
Rays of recovery - Indonesian car sales in October up by 40pct MoM

Sunday, 22 Nov, 2009

The Jakarta Post reported that Indonesia's domestic car sales enjoyed a good month in October 2009 as 40% MoM more cars were sold compared to a month before, signalling a steady move towards full market recovery. Producers, however, were not so sure.

The total number of cars sold in October reached 52,241, significantly up from 37,209 in September when sales suffered from a shorter period of working days due to the Ramadan holiday season.

Mr Johnny Dharmawan Danusasma president director of Toyota Astra Motor said that he had already predicted that car sales growth would jump in October. He added that "September was a short month because of the fasting month and the Idul Fitri holidays. That is why our sales in September were small."

The House of Representatives passed the law on regional taxes and levies in August, introducing new vehicle tax regulations by which car owners are to pay more tax for each additional private vehicle owned. The maximum tax rate for a single owner is 10% of the value of the vehicle.

The Indonesian Automotive Industry Association, which groups together the country's car distributors, is now consulting with the government on how to arrive at the best way to implement the new law without major negative affects on the car industry.

(Sourced from www.thejakartapost.com)

For more news visit at www.steelguru.com