

India Research

# Automobiles

**Monthly Quick View**
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## Monthly Volume Round Up – Mixed Performance

The volume data released for the month of Jun'16 by Indian auto companies delivered mixed performance with few reporting YoY growth and few companies reporting decline in all the segments. M&HCV continued growing in double digit in the month of June 2016. Two wheelers players reported double digit YoY growth. PVs also recorded decent growth in the month. Moreover, Tractors and LCVs also recorded YoY growth. Sales performance during the month was supported by traction in urban market coupled with improving sentiment from rural on the back of better monsoon prospects.

In the two wheeler segment, Bajaj Auto's sales declined by 4.3% YoY and up 8.8% MoM to 316,969 units, Hero MotoCorp sales grew by 1.3% YoY (down 5.8% MoM) to 549,533 units in the month. TVS Motors grew 11.3% YoY and 1.4% MoM to 247,085 units in the month. Within four wheeler segment, M&M's Auto volume rose by 8% YoY (down 4% MoM) to 39,011 units, while its Tractor volume grew 20.3% YoY & 31.2% MoM to 30,191 units in June'16, Maruti Suzuki's volumes declined by 13.9% YoY and 19.7% MoM to 98,840 vehicles while, Ashok Leyland's volume grew by 6.5% YoY, and 12.5% MoM to 11,108 units, Tata Motors volume grew by 8.3% YoY and 10.5% MoM to 44,276 units. In tractor segment, Escorts' volume increased 11.3% YoY and 30.3% MoM to 6,946 units in June'16.

## Overall Volume Analysis

Total Sales (Units)	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
<b>Bajaj Auto</b>	316,969	331,317	(4.3)	347,655	(8.8)	994,733	1,013,029	(1.8)
<b>Hero MotoCorp</b>	549,533	542,362	1.3	583,117	(5.8)	1,745,389	1,645,543	6.1
<b>TVS Motors</b>	247,085	222,017	11.3	243,783	1.4	717,964	638,033	12.5
<b>Maruti Suzuki</b>	98,840	114,756	(13.9)	123,034	(19.7)	348,443	341,329	2.1
<b>M&amp;M Auto Volume</b>	39,011	36,134	8.0	40,656	(4.0)	121,530	109,567	10.9
<b>M&amp;M Tractors</b>	30,191	25,090	20.3	23,018	31.2	74,595	62,358	19.6
<b>Tata Motor</b>	44,276	40,869	8.3	40,071	10.5	124,110	116,555	6.5
<b>Ashok Leyland</b>	11,108	10,429	6.5	9,875	12.5	31,163	28,154	10.7
<b>Eicher Motors</b>	4,935	4,163	18.5	5,771	(14.5)	16,071	12,128	32.5
<b>Escorts</b>	6,946	6,238	11.3	5,331	30.3	16,363	14,875	10.0
<b>Domestic Vol for Following Cos</b>								
<b>Hyundai</b>	39,806	36,300	9.7	41,351	(3.7)	123,508	112,351	9.9
<b>Toyota</b>	13,502	10,464	29.0	12,200	10.7	34,231	34,300	(0.2)
<b>Ford</b>	9,469	4,527	109.2	5,780	63.8	21,780	14,184	53.6
<b>Honda</b>	11,407	18,380	(37.9)	9,954	14.6	31,847	44,447	(28.3)
<b>HMSI</b>	408,141	331,797	23.0	415,902	(1.9)	1,255,054	1,025,857	22.3
<b>Yamaha</b>	67,203	51,432	30.7	62,748	7.1	193,878	136,084	42.5

Source: Company data,

## Two-wheeler Segment

**Bajaj Auto:** Bajaj Auto (BJAUT.IN/BAJA.BO) sold 316,969 units in Jun'16, declined 4.3% YoY and 8.8% MoM, due to strong domestic performance on account of new launches despite high double digit decline in export sales. Its domestic sales grew 10.5% YoY but down 5.1% MoM to 193,717 units in the month. Company's performance was supported by higher two wheeler volumes in domestic & export market. Company's export declined by 21% YoY and 14.1% MoM to 123,252 units, due to slowdown in middle-east countries and high volatility in exchange rate in these countries. The performance of three wheelers was subdued with flat YoY (up 8.3% MoM) to 43,671 units. Company's newly launched 'V' and Avenger are the key growth drivers for company in June'16.

### Bajaj Auto – Monthly Volume

Units	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
Motorcycles	273,298	287,582	(5.0)	307,344	(11.1)	872,540	875,235	(0.3)
Three Wheelers	43,671	43,735	(0.1)	40,311	8.3	122,193	137,794	(11.3)
<b>Domestic Sales</b>	<b>193,717</b>	<b>175,243</b>	<b>10.5</b>	<b>204,234</b>	<b>(5.1)</b>	<b>624,084</b>	<b>536,533</b>	<b>16.3</b>
Total Export	123,252	156,074	(21.0)	143,421	(14.1)	370,649	476,496	(22.2)
<b>Total Volume</b>	<b>316,969</b>	<b>331,317</b>	<b>(4.3)</b>	<b>347,655</b>	<b>(8.8)</b>	<b>994,733</b>	<b>1,013,029</b>	<b>(1.8)</b>

Source: Company data

**Hero MotoCorp:** Hero MotoCorp (HMCL.IN/HROM.BO) recorded total volumes of 549,533 units in June'16, grew by 1.3% YoY (down 5.8% MoM). Its new product line coupled with marriage season benefitted Company on volume front to some extent in the month. Though, rural sales were sluggish, better traction from urban market was the primary reason behind positive growth.

### Hero MotoCorp – Monthly Volume

Units	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
Motorcycles	549,533	542,362	1.3	583,117	(5.8)	1,745,389	1,645,543	6.1

Source: Company data

**TVS Motor:** TVS Motor (TVSL.IN/TVSM.BO) clocked total volumes of 247,085 units in June'16, growth of 11.3% YoY and 1.4% MoM. **Company's Export volumes fell 9.1% YoY in June'16.** Company's three wheeler sales declined 36% YoY (up 30.5% MoM) to 7,128 units in the month, which acted as spoiler for the company. However, Company's two wheeler volumes grew 14% YoY and 0.7% MoM to 239,957 units, while motorcycle sales rose 7.6% YoY but down 1.1% MoM to 95,465 units in June'16. Company's domestic two wheeler volume growth was 16.4% YoY and flat MoM, while its two wheeler exports declined by 0.2% YoY to 33,173 units in the month.

### TVS Motors –Monthly Volume

Units	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
Motorcycles	95,465	88,690	7.6	96,485	(1.1)	282,441	254,987	10.8
Scooters	67,539	61,215	10.3	64,434	4.8	195,314	165,016	18.4
Mopeds	76,953	61,015	26.1	77,401	(0.6)	222,872	187,801	18.7
Scooters/ Mopeds	144,492	122,230	18.2	141,835	1.9	418,186	352,817	18.5
Three Wheeler	7,128	11,097	-35.8	5,463	30.5	17,337	30,229	-42.6
<b>Total Volumes</b>	<b>247,085</b>	<b>222,017</b>	<b>11.3</b>	<b>243,783</b>	<b>1.4</b>	<b>717,964</b>	<b>638,033</b>	<b>12.5</b>

Source: Company data

## Four-wheeler Segment

**Maruti Suzuki:** Maruti Suzuki (MSIL.IN/MRIT.BO) delivered highly subdued performance in June'16, with its monthly vehicle sales standing at 98,840 units, declined by 13.9% YoY and 19.7% MoM. One of the key reasons behind sharp fall is supply constraint from its key supplier Subros due to incident of fire at Subros' plant during the month. Which resulted in plant closure by Maruti for around 2 days in a month and also stoppage of assembly line for various models, impacting overall sales of the company. Its sales declined by 10.2% YoY in domestic PVs, while exports declined by 44.7% YoY to 6,707 units in the month. Company's UV segment witnessed a growth of 75.5% YoY but down 28.6% MoM, supported by newly launched Brezza, S-Cross and Ertiga upgrade. Its Van segment was down 5.6% YoY and 18.8% MoM, in the month. The Company's Mini segment (Alto, Wagon R,) was down 19.3% YoY and 16.3% MoM to 27,712 units. Its Compact/Sup Compact segment (Swift, Celerio, D'zire, Baleno) was also down 13.5% YoY and 14.4% MoM to 42,039 units.

### Maruti Suzuki India – Monthly Volume

Units	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
<b>A: Passenger Cars</b>	72,551	86,630	(16.3)	87,402	(17.0)	246,434	256,008	(3.7)
B: UVs	9,708	5,531	75.5	13,596	(28.6)	39,348	15,550	153.0
C: Vans	9,874	10,465	(5.6)	12,164	(18.8)	36,558	34,136	7.1
<b>Domestic</b>	<b>92,133</b>	<b>102,626</b>	<b>(10.2)</b>	<b>113,162</b>	<b>(18.6)</b>	<b>322,340</b>	<b>305,694</b>	<b>5.4</b>
Export	6,707	12,130	(44.7)	9,872	(32.1)	26,103	35,635	(26.7)
<b>Total Sales</b>	<b>98,840</b>	<b>114,756</b>	<b>(13.9)</b>	<b>123,034</b>	<b>(19.7)</b>	<b>348,443</b>	<b>341,329</b>	<b>2.1</b>

Source: Company data

**Mahindra & Mahindra (M&M):** M&M's (MM.IN/MAHM.BO) combined volume (Auto+Tractor) was at 69,202 units, growth of 13.0% YoY and 8.7% MoM. It sold 34,991 units in the domestic automotive segment in June'16, growth of 5.1% YoY, (down 4.4% MoM). Its key volume contributor PV segment comprises of UV and PC, grew 7.5% YoY (down 13.1% MoM), helped by newly launched compact UV namely TUV300 and KUV100 to some extent. Its LCV segment grew 5.6% YoY and 3.3% MoM to 13,023 units in June'16. Its exports grew 41% YoY to 4,020 units in the month. Company's Tractors delivered healthy performance. It recorded growth of 20.5% YoY and 31.2% MoM to 30,191 units with domestic volume growth of 20.5% YoY in the month.

### M&M – Monthly Volume (Automotive)

Units	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
PCs	1,293	1,447	(10.6)	987	31.0	3,451	4,125	(16.3)
Passenger UVs	15,777	14,433	9.3	18,648	(15.4)	55,909	49,354	13.3
4-wheel pickups	11,955	11,507	3.9	11,852	0.9	35,641	32,450	9.8
LCVs	1,068	826	29.3	756	41.3	2,465	2,016	22.3
M&HCVs	517	404	28.0	501	3.2	1,490	1,007	48.0
Three Wheelers	4,381	4,665	(6.1)	3,869	13.2	12,005	12,166	(1.3)
<b>Total Domestic Sales</b>	<b>34,991</b>	<b>33,282</b>	<b>5.1</b>	<b>36,613</b>	<b>(4.4)</b>	<b>110,961</b>	<b>101,118</b>	<b>9.7</b>
Export	4,020	2,852	41.0	4,043	(0.6)	10,569	8,449	25.1
<b>Total Sales</b>	<b>39,011</b>	<b>36,134</b>	<b>8.0</b>	<b>40,656</b>	<b>(4.0)</b>	<b>121,530</b>	<b>109,567</b>	<b>10.9</b>

Source: Company data, 4-Wheel Pickups: LCVs

**Automobiles**
**M&M – Monthly Volume (Tractors)**

Units	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
Domestic	28,797	23,899	20.5	22,148	30.0	71,649	59,150	21.1
Exports	1,394	1,191	17.0	870	60.2	2,946	3,208	(8.2)
<b>Total Tractors</b>	<b>30,191</b>	<b>25,090</b>	<b>20.3</b>	<b>23,018</b>	<b>31.2</b>	<b>74,595</b>	<b>62,358</b>	<b>19.6</b>

Source: Company data

**Tata Motors:** Tata Motors (TTMT.IN/TAMO.BO) sold 44,276 units in June'16, grew 8.3% YoY and 10.5% MoM. Its volume in M&HCVs space declined 11.4% YoY and 23.8% MoM to 10,147 units in June'16. Its PC sales grew by 37.4% YoY and 50.3% MoM to 11,705 units in June'16. Its UVs plunged 54.4% YoY and 3.1% MoM to 804 units in the month. Company's LCV volumes rose 13.7% YoY and 16.8% MoM to 16,017 units. Its export grew by 11% YoY to 5,603 units in June'16.

**Tata Motors – Monthly Volume**

Units	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
Cars	11,705	8,516	37.4	7,787	50.3	28,943	26,617	8.7
UVS	804	1,765	(54.4)	830	(3.1)	3,023	5,017	(39.7)
LCVs	16,017	14,092	13.7	13,714	16.8	42,147	37,944	11.1
M&HCV	10,147	11,450	(11.4)	13,312	(23.8)	36,181	33,467	8.1
<b>Domestic Sales</b>	<b>38,673</b>	<b>35,823</b>	<b>8.0</b>	<b>35,643</b>	<b>8.5</b>	<b>110,294</b>	<b>103,045</b>	<b>7.0</b>
Export Sales	5,603	5,046	11.0	4,428	26.5	13,816	13,510	2.3
<b>Total</b>	<b>44,276</b>	<b>40,869</b>	<b>8.3</b>	<b>40,071</b>	<b>10.5</b>	<b>124,110</b>	<b>116,555</b>	<b>6.5</b>

Source: Company data

**Ashok Leyland:** ALL sold 11,108 units in June'16, up 6.5% YoY and 12.5% MoM. The Company's LCV segment recorded volume of 2,423 vehicles in the month, flat YoY and 0.7% MoM. **Company's M&HCV volume rose 8.3% YoY and 16.3% MoM to 8,685 units in June'16.**

**Ashok Leyland – Monthly Volume**

Units	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
M&HCV	8,685	8,016	8.3	7,469	16.3	24,025	21,453	12.0
SCV	2,423	2,413	0.4	2,406	0.7	7,138	6,701	6.5
<b>Total Volume</b>	<b>11,108</b>	<b>10,429</b>	<b>6.5</b>	<b>9,875</b>	<b>12.5</b>	<b>31,163</b>	<b>28,154</b>	<b>10.7</b>

Source: Company data

**Eicher Motor:** Eicher sold 4,935 units in June'16, up 18.5% YoY but down 14.5% MoM. The Company's Bus segment recorded volume of 1,264 vehicles in the month, declined by 4% YoY and 16.3% MoM. **Its Truck segment rose 31.4% YoY and 6.3% MoM to 3,049 units in June'16.** Its exports grew 18.3% YoY (down 38.1% MoM) to 622 units in the month.

**Automobiles**
**Eicher Motor – Monthly Volume**

Units	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
Truck	3,049	2,321	31.4	3,255	(6.3)	9,540	6,837	39.5
Bus	1,264	1,316	(4.0)	1,511	(16.3)	4,219	4,085	3.3
<b>Domestic Truck/Bus</b>	<b>4,313</b>	<b>3,637</b>	<b>18.6</b>	<b>4,766</b>	<b>(9.5)</b>	<b>13,759</b>	<b>10,922</b>	<b>26.0</b>
Exports	622	526	18.3	1,005	(38.1)	2,312	1,206	91.7
<b>Total Volume</b>	<b>4,935</b>	<b>4,163</b>	<b>18.5</b>	<b>5,771</b>	<b>(14.5)</b>	<b>16,071</b>	<b>12,128</b>	<b>32.5</b>

Source: Company data

**Tractor Segment**

**Escorts:** Escorts (ESC.IN/ESCO.BO) sold 6,890 units in June'16, grew 12.2% YoY, and 31.2% MoM. In the domestic market, the Company's volumes grew by 11.3% YoY and 30.3% MoM to 6,946 units, while exports declined by 43.4% YoY.

**Escorts – Monthly Volume**

Units	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
Domestic	6,890	6,139	12.2	5,252	31.2	16,190	14,549	11.3
Exports	56	99	(43.4)	79	(29.1)	173	326	(46.9)
<b>Total Volume</b>	<b>6,946</b>	<b>6,238</b>	<b>11.3</b>	<b>5,331</b>	<b>30.3</b>	<b>16,363</b>	<b>14,875</b>	<b>10.0</b>

Source: Company data

**Other Auto Players**

Units	Jun 16	Jun 15	YoY (%)	May 16	MoM (%)	YTD FY17	YTD FY16	YoY (%)
<b>Four-wheelers</b>								
Hyundai	39,806	36,300	9.7	41,351	(3.7)	123,508	112,351	9.9
Toyota	13,502	10,464	29.0	12,200	10.7	34,231	34,300	(0.2)
Ford	9,469	4,527	109.2	5,780	63.8	21,780	14,184	53.6
Honda	11,407	18,380	(37.9)	9,954	14.6	31,847	44,447	(28.3)
<b>Two-wheelers</b>								
HMSI	408,141	331,797	23.0	415,902	(1.9)	1,255,054	1,025,857	22.3
Yamaha	67,203	51,432	30.7	62,748	7.1	193,878	136,084	42.5

Source: Company data

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