

Vehicle Registrations

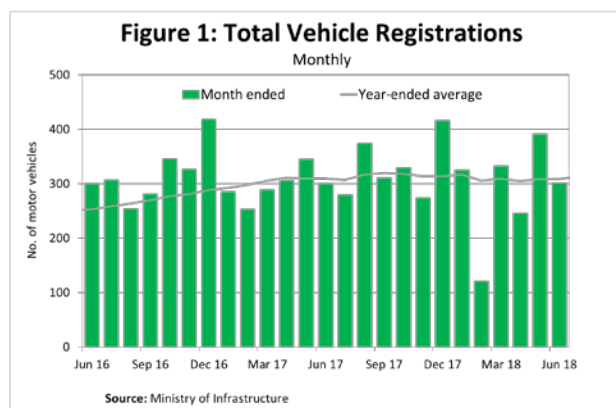
June 2018

Release date: 5 October 2018

	Jun 18	May 18	Apr 18	Mar 18
New Registrations	301	391	246	332

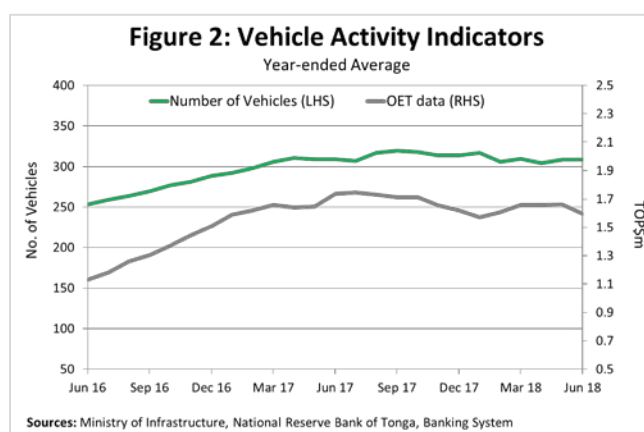
Decline in taxi, rental and cars registrations pushed total vehicle registrations lower

The total vehicle registrations declined over the month of June by 90 registrations (23.0%), recording a total of 301 registrations. This is higher than the monthly average of 231 vehicles in the past five years. After the high number of registered taxis & rentals and cars last month, it contributed to the lower number of total registrations in June 2018. As a result, the registration of taxis & rentals and cars declined by 50 and 47 registrations respectively. However, the registrations of other vehicle types such as government and heavy vehicles slightly increased over the month.



Import payments for vehicles however rose over the month by \$0.2 million (13.4%) coinciding with a rise in new commitment loans for vehicle by \$0.2 million in June 2018 which may indicate a continued strong demand for vehicles.

Over the year to June 2018, the total number of vehicles registered declined by 11 (0.3%) registrations. The decline in the registration cars and other light vehicles, motorcycles and buses outweighed a rise in registration of heavy vehicles, government, taxis and rental vehicles. However, the payments for the import of vehicles recorded in the Overseas Exchange



Transactions reports declined by \$1.7 million (8.1%) over the year to June 2018. This reflects the popularity of people going overseas and buy their vehicles or receiving it as a form of gift from family members abroad.

Vehicle registrations are projected to increase in the near term. This is supported by the return of seasonal workers from Australia and New Zealand. Furthermore, locals' preference for 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. Accordingly, the Reserve Bank's liaison program reflects that the number of car dealers and vehicle businesses are increasing. These would support more imports of vehicles in the future.

Total Number of Vehicle Registrations								
	Month ended				Year ended			Shares of Total*
	Jun 18	May 18	Apr 18	Jun 17	Jun 18	Jun 17	% growth	
Total vehicles	301	391	246	300	3,699	3,710	-0.3	100
Cars	127	174	118	125	1,539	1,547	-0.5	42
Light vehicles+	107	107	79	132	1,320	1,407	-6.2	36
Heavy vehicles++	42	37	30	20	385	330	16.7	10
Taxis and rentals	16	66	17	10	337	304	10.9	9
Motorcycles	2	0	0	2	30	44	-31.8	1
Government vehicles	7	5	2	9	74	53	39.6	2
Buses	0	2	0	2	14	25	-44.0	0

* 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