

January 2025 Auto Sales: Strong Market Rebound Amid New Year Demand

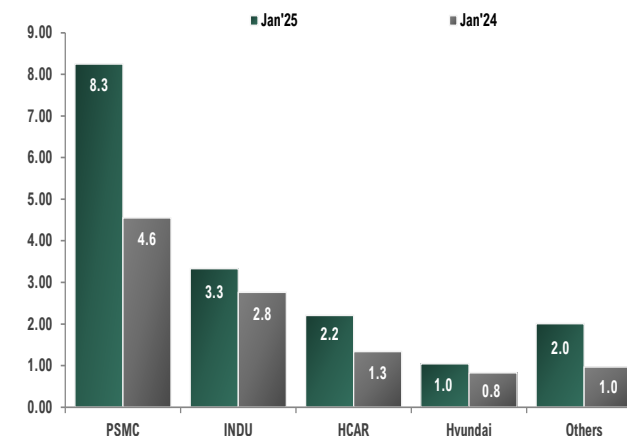
In January 2025, the Pakistan Automotive Manufacturers Association (PAMA) reported a notable increase in the automotive sales, with overall trend showing a strong recovery on a month-over-month (MoM) basis. Total car sales, including light commercial vehicles (LCVs) and SUVs, surged by 74% compared to the previous month. This sharp increase was largely driven by a low base effect from December, when year-end seasonality led buyers to defer purchases for new-year registrations.

On a year-over-year (YoY) basis, total car sales rose by 61% to 16,995 units, supported by improving consumer confidence, lower inflation, and reduced interest rates. The continued YoY growth highlights the market's steady recovery amid evolving economic conditions.

PAMA's sales figures for January 2025 are as follows:

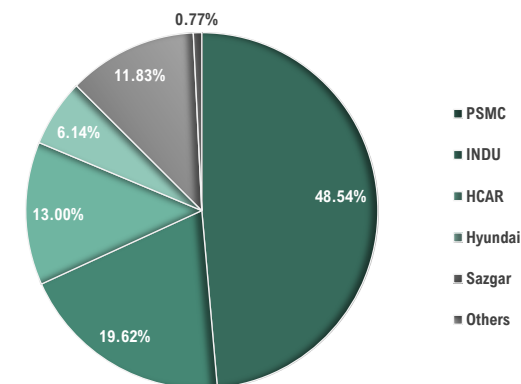
- **Passenger Cars:** Sales grew by 52% YoY to 11,868 units, compared to 7,802 units last year. On a MoM basis, the segment recorded a strong 51% increase.
- **LCVs, Pickups, and SUVs:** This segment posted an 88% YoY increase, reaching 5,127 units. The MoM growth was a significant 168%, partly due to the inclusion of SAZEW sales for both December and January, which were not released in the previous month's data.
- **Electric Vehicles (EVs):** A total of 15 units of the Honri VE were sold in January by DFML, the sole player in this segment.
- **Tractors: Sales** declined by 28% YoY to 2,761 units, reflecting weaker demand. Additionally, the segment saw a sharp 61% MoM decline.
- **Trucks:** Sales recorded a remarkable 218% YoY growth, with 560 units sold, while MoM sales saw a substantial 344% increase.
- **Buses:** Sales declined slightly by 8% YoY to 61 units, with a marginal 9% MoM decrease.
- **Motorcycles:** A total of 139,161 units were sold, marking a 33% YoY increase. On a MoM basis, sales rose by 18%, supported by strong demand for affordable transport options.

Monthly Sales - YoY (in '000)



Source: PAMA, HMFS Research

Four Wheeler's Market Share - 7MFY25



Source: PAMA, HMFS Research

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Indus Motor Company (INDU) experienced strong momentum, with its market share rising by approximately 3% to 19.6%. The company posted an impressive 102% MoM increase in sales, totaling 3,335 units, while YoY sales also climbed 21%. This growth was primarily driven by Toyota Hilux and Fortuner, which saw a 138% MoM increase, while key sedan models, including Corolla, Yaris, and Corolla Cross, registered an 86% MoM rise, reflecting improving demand across its portfolio.

Sazgar Engineering Works (SAZEW) reported consolidated four-wheeler sales for December and January, posting a 27% increase to 2,010 units compared to October and November. The company's Haval sales surged by 26%, while the three-wheeler segment also gained traction, growing 16% to 5,092 units over the same period.

Honda Atlas Cars Pakistan Limited (HCAR) saw a 99% MoM surge in total sales, reaching 2,210 units in January. The increase was primarily fuelled by Honda City and Civic, which posted a 105% MoM rise, while the BR-V and HR-V lineup also recorded a 61% MoM improvement.

Outlook

Looking ahead, market trends will be shaped by continued economic stability, supportive government policies, and the introduction of new models. As competition intensifies and consumer preferences evolve, the automotive industry is set for a dynamic and transformative 2025.

The sector is also experiencing a gradual shift toward electric mobility, though EV adoption remains in its early stages. While policy incentives are already in place, their effective implementation, infrastructure expansion, and local manufacturing developments will be key to accelerating this transition. Notably, the Sindh government, in collaboration with Dewan Group, is advancing plans to introduce 500 electric taxis in the province, a project worth PKR 2.5bn aimed at addressing environmental and transportation challenges. Sustained investment in such initiatives could help drive broader EV acceptance, paving the way for long-term industry transformation.

AUTO SECTOR UPDATE

Wednesday, February 12, 2025

Sales	7MFY25	7MFY24	YoY	Jan-25	Jan-24	YoY	Dec-24	MoM
Cars & LCV's								
PSMC	40,078	26,547	51%	8,250	4,550	81%	6,016	37%
INDU	15,876	9,960	59%	3,335	2,762	21%	1,655	102%
HCAR	9,294	6,224	49%	2,210	1,339	65%	1,110	99%
SAZEW	6,201	2,253	175%	2,010	967	108%	-	0%
Cars	58,266	38,464	51%	11,868	7,802	52%	7,864	51%
LCV's + SUVs	19,301	11,526	67%	5,127	2,734	88%	1,915	168%
Total	77,567	49,990	55%	16,995	10,536	61%	9,779	74%
Tractors								
AGTL	7,701	9,317	-17%	411	1,005	-59%	2,344	-82%
MTL	12,457	17,908	-30%	2,350	2,809	-16%	4,686	-50%
Total	20,158	27,225	-26%	2,761	3,814	-28%	7,030	-61%
Trucks								
Isuzu	1,389	472	194%	400	90	344%	60	567%
Hino	150	96	56%	28	12	133%	11	155%
Master	417	358	16%	106	63	68%	41	159%
JAC	98	60	63%	26	11	136%	14	86%
Total	2,054	986	108%	560	176	218%	126	344%
Buses								
Hino	80	84	-5%	15	4	275%	14	7%
Master	213	94	127%	46	58	-21%	13	254%
Isuzu	72	60	20%	-	4	-100%	40	-100%
Total	365	238	53%	61	66	-8%	67	-9%
Motorcycles								
Atlas Honda	703,226	562,440	25%	115,557	92,041	26%	100,911	15%
Pak Suzuki	13,910	8,870	57%	2,348	1,484	58%	1,870	26%
Yamaha	3,132	4,914	-36%	462	331	40%	529	-13%
Others	115,358	70,216	64%	20,794	10,763	93%	14,781	41%
Total	835,626	646,440	29%	139,161	104,619	33%	118,091	18%
Three Wheelers								
SAZEW	14,904	7,157	108%	5,092	2,229	128%	-	0%
Total	14,904	7,157	108%	5,092	2,229	128%	-	0%

Source: PAMA, HMFS Research

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HMFS RATING GUIDE

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SELL	More than 15% Downside

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