## **NEW LCV MARKET FORECAST FOR 2023**

According to the basic forecast scenario, new LCV sales will reach 74,07 thousand in 2023. According to the optimistic scenario, the sales will reach 82,69 thousand, according to the pessimistic scenario the sales will not exceed 67,41 thousand.

**Basic forecast scenario** takes into account following tendencies:

* Sanction measures against Russia will be actual up to the end of 2023.
* Sales of the GAZ LCV will increase in 2023 on the domestic market.
* Sales of the UAZ LCV will increase in 2023 on the domestic market due to new models (Atlant and Argo) manufacturing.
* Manufacturing and sales of LADA Largus LCV will not start before September 2023.
* Chinese LCV brands will insignificantly increase their manufacturing volumes. Besides that, new Chinese brands will be launched on the market.
* The rest of foreign brands` LCVs (FORD, PEUGEOT, CITROEN, VOLKSWAGEN etc.) will be sold in the 1st quarter of 2023, their further manufacturing and import into Russia will not be restarted.
* The volume of LCV parallel import will be insignificant in 2023 because of its high price rate, impossibility of complete guarantee and services and inadaptability of these vehicles to Russian exploitation conditions.
* Macroeconomic situation in Russia will still be unstable. The GDP will decline by 0,4% in comparison with 2022, the inflation rate will reach 10%.
* Trucking industry volume in 2023 will slightly exceed the figures of 2022 due to joining of new territories. Sanctions imposed by EU-countries against Russian trucking companies will be actual. International trucking volumes will slightly exceed the figures of 2022 because of their refocusing on the East direction and growth of trade turnover with Asian countries.

According to the basic forecast scenario, Russian truck market in 2023 will consist mostly of domestic, Chinese brands and insignificant amount of foreign vehicles supplied by parallel import.

**Optimistic forecast scenario** takes into account following tendencies:

* Sanction measures against Russia will be actual up to the end of 2023.
* Sales of the GAZ LCV will increase in 2023 on the domestic market.
* Sales of the UAZ LCV will increase in 2023 on the domestic market due to new models (Atlant and Argo) manufacturing.
* Manufacturing and sales of LADA Largus LCV will not start before September 2023.
* Chinese LCV brands will significantly increase their manufacturing volumes. Besides that, new Chinese brands will be launched on the market.
* The rest of foreign brands` LCVs (FORD, PEUGEOT, CITROEN, VOLKSWAGEN etc.) will be sold in the 1st quarter of 2023, their further manufacturing and import into Russia will not be restarted.
* The volume of LCV parallel import will be insignificant in 2023 because of its high price rate, impossibility of complete guarantee and services and inadaptability of these vehicles to Russian exploitation conditions.
* Macroeconomic situation in Russia will stabilize. The GDP will grow by 0,5% in comparison with 2022, the inflation will slow down and reach the rate of 7,5%.
* Trucking industry volume in 2023 will exceed the figures of 2022 due to joining of new territories. Sanctions imposed by EU-countries against Russian trucking companies will be actual. International trucking volumes will exceed the figures of 2022 because of their refocusing on the East direction and growth of trade turnover with Asian countries.

According to the optimistic forecast scenario, Russian truck market in 2023 will consist mostly of domestic, Chinese brands and insignificant amount of foreign vehicles supplied by parallel import.

**Pessimistic forecast scenario** takes into account following tendencies:

* Sanction measures against Russia will be actual up to the end of 2023 and will be toughened.
* Sales of the GAZ LCV will insignificantly increase in 2023 on the domestic market.
* Sales of the UAZ LCV will insignificantly increase in 2023 on the domestic market, new models (Atlant and Argo) will be manufactured in small amounts.
* Manufacturing and sales of LADA Largus LCV will not start before September 2023.
* Chinese LCV brands will insignificantly increase their manufacturing volumes. New Chinese brands will be launched on the market, but will be sold only in small amounts.
* The rest of foreign brands` LCVs (FORD, PEUGEOT, CITROEN, VOLKSWAGEN etc.) will be sold in the 1st quarter of 2023, their further manufacturing and import into Russia will not be restarted.
* The volume of LCV parallel import will be insignificant in 2023 because of its high price rate, impossibility of complete guarantee and services and inadaptability of these vehicles to Russian exploitation conditions.
* Macroeconomic situation in Russia will worsen. The GDP will decline by 2,5% in comparison with 2022, the inflation rate will reach 15%.
* Trucking industry volume in 2023 will slightly exceed the figures of 2022 due to joining of new territories. Sanctions imposed by EU-countries against Russian trucking companies will be actual. International trucking volume may decline, if China and other Asian countries partly support the sanction measures against Russia – in this case the trading turnover between Russia and the mentioned countries will decrease.

According to the pessimistic forecast scenario, Russian truck market in 2023 will consist mostly of domestic, Chinese brands and insignificant amount of foreign vehicles supplied by parallel import.