

Car sales stay in top gear

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Car sales surged in the first quarter of 2017, driving an increase in total retail trade sales, Stats NZ said today.

After adjusting for seasonal effects, the motor-vehicles industry had a record 5.9 percent increase in the March 2017 quarter, and accounted for over half the increase in total retail sales volume for the quarter.

"Car sales have shown consistent growth over the past year, with higher sales of both new and used vehicles in a buoyant market," senior business indicators manager Neil Kelly said.

"The demand for cars may reflect New Zealand's growing population, with net migration remaining at record levels into 2017, and the relatively low cost of new vehicles."

After adjusting for seasonal effects, the total retail sales volume rose 1.5 percent in the latest quarter. This followed a 0.9 percent rise in the December 2016 quarter.

Nine of the 15 industries had higher sales volumes in the latest quarter, with the largest increases in:

- motor-vehicle and parts retailing – up 5.9 percent
- food and beverage services – up 3.5 percent
- electrical and electronic goods – up 5.3 percent.

Retail sales values dominated by rises for cars and fuel

When the effect of price changes is included, the seasonally adjusted value of total retail sales rose 2.6 percent (\$558 million) for the March 2017 quarter. This followed a 1.6 percent (\$325 million) rise in the December 2016 quarter.

Eleven of the 15 retail industries had higher sales values in the latest quarter, with the two motor-vehicle-related industries dominating the total sales value increase:

- motor-vehicle and parts retailing – up 5.9 percent (\$179 million)
- fuel retailing – up 6.5 percent (\$122 million).

In actual terms, the value of total retail sales was \$21.5 billion in the March 2017 quarter, up 6.7 percent (\$1.3 billion) from the March 2016 quarter.

Ends

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Authorised by Liz MacPherson, Government Statistician, 15 May 2017