

Vehicle Registrations

June 2017

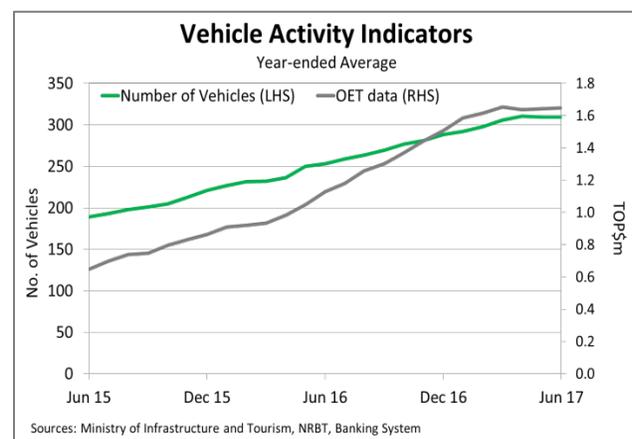
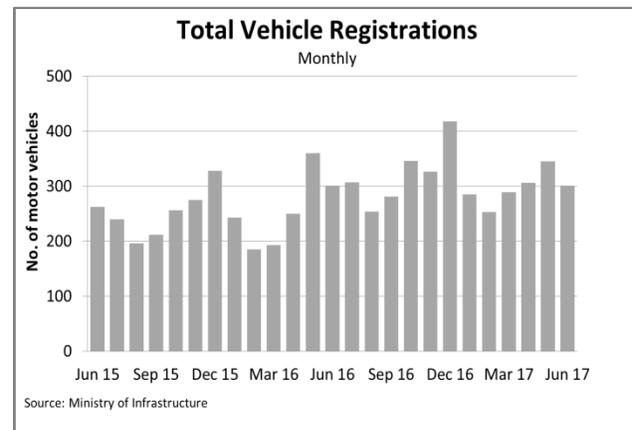
Release date: 1st September 2017

	Jun 17	May 17	Apr 17	Mar 17
New Registrations	300	345	306	289

Decline in taxis and rental registrations pushed total vehicle registrations lower

Over the month to June 2017, the total number of vehicle registrations fell by 45 (13.0%). This is similar compared to the movement recorded in June 2016. The major decline in taxis and rental vehicles registrations by 21 (67.7%) during the month was the main cause. This was driven by a fall in demand of local taxis and rental businesses for new vehicles as reflected by the supply of taxis and rental vehicles were remaining at considerable level in June 2017. Additionally, the decrease in other heavy vehicle registrations by 13 (39.4%) contributed to the overall decline. The government vehicles registrations, on the other hand, slightly rose by 6 vehicles during the month.

However, over the year ended June 2017, the total number of vehicle registrations rose by 672 (22.1%) reflecting the continued strong demand for vehicles. Majority of the annual rise in registered vehicles were for cars which increased by 296 (23.7%) followed by a 238 (20.4%) rise in



light vehicle registrations. The rise in vehicle registrations over the year was in line with the \$7.2 million (56.6%) rise in import payments for vehicles recorded in Overseas Exchange Transactions report. Moreover, the rise in purchasing power of the returning Recognised Seasonal Employees (RSE) may have also contributed to the annual rise. The annual rise in the level of vehicle registrations can also be attributed to the availability of vehicles' hire purchase, and the convenience of vehicle online purchasing.

Vehicle registrations are projected to increase in the near term. This is supported by the return of Recognised Seasonal Employees from Australia and New Zealand. Furthermore, locals' preference for the second hand cars ordered online from Japan is expected to remain high as the price is cheaper and the road conditions in Tonga are improving, this would support more imports of vehicles in the future. Therefore, vehicle registrations are expected to rise in the near term.

Total Number of Vehicle Registrations

	Month ended				Year ended			Memo Share*
	Jun 17	May 17	Apr 17	Jun 16	Jun 17	Jun 16	% growth	
Total vehicles	300	345	306	300	3,710	3,038	22.1	100
Cars	125	138	108	117	1,547	1,251	23.7	42
Light vehicles+	132	134	118	118	1,407	1,169	20.4	38
Heavy vehicles++	20	33	28	28	330	262	26.0	9
Taxis and rentals	10	31	40	28	304	280	8.6	8
Motorcycles	2	3	4	1	44	15	193.3	1
Government vehicles	9	3	6	5	53	38	39.5	1
Buses	2	3	2	3	25	23	8.7	1

* Based on year-ended vehicle registration numbers.

+Vehicles lighter than 1500kgs excluding cars

++Vehicles heavier than 1500kgs excluding Buses

Source: Ministry of Infrastructure and Tourism