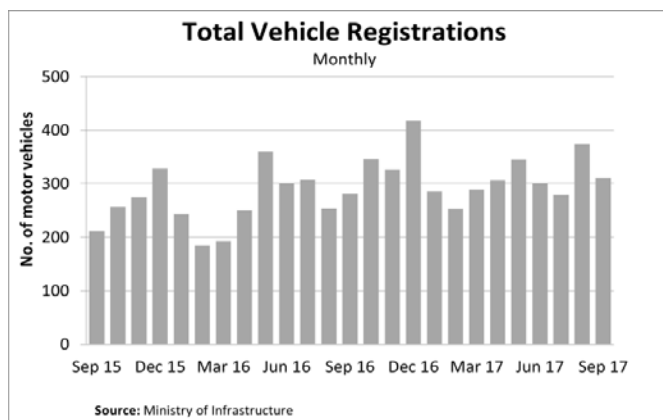


Vehicle Registrations September 2017

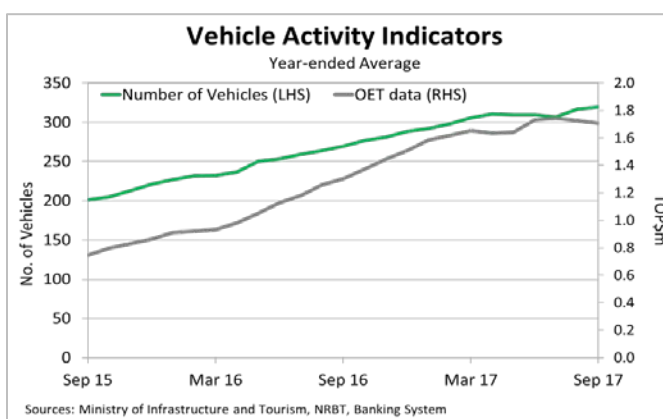
	Sept 17	Aug 17	Jul17	Jun 17
New Registrations	311	374	279	300

Registrations dropped for all categories except light and heavy vehicles

The total number of vehicle registrations for September 2017 declined by 63 vehicles (34.1%) to 311 registrations, compared with the 374 totals of registrations recorded last month. The fall in total number of vehicles registered was due mainly to a decrease in all categories except for light and heavy vehicles registration.



The registration of cars decreased the most by 35 vehicles (21.7%), followed by a fall of 31 (93.9%) and 13 (41.9%) registrations of government vehicles and taxis and rental vehicles respectively. The decline in vehicle registrations was in line with the \$0.1 million fall in banks' vehicle loans over September. This also reflected the return of Recognised Seasonal Employees (RSE) last month contributing to high registrations in August. Registrations of the Government vehicles fell due to vehicles provided as grants from development partners in the previous month. Despite the fall in total volume of vehicles registered in September, the total vehicles import



payments rose by \$0.2 million (10.5%). In contrast, registrations of light and heavy vehicles increased over the month by 3 (2.4%) and 10 (45.5%) registrations respectively.

In year ended September 2017, the total number of vehicles registered increased by 600 registrations (18.6 %), reflecting the continued strong demand for vehicles. Majority of the annual rise in registered vehicles were for cars which rose by 302 (23.1 %) followed by a 192 (15.5 %) rise in light vehicle registrations. The annual rise was in line with the \$4.9 million (31.2 %) increase in import payments for vehicles recorded in the Overseas Exchange Transactions reports. Moreover, the rise in purchasing power of the returning Recognised Seasonal Employees may have also contributed to the annual rise. The annual increase in the level of vehicle registrations can also be attributed to the availability of hire purchase options for consumers wishing to buy vehicles, and the convenience of purchasing vehicles online.

Looking forward, vehicle registrations are projected to rise in the near term. This is supported by the return of Recognised Seasonal Employees from Australia and New Zealand in the coming months. Additionally, the upcoming holidays and Christmas season may contribute to higher demand for vehicles. Furthermore, preference for the second hand cars ordered online from Japan by locals is expected to remain high as the price is cheaper and the road conditions in Tonga are improving, hence more imports of vehicles in the future.

Total Number of Vehicle Registrations

	Month ended				Year ended			Memo Share*
	Sep 17	Aug 17	Jul 17	Sep 16	Sep 17	Sep 16	% growth	
Total vehicles	311	374	279	281	3,832	3,232	18.6	100
Cars	126	161	106	102	1,611	1,309	23.1	42
Light vehicles+	129	126	99	106	1,428	1,236	15.5	37
Heavy vehicles++	32	22	27	34	318	300	6.0	8
Taxis and rentals	18	31	32	14	339	279	21.5	9
Motorcycles	2	1	3	13	37	23	60.9	1
Government vehicles	2	33	12	10	76	61	24.6	2
Buses	2	0	0	2	23	24	-4.2	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