

Car sales jump 44pc to 14,543 units in Jan

KARACHI: Sales of passenger cars jumped 44.06 percent to 14,543 units in January compared to 10,095 units sold in the same period last year owing to an increase in leasing in a low interest rate environment, latest numbers showed on Thursday.

Sales of jeeps, tractors, pickups, three-wheelers, and motorcycles also increased in the period under review, according to data issued by Pakistan Automotive Makers Association (PAMA).

One analyst said that sale of cars were set to increase in coming days as low markup rates would attract the buyers willing to purchase cars on lease.

Cumulative sales in first seven months of the FY2021 (July-Jan) clocked in at 81,569 units, up 18 percent, compared to 69,189 sold in the same period last year.

In January, 1300 CC and above car sales increased 27 percent to 6,944 units as compared to 5,467 units sold during the same month in the previous year. This increase can be attributed to sales of Toyota Yaris that hit 2,992 units.

However, sales of Indus Motor's popular Toyota Corolla decreased 56 percent to 1,525 units against 3,445 units sold during January 2020, while that of Honda Civic and City were up 10 percent to 2,063 cars from 1,878 units, compared to the same period 2020. Around 364 Suzuki Swifts were sold during the period under review compared to 144 sold last year.

In 1,000CC category, sales of Suzuki Cultus and Suzuki WagonR increased 23 percent to 2,786 units against 2,268 in the corresponding period.

In 800 CC segment, sales rose by 104 percent to 4,813 units in January against 2,360 units during the corresponding period in 2020. The main driver of sales in this segment was Suzuki's new Alto, whose sales increased to 3,827 units from 1,794 during the same month last year.

Buses and trucks sales dropped to 363 units in January from 444 units during the same period in corresponding year.

Sale of jeeps increased 149 percent to 1,199 units from 482 units sold during the same month last year. The main reason was a huge increase of 179 percent in the sales of Toyota Fortuner, with 419 units sold compared to 150 units last year, and Hyundai Tucson selling 489 units led the increase in this segment.

Pick-up sales increased to 1,773 units from 1,387 units in January 2020. Sales of tractors rose 135 percent to 5,209 units in January from 2,213 units during the corresponding period of 2020. Rickshaw and motor bike sales rose 14 percent to 162,564 units in January from 142,445 units sold in the corresponding month of last year.

In addition to the data released by PAMA, among new entrants, Hyundai Nishat sold 515 units, while Lucky Motor around 2,500 units, as per our channel checks, said Syed Fawad Basir, an analyst at Topline Securities. "We expect demand for cars to grow stronger owing to low interest rates environment and pickup in economic activity," he said.