

China sees record growth in car industry

From Oliver August
in Beijing

1 - CHINA boasted record growth
in its car industry yesterday
with the country promising to
become the second largest vehi-
5 - cle market after the US.

The State Statistical Bureau
said that more than 180,000
cars had been sold in Septem-
ber while production rose to
10 - 190,000 amid hopes of further
growth. The production repre-
sents a 70 per cent increase for
September compared with the
same period the year before.

15 - China's total car sales
soared 60 per cent to 1.2 mil-
lion last year, leaving industry
giants such as Ford, General
Motors and Volkswagen to vie
20 - for access. Only a few years
ago private car ownership was
almost unknown but, after ac-
cession to the World Trade Or-
ganisation in 2000 and the eas-
25 - ing of consumer lending, Chi-
na has become the fastest ex-
panding automotive market.

Annualised output for the
first three quarters of this year
30 - surged 87 per cent to 1.44 mil-
lion. Analysts expect nearly
two million cars to be made
and sold in China in 2003.

Audi, part of the Volkswa-
gen group, said this week it
had raised its expectations for
sales growth to more than 60
per cent this year, or a total
60,000 cars. But Audi, which
40 - dominates the luxury car mar-
ket in China, is gearing up for
strong competition.

"That shows how dynamic
the market is and how the
45 - market will be in the next cou-
ple of years," Andreas Deges,
executive director of Audi
China, said.

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