etios and those who were not able to acquire an incoming Corolla.”

Produced in Sorocaba, SP, in the same factory as the Etios model, the Yaris has two engine options: VVTi 1.3 liter and VVTi 1.5 liter flex. It is the same engine of the Etios, with some improvements, such as a new exhaust system and a recalibration process, which generated 3 hp more - 101 hp in 1.3, 110 hp in 1.5.

The automaker's goal is to market 6 thousand units per month. Consumers have ten catalog options, five hatch and five sedans. Aside from the XL, entry, all with imported CVT exchange. Only the hatch has a 1.3 liter engine in the XL manual and XL CVT versions.

For Silva Neto the most sold version will be the XL Plus Tech - R\$ 69,600 hatch, R\$ 74 thousand sedan. It features multimedia center with AM / FM radio with MP3, USB and bluetooth input, and Toyota Play - system that mirrors smartphone applications on the touch screen. The entry version already offers a generous range of items such as on-board computer, steering wheel controls, stability control, ramp start assistant and electric trio. **WE**

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