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AUTOMOTIVE
LOGISTICS
UPDATE

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PORT ANALYSIS

CAR CARRIER VESSELS CALLING INDIAN PORTS (NO OF UNITS)

Port Name	Apr - Jan 22	Apr - Jan 21	Variance
CHENNAI	134556	102621	31935
CPCL JETTY, NAGORE	5000	0	5000
ENNORE	105211	63708	41503
JAFRABAD	653	0	653
MUMBAI	156503	97102	59401
MUNDRA	98865	41112	57753
PIPAVAV	18758	8082	10676
Grand Total	519546	312625	206921

COUNTRY-WISE VEHICLE EXPORTS FROM INDIA (NO. OF UNITS) (FEBRUARY 2022)

Country	(No. of Units)
ANGOLA	600
AUSTRALIA	1238
BAHRAIN	360
EGYPT	735
INDONESIA	531
MEXICO	1153
OMAN	500
SINGAPORE	1500
SOUTH AFRICA	1692
SRI LANKA	15600
U.A.E.	3700
UNITED STATES	500
KENYA	652
INDONESIA	58

MAJOR EXPORTERS OF VEHICLES (UNITS NOS.) (FEBRUARY 2022)

Country	Exports
FIAT INDIA AUTOMOBILES PVT. LTD.	587
FORCE MOTORS LTD.	191
FORD INDIA LTD.	1600
HONDA MOTORS LTD.	2280
HYUNDAI MOTORS CO.	14500
ISUZU INDIAN LTD.	660
MAHINDRA AND MAHINDRA LTD.	460
MARUTI SUZUKI INDIA LTD.	10402
NISSAN INDIA LTD.	700
RENAULT INDIA PVT. LTD.	700
TATA MOTORS LTD.	1631
VARIOUS SHIPPERS	8431
KENYA	652
INDONESIA	58

MARKET OVERVIEW AND TRENDS

KEY HIGHLIGHTS

- » Automobile dispatches dip 23% in February as supply-side challenges continue: SIAM
- » Prolonged Russia-Ukraine conflict would impact auto industry, say manufacturers
- » Maruti, Tata Motors, Mahindra vehicles exports boom in Feb, Hyundai declines



KEY HIGHLIGHTS

Automobile dispatches dip 23% in February as supply-side challenges continue: SIAM

- » Semiconductor shortages, increase in cost due to new regulations and higher commodity prices have impacted the dispatches

Automobile dispatches from factories to dealerships across the country declined 23 per cent in February, as various supply-side challenges, including semiconductor shortage, and rise in vehicle prices due to the implementation of new regulations continued to impact demand scenario, industry body SIAM said. Wholesales of domestic passenger vehicles, two-wheelers and three-wheelers declined 23 per cent to 13,28,027 units last month, compared with 17,35,909 units in February 2021. Overall, passenger vehicle dispatches in February 2022 declined six per cent to 2,62,984 units, compared with 2,81,380 units in the same month of last year. Passenger cars wholesales stood at 1,33,572 units last month as compared with 1,55,128 units in February 2021. However, utility vehicle dispatches increased to 1,20,122 units as against 1,14,350 units in the same period of last year. Sales of vans, however, declined to 9,290 units last month, compared with 11,902 units in February 2021. Similarly, total two-wheeler wholesales declined to 10,37,994 units in February as against 14,26,865 units in the same month last year, a drop of 27 per cent. Scooter wholesales dipped to 3,44,137 units in February, against 4,65,097 units in the same period last month. Motorcycle sales also declined to 6,58,009

units last month as against 9,10,323 units in February 2021. Similarly, three-wheeler sales declined marginally to 27,039 units last month as compared with 27,656 units in February 2021.

The challenges

“Continuing supply-side challenges like semiconductor shortages, increase in cost due to new regulations, higher commodity prices and higher logistics cost, etc., have impacted overall sales in the auto industry,” Society of Indian Automobile Manufacturers (SIAM) Director-General Rajesh Menon stated. Industry is closely watching the possible impact of the ongoing Russia-Ukraine conflict, as global supply chains could come under stress, he added. Last month, the total production of passenger vehicles, three-wheelers, two-wheelers and quadricycles declined 20 per cent to 17,95,514 units as compared with 22,53,241 units in February 2021.

Source: The Hindu Business Line

Prolonged Russia-Ukraine conflict would impact auto industry, say manufacturers

- » Semiconductor shortage will persist longer as key elements imported from both countries

Russia and Ukraine being key producers of elements such as including rhodium, cadmium and neon gas used in semiconductor chip manufacturing, the ongoing conflict between the two countries is causing tremendous anxiety among Indian automobile and component manufacturers who are already hit hard by chip shortage. A prolonged conflict essentially means more supply constraints and consequent delays in manufacturing of end products. There has already been a worrisome delay in the supply chain of the vehicles because of the ongoing shortages. “Our supplies depend on how long the conflict continues. If we are in for a prolonged war, it would impact everything. Nobody knows what exactly is going to happen. Already there is a rise (in cost) in everything and input costs are going up again,” Rajeev Chaba, President & Managing Director, MG Motor India, told BusinessLine. The issue here is that the companies cannot hedge the costs of such components like steel or aluminium as these are now priced on current need basis. For instance, the price of rhodium has been fluctuating over the last one year and based on that, the prices of end products are also changing. “Last year, we were buying rhodium at \$11,000 per ounce, which shot up to \$24,000 per ounce and then again it has come down to \$16,000 per ounce, and has been stable since then (for last four months) more or less. So, at least we know where it can go up to for now (),” Ashish Gupta, Brand Director, Volkswagen Passenger Cars India, explained. According to the Society of Indian Automobile Manufacturers (SIAM), the continuing supply side challenges like semiconductor shortages, higher commodity prices and higher logistics cost have impacted the overall industry sales in the industry. The conflict in Ukraine has only added to their troubles as global supply chains are expected to come under stress, Rajesh Menon, Director-General, SIAM, said. “We definitely see some disturbance in the container/ freight movement as the cost may be impacted, which may finally get translated into selling price of the products,” Naveen Soni, President, Lexus India, said. Passenger vehicle market leader Maruti Suzuki India added that the company was watching the prices of rhodium and neon gas. “Right now, all we can do is to watch the situation in these countries,” said a company top executive. On the components industry side, according to Automotive Component Manufacturers Association (ACMA), the industry is expecting the war between the two countries to end at the earliest so that things fall into place again. “Commodity prices are already high, and there is a huge worry on when the government will hike the fuel prices, which will again have a huge inflationary impact on the overall manufacturing. In return, that will impact the sentiments of consumer for auto consumption...two-wheeler buying sentiments are already down, so it will be adversely impacted if it continues and what we are seeing is that it can worsen the semiconductor issue,” Vinnie Mehta, Director General, ACMA, said.

Source: The Hindu Business line

Maruti, Tata Motors, Mahindra vehicles exports boom in Feb, Hyundai declines

» The compact cars like Baleno, Swift, Celerio, Dzire, Tour S and WagonR also saw a decline to 77,795 units

Maruti Suzuki India Limited sold a total of 164,056 units in February 2022. Total sales in the month include domestic sales of 137,607 units, sales to other OEM of 2,428 units and its highest ever monthly exports of 24,021 units. The shortage of electronic components had a minor impact on the production of vehicles which are primarily sold in domestic market. The company took all possible measures to minimise the impact, said the Gurugram based largest car maker. Maruti Suzuki mini segment came down to 19,691 units in February 2022 as compared to 23,959. The compact cars like Baleno, Swift, Celerio, Dzire, Tour S and WagonR also saw a decline to 77,795 units against the 80,517 units last year. The Ciaz sale went up by more than 400 units to 1,912 units from the 1,510 units. Similarly, Tata Motors total domestic sales increased by 27 per cent year-on-year to 73,875 units in February. The company had dispatched 58,366 units in February 2021. The auto major said its passenger vehicle sales in the domestic market last month rose by 47 per cent to 39,981 units compared to 27,225 units in the same month last year. Commercial vehicle sales in the domestic market increased 9 per cent to 33,894 units from 31,141 units in the year-ago period, it added. Hyundai Motor India registered domestic sales of 44,050 units and export sales of 9,109 units with cumulative sales of 53,159 units for the month of February 2022. As the industry continues to grapple with semiconductor shortage situation, Hyundai along with its partners is continuously exploring alternatives to ensure customers can take delivery of their most loved Hyundai cars at the earliest. Mahindra & Mahindra overall auto sales for the month of February 2022 stood at 54,455 vehicles. In the Utility Vehicles segment, Mahindra sold 27,551 vehicles in February 2022. The Passenger Vehicles segment (which includes UVs, Cars and Vans) sold 27,663 vehicles in February 2022. Exports for the month were at 2814 vehicles. In the Commercial Vehicles segment, Mahindra sold 20166 vehicles in February 2022 with growth of 119%.

Source: Livemint

OTHER REPORTS FOR MARCH 2022

- » J. M. Baxi & Co. Monthly Agri Products Update
- » [J. M. Baxi & Co. Monthly Automotive Logistics Update](#)
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