

Pakistan Automobile Assemblers Sector

Auto sales continued upward trajectory with 57% YoY growth during 8MFY22

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Auto Sales

Feb' 22: Auto sales gearing up once again!

Auto sales showed impressive growth in Feb' 22, increasing by 5% MoM and 32% YoY to 21,706 units. Despite rise in cost of auto financing, upward revision in car prices, and surge in fuel cost, car buyers' interest remained alive, mainly on account of i) improved purchasing power of consumers amidst progress in economic activities, and ii) greater demand for locally assembled cars given increasing cost of imported CBUs on the back of escalating duties/ taxes, commodity prices (especially steel), currency depreciation, and imposition of temporary ban on financing of imported CBUs. Local auto assemblers registered impressive sales growth, especially in smaller engine size segments; below 1000cc segment grew by 69% YoY followed by 1000cc segment which showed an increase of +45% YoY. Lesser competition together with increasing cost of imported vehicles is driving the volumes of local automobile industry upward.

Exhibit: Monthly Car sales and Growth



Source (s): PAMA, AHL Research

Exhibit: Category-wise Passenger Cars and LCV Unit Sales

	Feb-22	Jan-22	MoM	Feb-21	YoY	8MFY22	8MFY21	YoY
Category-wise Passenger Cars and LCV Unit Sales								
1300cc & Above	6,471	9,456	-32%	6,114	6%	65,927	47,286	39%
1000cc	3,338	2,709	23%	2,298	45%	32,192	18,079	78%
Below 1000cc	7,175	3,864	86%	4,245	69%	43,427	24,293	79%
Passenger Cars	16,984	16,029	6%	12,657	34%	141,546	89,658	58%
LCVs + 4x4	4,722	4,592	3%	3,779	25%	36,792	24,247	52%
Total	21,706	20,621	5%	16,436	32%	178,338	113,905	57%
Company Wise Snapshot Passenger Cars + LCVs								
INDU	4,630	6,797	-32%	4,384	6%	49,499	35,975	38%
PSMC	12,668	9,037	40%	8,903	42%	94,408	55,852	69%
HCAR	2,747	4,064	-32%	2,429	13%	26,359	18,545	42%
Trucks & Buses								
GHNL	84	70	20%	64	31%	633	427	48%
GHNI	299	423	-29%	109	174%	2,364	1,277	85%
HINO	94	106	-11%	84	12%	701	610	15%
Bikes and Three Wheelers								
SAZEW	1,504	2,731	-45%	1,553	-3%	9,892	10,578	-6%
ATLH	105,002	120,002	-12%	104,005	1%	903,659	836,046	8%
Tractors								
AGTL	2,053	1,950	5%	1,442	42%	13,228	8,987	47%
MTL	na	3,016	na	3,008	na	20,270	22,408	-10%

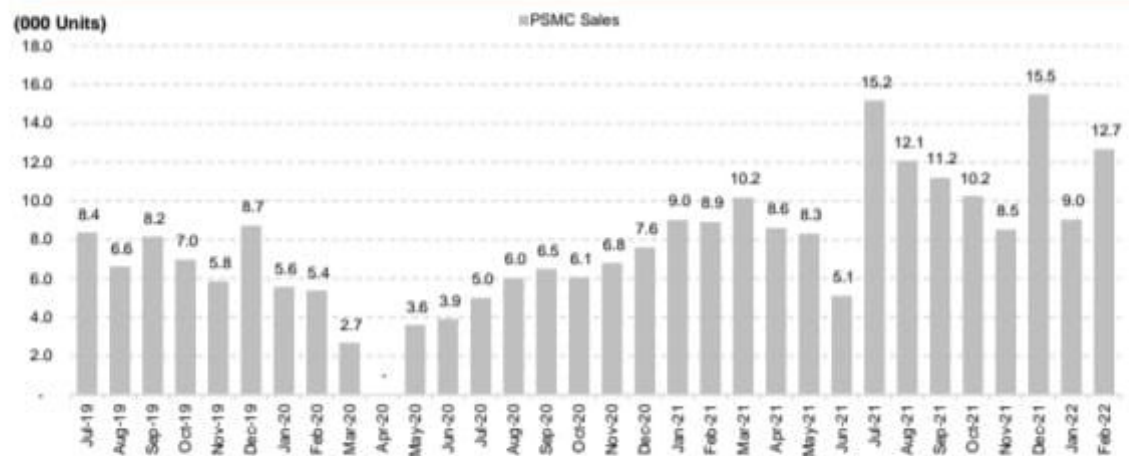
Source (s): PAMA, AHL Research

Auto Sales

PSMC sales surged by 42% YoY during Feb' 22

- During Feb' 22, PSMC's combined sales grew by 42% YoY and 40% MoM to 12,668 units. The upward trajectory in sales is owed to low competition in the small car segment together with a shift of price sensitive consumers to locally assembled cars given temporary ban on financing of imported CBUs together with its rising prices on the back of currency devaluation and increased taxes/duties.
- Wagon R (+102% YoY) led the growth bandwagon followed by Alto (+69% YoY), Bolan (+17% YoY); owing to the launch of it's AC variant, and finally Cultus (+14% YoY).

Exhibit: PSMC Monthly Sales Number and Growth



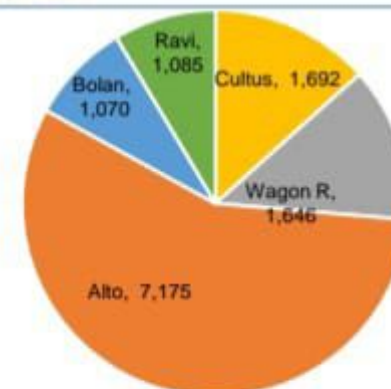
Source (s): PAMA, AHL Research

Exhibit: Variant-wise Cars Sales

PSMC	Feb-22	Jan-22	MoM	Feb-21	YoY	8MFY22	8MFY21	YoY
Swift	na	-	nm	179	nm	1,815	1,690	7.4%
Cultus	1,692	1,172	44.4%	1,484	14.0%	24,509	13,215	85.5%
Wagon R	1,646	1,537	7.1%	814	102.2%	18,810	7,916	137.6%
Alto	7,175	3,864	85.7%	4,245	69.0%	53,887	23,479	129.5%
Bolan	1,070	956	11.9%	913	17.2%	10,855	5,951	82.4%
Ravi	1,085	1,508	-28.1%	1,268	-14.4%	12,923	6,796	90.2%
Total	12,668	9,037	40%	8,903	42%	122,799	59,053	108%

Source (s): PAMA, AHL Research

Exhibit: Sales Composition



Source (s): PAMA, AHL Research

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- Justified Price to Book (JPTB)
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