China & India automotives : a Market Access perspective

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China- basic data

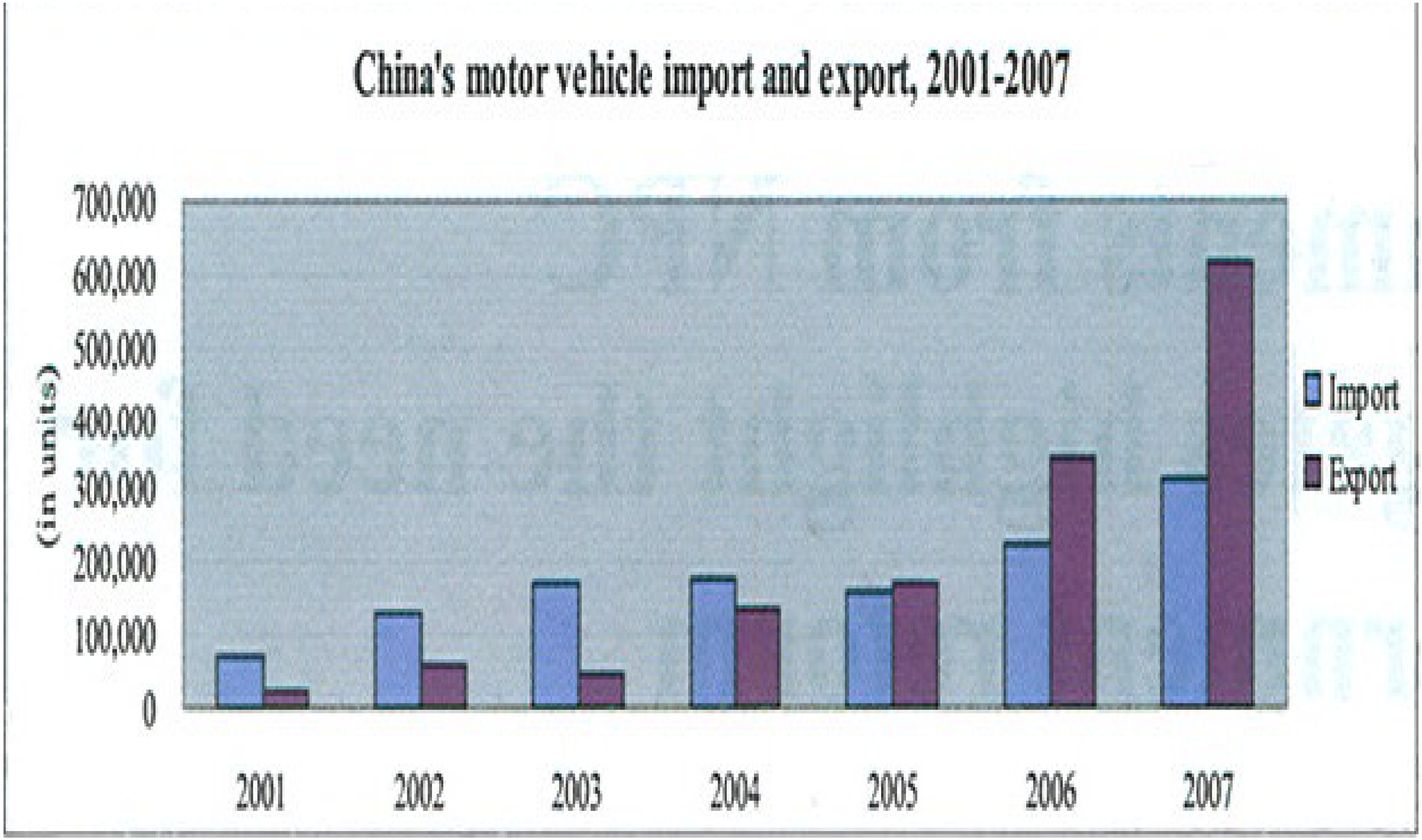
- Production: 8.9 million vehicles
- Sales (million vehicles): 8.8, of which
  - 6.3 → PCs
  - 2.5 → commercial
- Car fleet: 57 million vehicles
- Vehicles per 1000 habitant: 44 (ww 120; US 750)
- Forecast 2008: 10 million vehicles

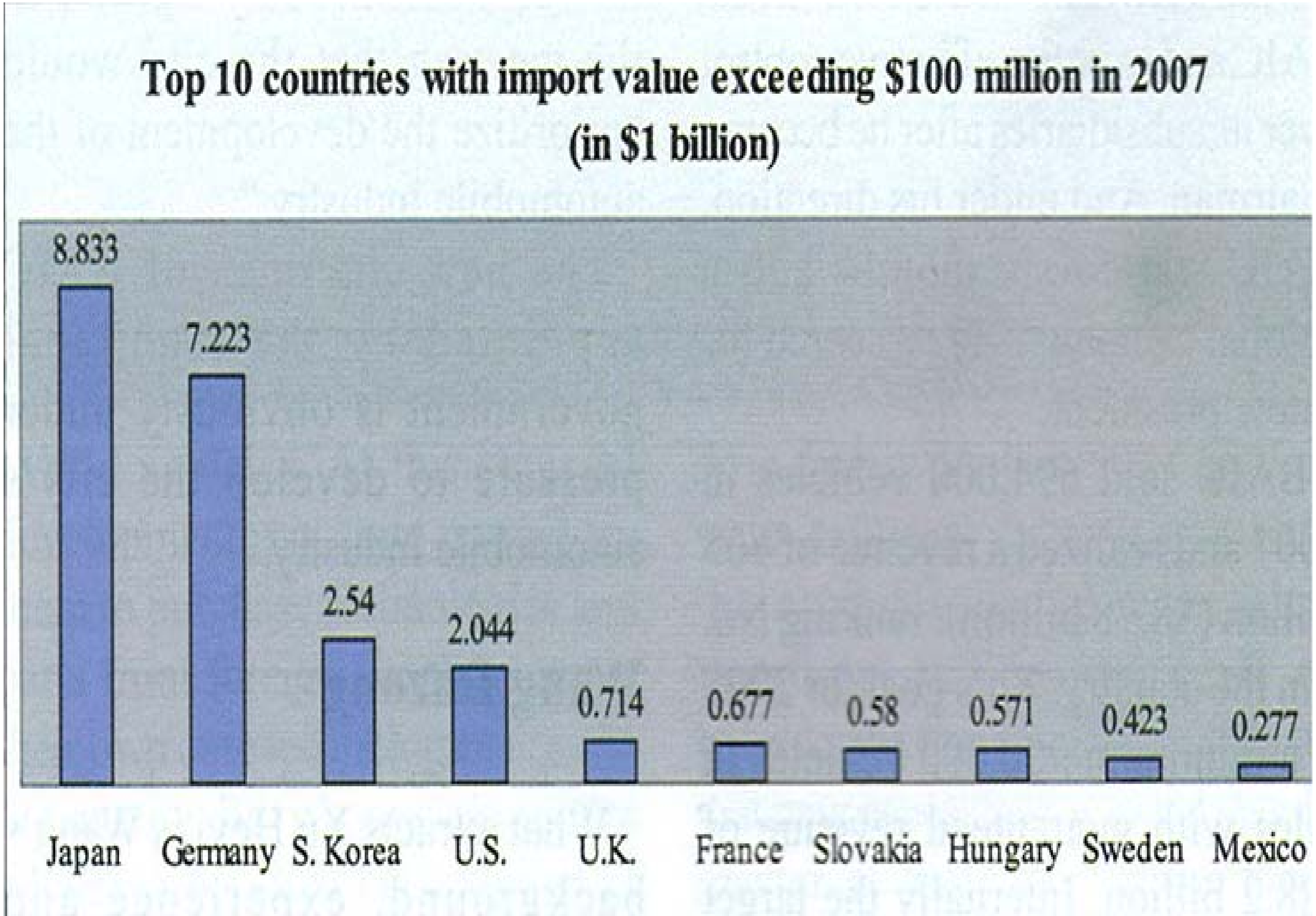
China- trends

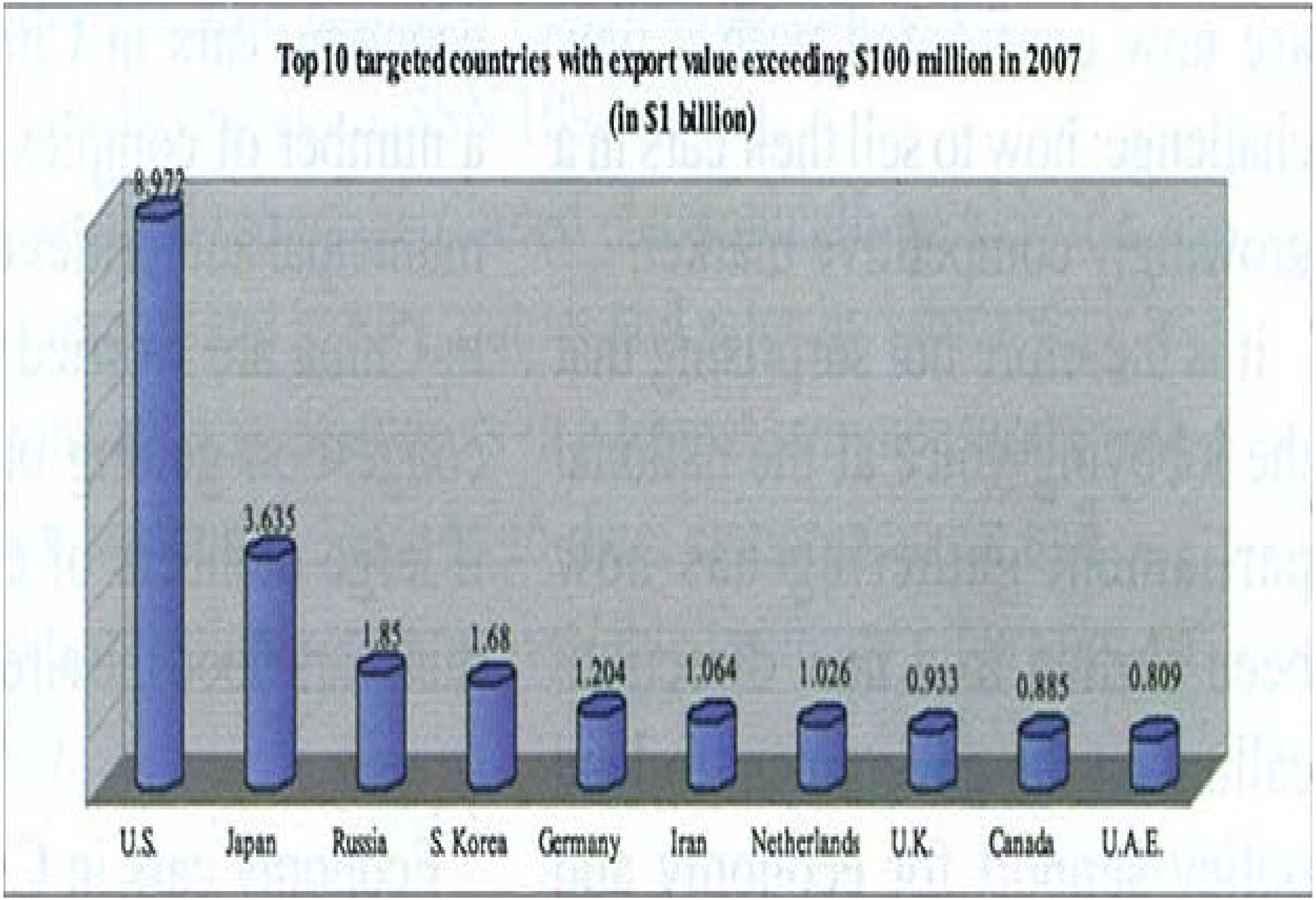
- 2008 H1: Δ 18.5%
- 2008 H2: slower increase
- Challenges:
  - Oil prices
  - Costs
  - Vehicle taxes
  - Monetary policy

Trade 2008 1H

- M in China (WW):
  - 212,000 vehicles (Δ 53%); $ 7.7 bio.
  - 92,000 vehicles > 3 litres; 70% > 2.5 litres
- X from China (WW):
  - 361,000 vehicles (Δ58%); $ 4.6 bio.


China's motor vehicle import and export, 2001-2007
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
(in units)
Import
Export
2001
2002
2003
2004
2005
2006
2007


Top 10 countries with import value exceeding $100 million in 2007
(in $1 billion)
8.833
7.223
2.54
2.044
0.714
0.677
0.58
0.571
0.423
0.277
Japan
Germany
S. Korea
U.S.
U.K.
France
Slovakia
Hungary
Sweden
Mexico


Top 10 targeted countries with export value exceeding $100 million in 2007
(in $1 billion)
8.972
3.635
1.85
1.68
1.204
1.064
1.026
0.933
0.885
0.809
U.S.
Japan
Russia
S. Korea
Germany
Iran
Netherlands
U.K.
Canada
U.A.E.

CN- market shares

OEMs market shares in 2007 (passenger vehicles), in %

	EU		US		JAPAN		KOREA		CHINA	TOTAL
VW	17.3	GM	10	Honda	8.7	Hyundai	4.5	Chery	7.2	
Peugeot-Citroën	3.9	Ford	3.4	Toyota	8.5	Kia	1.9	Geely	4.1	
BMW	0.6	Chrysler	0.2	Nissan	5.3					
Fiat	0.3			Suzuki	3			+ others	…	
Mercedes-Benz	0.1			Mazda	1.7					
				Mitsubishi	1.4					
	22.2		**13.6**		**28.6**		**6.4**		**29.1**	**100**

CN- Industry main concerns

- 1. Limitations on Investment
- 2. Type Approval/Homologation Standards
- 3. Fuel Consumption and CO_2 Reduction
- 4. Scrapping Requirement for Commercial Vehicles
- 5. Intellectual Property Rights (IPR)
- 6. Length Regulations for Commercial Vehicles
- (Auto parts)

IN- production trends

Category	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Passenger Vehicles	723.330	989.560	1.209.876	1.309.300	1.545.223	1.762.131
Commercial Vehicles	203.697	275.040	353.703	391.083	519.982	545.176
Three Wheelers	276.719	356.223	374.445	434.423	556.126	500.592
Two Wheelers	5.076.221	5.622.741	6.529.829	7.608.697	8.466.666	8.026.049
GRAND TOTAL	**6.279.967**	**7.243.564**	**8.467.853**	**9.743.503**	**11.087.997**	**10.833.948**

IN- Shares of automobile sector

Commercial Vehicles	5,05%
Total Passenger Vehicles	16,4%
Three Wheelers	3,78%
Two wheelers	75,13%

IN- Turnover auto

1999 - 2000	422.933
2000 - 2001	492.024
2001 - 2002	499.136
2002 - 2003	595.184
2003 - 2004	661.769
2004 - 2005	835.851

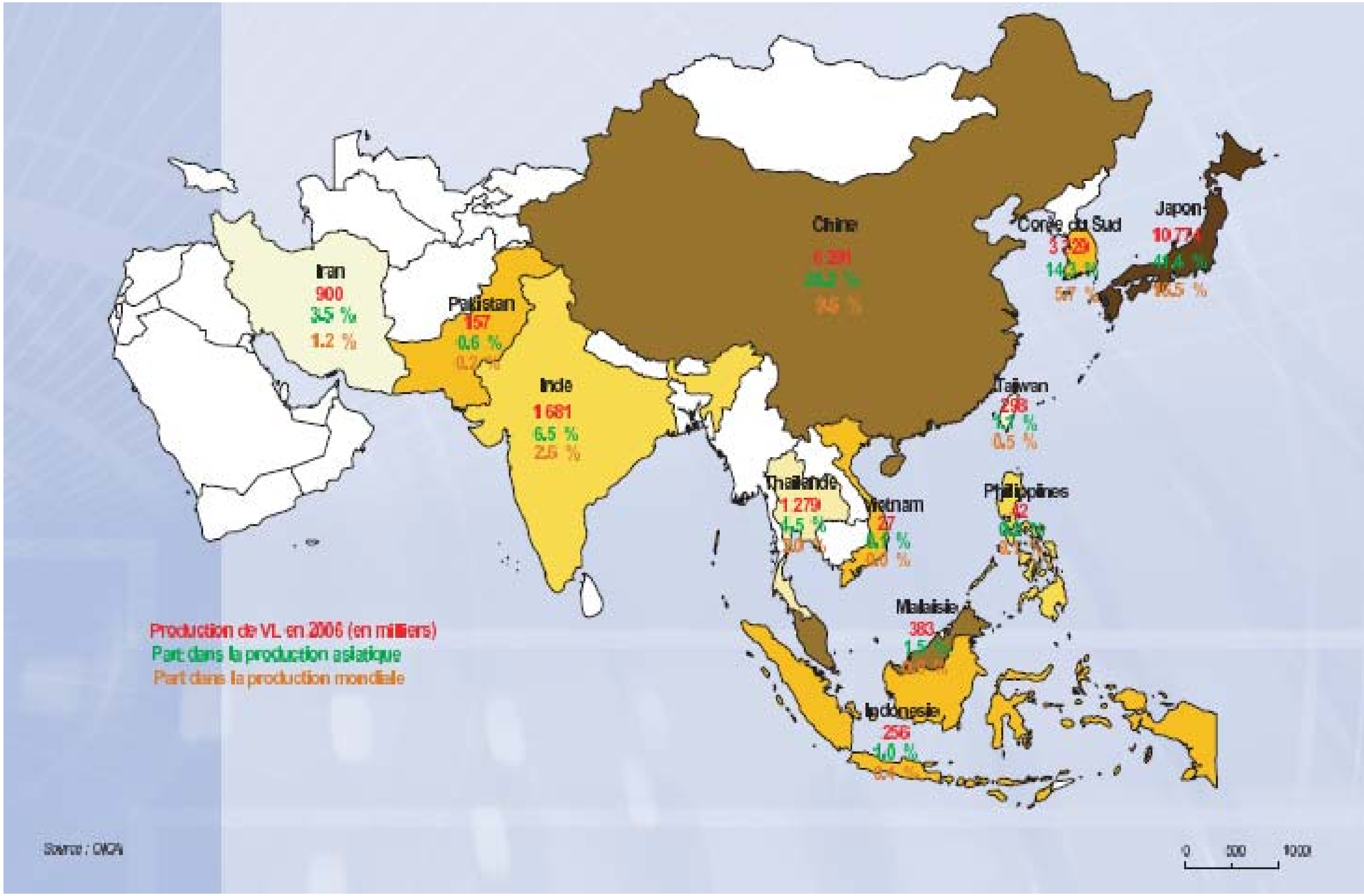
IN- auto export trends

Category	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Passenger Vehicles	72.005	129.291	166.402	175.572	198.452	218.418
Commercial Vehicles	12.255	17.432	29.940	40.600	49.537	58.999
Three Wheelers	43.366	68.144	66.795	76.881	143.896	141.235
Two Wheelers	179.682	265.052	366.407	513.169	619.644	819.847
GRAND TOTAL	**307.308**	**479.919**	**629.544**	**806.222**	**1.011.529**	**1.238.499**

Production of 4-Wheelers

Manufacturers	2005-06 (Apr-Mar) In Nos.	Manufacturers	2005-06 (Apr-Mar) In Nos.
Japanese OEM		**Korean OEM**	
Maruti Udyog Ltd.	572,097	Hyundai Motor India Ltd.	260,440
Toyota Kirloskar Motor Pvt. Ltd.	44,975	**American OEM**	
Honda Siel Cars India Ltd.	41,361	General Motors India Pvt. Ltd.	30,687
Swaraj Mazda Ltd.	11,946	Ford India Pvt. Ltd.	26,946
Total	**670,379**	**Total**	**57,633**
European OEM		**Indian OEM**	
Skoda Auto India Pvt. Ltd.	9.767	Tata Motors Ltd.	449,878
Daimler Chrysler India Pvt. Ltd.	1,780	Mahindra & Mahindra Ltd.	128,601
Volvo India Pvt. Ltd.	1,004	Ashok Leyland Ltd.	65,085
Tatra Trucks India Ltd.	125	Force Motors Ltd.	35,728
Fiat India Pvt. Ltd.	671	Eicher Motors Ltd.	24,348
		Hindustan Motors Ltd.	15,458
Total	**13,347**	**Total**	**719,098**

Source: Automotive Component Manufacturers Association of India


Iran
900
3.5 %
1.2 %
Pakistan
157
0.6 %
Inde
1 681
6.5 %
2.6 %
Chine
Corée du Sud
Japon
Taiwan
298
1.7 %
0.5 %
Thaïlande
1 279
Vietnam
27
Philippines
42
Malaisie
383
Indonésie
256
1.0 %
Production de VL en 2006 (en milliers)
Part dans la production asiatique
Part dans la production mondiale
Source : OICA
0 500 1000

Impact DDA tariff dismantling

	Current applied	New applied
Brazil	35 %	24,5 %
China	25 %	25 %
India	60 %	60 %
Indonesia	43,7 %	43,7 %
Malaysia	38,8 %	38,0 %
Thailand	62,5 %	55,8 %
EU	10 %	4,4 % MFN - 0 % GSP