

# Auto volumes to grow by 43% YoY in January

## PSMC and MTL expected as the standout players during the month

- Aggregate auto volumes for the 3 major passenger car OEMs are expected at ~16.9k units in Jan-2021, which would amount to YoY growth of ~43%.
- Pak Suzuki (PSMC) is expected to be the outperformer during the month, with YoY growth of 62% expected. This would only be the third month in 2 years for the assembler to show positive YoY growth, with the last two being Mar-2019 (23% YoY) and Nov-2020 (16% YoY). Growth is anticipated to be led by the 660cc Alto (Jan'21E: 115% YoY), along with strong support from Wagon-R and LCVs. On the other hand, Cultus could witness a decline in volumes on YoY basis, potentially on the back of launch of Changan Alsvin sedan in the same price category.
- Indus Motors (INDU) and Honda Atlas Cars (HCAR) are expected to see volumetric increases of 36% YoY and 11% YoY, respectively. With new launches expected for Corolla in the 1.8L segment and a potential entry of the new generation of Honda City, volumes for these premium segment OEMs are anticipated to regain the vigour of previous months going forward.
- Among tractors, Millat Tractors (MTL) is expected to post growth of 194% YoY during January, taking 7MFY21 growth to 84% YoY, which bodes well for the manufacturer, as well as related auto parts industries.

### Provisional Auto Sales (Units)

	Jan-21E	Jan-20A	YoYΔ	Dec-20A	MoMΔ	7MFY21E	7MFY20A	YoYΔ
PSMC	9,000	5,555	62%	7,594	19%	46,936	50,253	-7%
INDU	5,450	4,022	36%	4,001	36%	31,589	18,197	74%
HCAR	2,450	2,210	11%	1,764	39%	16,116	10,353	56%
<b>PCs &amp; LCVs</b>	<b>16,900</b>	<b>11,787</b>	<b>43%</b>	<b>13,359</b>	<b>27%</b>	<b>94,641</b>	<b>78,803</b>	<b>20%</b>
MTL	3,850	1,309	194%	2,975	29%	19,388	10,537	84%
AGTL	1,350	882	53%	345	291%	7,548	6,763	12%

Source: PAMA, JS Research

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