



Press Release

19 May 2014

Regional Sales Continued to Decline

Regional Light Vehicle sales in ASEAN5 continued to decline in March 2014. Total sales came in at around 275k, a 15% decrease from the same month of the previous year. The declining trend has continued throughout the first quarter at 14%. This was mainly as a result of continually declining sales in Thailand, whose sales declined by 47% in March or 46% for the quarter. Significant and considerable growth in the other four markets could not offset the much bigger reduction by volume in Thailand. The reduction has continued to follow our previous projection, and the 2014 sales outlook has been kept unchanged at around 3.2 million units.

Market normalization from the first car buyer scheme continued its mechanism behind the contraction in Thailand. March sales at just above 81k were significantly lower than the 91k of March 2011, but were exceptionally high compared to average monthly sales in 2011 of 64k. The movement followed our hypothesis that Thai sales would shrink back to the trendline prior to the first car scheme in 2012, plus some addition on an expansion of the newly created Eco-Car sub-segment.

The Seasonally Adjusted Annualized Rate in March dropped further to 861k from 882k in February, but we have kept the annual topline for 2014 unchanged at 972k. The outlook was based on optimistic assumptions on recovery in the second half of the year. The view is on the downside.

In contrast to the significant contraction of the Thai market, sales continue to grow considerably in the other four markets. The most significant growth by volume could be observed in Indonesia, followed by the Philippines, Vietnam and Malaysia. The growth, however, accounted for only 35% of the declined volume in Thailand.

Indonesia recorded another set of monthly sales at more than the 100k level, the sixth time since July 2013. March sales grew 19% to just below 102k. Sales expanded most in the Mini Car segment, boosted by the introduction of new models under the government's Low Cost Green Car project since September 2013. Mini Car sales have expanded from a few hundreds units previously to a monthly average of 13k since the introduction of the project.

Expansion of the MPV/Minivan segments is also equally behind the March expansion in Indonesia. This was purely driven by the newly launched Honda Mobilio, as sales of the model alone were comparable to the increased volume of the whole MPV/Minivan segment.

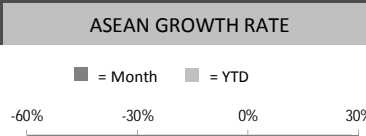






As a result, quarterly sales increased by 13%. With these positive drives, we have slightly adjusted the yearly outlook upwards to around 1.2 million units.

March sales in the Philippines and Vietnam increased significantly with 26% and 42% growth, and sales registered at 22k and 11k respectively. Quarterly sales also grew in line by 24% and 38%. Annual sales are expected at 224k and 120k.

Malaysian sales grew limitedly at 2% and 1% by month and quarter, mainly as a result of a combination of an expansion in the Sub-Compact Car segment and a contraction in the Compact Car segment. The Toyota Vios and the Honda Jazz were behind the growth in the former segment, while the Proton Preve and the Nissan Almera were behind the reduction in the latter segment. Annual sales were expected to grow, also limitedly by 4% at 674k.

ASEAN Top Lines						
	Mar	Growth	YTD	Growth	2014f	Growth
Sales	290,297	-14%	804,086	-14%		
PV	202,224	-11%	564,342	-11%	2,344,811	-3%
LCV	72,316	-23%	199,041	-23%	841,827	-11%
M&H CV	15,757	-3%	40,703	-12%		
Production	370,322	-9%	1,055,810	-12%		
PV	235,408	-3%	667,927	-7%	2,691,153	9%
LCV	117,904	-22%	345,735	-21%	1,554,123	-1%
M&H CV	17,010	14%	42,148	-6%		

Market Performance							
		Mar	Growth	Share	YTD	Growth	Share
Thailand	PV	43,895	-51%	54%	116,110	-50%	53%
	LCV	37,471	-41%	46%	101,870	-40%	47%
Malaysia	PV	51,653	3%	88%	141,491	2%	89%
	LCV	6,744	-3%	12%	16,791	-4%	11%
Indonesia	PV	81,719	19%	80%	238,883	16%	80%
	LCV	20,165	19%	20%	60,157	6%	20%
Philippines	PV	17,591	27%	79%	47,577	24%	79%
	LCV	4,554	19%	21%	12,502	24%	21%
Vietnam	PV	7,366	56%	69%	20,281	45%	72%
	LCV	3,382	19%	31%	7,721	23%	28%

Group Sales Performance															
	ASEAN GROWTH RATE				YTD VOLUMES										
															
	Month	YTD	Volume	Growth	Volume	Growth	Volume	Growth	Volume	Growth	Volume	Growth	Volume	Growth	
Toyota Group			304,437	-3%	84,215	-33%	25,882	19%	163,226	16%	22,828	33%	8,286	14%	
Honda Group			79,130	-32%	22,361	-69%	15,627	30%	36,080	34%	3,318	-16%	1,744	283%	
Mitsubishi Motors			57,344	-21%	16,856	-54%	3,745	4%	24,043	8%	11,859	20%	841	145%	
Suzuki Group			51,393	3%	5,303	-48%	1,550	14%	42,281	17%	1,447	39%	812	-22%	
Isuzu Motors			49,228	-25%	40,009	-30%	2,358	3%	3,723	-1%	3,044	12%	94	-46%	
Perodua Automotiv e			44,024	-6%	0	N/A	44,024	-6%	0	N/A	0	N/A	0	N/A	
Renault-Nissan Group			43,861	-42%	17,478	-58%	11,634	-20%	12,483	-25%	1,865	-10%	401	-9%	
DRB-Hicom			32,958	-6%	140	-53%	32,733	-4%	85	-72%	0	N/A	0	N/A	
Hyundai Group			24,915	2%	914	-42%	4,966	-16%	3,142	-29%	7,782	5%	8,111	59%	
Ford Group			20,983	-16%	9,838	-34%	2,924	3%	1,229	-54%	3,692	38%	3,300	81%	



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It offers forecasting services covering global sales and production for light vehicles and heavy trucks, as well as forecasts of engine and transmission supply and demand. In addition, LMC Automotive publishes special studies on subjects of topical interest to the automotive industry.

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