

Car sales dip 39 percent in February

KARACHI: Car sales slid 39.4 percent year-on-year to 10,345 units in February, industry data showed on Wednesday, as weakening buying power of consumers continued to hurt automobile sector.

Pakistan Automotive Manufacturers Association's (Pama) data showed that car sales dropped 43.4 percent to 79,537 units in the first eight months of the current fiscal year. That compared with 140,462 units in the corresponding period a year earlier.

Analysts said purchasing power of the customers weakened after an increase in car prices. With an exception to Suzuki's Alto, almost all variants of four wheelers and above vehicles recorded decline in sales. Under 800cc cars, sales dropped 48.7 percent to 2,342 units in February as opposed to 4,570 units in the same month a year ago despite growth in sale of Suzuki Alto.

In February, sales of cars of 1,300cc and above fell 30 percent year-on-year to 5,769 units. That was compared with 8,239 units during the same month a year earlier. Sales of these cars dropped 56 percent to 31,033 units in the July-February. That was compared to 70,232 units in the corresponding period a year earlier.

In February, sale of Toyota Corolla decreased 25 percent to 3,715 units as against 4,945 units a year earlier, while sale of Honda Civic and City was down 36.6 percent to 1,868 cars from 2,950 units.

Analysts see some improvement ahead as Indus Motors is all set to launch its new Toyota Yaris in 1.3 and 1.5 variants. Toyota Yaris will replace popular Toyota Corolla.

Under 1,000cc category, Suzuki Cultus and Suzuki WagonR witnessed sales drop by 47.6 percent to 2,234 units in February 2020 as against 4,262 units in February 2019. Suzuki Swift's sales declined 46 percent to 186 cars from 344 cars.

Pama data further showed that sale of buses and trucks slid 41 percent in the July-February period as their sales dropped to 402 units from 563 units.

Sale of jeeps decreased 46.8 percent in the first eight months to 2,745 units from 5,160 units during the corresponding period last year. Toyota Fortuner's sales fell 50 percent to 913 units, compared to 1,843 units.

Tractor sales decreased 35.7 percent to 20,588 units in the eight months of FY20. That was compared to 32,013 units in the corresponding period last year. Sales of motor bikes fell 9.7 percent to 1.081 million units in the July-February period. That was compared to 1.197 million in the corresponding period a year earlier.