



AUTO MONTHLY

MAY 2022

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| Monthly Sales (Domestic & Export in no. of units) | | | |
|---|----------|----------|---------|
| Company | May 2022 | May 2021 | YOY |
| Passenger Vehicles | | | |
| Maruti Suzuki | 161413 | 46555 | 246.7% |
| Hyundai Motor India | 51263 | 30703 | 67.0% |
| Mahindra & Mahindra* | 26904 | 8004 | 236.1% |
| Honda Cars India* | 8188 | 2032 | 303.0% |
| Toyota Kirloskar | 10216 | 707 | 1345.0% |
| Tata Motors | 43341 | 15181 | 185.5% |
| Commercial Vehicles | | | |
| Bajaj Auto | 26369 | 31308 | (15.8%) |
| Tata Motors | 32818 | 11401 | 187.9% |
| Mahindra & Mahindra* | 21149 | 7236 | 192.3% |
| Ashok Leyland | 13273 | 3199 | 314.9% |
| Two Wheelers | | | |
| Hero MotoCorp | 486704 | 183044 | 165.9% |
| Bajaj Auto | 249499 | 240554 | 3.7% |
| TVS Motor Ltd | 287058 | 154416 | 85.9% |
| Eicher Motors (Royal Enfield) | 63643 | 27294 | 133.2% |
| Three Wheelers | | | |
| TVS Motor Ltd | 15924 | 12473 | 27.7% |
| Mahindra & Mahindra* | 3645 | 272 | 1240.1% |
| Atul Auto | 1794 | 100 | 1694.0% |
| Tractors | | | |
| M&M | 35722 | 24184 | 47.7% |
| Escorts | 8421 | 6423 | 31.1% |

Source: Company Reports: Note : * Marked represents only Domestic Sales.

Monthly Synopsis:

The demand for PVs inclined towards personal mobility and MHCVs was expected to be higher reflecting in the monthly sales. There was a seasonal impact to be seen on the 2W sales with regard to the marriage season in North India. Tractor sales have moderated after the uptick seen in the last 2 months. On a comparison, April-June 21 was the Covid period and so strong base effect can be seen across segments.

The leading player in the PV segment, Maruti reported total sales of 161,413 units, compared to 46,555 units in the comparative period, up by 246.7%. The shortage of electronic components had minor impact on the production of vehicles. M&M reported 26,904 units for the month, growth of 236.1% y-o-y. Hyundai reported sales of 51,263 units. Honda Cars reported 8,188 units sales for the month. Toyota Kirloskar reported 10,216 units for the month. Tata Motors reported 43,341 units for the month.

In the CV space M&M reported sales of 21,149 units. Ashok Leyland reported four fold jump in CV sales at 13,273 units for the month compared to 3,199 units in the comparative month. Tata Motors reported 32,818 units. Bajaj Auto reported sales of 26,369 units for the month, drop of 15.8%

In the 3W, M&M reported 3,645 units for the month. Atul Auto managed sales of 1,794 units for the month. TVS Motors reported 15,924 sales of units.

In the two wheelers space, Eicher Motors reported sales of 63,643 units as against 27,294 units in the comparative period. TVS Motors reported growth of 85.9% in the overall sales. Hero MotoCorp reported growth in total sales by 165.9%. Bajaj Auto reported growth of 3.7%

Escorts reported 8,421 units for the month of May. The rural sentiment is seen gradually improving inspite of low crop yields due to extreme heat conditions this harvest season, on account of better crop price realization and forecast of normal rainfall and possible timely sowing this year. With recent Government actions, inflation may stabilise in near term and operating leverage may further possibly help in partially diluting the impact on margins in coming quarters. M&M reported growth of 47.7% in sales during the month. This is on the back of 51% growth achieved in the month of April '22. With the timely arrival of the south-west monsoon and forecast of a normal monsoon, kharif crop is expected to deliver record production. Food prices continue to be high, ensuring better remuneration for farmers for their produce, creating a positive sentiment and higher demand for tractors and agri implements.

The cost pressure on the Auto makers is expected to ease with the softening of steel prices and the reduction in excise duty on fuel prices which needs to reflect in future numbers. The sector has given revival signals through the positive sales for the month, but sustainability is the key.

| Company | *CMP | Reco Price | Tgt Price | Comments |
|----------------------|------|------------|-----------|--|
| Alicon Castalloy Ltd | 727 | 288 | 1050 | Manufacturer of aluminium castings for auto & non-automotive |

*as on 01st June, 2022

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