

Russian Car Sales Fall in August

By [bne IntelliNews](#)

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The Russian car market has been struggling to recover this year. **Pixabay**

Russia's car and light commercial vehicle (LCV) sales declined 1.3% year-on-year to 145,545 units in August, pulling sales for the first eight months of 2019 down by 2.3% to 1.1 million, according to the latest data from the Association of European Businesses (AEB).

The market could end up flat to slightly positive for the year, VTB Capital (VTBC) said in a research note, depending on how efficient government support is in stimulating demand for the remaining months of the year.

“We also highlight the strong sales of the Ford Transit, which Sollers consolidated from July, over the past couple of months,” VTBC said.

Ford Sollers, a joint venture between car major Ford and car assembler Sollers, said on March 27 it would stop the production of Ford-branded cars in Russia and downsize its staff. Ford will also stop importing its vehicles to Russia. Sollers took over the joint venture and has been restructuring its business since then.

The Russian car market has been struggling to recover this year. It saw some growth in March after several months of decline, but the recovery has stalled and sales have failed to gather any momentum.

Russia's AvtoVAZ, with its Lada brand, remains the market leader with a 21% market share. The company continues to outperform the market, and grew 5% year-on-year in August.

The crisis in the car market has been a boon for Avtovaz, which has seen customers flock back to the Russian carmaker after abandoning it in the boom years for foreign brands. The company made its first profit in a decade last year and is trying to consolidate its position with new models.

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