



The Saturday Economist

with Professor Milton Keynes



Rebalancing or Driving the Deficit higher?



The UK Car Market

Five slides to fool them all...

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UK Balance of Payments from 1955 ...

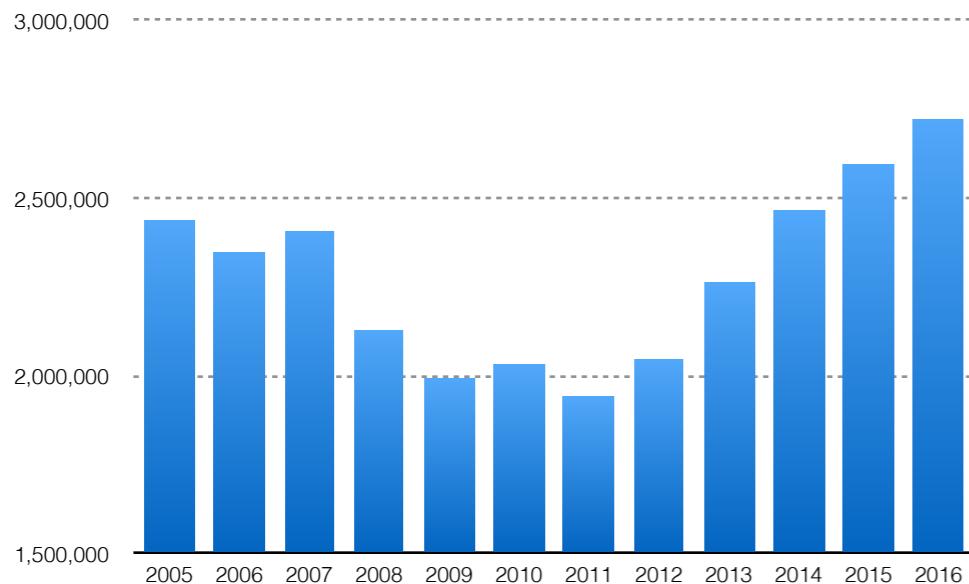
... things going well, send more money.

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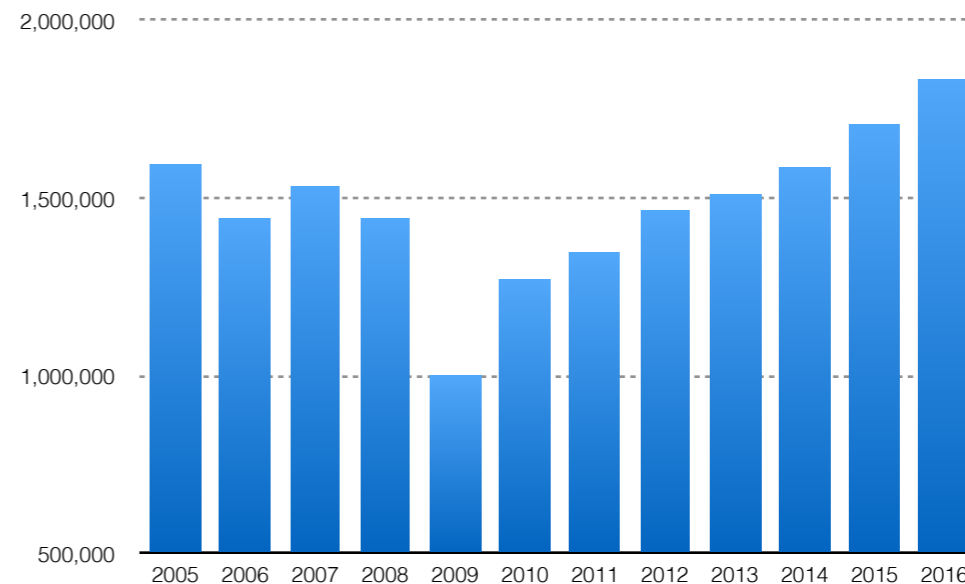


UK Car Sales will hit 2.5 million this year ...



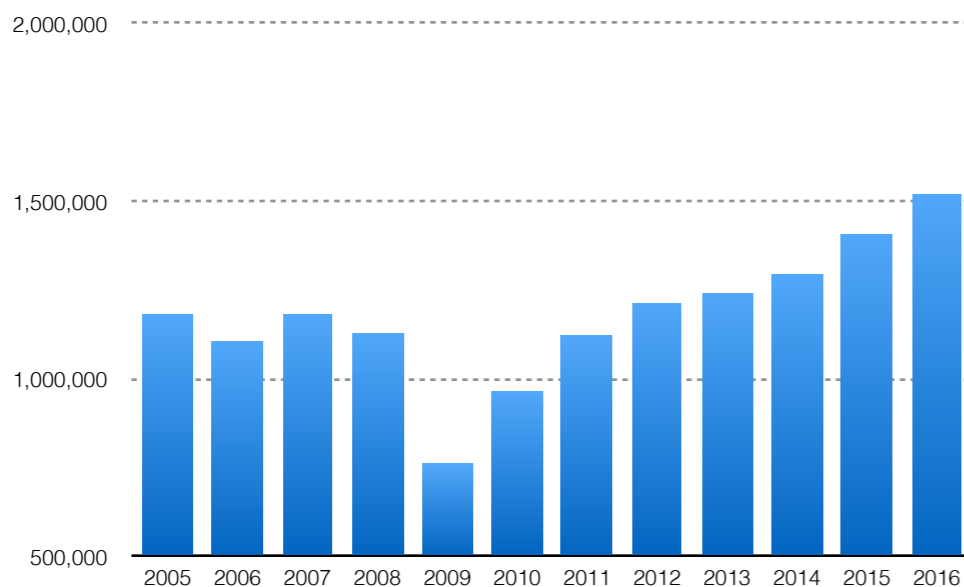
UK car registration increased by 15% in the first three months of 2014. We forecast total sales of almost 2.5 million in the year, returning to levels last seen in 2004 and 2005.

UK Car production is also rising to 1.6 million



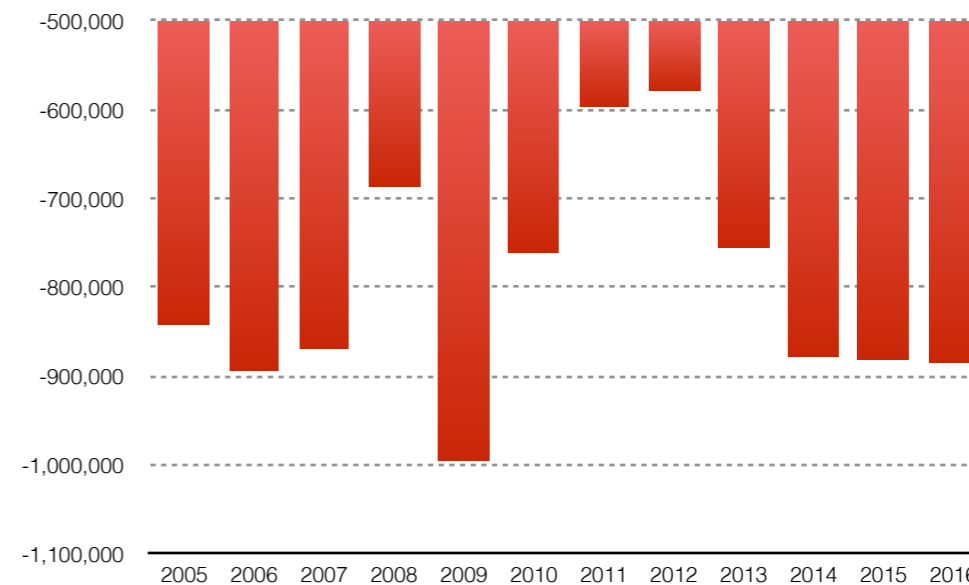
Production is forecast to increase to 1.59 million units this year following an increase to 1.5 million in 2013. A further increase to 1.7 million units then 1.8 million units is expected by 2016.

but the majority of production is exported ...



Export sales may hit 1.3 million units this year, rising to 1.5 million by 2016 ...

and the deficit (trade in cars) will increase



imports will increase to 2.2 million units and the deficit unit sales will increase to 0.8 million units.



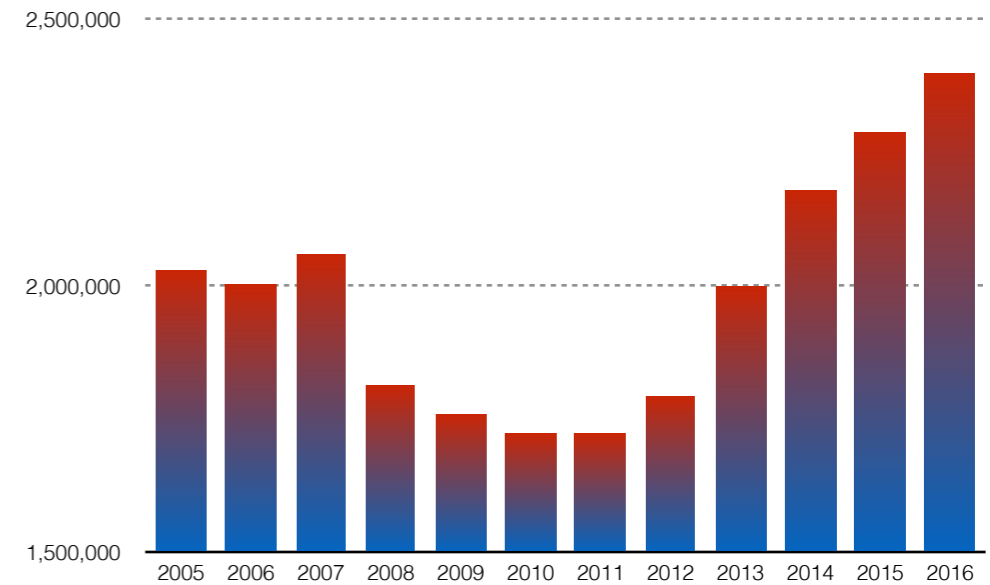


The UK Car Market

Data Set

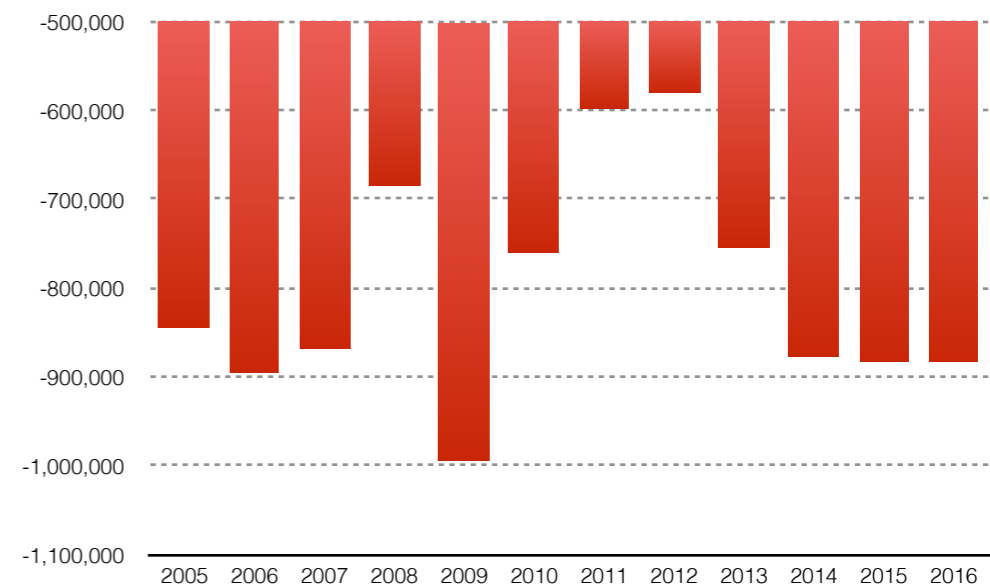
	UK Car Production			Total UK Registrations		
	Production	Home Sales	Export Sales	Total Sales	Imports	Deficit
2003	1,657,558	523,799	1,143,759	2,579,050	2,055,251	-911,492
2004	1,646,750	463,994	1,179,756	2,567,269	2,103,275	-923,519
2005	1,595,697	411,194	1,184,503	2,439,717	2,028,523	-844,020
2006	1,442,085	343,937	1,106,093	2,344,864	2,000,927	-894,834
2007	1,534,567	349,108	1,185,459	2,404,007	2,054,899	-869,440
2008	1,446,619	318,033	1,128,586	2,131,795	1,813,762	-685,176
2009	999,460	237,226	762,234	1,994,999	1,757,773	-995,539
2010	1,270,444	309,024	961,420	2,030,846	1,721,822	-760,402
2011	1,343,810	219,134	1,124,676	1,941,253	1,722,119	-597,443
2012	1,464,906	252,875	1,212,031	2,044,609	1,791,734	-579,703
2013	1,509,762	265,519	1,244,243	2,264,727	1,999,208	-754,965
2014	1,590,000	292,071	1,297,929	2,468,552	2,176,482	-878,552
2015	1,710,000	306,674	1,403,326	2,591,980	2,285,306	-881,980
2016	1,838,250	322,008	1,516,242	2,721,579	2,399,571	-883,329
2017	1,976,119	338,108	1,638,010	2,857,658	2,519,550	-881,539

Imports are on the rise ...



The data is derived from SMMT Motor Industry Facts 2013 and 2014. Estimates of car production for 2014 and 2015 are from Auto analysis. Total registrations for 2014 onwards are based on our own models and projections. JKA and the Professor

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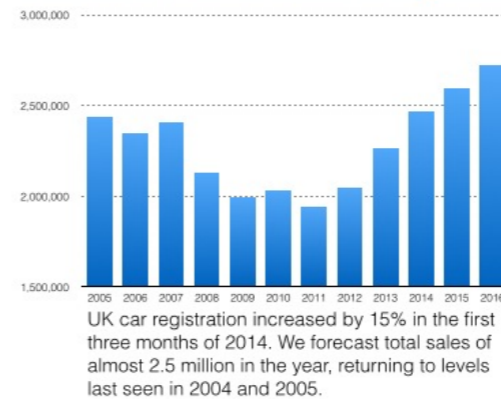


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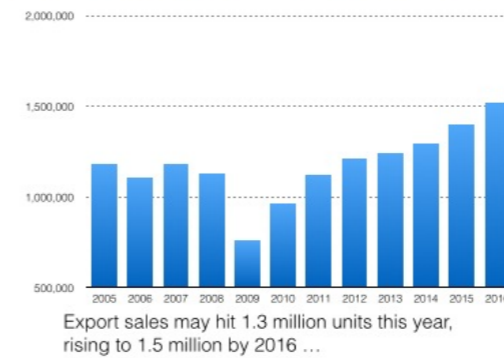


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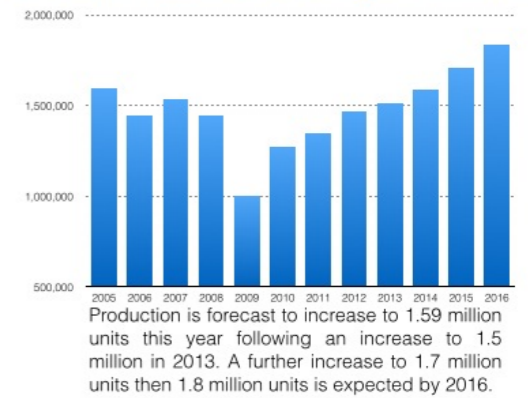
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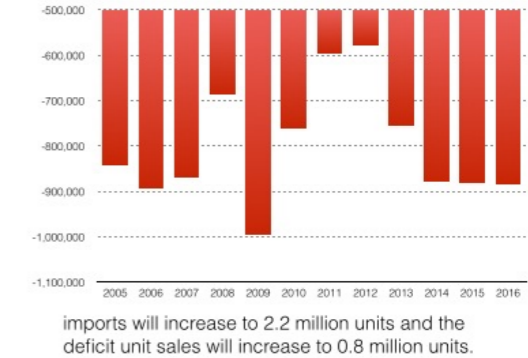
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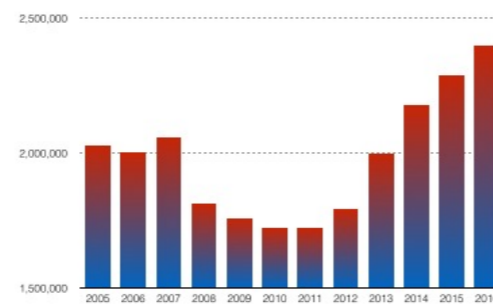
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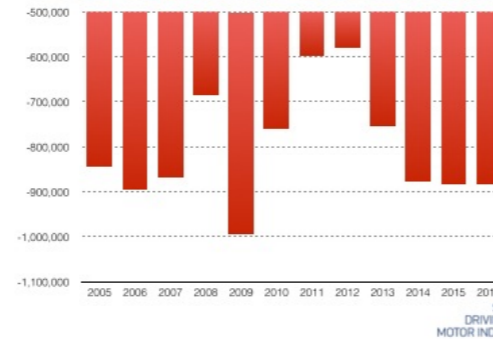
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