THE COMMERCIAL VEHICLES SECTOR IS FACING ITS WORST-EVER RECESSION. EVEN THE STIMULUS IT IS BAKING ON MAY NOT WORK. 

By W. HUGHANT

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altbus set sail, the bus has never been more

fashionable, for this is the age in which the

dollar has made a comeback and it has

commanded the limelight of the sales charts.

The industry had been growing at a

healthy rate, with the highest sales in a

number of years. The new bus has

been seen as a symbol of progress, a

item of prestige, and a means of

transportation.

Indications are that the pace of commercial

vehicle sales will remain steady for the

foreseeable future.

GLOOM AND DOOM Implications of the recession

- Voids stuck with the
capacity to produce equal to 5 months’
sales
- Average discounts as high as 22 per cent
- Track utilization levels at 45 per cent
- Rail and road traffic still in the
third quarter of 2014

ALL FALL DOWN Sales of every kind of commercial vehicle have been declining

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sales
- Average discounts as high as 22 per cent
- Track utilization levels at 45 per cent
- The rail traffic has fallen even further

YOU ARE A REPUTED ECONOMIC FORECASTER, BUT THE SECTOR SEEMS TO BE IN A RECESSION. WHAT ARE YOUR THOUGHTS?

I fully understand your concern. The commercial vehicles sector is indeed facing a significant downturn. Various factors are contributing to this trend, including economic slowdowns, increased competition, and changes in consumer preferences.

- **Voids stuck with capacity:** Many manufacturers are facing higher inventory levels, which is causing a decrease in sales.
- **Average discounts:** High discounts are being offered to clear stock, indicating a decrease in demand.
- **Track utilization levels:** These levels have dropped significantly, suggesting a decrease in production.
- **Rail traffic:** The rail traffic has also declined, indicating a decrease in demand.

Overall, it seems that the market is in a recession phase, and it may take some time for the industry to recover. However, there are signs of optimism, such as the increasing demand for alternative fuel vehicles, which may drive growth in the future.