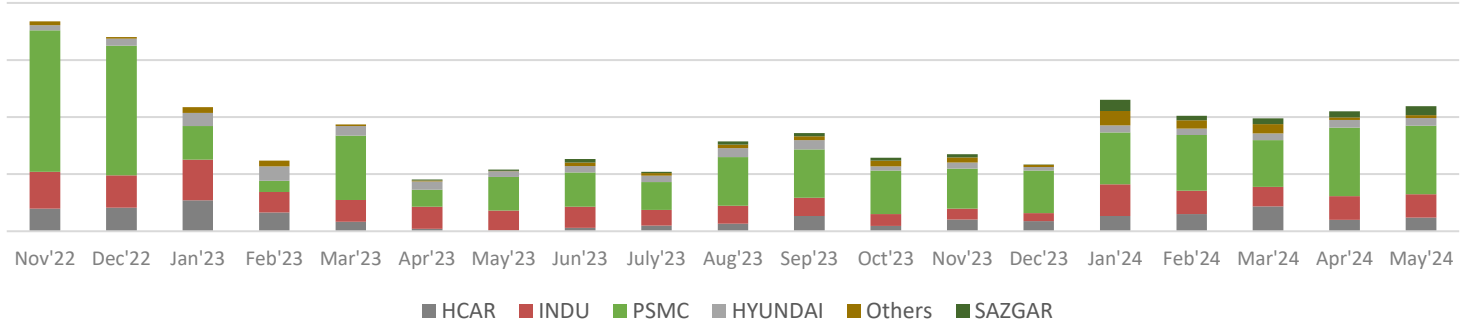


# Automobile Sales Increased by 107% YoY for May24



Wednesday, 12 June, 2024

Monthly Sales



According to PAMA, automobile sales (including cars, Jeeps, and pickups) have increased by almost 107% YoY, clocking at 10,949 for May24 as compared to 5,290 in May23. HCAR sales increased by 18.3% in May24 due to an increase in sales of Honda BR-V by 193.62% MoM. Furthermore, INDU sales decreased by 0.9% in May24 due to a decrease in sales of Toyota Corolla & Yaris by 9.29% MoM. Moreover, PSMC sales increased by 0.2% MoM in May24 due to an increase in sales of Suzuki Swift by 117.68% MoM.

Sales of Buses and Trucks increased by 7.9% MoM in May24. Furthermore, a decrease of 0.2% MoM is witnessed in the sales of Tractors for May24. Whereas, sales of the 2/3 Wheelers increase in May24 by 10.4% MoM. The sales of Honda increased by 8.7% while sales of Suzuki increased by 0.7%. The market share of HCAR, and SAZGAR for the period May24, has increased from 9.5% to 11% and 6.2% to 6.5% respectively MoM. On the other hand, INDU, PSMC, and Hyundai market share for May24 decreased to 18.7% compared to 19.6%, 55% compared to 57% and 6.2% compared to 6.5% respectively.

Looking ahead, the auto sector is expected to experience improvement as falling inflation and interest rates make auto financing more affordable. However, the future dynamics of the industry will also be significantly influenced by upcoming budgetary measures, which remain uncertain at this time.

| Cars, Jeeps & Pick Ups    | May'24         | Apr'24         | MoM            | May'23        | YoY             | 11MFY24          | 11MFY23          | YoY            |
|---------------------------|----------------|----------------|----------------|---------------|-----------------|------------------|------------------|----------------|
| HCAR                      | 1,187          | 1,003          | 18.3% ▲        | 87            | 1264.4% ▲       | 12,119           | 16,572           | 26.9% ▼        |
| INDU                      | 2,047          | 2,065          | 0.9% ▼         | 1,718         | 19.2% ▲         | 17,813           | 29,258           | 39.1% ▼        |
| PSMC                      | 6,010          | 6,000          | 0.2% ▲         | 2,958         | 103.2% ▲        | 47,543           | 62,354           | 23.8% ▼        |
| SAZGAR                    | 779            | 544            | 43.2% ▲        | 122           | 538.5% ▲        | 4,459            | -                | -              |
| HYUNDAI                   | 683            | 686            | 0.4% ▼         | 503           | 35.8% ▲         | 6,505            | 9,130            | 28.8% ▼        |
| Others                    | 243            | 217            | 12.0% ▲        | 24            | 912.5% ▲        | 5,241            | 2,180            | 140.4% ▲       |
| <b>Total</b>              | <b>10,949</b>  | <b>10,515</b>  | <b>4.1% ▲</b>  | <b>5,290</b>  | <b>107.0% ▲</b> | <b>90,544</b>    | <b>119,494</b>   | <b>24.2% ▼</b> |
| <b>Trucks &amp; Buses</b> |                |                |                |               |                 |                  |                  |                |
| <b>Total</b>              | <b>247</b>     | <b>229</b>     | <b>7.9% ▲</b>  | <b>153</b>    | <b>61.4% ▲</b>  | <b>2,365</b>     | <b>3,687</b>     | <b>35.9% ▼</b> |
| <b>Tractors</b>           |                |                |                |               |                 |                  |                  |                |
| Fiat                      | 731            | 1,038          | 29.6% ▼        | 2,003         | 63.5% ▼         | 13,875           | 11,466           | 21.0% ▲        |
| Massey Ferguson           | 2347           | 2045           | 14.8% ▲        | 1505          | 55.9% ▲         | 27,485           | 16,486           | 66.7% ▲        |
| <b>Total</b>              | <b>3,078</b>   | <b>3,083</b>   | <b>0.2% ▼</b>  | <b>3,508</b>  | <b>12.3% ▼</b>  | <b>41,360</b>    | <b>27,952</b>    | <b>48.0% ▲</b> |
| <b>2/3 WHEELERS</b>       |                |                |                |               |                 |                  |                  |                |
| HONDA                     | 103,297        | 95,069         | 8.7% ▲         | 87,133        | 18.6% ▲         | 923,049          | 930,352          | 0.8% ▼         |
| SUZUKI                    | 1,696          | 1,684          | 0.7% ▲         | 820           | 106.8% ▲        | 15,306           | 28,911           | 47.1% ▼        |
| SAZGAR                    | 1,962          | 1,212          | 61.9% ▲        | 522           | 275.9% ▲        | 13,196           | 8,789            | 50.1% ▲        |
| <b>Total</b>              | <b>118,811</b> | <b>107,590</b> | <b>10.4% ▲</b> | <b>97,189</b> | <b>22.2% ▲</b>  | <b>1,060,217</b> | <b>1,103,446</b> | <b>3.9% ▼</b>  |

Source; PAMA

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

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|--------------|----------------------------|
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| HOLD         | Between -5% to 15%         |
| SELL         | Less than and equal to -5% |

| Sector Rating | Sector Outlook |
|---------------|----------------|
| Overweight    | Positive       |
| Market Weight | Neutral        |
| Underweight   | Negative       |

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