

2022

May

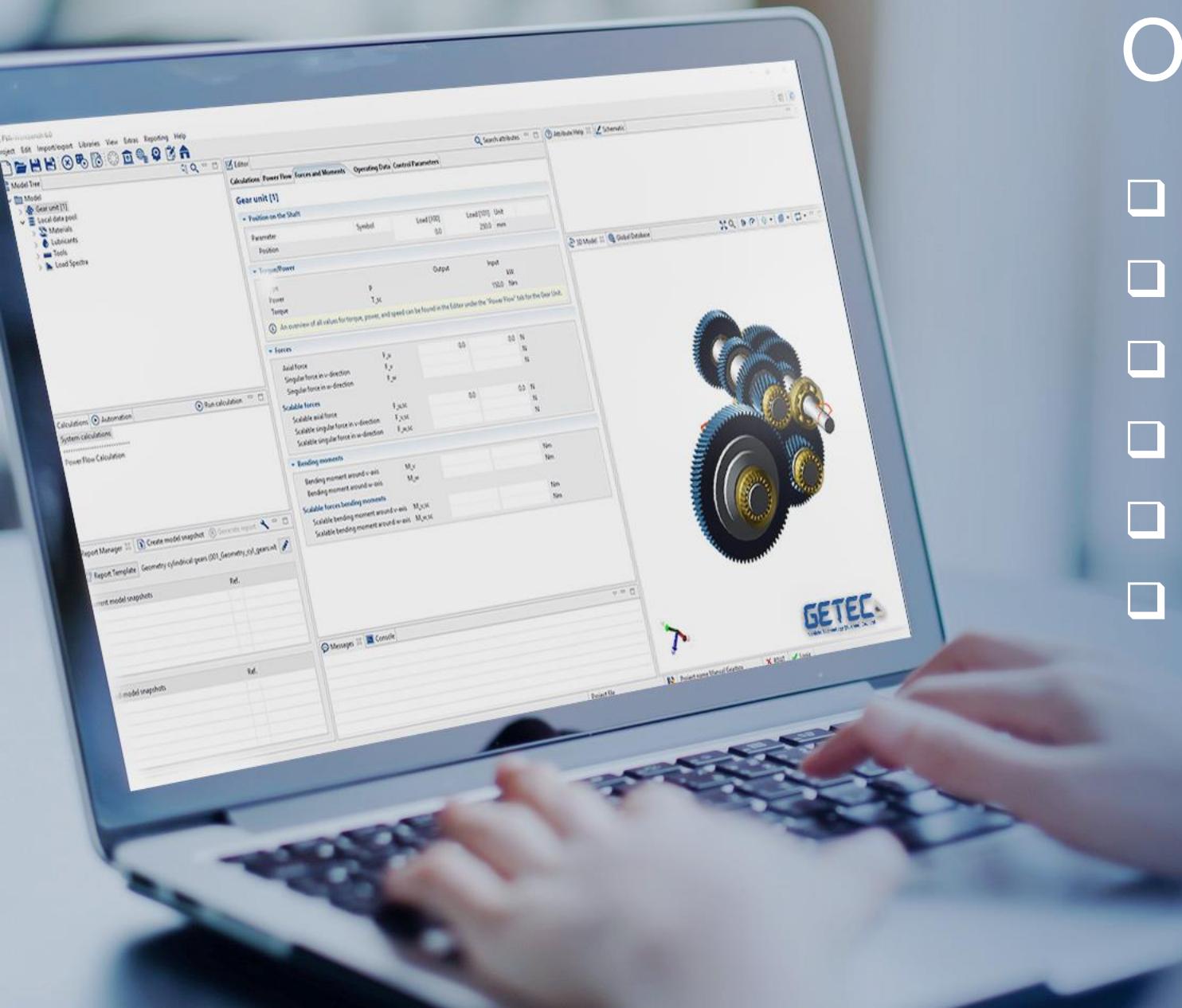
Auto Sales China

GETEC Market Report

GETEC
Getriebe Technik GmbH

Overview

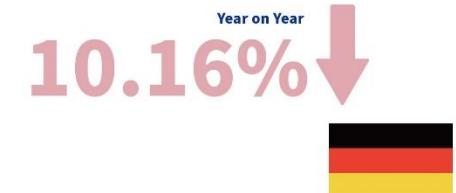
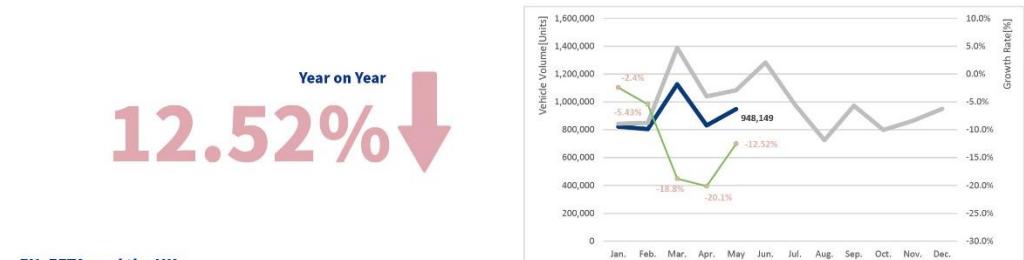
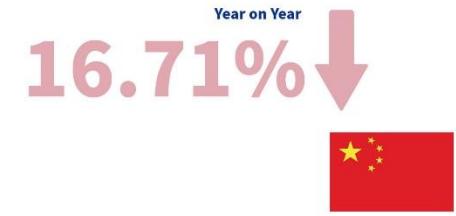
- Global Sales Overview
- China Sales Overview 2022
- Model Sales
- New Energy Vehicle
- Summary
- News & Policy



Global Sales Overview in May

Global Sales Overview in May

- Chinese virus situation was brought under control after effective prevention measures. A gradual recovery of Chinese economy in May, and the policy measures of stabilize production and supply which led to a significant increase in sales in the auto market compared with previous month. In May Chinese PV sales reached 1.35 million units, up 29.71% MoM, but down 16.71% YoY due to the impact of the previous month. The cumulative sales were 7.31 million units from January to May, decrease 12.17% YoY. Chinese NEPV sales reached 0.36 million units in May, increase 91.92% YoY and 27.26% MoM. New energy development was also impacted by the current situation, but the improvement exceeded expectations. By May, the cumulative sales of NEPV was 1.17 million units, which increase 117.6% YoY. Energy penetration rate of 26.6%, including 19.77% BEV, and 6.78% PHEV.
- The European auto market was dismal in May due to the shortage of parts and the uncertainty of the European economy. EU, EFTA and UK new PV registrations fell 12.52% YoY to 0.95 million units in May. The overall sales volume from January to May was 4.53 million units, a year-on-year decrease of 12.92%.
- As European largest auto market, German new vehicle orders broke new highs, but poor supply of parts and chips had a big impact on vehicle production. The number of new vehicle registrations in May was 0.2 million units, down 10.16% YoY but increase 14.94% MoM. The cumulative sales volume till May was 1.01 million units, down 9.25% YoY. Despite the overall poor performance, the German new energy market remained stable and upward. 52,421 NEV were sold in May, with a penetration rate of 25.3%, of which 29,215 BEVs accounted for 14.1% and 23,206 PHEVs accounted for 11.2%.



China Sales Overview in May

China Sales Data

1.35
Million

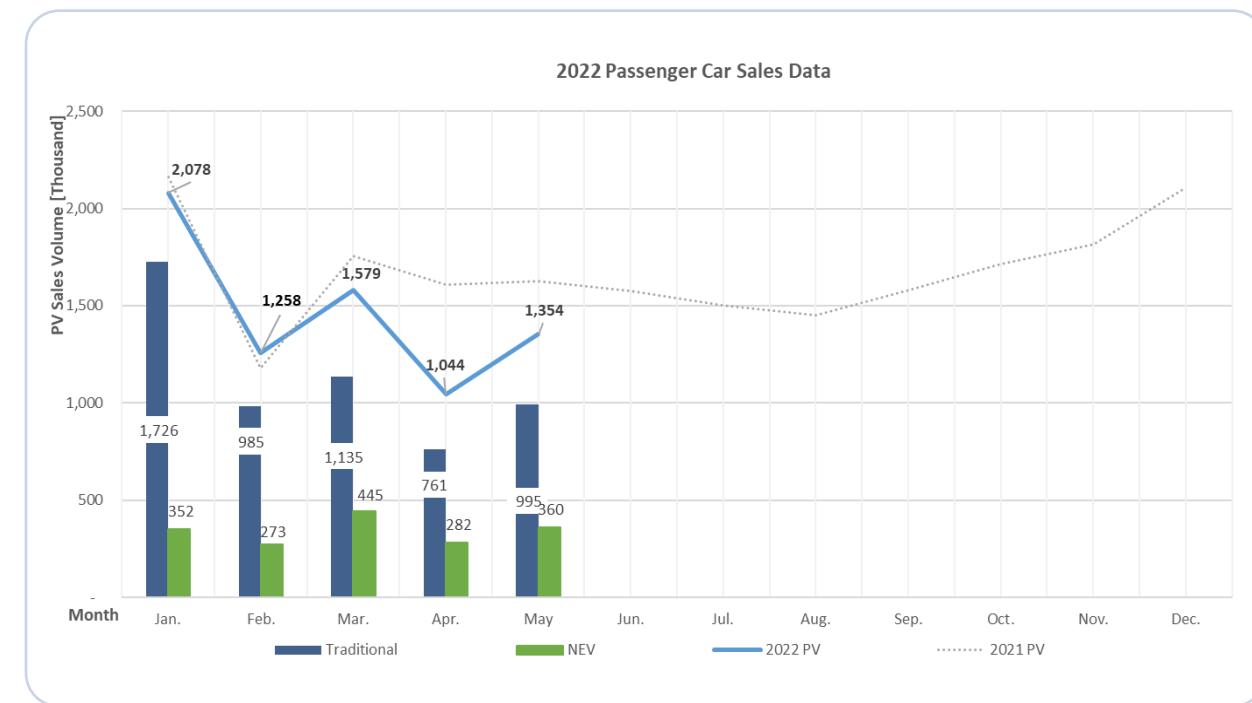
- In May, the sales volume of Chinese passenger vehicles was **1.04 million**, Sales gradually recovered as the virus is under control.

16.71% ↓

- The control of the virus led to a rebound sales in May to 1.35 million units, decrease **16.71%** YoY, but up **29.71%** MoM.

12.17% ↓

- By May 2022, the overall sales of Chinese passenger vehicles are **7.31million in 2022**, with a year-on-year decrease of **12.17%**.



Passenger vehicle Monthly Increase (2022 VS 2021)											
JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
-3.79%	6.61%	-9.98%	-35.03%	-16.71%							

	Total Jan. ~ May	Compare with 2021	Growth rate
2021	8,326,936		
2022	7,311,225	-1,013,711	-12.17%

Traditional vs BEV vs PHEV

91.92 %
↑

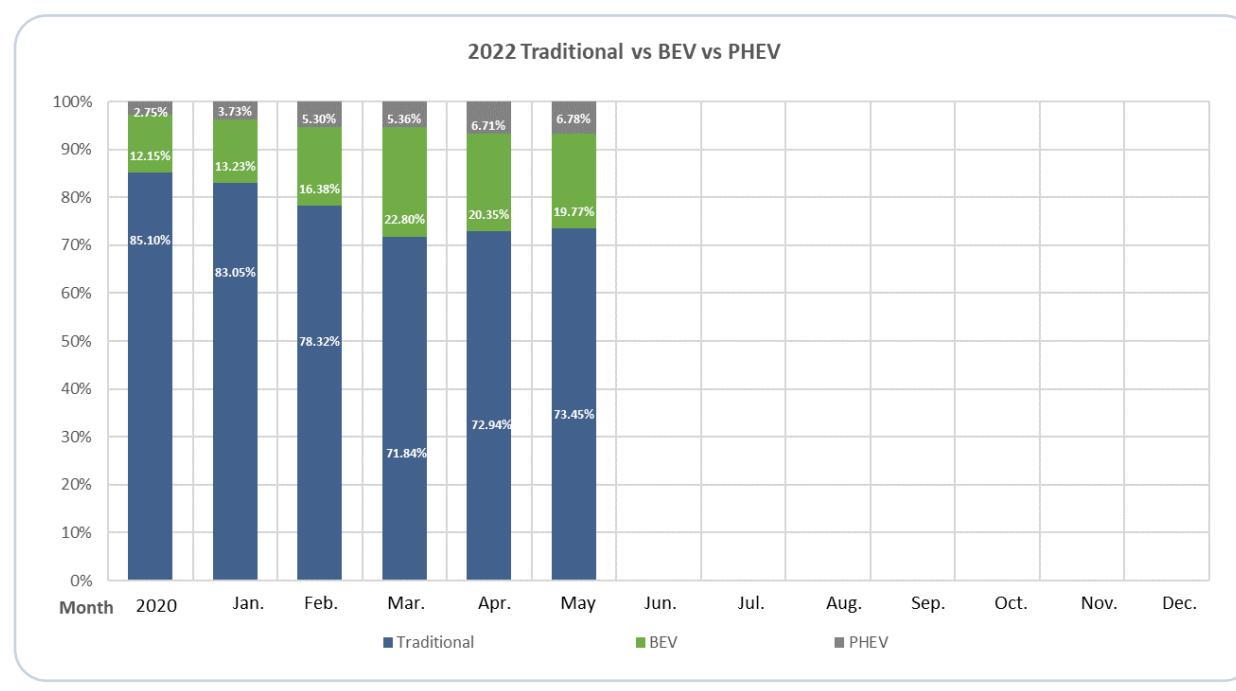
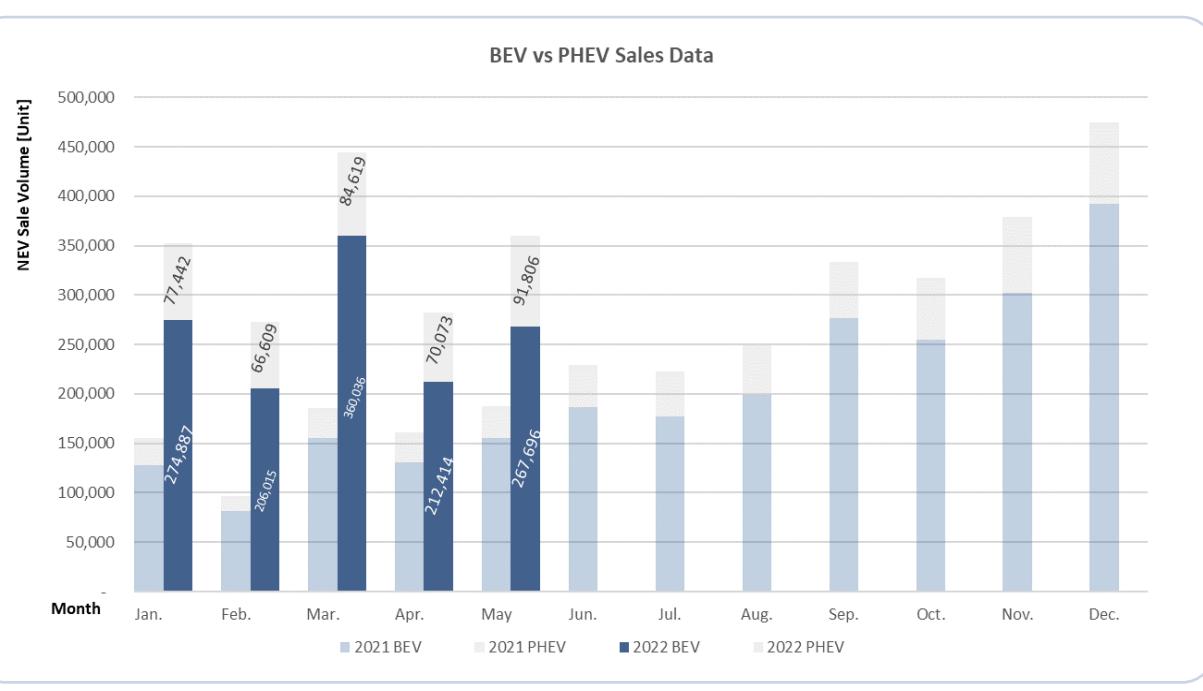
- NEV (BEV+PHEV) sales were **359,502** in May, with YoY increase of **91.92%**, MoM increase **27.26%**.

1.71
Million

- By May 2022, the total sales of NEV around **1.71 million**, YoY increase **117.62%**.

26.55%

- In May Chinese NEPV account for **26.55%** down **0.51%** than previous month, of which BEVs account for **19.77%** and PHEVs account for **6.78%**.





OEM

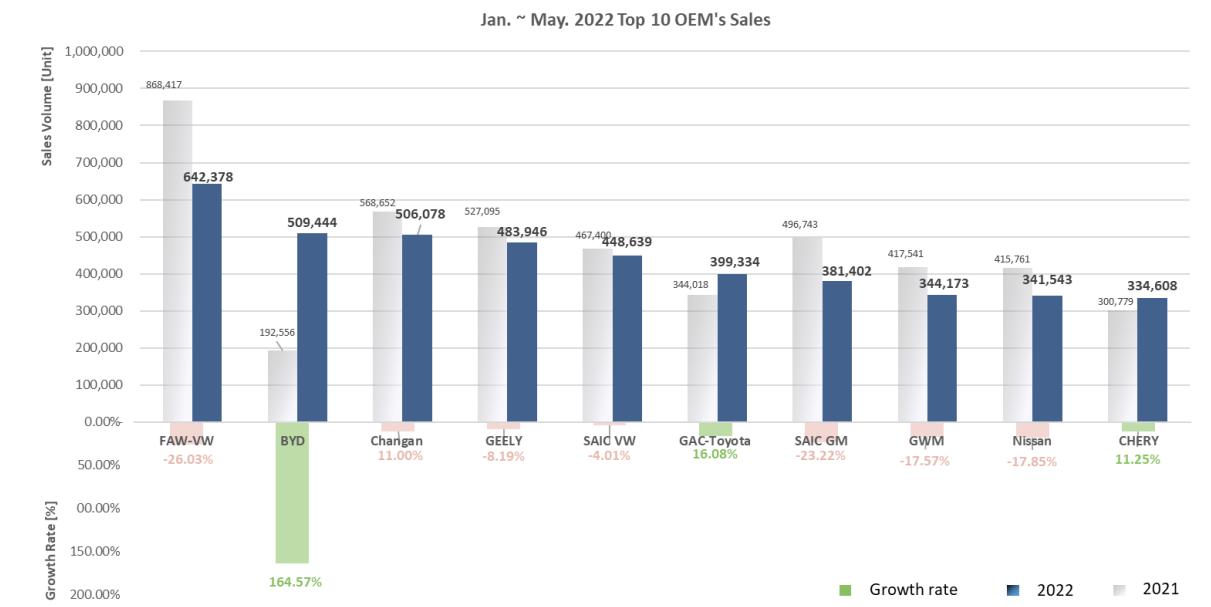
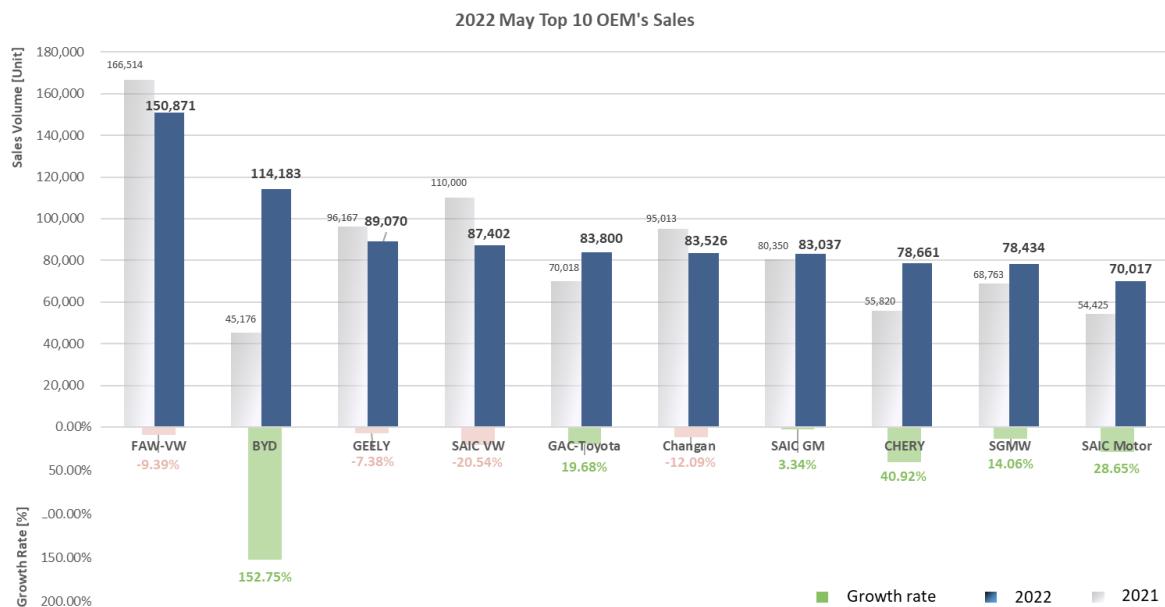


Normali zation

- With the gradual weakening of the closure and control in some areas, the operation of OEMs has gradually normalized and most sales increased YoY in May, such as **BYD**, **CHERY** etc. There are also a small number of OEM with a YoY decrease in sales, of which **NISSAN** has the largest decrease of 31.9%.

181.96%

- From January to May, the largest sales volume was still **FAW-VW**, with sales reaching **642,400** units, but a YoY decrease of **-26.03%**. Among the top five cumulative sales, the proportion of self-owned brands is also increasing, which is greatly affected by the sales of NEVs in China.



Model Sales



Sedan

11.63%

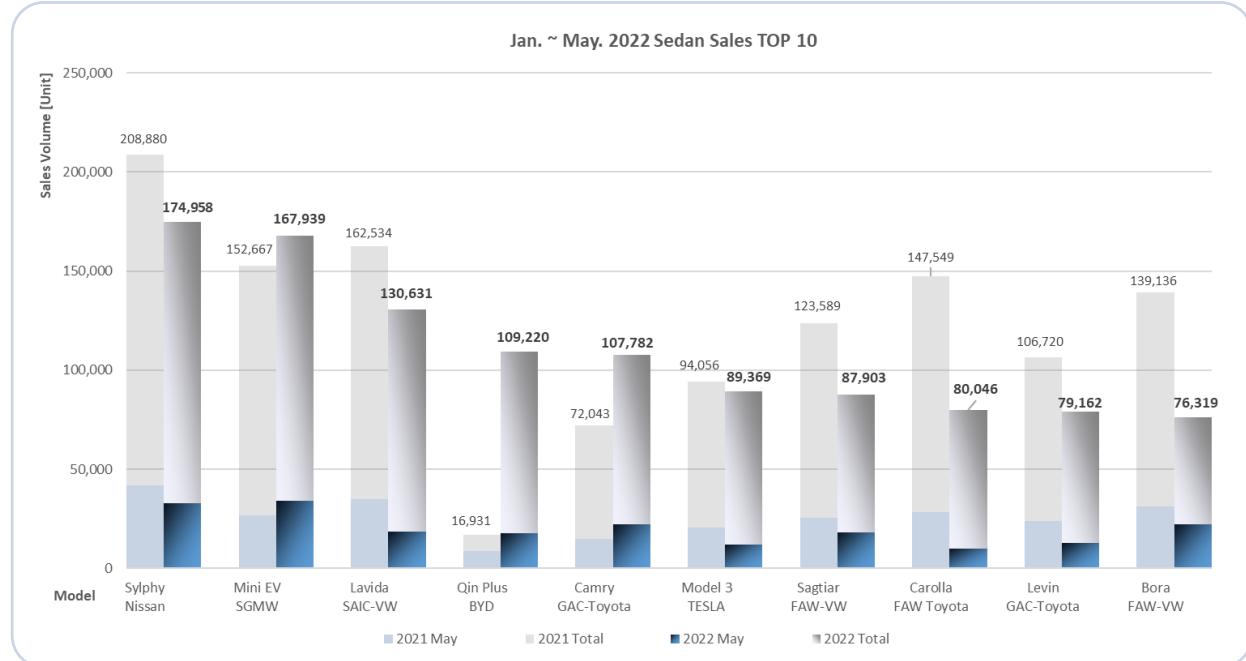
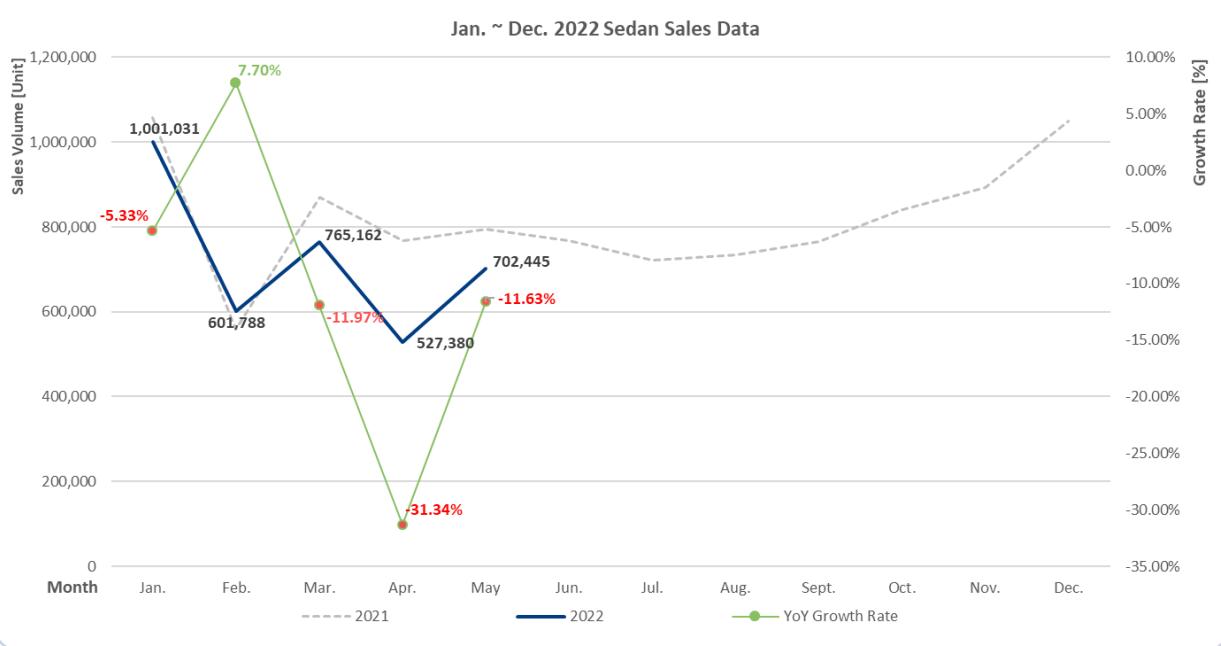
- Sedan sale **702,445** in May, decrease **11.63%** YoY, with MoM increase of **33.20%**. Sales are gradually developing in a good direction

3.59
Million

- End of April, the total sales of Sedan reached **3.59million**. Overall sales decrease **11.13%** than 2021. The overall rate of decline continues to become larger.

Hongguang
Mini

- In May **Hongguang Mini** sales won the first again with **34,037** units, cumulative sales of **167.939** units, up **10%** YoY. And the first **Sylphy** with **174,958** units, the gap became smaller.



SUV

19.28% ↓

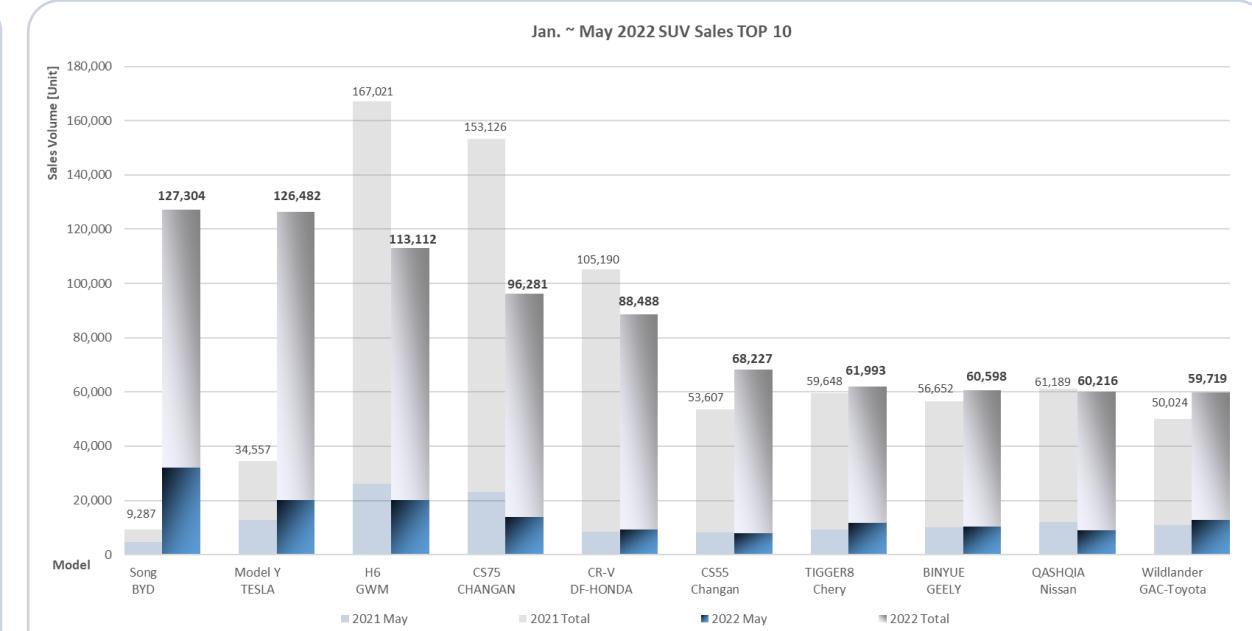
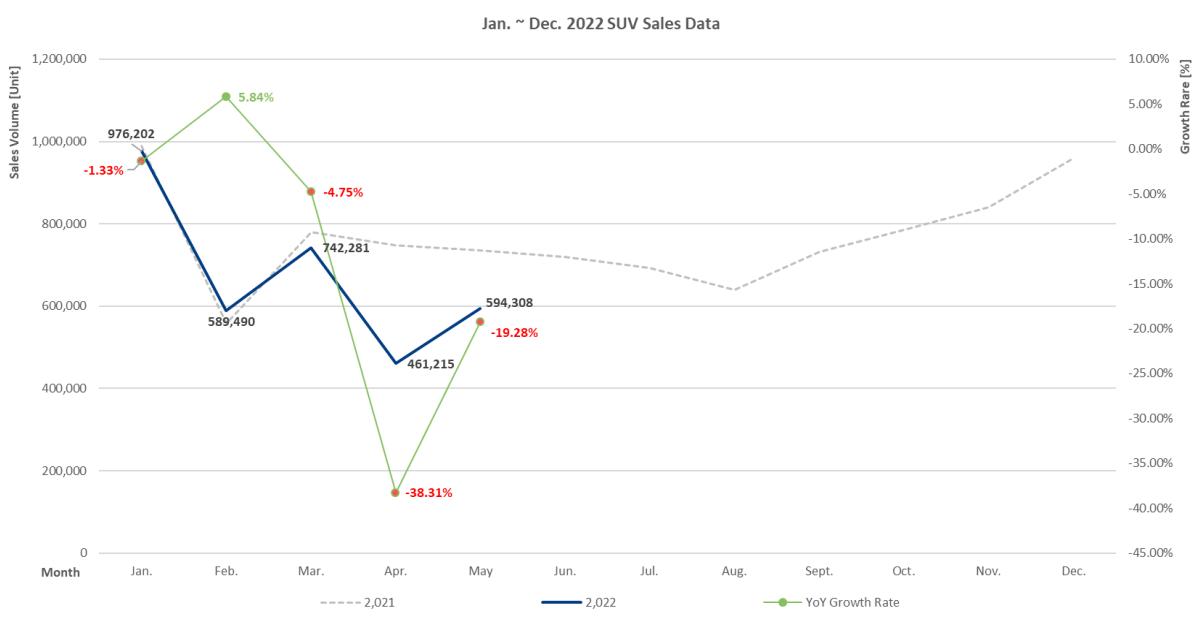
- SUV sale **594,308** in May, decrease **19.28%** YoY, and increase **28.86%** on the previous month.

3.36
Million

- Until May, the total sales of SUV reached **3.36 million**. Overall sales decrease **11.71%** than 2021.

New
Energy
Models

- The **H6** and **CS75**, which had the best cumulative sales last year, are down **32.28%** and **27.12%** respectively this year. The **Song** and **Model Y**, which replaced them and both are new energy models.



39.41% ↓

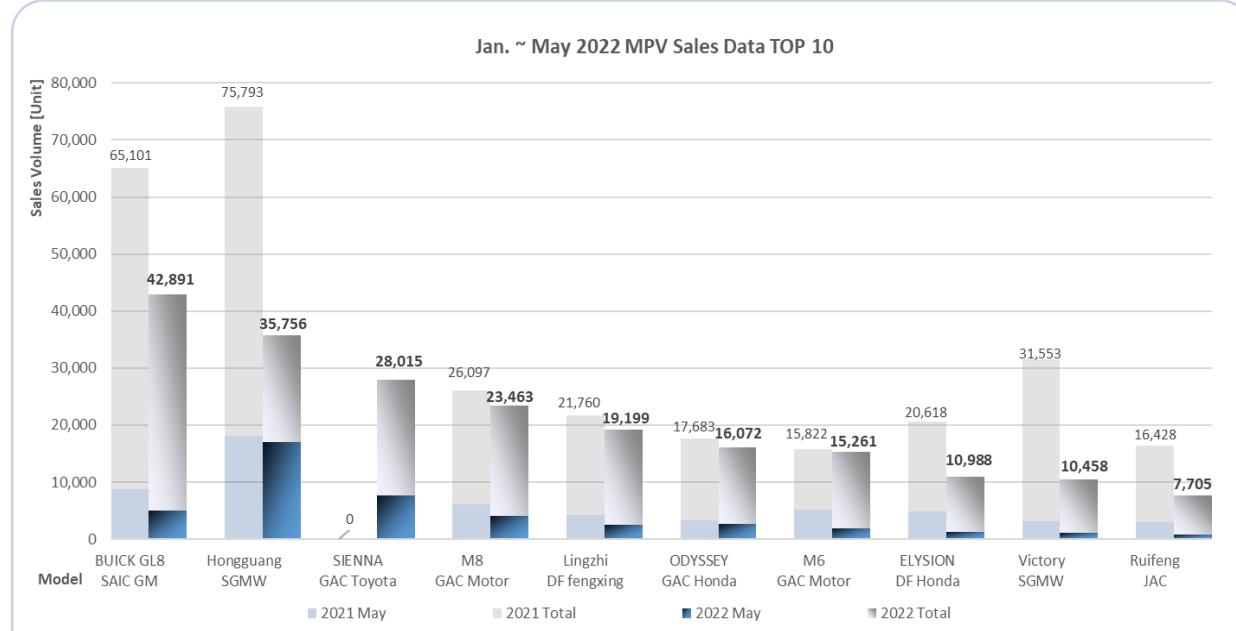
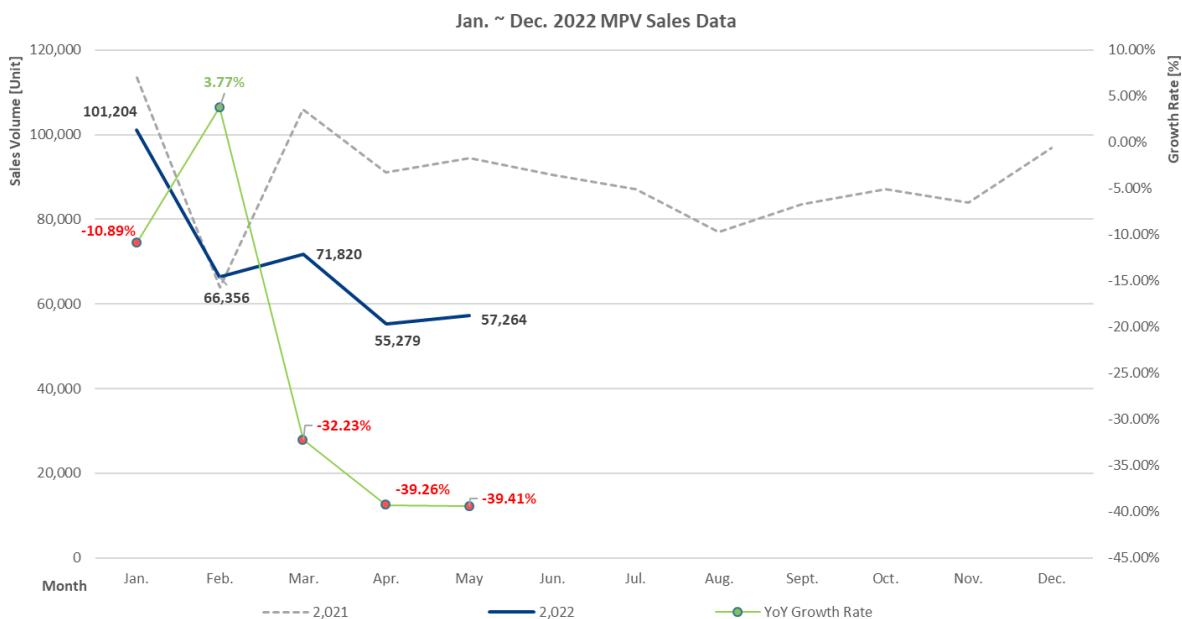
- MPV sale **57,264** in May, although increased by **3.59%** MoM, but it continued to fall at **39.41%** YoY, the lowest this year.

0.35
Million

- End of May, the total sales of MPV reached **0.35 million**. Overall sales decrease **24.96%** than 2021.

Decrease

- Sales decrease is the largest in MPV, although the **GL8** and **Wuling Hongguang** with **42,891** and **35,756** units sold first and second, but fell **34.12%** and **52.82%** respectively.



New Energy Vehicle

72.00%

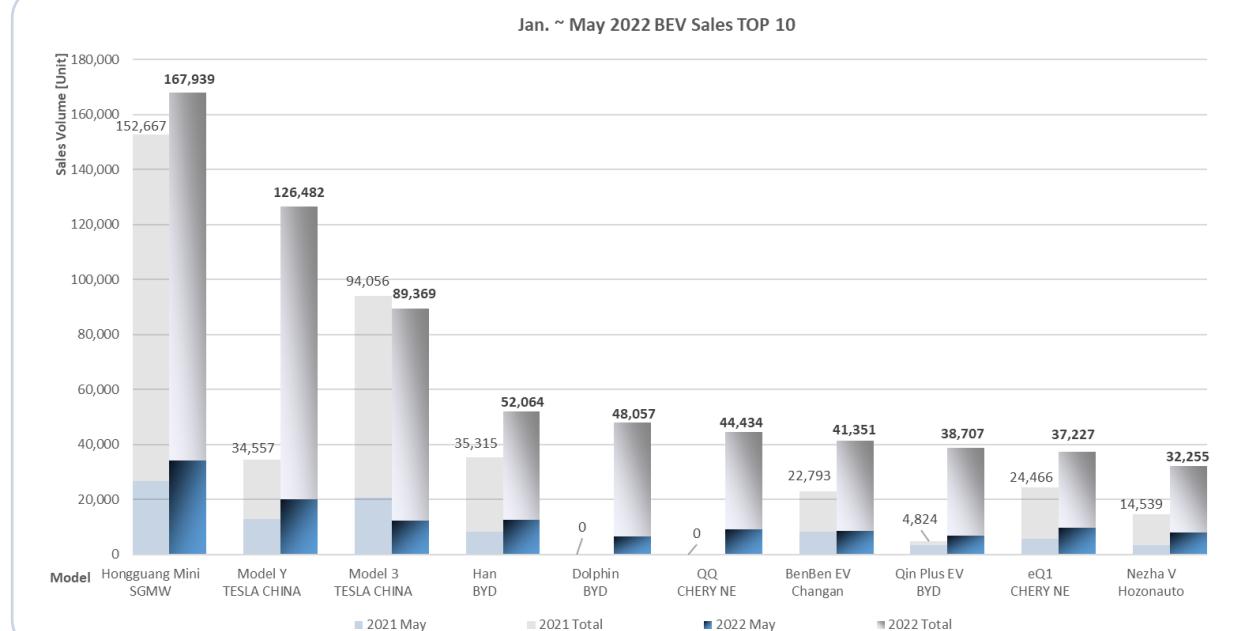
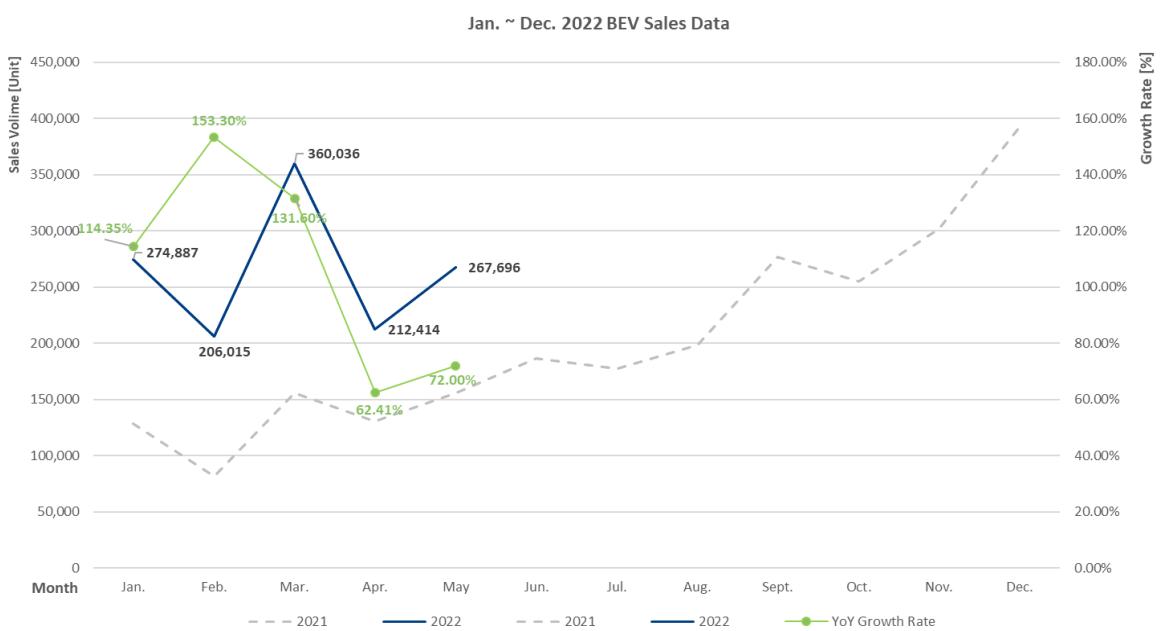
- ❑ BEV sale **267,696** in May, increase **72.00%** than 2021 and increase **26.03%** MoM.

1.32
Million

- ❑ Until May, the total sales of BEV reached **1.32 million**, increase **102.79%** than last year.

Tesla

- ❑ In the pure electric models, independent brands dominate, of which only **Tesla** for non-independent brands. In May sales of the most for the **Hongguang Mini** for **34,037** units, up **27.28%** YoY.



PHEV

189.77% 

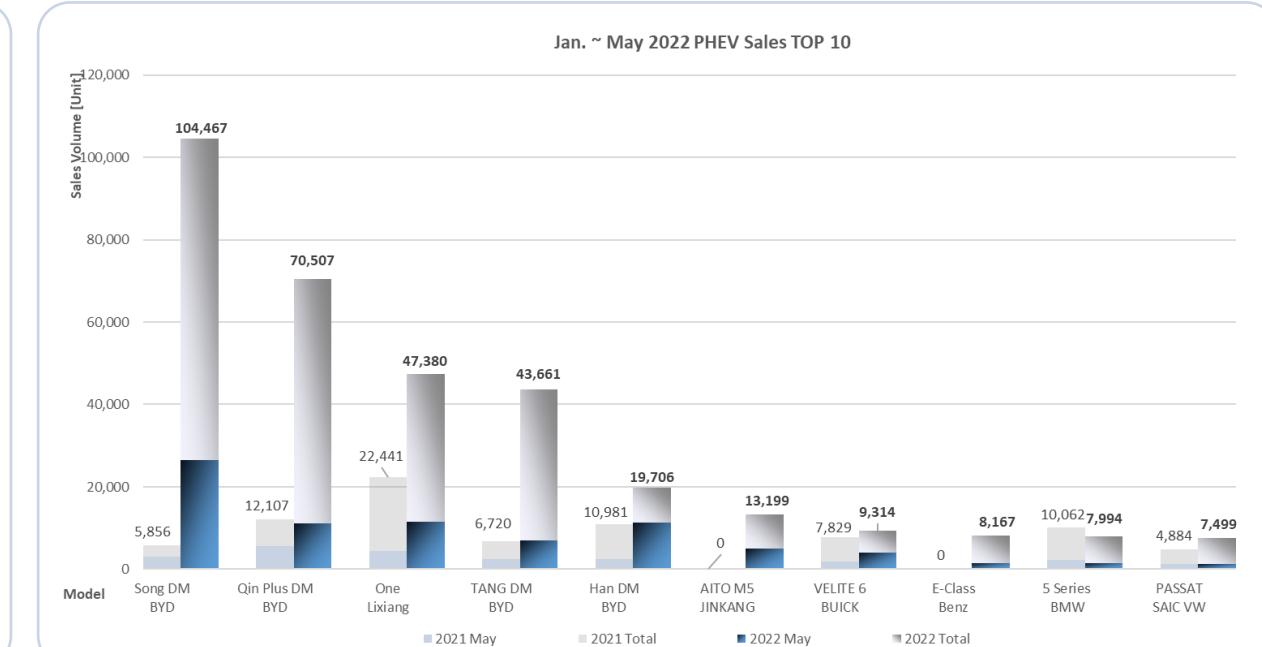
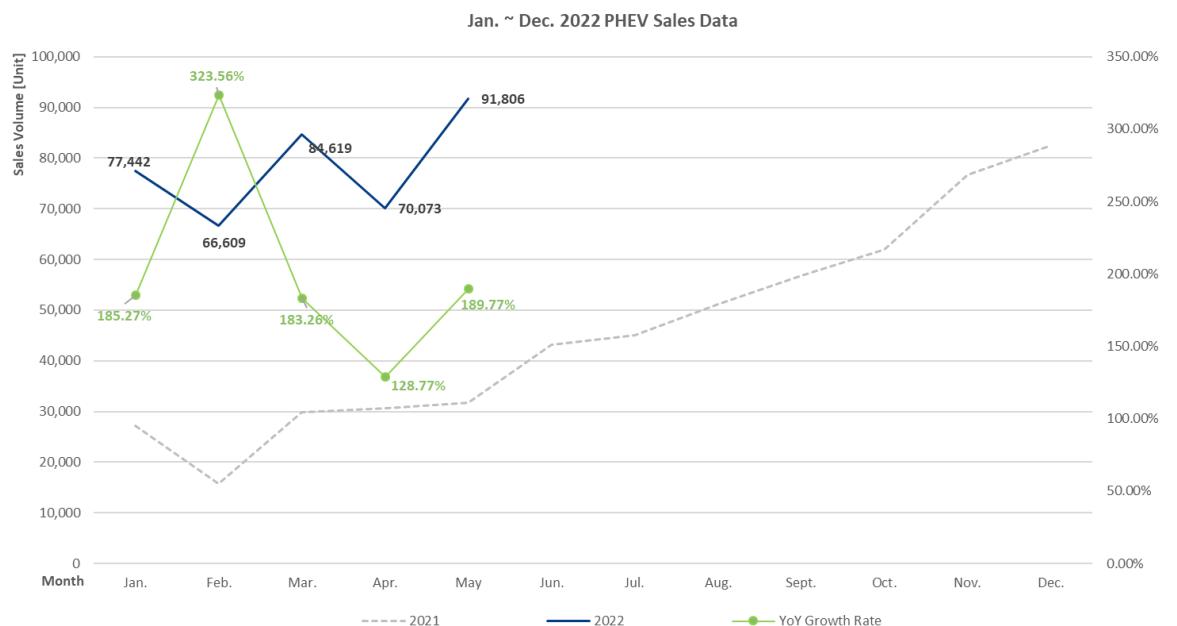
- PHEV sale **91,806** in May, increase **128.77%** than 2021, and decrease **17.19%** MoM.

0.39
Million

- End of May, the total sales of PHEV reached **0.39 million**, increase **189.17%** than last year.

BYD

- Among PHEVs, **BYD** has the best sales. With the DM-i hybrid system, The rise in **BYD** sales has led to an overall rise in PHEV sales.



Subjective Summary

- Chinese virus situation was brought under control after effective prevention measures. A gradual recovery of Chinese economy in May, The operation of OEMs has gradually normalized, and the policy measures of stabilize production and supply which led to a significant increase in sales in the auto market compared with previous month.
- In May Chinese PV sales reached **1.35 million** units, increase **29.71%** MoM, but down **16.71%** YoY due to the impact of the previous month. The cumulative sales were **7.31 million** units from January to May, decrease **12.17%** YoY. With this year of high oil prices, NEVs have gradually become the first choice of consumers. Chinese NEPV sales reached **0.36 million** units in May, increase **91.92%** YoY and **27.26%** MoM. New energy development was also impacted by the current situation, but the improvement exceeded expectations. By May, the cumulative sales of NEPV was **1.17 million** units, which increase **117.6%** YoY. Energy penetration rate of **26.6%**, including **19.77%** BEV, and **6.78%** PHEV, Compared with BEV, the growth of PHEV is more rapid. From January to May, PHEV increased by **167.1%** year-on-year, much higher than the **102.2%** of BEV.
- A series of virus at the beginning of the year, on the one hand, affected the tight supply of OEMs products, and on the other hand, affected the unstable income of consumers, and reduced the desire to buy, which caused the Chinese auto market to fall into a trough. However, with the lifting of the lockdown in June, the state has launched a series of strong stimulus policies for vehicle purchases, such as purchase tax subsidies and the lifting of restrictions on the relocation of used cars to stimulating consumption. We believe that starting from June, the sales of the automobile market will pick up to a certain extent.

News & Policy



News (2022 May ~ 2022 Jun.)

HONDA On June 17, Honda Motor and Sony Group announced that the two sides have signed a joint venture agreement to establish a new joint venture company, Sony Honda Mobility, this year, with each party holding 50% of the shares. The goal is to start selling electric vehicles and provide mobility in 2025. The new company is expected to sell cars in the United States, Japan and Europe.

SONY



Vitesco Technologies announced on May 31, 2022 that the company has signed a cooperation agreement with Infineon Technologies to expand and develop silicon carbide (SiC) based power electronics. Silicon carbide is important for improving the efficiency of high-voltage power electronics in electric vehicle drive systems. Vitesco Technologies uses SiC components for ultra-small high-voltage inverters that regulate electric drive motors. Companies are already using SiC components in the current generation of electronics, enabling small size and high efficiency.



On June 14, Huawei has reached business cooperation with automakers including Chery, JAC and ARCFOX. It is said that Huawei will cooperate with Chery to develop at least two models and JAC to develop at least one model. In addition, Huawei also plans to develop a model based on the smart car mode together with ARCFOX.



Nexteer announced on May 23 that CNXMotion, the company's joint venture with Continental, has expanded its Brake Steering (BtS) technology with two new software capabilities for different forms of Electric Power Steering (EPS) and Steer-by-Wire (SbW) system provides an alternate safety layer for each driving automation SAE level from L1 to L5. New BtS features include autonomous driving support from SAE L1 to SAE L3, and steer-by-wire support from SAE L1 to SAE L5.

Policies (2022 May ~ 2022 Jun.)

Announcement on the reduction of vehicle purchase tax for some passenger vehicles

Ministry of Finance

On May 31, the Ministry of Finance and the State Administration of Taxation issued the "Announcement on the Reduction and Collection of Vehicle Purchase Tax for Some Passenger Vehicles". According to the announcement, in order to promote automobile consumption and support the development of the automobile industry, the relevant policies on the reduction of the purchase tax of some passenger vehicles are hereby announced as follows:

1. For passenger cars with a displacement of 2.0 liters and below whose purchase date is from June 1, 2022 to December 31, 2022 and the price of a single vehicle (excluding VAT) does not exceed 300,000 yuan, the vehicle levy will be halved purchase tax.
2. The term "passenger car" as mentioned in this announcement refers to a car whose design, manufacture and technical characteristics are mainly used to carry passengers, their carry-on luggage and/or temporary items, and the maximum number of seats including the driver's seat is no more than 9.
3. The bicycle price mentioned in this announcement shall be subject to the taxable price of the vehicle taxable vehicle purchase tax.
4. The date of purchase of a passenger vehicle shall be determined according to the date of issuance of valid certificates such as the uniform invoice for motor vehicle sales or the special payment letter for customs duties
5. The displacement and number of seats of passenger vehicles shall be in accordance with the displacement and rated passenger capacity (person) contained in the electronic information of the "People's Republic of China Motor Vehicle Factory Qualification Certificate" or the electronic information of the "Vehicle Electronic Information Sheet" of imported motor vehicles. number confirmed.

"Opinions of the General Office of the State Council on Further Unleashing Consumption Potential and Promoting Sustainable Recovery of Consumption"Opinion";

The following points are directly related to the automotive industry:

1. Advocate green travel, increase the proportion of urban bus, tram and rail transit travel, and promote the electrification of public service vehicles. Support the accelerated development of new energy vehicles. Promote the recycling of automobiles, home appliances, furniture, batteries, electronic products, etc., and appropriately relax the restrictions on vehicles for recycling waste and old materials entering cities and communities.
2. Focusing on automobiles and home appliances, guide enterprises to carry out promotions for rural areas, encourage qualified areas to carry out new energy vehicles and green smart home appliances to the countryside, and promote the construction of supporting facilities such as charging piles (stations).
3. Vigorously promote standardized refrigerated trucks, encourage enterprises to develop and apply unitized packaging suitable for agricultural products such as fruits and vegetables, and promote the realization of "no topping" and "no topping" in the whole process.
4. Steady increase in bulk consumption such as automobiles. All regions shall not add new automobile purchase restrictions, and gradually cancel automobile purchase restrictions. Accelerate the development of the automotive aftermarket. The policy of restricting the relocation of used cars will be completely abolished. Study to further relax restrictions on pickup trucks entering the city.
5. Promote commercial banks, auto finance companies, and consumer finance companies to improve their financial service capabilities.

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T H A N K Y O U