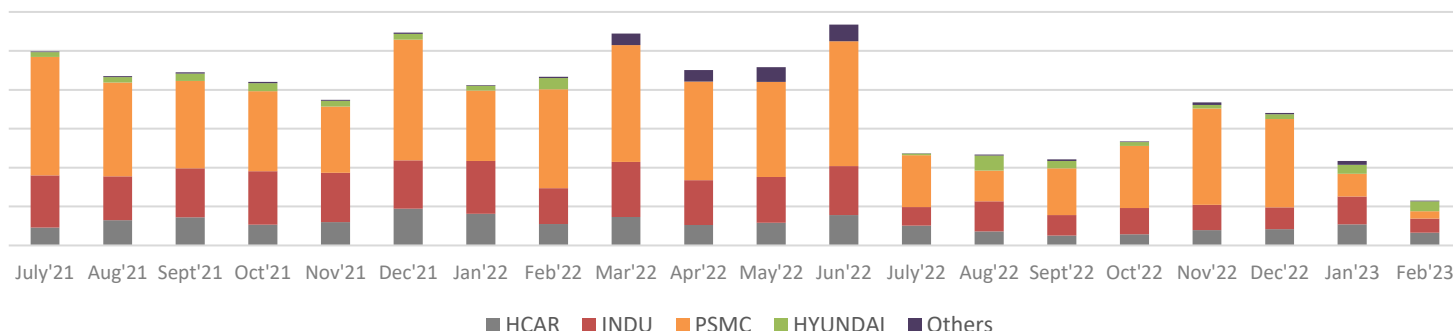


Automobile Sales down by 43.9% YoY for 8MFY23



Tuesday, 14 March, 2023

Monthly Sales



According to PAMA, automobile sales (including cars, Jeeps, and pickups) have declined by almost 43.9% YoY, clocking at 99,966 for 8MFY23 as compared to 178,250 in SPLY. HCAR sales have decreased by 41.4% in 8MFY23 due to a drop in sales of Civic/City and by 50% YoY while sales for Honda BR-V increased by 30.9% YoY. Furthermore, INDU sales decreased by 52.2% in 8MFY23 due to a drop in sales of Toyota Fortuner/IMVs and Corolla/Yaris by 21.4% and 61.2% YoY respectively. Moreover, PSMC sales dropped by 44.6% YoY in 8MFY23 due to a decrease in sales of Cultus, WagonR, and Aulto by 66.9%, 69.4%, and 35.1% YoY respectively. However, sales for Swift increased by 14.51x YoY. Moreover, an increase in the sales of other companies has also been witnessed in 8MFY23 as the sales clocked at 1,483 which is 44.5% higher compared to 1,026 in SPLY amid new players entering the market.

Sales of Buses and Trucks surged 39.8% MoM amid ISUZU(GHNI) posting the highest sales of 344 units since Jan-22. However, on a commulative basis sales are down by 29.9% YoY in 8MFY23. Furthermore, a drop of 49.2% YoY is witnessed in the sales of Tractors for 8MFY23. Also, sales of the 2/3 Wheelers have dropped in 8MFY23 by 31.8% YoY. The sales of HONDA dropped by 22.8% meanwhile, sales for SUZUKI have shown an increase of 1.9% YoY clocking at 24,981 units as compared to 24,515 units in SPLY. The market share of PSMC and INDU, for the period 8MY23, has dropped from 53% to 52.3% and 27.8% to 23.7% respectively during the SPLY. However, the market share of HCAR has increased from 14.8% to 15.4% on a YoY basis. On the other hand, HYUNDAI is capturing the market rapidly as their market share for 8MFY23 increased to 7.1% as compared to 3.9% in SPLY and surprisingly managed to sell more units than PSMC for the month of Feb-23.

Going forward, the Pakistani auto industry is likely to remain depressed during the ongoing year because of the current macroeconomic condition of the country where high-interest rates coupled with the devaluation of the rupee in addition to augmented duties and taxes are likely to dampen the demand. However, at this point in time, **GHNI**(ISUZU) seems appealing given their higher number of units sold.

Cars, Jeeps & Pick Ups	Feb/23	Jan/23	MoM	Feb/22	YoY	8MFY23	8MFY22	YoY
HCAR	1,636	2,704	39.5% ▼	2,747	40.4% ▼	15,443	26,359	41.4% ▼
INDU	1,803	3,570	49.5% ▼	4,630	61.1% ▼	23,680	49,499	52.2% ▼
PSMC	978	2,945	66.8% ▼	12,668	92.3% ▼	52,294	94,408	44.6% ▼
HYUNDAI	1,271	1,140	11.5% ▲	1,469	13.5% ▼	7,066	6,958	1.6% ▲
Others	74	508	85.4% ▼	150	50.7% ▼	1,483	1,026	44.5% ▲
Total	5,762	10,867	47.0% ▼	21,664	73.4% ▼	99,966	178,250	43.9% ▼
Trucks & Buses								
Total	657	470	39.8% ▲	546	20.3% ▲	3,074	4,386	29.9% ▼
Tractors								
Total	3,330	3,406	2.2% ▼	4,507	26.1% ▼	18,249	35,952	49.2% ▼
2/3 WHEELERS								
HONDA	85,047	90,047	5.6% ▼	105,002	19.0% ▼	697,864	903,659	22.8% ▼
SUZUKI	1,996	2,223	10.2% ▼	3,275	39.1% ▼	24,981	24,515	1.9% ▲
SAZGAR	0	2,003	100.0% ▼	1,504	100.0% ▼	5,871	9,892	40.6% ▼
Total	101,487	109,558	7.4% ▼	136,527	25.7% ▼	838,298	1,228,540	31.8% ▼

Source: PAMA

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TP	Target Price	CAGR	Compound Annual Growth Rate	FCF	Free Cash Flows
FCFE	Free Cash Flows to Equity	FCFF	Free Cash Flows to Firm	DCF	Discounted Cash Flows
PE	Price to Earnings Ratio	PB	Price to Book Ratio	BVPS	Book Value Per Share
EPS	Earnings Per Share	DPS	Dividend Per Share	ROE	Return of Equity
ROA	Return on Assets	SOTP	Sum of the Parts	LDCP	Last Day Closing Price

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