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## Lower Sales Overseas Put a Break on Brazil's Autoindustry

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Brazil autoindustry's slow pace of production in the first quarter is due to the reduction in exports during the period, according to the president of the National Association of Manufacturers of Automotive Vehicles (Anfavea), Rogélio Golfarb.

Data just released by the Association show that exports fell 9.5% in the quarter when compared to the same period last year.

This year were exported 182,129 units while 201,243 were exported last year. Compared to February exports grew 6.8% (68.581 against 64.233), but they fell 5.3% when compared to March 2006 when 72.404 vehicles were sold abroad.

In March the car companies produced 246,475 vehicles against 203,450 in February (21,1% more). In comparison with the same month last year, the production was 7.4% bigger. Production grew 45% compared to same period in 2006.

Automobile assembly plants are increasing their sales in Brazil at a higher rate than that of auto manufacturing. In March, the assembly plants sold 31.8% more national and imported vehicles than in the previous month (193,450 over 146,765).

The number of units produced rose at a slower pace, although it was also good: 246,475 over 203,450 (21.1%).

Compared with March 2006, the difference between increase in sales and production was even more pronounced. Sales increased by 23.4% (156,788 vehicles were made available for sale in that year), and production, by 7.4% (229,394).

In a comparison between the first quarter of 2007 and 2006, the data showing increase in sales and production, respectively, are: 18.1% (493,146 over 417,559) and 4% (655,226 over 630,328).

Exports in March this year increased compared with February (6.8%, 68,581 over 64,233), but decreased by 5.3% compared with March 2006 (when 72,404 vehicles were exported). In the first quarter last year, 201,243 vehicles were exported, against 182,129 vehicles in the first quarter this year, a 9.5% decrease.