
After Record Year Brazil Automakers Upbeat for 2005

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Brazil's automaker association (Anfavea) says it expects 2005 to be another good year for Brazilian automakers with further increases in production, exports and domestic sales.

Brazilian vehicle production rose 20.7% in 2004, compared to 2003. The strong performance was boosted by exports, which rose 51.8%, and domestic demand, up 10.5%.

Foreign sales of Brazilian-made vehicles brought in revenue of US\$8.3 billion in 2004. Another bright spot in this picture is the fact that the sector added 11,000 new jobs. Employment in the sector thus rose from 91,000 to 102,000.

The Brazilian automotive industry close 2004 with record production and export levels. The previous production record had been established in 1997, when 2.07 million units were manufactured.

Between January and November, Brazilian vehicle production has already reached 2.02 million, which means a 20.8% increase over the same period of the previous year.

November was also the second best month in production level. 201,000 units were manufactured, a figure which is only inferior to the September volume of 203,000 cars.

Golfard stated that the production rhythm in the automobile industry will carry on being determined by the foreign market. In 2005, the increase should be maintained, however, by a smaller percentage. Estimates by Anfavea indicate a 7% increase for Brazilian automobile exports and revenues of US\$ 8.6 billion.

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