

Vehicle Registrations

October 2014

Release date: 17 December 2014

	Oct 14	Sep 14	Aug 14	Jul 14
New Registrations	211	170	144	187

Registrations increased to a new high

Vehicle registrations recorded its highest level over a month since July 2006 with a 24.1% growth during October. The rise was due to increases in almost all major vehicle categories and especially 'light vehicles' with 46.0% growth and the largest share in vehicle registration.

Total vehicle registrations over the year to October also remained firm, with increases in all categories except for motorcycles and buses. The decline in bus' registrations interestingly coincides with the rise in taxis and rentals. This might suggest a general expectation among the formal transportation sector of an increase in consumption. The 52.3% increase in vehicle payments made through the banking system and the 21.1% rise in vehicle lending also support this notion. As earlier liaison suggested; the lighter and inherently cheaper vehicles are the main drivers for the lift and perhaps for the change in consumer behaviour.

Looking forward, the NRBT anticipates continual growth for vehicle registrations in the near-term. As an offsetting factor; the U.S. dollar, which we make most vehicle payments with, has been appreciating against the pa'anga over the last three years. Tonga's real exchange rate index has similarly been depreciating, placing pressure on import prices. Foreign reserves remain at a comfortable level and the developments contained in this release do not warrant a change in the NRBT's monetary policy settings in the near future.

Total Number of Vehicle Registrations

	Month ended				Year ended			Memo Share*
	Oct 14	Sep 14	Aug 14	Oct 13	Oct 14	Oct 13	% growth	
Total vehicles	211	170	144	137	1899	1534	23.8	100
Cars	70	66	60	52	717	546	31.3	38
Light vehicles+	92	63	59	57	800	722	10.8	42
Heavy vehicles++	25	19	13	17	185	150	23.3	10
Taxis and rentals	15	15	12	10	132	55	140.0	7
Motorcycles	1	1	0	0	20	23	-13.0	1
Government vehicles	6	5	0	0	32	16	100.0	2
Buses	2	1	0	1	13	22	-40.9	1

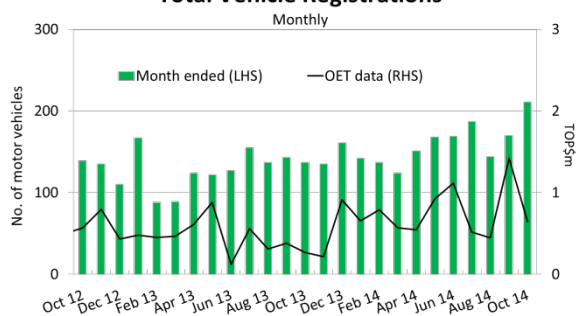
* Based on year-ended vehicle registration numbers.

+Vehicles lighter than 1500kgs excluding cars

++Vehicles heavier than 1500kgs excluding Buses

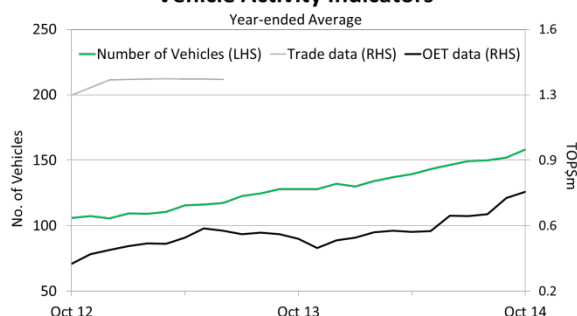
Source: Ministry of Infrastructure

Total Vehicle Registrations



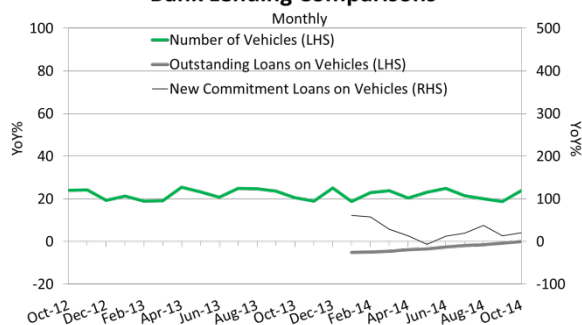
Source: Tonga Department of Statistics, NRBT, Banking System

Vehicle Activity Indicators



Source: Tonga Department of Statistics, NRBT, Banking System

Bank Lending Comparisons*



* YoY growth in banking data are temporarily unavailable from Jan 2012 due to a reporting change.
Sources: NRBT, Banking System