

Car sales drop sharply

By Aamir Shafaat Khan

KARACHI, Oct 10: The first quarter of the current fiscal year proved dismal for local car assemblers owing to 30 per cent decline in sales to 26,806 units as compared to 38,065 units in July-September 2011-2012.

The sales in September 2012 fell to 8,481 units from 9,329 units in August 2012, while in September 2011 total car sales stood at 12,512 units, figures released by Pakistan Automotive Manufacturers Association (PAMA) showed.

Indus Motor Company (IMC) sold only 1,768 units of Toyota Corolla cars in September 2012 as compared to 2,800 in August 2012, while in September 2011 total sales were 3,320 units. The company's total sales in July-September 2012-2013 also fell to 7,032 from 10,682 units in the corresponding period of last fiscal year.

The IMC's senior general manager marketing Ali Asghar Jamali said amid depressing sales scenario the company has already extend-

ed its non production days (NPDs). In July 2012, there were seven NPDs observed by the IMC followed by four to five in August which rose to nine in September, 12 in October and 11-12 each in November and December respectively.

He said the company has completely knocked down (CKD) kits in hand for 7,000 cars coupled with 3,000 locally made CBUs at plant and 1,500 units at dealership network. He linked the falling sales to huge arrivals of used cars.

Ali said that the two time cut in interest rate by the State Bank has not made any impact on car sales through bank financing as many banks are now offering leasing and financing on used cars.

Used car and other vehicles imports stood at 55,000 units in 2011-2012 while around 14,000 used cars and other vehicles have landed in July-September 2012-2013, he added.

Production of new Honda Civic model got underway with 833 units in September

2012 as against zero production in August 2012. However, total sales in July-September 2012-2013 plunged to 1,485 units from 1,710 in first three months of last fiscal year.

Honda City sales improved to 2,936 in the last three months from 2,562 while production also surged to 3,866 units from 2,511 units.

Suzuki Swift continued to show impressive growth with sales rising to 1,902 units as compared to 1,826 units while Suzuki Liana sales remained flat falling to 54 units in July-September 2012-2013 from 156 units in the same period of last fiscal year.

Suzuki Cultus sales dropped to 3,330 units from 3,710 units while Mehran and Bolan sales declined to 7,383 and 2,613 units in July-September 2012-2013 from 8,415 and 4,089 units in the same period of last fiscal year.

Zeeshan Afzal, an analyst at Top Line Securities, attributed to subdued sales to termination of 'Daihatsu Cuore' and 'Suzuki Alto' and large inflow of imported used cars.