



VFACTS analysis

Q3 CY2024



Pitcher Partners' Australian Market Vehicle Facts (VFACTS) and EVC reporting for September 2024 is now here! Intentionally, we are not first to market with the new vehicles sales report to provide deeper analysis supported by our industry experience and relationships with dealers. We are happy to discuss monthly VFACTS results anytime, just reach out.

Key takeaways for the month of September 2024

- September monthly figures are down 10.4% on September last year due to weaker volumes across all segments, led by Passenger (-15.0%).
- Ford continues to hold a slim lead over Mazda with continual impressive sales in the Ranger and Everest models.
- Kia is showing up it's bigger sister brand Hyundai, with monthly growth of 4.8% compared to Hyundai's 9.4% slump for September 2024 (+5.7% vs -5.3% YTD respectively).
- Mitsubishi continues its strong year with growth up 6.4% on September 2023 figures and 24.77% YTD.
- Nissan posting a poor result in September, down 35.9% despite still being up 20.8% YTD.
- Tesla continues its decline as new entrants enter the market, down 48.8% in the month.

Dealer performance

- Front end gross margins continue to compress, driving dealers to look at the back end, F&I and aftermarket to maintain best practice profitability.
- Dealers should also be reviewing the big four expenses (floorplan, advertising, wages and rent) and well-developed strategies to manage these effectively.
- Pitcher Partners is working on cost out strategies and will be building specific supply arrangements to assist dealers to turn around their performance.
- The return to pre-pandemic gross profits and return on sales levels are now here. Dealers must focus on pro-active generation of gross and expense management is paramount.

VFACTS analysis

Inventory levels, interest rates, diminishing demand and inflation have all made Q3 2024 a tough quarter for dealers. There are few manufacturers or franchises who are not experiencing the impact of a supply push market. We are seeing the return to pre-pandemic levels of discounting, incentives and subvented finance. Pitcher Partners is here to help dealers, and sometimes that means being the bearer of bad news. We have seen dealer profits for aggregated brands go from 5% of NPS in 2022, to 3% in 2023, 1% in 2024 and negative in the first quarter 2025. Dealers need to get well in front of this early, move with intent and not hesitate to make the big changes required.

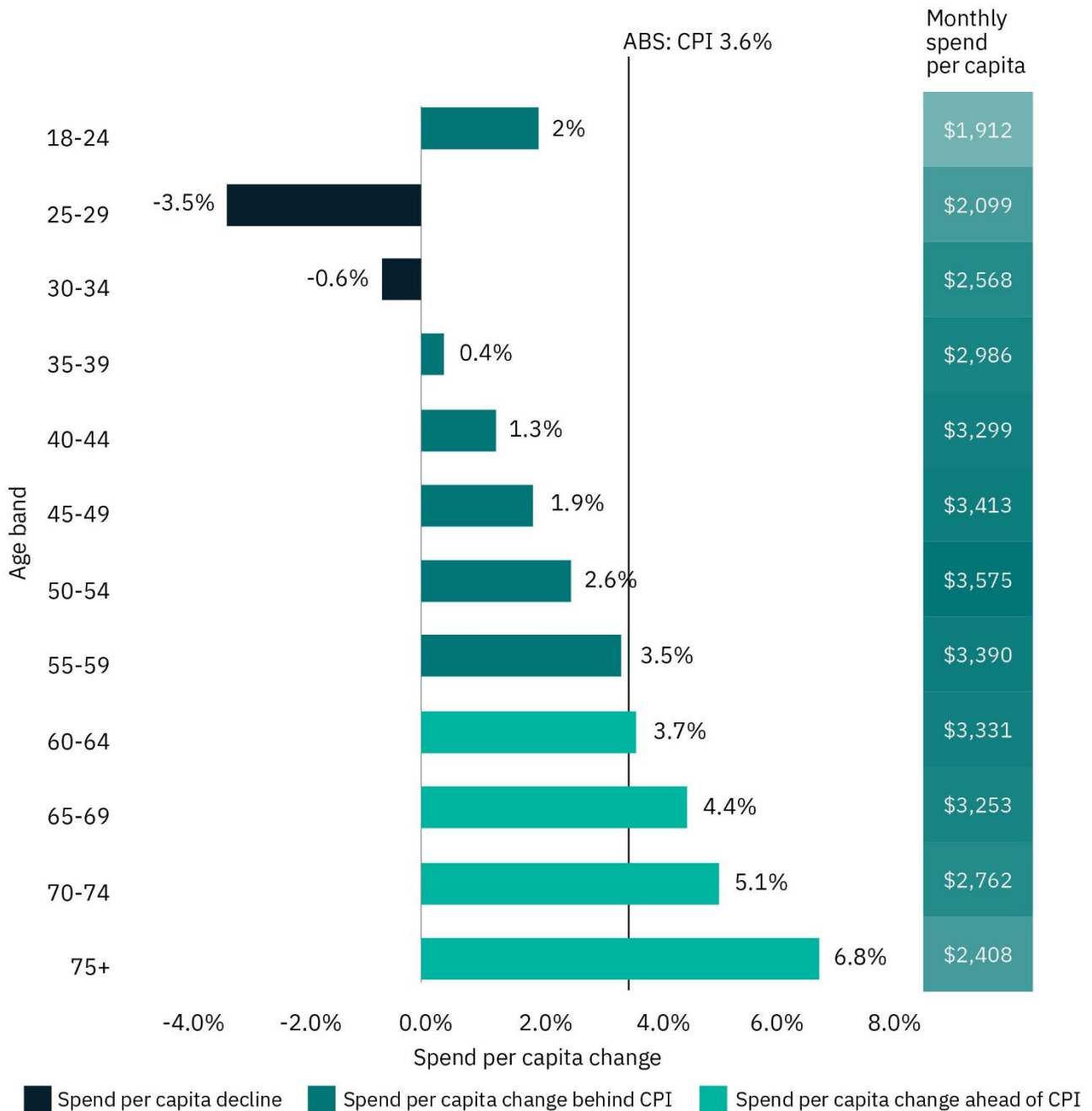
Fleets continue to creep back market share as private demand reduces

Business, Government and Rental buyers demand remains higher than the Private market. The extended period of high interest rates, high inflation and falling real wage growth is starting to take its toll on certain parts of the population. Younger Australians are reducing their spending and allocating more of their wallet to essential items. Inversely, older Australians have increased spending in both essential and discretionary categories.



Figure 9: Change in total spend per capita by age

(Average monthly spend in quarter to March 2024 compared to corresponding period 2023)



Source: CommBank iQ, Cost of Living Insights Report, May 2024.

Fleets continue been starved of stock as dealers have prioritised the more lucrative private market during the previous stock-restricted years. At the end of the day it is just economics, you sell for the highest price. In the two years prior to Covid-19, fleets sales were running at 53.6 per cent with nearly 600,000 fleet sales in 2018. September fleet market share rose to **48.1%** with year-to-date (YTD) fleet sales accounting for **46.7%** of units and are on track to deliver just over **550,000** vehicles. There still exists a large opportunity in fleet operators as they replenish older assets on top of the usual fleet renewal cycle. We see Fleets as the driving force underpinning volumes for the remainder of 2024 and into 2025 until the RBA cuts rates or the government can get a stranglehold on inflation. Unfortunately, dealers will face decreasing front end margins as a result.

This makes service retention and CRM processes paramount to the success of all dealers going in CY 2025.



Rise of the Hybrid – Decarbonisation is a spectrum and not binary (BEV only)

Hybrids have had a resurgence, up 87.0% YTD, underpinned by their stock supply increasing significantly. As supply chain issues ease and more models arrive, hybrid popularity has taken off. Of particular note is the 120.5% increase in PHEV's, which has propelled Electric (BEV and PHEV) over the 10% threshold of all light vehicles. We reiterate our position from the start, the transition to an electric future is a journey, a spectrum and is not a binary (BEV only) solution. Dealers have a very important role to play to educating consumers and assisting them on the journey, as not everyone is willing to make the change to an all-electric vehicle immediately.

As Polestar and Hyundai (through their IONIQ range) have found out the hard way, and Tesla is yet to realise, dealers perform an important role in the sales process, something that pure delivery agents cannot replicate. Survey after survey have indicated that the vast majority of consumers do not want to buy a vehicle on the internet, which logically makes sense as it is usually the second largest purchase consumers will make. It takes time to build trust and a relationship with a customer, to demonstrate the features, answer any questions and placate concerns.

Australia: A crowded market – who makes way for new entrants

We have been extremely cautious about broaching this subject publicly, however with recent brand exits, Pitcher Partners does not believe this will be the end of the trend. We are not suggesting that brands will exit the market, however, there is certain minimum sales volume or market share required to support a National Sales Company (NSC), particularly in the volume segment. Pitcher Partners sees the rise of distribution companies, representing a portfolio of brands to gain economies of scale in the back end, similar to ATECO, Inchcape or previously Sime Darby.

Brands will find it increasingly more difficult to justify a NSC in Australia in the fear of Chinese and EV Brands looking to find a foothold in the ground yet important market.

Top 15 brands by volume and market share

Top 15 brands by units sold YTD							
	Brand	Sep-24	Sep-23	Variance	YTD 24	YTD 23	Variance
1	Toyota	18,110	20,912	(13.4%)	183,606	154,659	18.7%
2	Ford	8,303	8,015	3.6%	74,564	61,204	21.8%
3	Mazda	8,201	8,031	2.1%	73,487	75,220	(2.3%)
4	Kia	7,650	7,303	4.8%	62,473	59,123	5.7%
5	Mitsubishi	6,130	5,761	6.4%	56,998	45,714	24.7%
6	Hyundai	5,633	6,217	(9.4%)	53,947	56,958	(5.3%)
7	Isuzu Ute	3,929	3,932	(0.1%)	37,577	32,341	16.2%
8	MG	3,841	5,400	(28.9%)	36,096	42,807	(15.7%)
9	Nissan	3,067	4,784	(35.9%)	34,660	28,694	20.8%
10	GWM	3,802	2,897	31.2%	31,793	25,887	22.8%
11	Subaru	3,169	4,302	(26.3%)	31,517	35,063	(10.1%)
12	Tesla	2,649	5,177	(48.8%)	30,750	37,997	(19.1%)
13	Volkswagen	3,071	4,184	(26.6%)	27,268	31,843	(14.4%)
14	BMW	2,340	2,354	(0.6%)	19,644	19,040	3.2%
15	Suzuki	1,723	1,467	17.5%	15,918	13,228	20.3%

Source: 'September 2024 VFacts report', *Federal Chamber of Automotive Industries* (3 October 2024) and 'EVC Vehicle Sales Report September 2024 Edition', *Electric Vehicle Council* (3 October 2024).



Top 15 brands by Market Share YTD							
	Brand	Sep-24	Sep-23	Variance	YTD 24	YTD23	Variance
1	Toyota	18.1	18.9	(4.0%)	19.6	17.2	14.1%
2	Ford	8.3	7.2	14.8%	8.0	6.8	17.1%
3	Mazda	8.2	7.3	13.2%	7.9	8.4	(6.1%)
4	Kia	7.7	6.6	16.1%	6.7	6.6	1.5%
5	Mitsubishi	6.1	5.2	17.9%	6.1	5.1	19.8%
6	Hyundai	5.6	5.6	0.4%	5.8	6.3	(9.0%)
7	Isuzu Ute	3.9	3.6	10.7%	4.0	3.6	11.6%
8	MG	3.8	4.9	(21.2%)	3.9	4.8	(19.0%)
9	Nissan	3.1	4.3	(28.9%)	3.7	3.2	16.1%
10	GWM	3.8	2.6	45.5%	3.4	2.9	18.0%
11	Subaru	3.2	3.9	(18.4%)	3.4	3.9	(13.6%)
12	Tesla	2.7	4.7	(43.3%)	3.3	4.2	(22.2%)
13	Volkswagen	3.1	3.8	(18.6%)	2.9	3.5	(17.7%)
14	BMW	2.3	2.1	10.2%	2.1	2.1	(0.9%)
15	Suzuki	1.7	1.3	30.2%	1.7	1.5	15.6%

Source: 'September 2024 VFacts report', *Federal Chamber of Automotive Industries* (3 October 2024) and 'EVC Vehicle Sales Report September 2024 Edition', *Electric Vehicle Council* (3 October 2024).

- Impressive first three quarters with seven of the top 15 brands recording double digit growth YTD. There are many reasons for these growth figures, e.g. subdued 2023 figures, refreshed model line ups, supply chain improving, etc.
- The poor year continues for Hyundai, MG, Tesla, Subaru, and VW results in YTD figures, down significantly despite a flat first five months to May.
- In a market that is up 4.1% (4.3% excluding Heavy Commercial), any drop in volume is concerning.

2024 sales unit volumes by buyer type (excluding Heavy Commercial)

Total Market	YTD24	Distribution	YTD23	Distribution	Variance
Passenger					
Private	96,787	58.8%	97,060	61.0%	(0.3%)
Business	50,506	30.7%	46,665	29.3%	8.2%
Gov't	4,082	2.5%	3,499	2.2%	16.7%
Rental	13,333	8.1%	11,806	7.4%	12.9%
Total	164,708	100.0%	159,030	100.0%	3.6%
SUV					
Private	320,257	61.0%	313,136	61.9%	2.3%
Business	163,676	31.2%	150,667	29.8%	8.6%
Gov't	13,512	2.6%	10,926	2.2%	23.7%
Rental	27,703	5.3%	30,852	6.1%	(10.2%)
Total	525,148	100.0%	505,581	100.0%	3.9%
Light Commercial					
Private	61,384	29.5%	59,764	30.5%	2.7%
Business	127,206	61.2%	117,914	60.1%	7.9%
Gov't	12,486	6.0%	9,849	5.0%	26.8%
Rental	6,732	3.2%	8,566	4.4%	(21.4%)
Total	207,808	100.0%	196,093	100.0%	6.0%
Total Market (Excl. Heavy Commercials)					
Private	478,428	53.3%	469,960	54.6%	1.8%
Business	341,388	38.0%	315,246	36.6%	8.3%
Gov't	30,080	3.4%	24,274	2.8%	23.9%
Rental	47,768	5.3%	51,224	6.0%	(6.7%)
Total	897,664	100.0%	860,704	100.0%	4.3%

Source: 'September 2024 VFacts report', *Federal Chamber of Automotive Industries* (3 October 2024) and 'EVC Vehicle Sales Report September 2024 Edition', *Electric Vehicle Council* (3 October 2024).



- Business buyers remain elevated year on year, up 8.3% overall with very similar increases across the segments.
- Private buyers remain up YTD, but only marginally and rental buyers continue to slip significantly in the SUV and LCV segments.
- Government buyers continue to replenish their fleets, up 20%+ across all segments.

Sales unit volumes by drivetrain

Total Market	Sep-24	Distribution	Sep-23	Distribution	Variance
Passenger					
Diesel	1,058	6.7%	1,304	7.0%	(18.9%)
Electric	2,629	16.6%	2,714	14.6%	(3.1%)
Hybrid	2,398	15.2%	3,038	16.3%	(21.1%)
Hydrogen	0	0.0%	0	0.0%	-
Petrol	9,675	61.1%	11,501	61.8%	(15.9%)
PHEV	64	0.4%	54	0.3%	18.5%
Total	15,824	100.0%	18,611	100.0%	(15.0%)
SUV					
Diesel	8,903	15.4%	11,336	17.7%	(21.5%)
Electric	3,770	6.5%	6,090	9.5%	(38.1%)
Hybrid	11,138	19.2%	7,065	11.0%	57.7%
Hydrogen	0	0.0%	0	0.0%	-
Petrol	31,748	54.8%	38,314	59.8%	(17.1%)
PHEV	2,406	4.2%	1,247	1.9%	92.9%
Total	57,965	100.0%	64,052	100.0%	(9.5%)
Light Commercial					
Diesel	19,522	90.5%	20,974	88.2%	(6.9%)
Electric	23	0.1%	17	0.1%	35.3%
Hybrid	43	0.2%	0	0.0%	-
Petrol	1,980	9.2%	2,802	11.8%	(29.3%)
Total	21,568	100.0%	23,793	100.0%	(9.4%)
Total Market (Excl. Heavy Commercials)					
Diesel	29,483	30.9%	33,614	31.6%	(12.3%)
Electric	6,422	6.7%	8,821	8.3%	(27.2%)
Hybrid	13,579	14.2%	10,103	9.5%	34.4%
Hydrogen	0	0.0%	0	0.0%	n/a
Petrol	43,403	45.5%	52,617	49.4%	(17.5%)
PHEV	2,470	2.6%	1,301	1.2%	89.9%
Total	95,357	100.0%	106,456	100.0%	(10.4%)

Source: 'September 2024 VFacts report', *Federal Chamber of Automotive Industries* (3 October 2024) and 'EVC Vehicle Sales Report September 2024 Edition', *Electric Vehicle Council* (3 October 2024).



Passenger, SUV, LCV Analysis	Sep-24	Distribution	Sep-23	Distribution	Variance
Diesel	29,483	30.9%	33,614	31.6%	(12.3%)
Electric	6,422	6.7%	8,821	8.3%	(27.2%)
Hybrid	13,579	14.2%	10,103	9.5%	34.4%
Hydrogen	0	0.0%	0	0.0%	n/a
Petrol	43,403	45.5%	52,617	49.4%	(17.5%)
PHEV	2,470	2.6%	1,301	1.2%	89.9%
Total	95,357	100.0%	106,456	100.0%	(10.4%)

Source: 'September 2024 VFacts report', *Federal Chamber of Automotive Industries* (3 October 2024) and 'EVC Vehicle Sales Report September 2024 Edition', *Electric Vehicle Council* (3 October 2024).

Passenger, SUV, LC YTD Analysis	YTD24	Distribution	YTD23	Distribution	Variance
Diesel	281,896	31.4%	270,934	31.5%	4.0%
Electric	69,962	7.8%	65,743	7.6%	6.4%
Hybrid	129,895	14.5%	69,447	8.1%	87.0%
Hydrogen	10	0.0%	2	0.0%	400.0%
Petrol	400,355	44.6%	447,527	52.0%	(10.5%)
PHEV	15,546	1.7%	7,051	0.8%	120.5%
Total	897,664	100.0%	860,704	100.0%	4.3%

Source: 'September 2024 VFacts report', *Federal Chamber of Automotive Industries* (3 October 2024) and 'EVC Vehicle Sales Report September 2024 Edition', *Electric Vehicle Council* (3 October 2024).

- PHEV's have continued their strong start to the year, up over 100% both in September and YTD.
- The return of Toyota stock has seen Hybrids return in a big way in CY24.

Inconsistent Tesla results see EV penetration drop below 10%. Tesla market share for the month drops 47% BEV market share.

September 2024 top 5 countries of origin of imported vehicles

Total Market	YTD24	Allocation	YTD23	Allocation	Variance
1 Japan	287,190	30.7%	253,157	28.2%	13.4%
2 Thailand	208,903	22.3%	188,333	20.9%	10.9%
3 China	142,534	15.2%	145,284	16.2%	(1.9%)
4 Korea	120,987	12.9%	124,603	13.9%	(2.9%)
5 Germany	42,627	4.6%	41,795	4.6%	2.0%

Source: 'September 2024 VFacts report', *Federal Chamber of Automotive Industries* (3 October 2024) and 'EVC Vehicle Sales Report September 2024 Edition', *Electric Vehicle Council* (3 October 2024).

- Chinese and Korean made vehicles concede ground to Japan and Thailand as market share for Toyota, Ford, Mitsubishi, Isuzu Ute and Nissan all made gains.
- BMW the main driving factor behind the uptick in German imports.



September 2024 top 7 vehicles sold (by category and total market)

Top 7 passenger vehicles sold YTD			
	Passenger	YTD24	YTD24 vs YTD23
1	Toyota Corolla	19,176	33.4%
2	Tesla Model 3	14,053	(3.3%)
3	Toyota Camry	13,953	95.7%
4	Kia Cerato	12,805	220.0%
5	MG MG3	9,501	(21.4%)
6	Hyundai i30	9,243	(44.0%)
7	Mazda3	8,180	13.5%

Top 7 SUV vehicles sold YTD			
	SUV	YTD24	YTD24 vs YTD23
1	Toyota RAV4	43,232	93.1%
2	Mitsubishi Outlander	21,249	19.6%
3	Ford Everest	18,613	79.3%
4	Mazda CX-5	17,677	4.6%
5	MG ZS	16,907	(27.0%)
6	Tesla Model Y	16,697	(28.8%)
7	Kia Sportage	16,095	44.8%

Top 7 Light Commercial vehicles sold YTD			
	Passenger	YTD24	YTD24 vs YTD23
1	Ford Ranger 4X4	44,559	14.4%
2	Toyota Hilux 4X4	36,501	4.7%
3	Isuzu Ute D-Max 4X4	18,349	5.2%
4	Mitsubishi Triton 4X4	10,847	8.0%
5	Toyota Landcruiser PU/CC	9,256	12.1%
6	Mazda BT-50 4X4	9,230	(14.8%)
7	Toyota Hiace Van	8,808	72.1%

Top 7 Heavy Commercial vehicles sold YTD			
	Passenger	YTD24	YTD24 vs YTD23
1	Isuzu N-Series (LD)	4,973	(10.3%)
2	Isuzu N-Series (MD)	3,101	0.8%
3	Mercedes-Benz Sprinter	2,914	21.3%
4	Kenworth	2,703	5.4%
5	Volvo Truck (HD)	2,417	(4.8%)
6	LDV Deliver 9 / eDeliver 9	2,337	(22.4%)
7	Isuzu (HD)	1,806	4.2%

Source: 'September 2024 VFacts report', *Federal Chamber of Automotive Industries* (3 October 2024) and 'EVC Vehicle Sales Report September 2024 Edition', *Electric Vehicle Council* (3 October 2024).

Top 10 vehicles sold YTD					
	All vehicles - Top 7	Sep-24	YTD24	YTD23	YTD24 vs YTD23
1	Ford Ranger 4X4	4,187	44,559	38,953	14.4%
2	Toyota RAV4	5,182	43,232	22,388	93.1%
3	Toyota Hilux 4X4	3,545	36,501	34,876	4.7%
4	Mitsubishi Outlander	2,508	21,249	17,762	19.6%
5	Toyota Corolla	1,454	19,176	14,376	33.4%
6	Ford Everest	2,902	18,613	10,383	79.3%
7	Isuzu Ute D-Max 4X4	2,108	18,349	17,435	5.2%
8	Mazda CX-5	1,799	17,677	16,895	4.6%
9	MG ZS	1,707	16,907	23,152	(27.0%)
10	Tesla Model Y	1,498	16,697	23,457	(28.8%)

Source: 'September 2024 VFacts report', *Federal Chamber of Automotive Industries* (3 October 2024) and 'EVC Vehicle Sales Report September 2024 Edition', *Electric Vehicle Council* (3 October 2024).



Steven Bragg
Partner, Motor Industry Services

m +61 437 445 200
e steven.bragg@pitcher.com.au



Aidan Cousin
Senior Manager, Motor Industry Services

m +61 433 444 338
e aidan.cousin@pitcher.com.au

We're ready to help you thrive

Since day one we've been helping businesses, families and individuals intelligently frame their goals and make the most of their potential.

Today, we're one of the largest accounting, audit, and business advisory firms in Australia. We work with middle market businesses, from family-run companies to renowned industry leaders and iconic brands. And help families and individuals manage their wealth across generations.

If you've got ambition, we're the team you want on your side.

Local knowledge, national footprint

Pitcher Partners is a national association of six independent accounting, audit, and business advisory practices. You'll find our firms in Adelaide, Brisbane, Melbourne, Newcastle and Hunter, Perth, and Sydney. Each firm has a unique character, with a strong connection to the local community. Supported by our combined resources, we deliver Australia's most personalised and responsive assurance and advisory services. And if you're thinking beyond the border, we can support your global operations and ambitions through the Baker Tilly International network.

We'll always make it personal

At the heart of Pitcher Partners is the idea that business is never just business. We're known for the dedication we give to building great relationships, and it's been that way from the start. People first.

Everything we do is grounded in communication and collaboration. We're here for that frank, refreshing and always informed discussion that leads to new ideas and better decisions. And we're here for you. Whatever your goals, we can get there together.

Pitcher Partners. Making business *personal*.