

Vehicle Registrations

September 2014

Release date: 11th November 2014

	Sep 14	Aug 14	Jul 14	Jun 14
New Registrations	170	144	187	169

Registrations lift for all categories

September's vehicle registrations recorded an 18.1 per cent growth over the month due to increases across all major vehicle categories. The increase in 'other' was due mainly to an increase in taxis & rentals registrations. Liaison with taxis and rental companies indicated that their main customers are tourists. The increase might be suggestive of increasing confidence in the transport business and business' expectation of a lift in tourist activities in the near future.

In year-ended terms, vehicle registrations remained firm, again, with contribution from all major categories. Vehicle payments recorded in banks' overseas transactions data have also more than doubled over the year to date in real terms. Liaison suggests the accessibility of cheaper cars, through easier international market contact to be the main factor driving the lift. The decline in vehicle lending and the additional 63.8 per cent decrease in new commitment also support this notion. These developments will have an impact on growth in the transport sector and; an expected increase in oil consumption and importation will most likely ensue. Consumption tax data has shown an increase of 10.4 per cent in oil sales while prices have only gone up by about 1 – 2 per cent over the year to July 2014.

Looking forward, the NRBT anticipates continual growth for vehicle registrations in the near-term. As an offsetting factor; the USD, which we make most vehicle payment with, has been appreciating against the pa'anga over the last three years. Tonga's real exchange rate index has similarly been depreciating, placing pressure on import prices. We do not expect the developments contained in this release to exert stress on foreign reserves or the NRBT's monetary policy settings in the near future.

Number of vehicles during each period

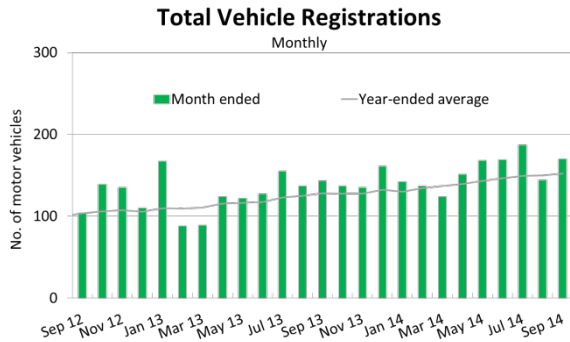
	Month ended				Year ended			Memo Share*
	Sep 14	Aug 14	Jul 14	Sep 13	Sep 14	Sep 13	% growth	
Total vehicles	170	144	187	143	1825	1536	18.8	100
Cars	66	60	64	56	699	542	29.0	38
Light vehicles+	63	59	79	71	765	720	6.3	42
Heavy vehicles++	19	13	18	8	177	157	12.7	10
Other	22	12	26	8	184	117	57.3	10

* Based on year-ended vehicle registration numbers.

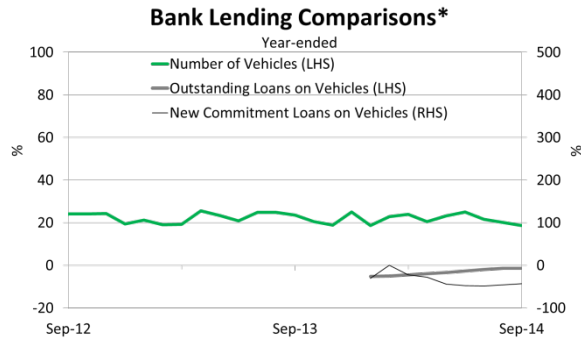
+Vehicles lighter than 1500kgs excluding cars

++Vehicles heavier than 1500kgs excluding Buses

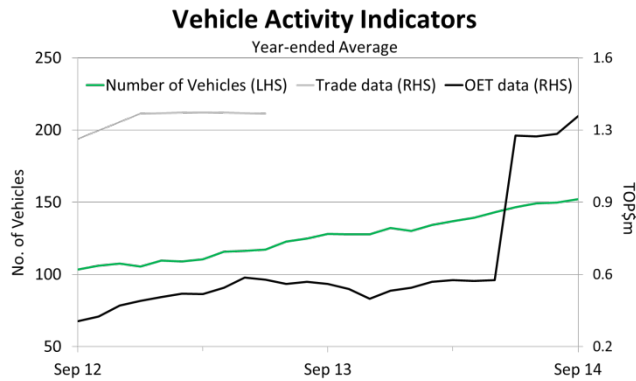
Source: Ministry of Infrastructure



Source: Tonga Department of Statistics, NRBT, Banking System



* YoY growth in banking data are temporarily unavailable from Jan 2012 due to a reporting change. Sources: NRBT, Banking System



Source: Tonga Department of Statistics, NRBT, Banking System