

MTC CAR MARKET REPORT

12/JUNE/2023



Contents:

Production/Sales/Export Result in April '23 [by Main Maker]

Production Result in March '23 & Sales/Export Result in April '23 [by Type]

Export Result ex Japan in April '23 [by Maker]

Export Result ex Japan in April '23 [by Destination]

Topic (1): Used Vehicle Export ex Japan in April '23 [Top 10 Destination]

Topic (2): Production/Export Result ex Korea in April '23 [by Maker]

Topic (3): Export Result ex Korea in March & April [by Destination]

Topic (4): Export Result of Main Export Countries in April '23

Topic (5): Domestic Production Result in FY2022 (April '22 – March '23)

Brokers' Comments

Production/Sales/Export Result in April '23 [by Main Maker]

	Domestic Production		Domestic Sales		Export		Foreign Production		Export Ratio (③/①)
	(①)	(12.2)	(②)	(21.5)	(③)	(-0.5)	(④)	(14.7)	
TOYOTA	273,062	(12.2)	125,326	(21.5)	166,264	(-0.5)	514,738	(14.7)	60.9%
NISSAN	60,387	(100.7)	33,028	(17.9)	37,231	(114.0)	179,633	(1.4)	61.7%
HONDA	45,833	(66.1)	36,569	(-2.3)	6,553	(83.4)	227,930	(40.8)	14.3%
MAZDA	72,745	(141.3)	14,597	(88.2)	61,825	(100.4)	30,443	(84.2)	85.0%
MITSUBISHI	33,973	(46.2)	5,958	(32.0)	16,227	(26.2)	30,473	(0.9)	47.8%
SUZUKI	73,315	(4.3)	48,372	(14.9)	15,789	(-25.3)	164,226	(-10.5)	21.5%
DAIHATSU	68,696	(-13.3)	51,942	(15.1)	0	(-)	27,019	(-33.0)	0.0%
SUBARU	52,364	(18.4)	7,659	(4.5)	43,556	(14.6)	27,461	(3.4)	83.2%
HINO	9,143	(-15.0)	2,602	(-20.4)	5,031	(-17.1)	2,427	(-34.9)	55.0%

In vehicle units

(): fluctuation rate % compared to the corresponding period last year

Source: HP of each company

Export		Comment	
TOYOTA	166,264	(-0.5)	Export to North America decreased. Export to Europe and Asia increased. Export decreased 5 consecutive months compared to the same period of the previous year.
NISSAN	37,231	(114.0)	North America: 20,028 units (+85.7%), Europe: 5,427 units (+18,613.8%), Others: 11,776 units (+79.0%)
HONDA	6,553	(83.4)	Export increased for the first time in 7 months compared to the same period of previous year. North America: increased 3 consecutive months (367 units, -) U.S.A.: increased 3 consecutive months (316 units, -) Europe: increased for the first time in 7 months (4,565 units, +88.6%) Asia: increased 3 consecutive months (426 units, +252.1%), Others: (1,195 units, +15.8%)
MAZDA	61,825	(100.4)	Export to North America, Oceania and Europe increased. North America: 28,844 units (+128.1%), Europe: 13,299 units (+98.8%), Oceania: 5,522 units (+68.2%), Others: 14,160 units (+71.9%) "CX-5": 30,567 units (+74.6%), "CX-90": 6,816 units, "MAZDA3": 8,227 units (+145.7%)
MITSUBISHI	16,227	(26.2)	Export increased 3 consecutive months compared to the same period of the previous year. Asia: 153 units (-79.0%), North America: 7,920 units (+53.8%), Europe: 1,827 units (+68.2%)
SUZUKI	15,789	(-25.3)	Export decreased for the first time in 2 months compared to the same period of previous year.
DAIHATSU	0	(-)	No export
SUBARU	43,556	(14.6)	Export increased 3 consecutive months compared to the same period of the previous year.
HINO	5,031	(-17.1)	

In vehicle units

(): fluctuation rate % compared to the corresponding period last year

Source: HP of each company

Production Result in March '23 ... (1) & Sales/Export Result in April '23 ... (2) [by Type]

(1)

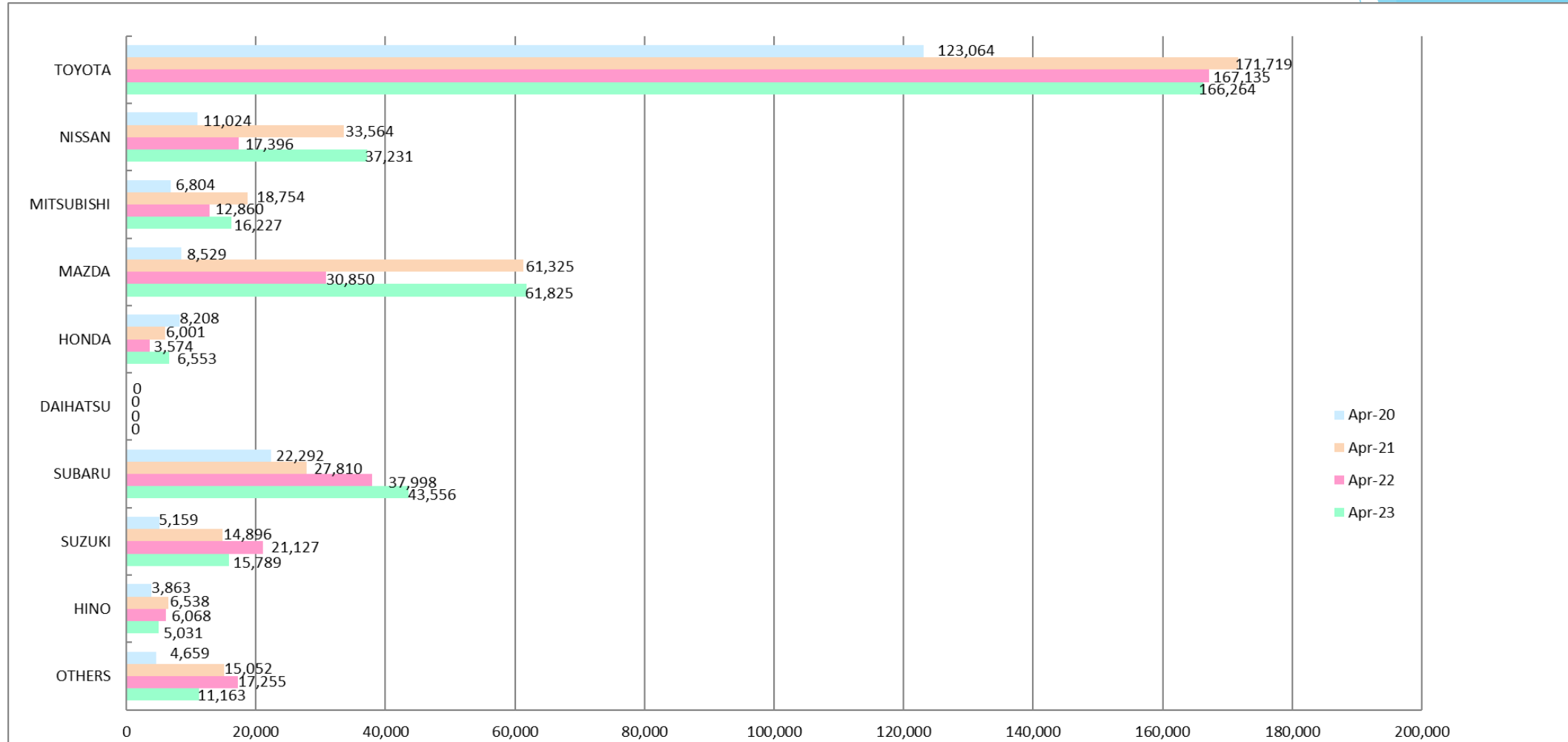
	Domestic Production	
PASSENGER CAR	742,964	(22.8)
(MINI CAR)	140,972	(10.7)
TRUCK	112,526	(4.7)
(MINI CAR)	41,292	(16.2)
BUS	10,770	(53.7)
TTL	866,260	(20.4)

(2)

	Domestic Sales		Export	
PASSENGER CAR	289,525	(18.5)	327,444	(20.7)
(MINI CAR)	96,483	(6.3)	688	(-92.2)
TRUCK	59,597	(8.4)	25,806	(-28.8)
(MINI CAR)	33,122	(10.1)	0	-
BUS	470	(37.8)	10,389	(53.0)
TTL	349,592	(16.7)	363,639	(15.7)

In Vehicle units () : fluctuation rate % compared to the corresponding period last year. Source: JAMA

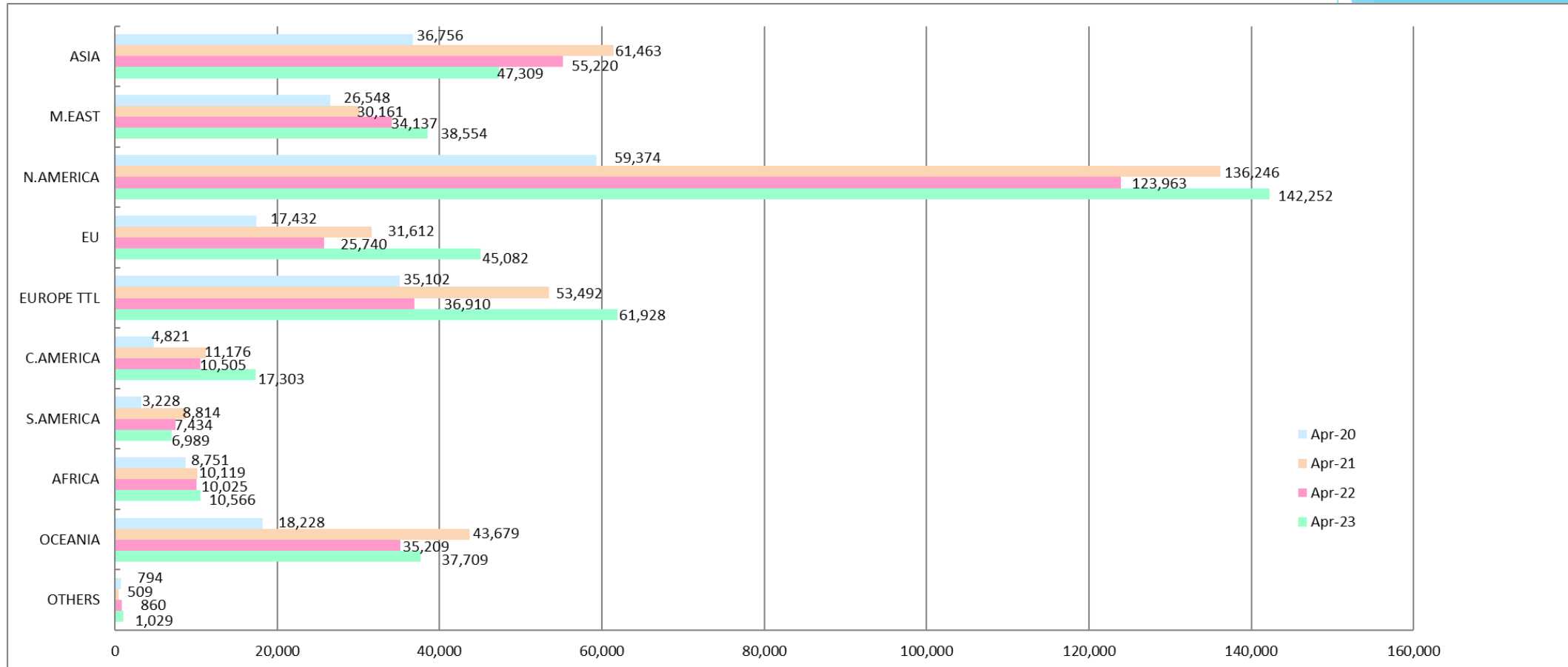
Export Result ex Japan in April '23 [by Maker]



OTHERS : MITSUBISHI FUSO + ISUZU + UD TRUCKS (breakdown for 3 companies are unavailable from April 2015)

Total 363,639 units (15.7% up compared with the corresponding period of last year)

Export Result ex Japan in April [by Destination]



Total 363,639 units (15.7 % up compared with the corresponding period last year)

USA	>>	9.2% up	(119,049 units : 32.7 % of the entire export)
EU	>>	75.1% up	(45,082 units)
Australia	>>	5.6% up	(32,177 units)
China	>>	19.2% down	(15,508 units)
Saudi Arabia	>>	7.4% up	(12,402 units)
Canada	>>	55.5% up	(23,203 units)

UK	>>	42.4% up	(10,017 units)
Mexico	>>	62.8% up	(8,695 units)
Taiwan	>>	60.5% up	(9,982 units)
Germany	>>	102.5% up	(9,080 units)
UAE	>>	11.0% down	(6,304 units)
Pakistan	>>	93.3% down	(704 units)

Topic (1): Used Vehicle Export ex Japan in April '23 [Top 10 Destination]

No.	2023 APR		2022 APR		2021 APR	
	Country	Unit	Country	Unit	Country	Unit
1	Russia	20,963	Russia	11,208	UAE	16,831
2	UAE	16,186	UAE	10,699	Russia	15,014
3	Mongolia	6,652	New Zealand	7,519	Chile	9,006
4	Tanzania	6,571	Tanzania	7,154	Mongolia	7,544
5	Chile	6,115	Kenya	5,723	New Zealand	6,824
6	New Zealand	6,102	Mongolia	4,798	Kenya	6,376
7	Kenya	5,937	Chile	4,323	Pakistan	5,117
8	Thailand	5,783	South Africa	4,001	South Africa	5,063
9	South Africa	5,039	Thailand	3,751	Tanzania	4,671
10	Cyprus	3,555	Bangladesh	3,721	Philippines	3,939
total		82,903		62,897		80,385
G.Total		127,752		104,727		117,445
Remark	Top 10 represent 64.9% of total export volume.		Top 10 represent 60.1% of total export volume.		Top 10 represent 68.4% of total export volume.	

[Source: iATA]

Used vehicle exports in April 2023 was 127,752 units.
(22.0% increase from the previous year, 0.5% increase from the pervious month).

In January - April 2023 used vehicle exports were 448,363 units
(20.4% increase compared with the same period of the previous year).

Topic (2): Production/Export Result ex Korea in April '23 [by Marker]

Production

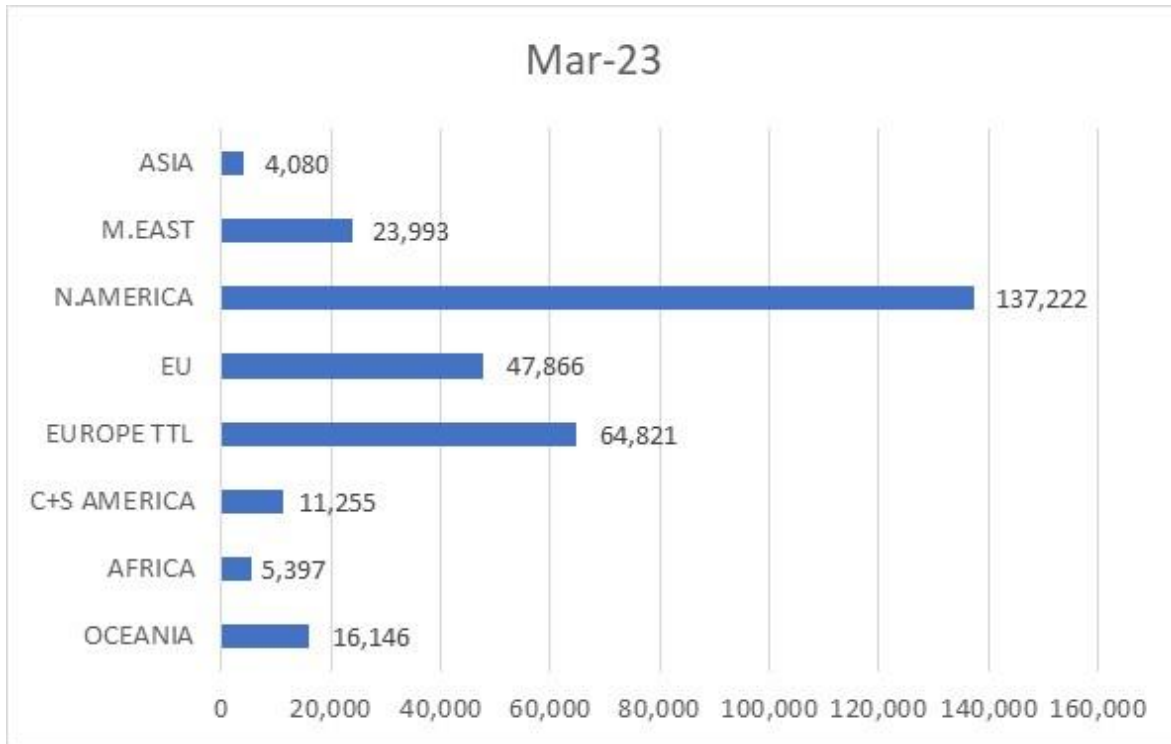
	2023 APR	2022 APR	COMPARISON
HYUNDAI	168,146	146,074	15.1%
KIA	147,319	120,006	22.8%
GM KOREA	41,659	19,051	118.7%
KG MOBILITY	11,466	8,337	37.5%
RENAULT KOREA	11,553	12,228	-5.5%
DAEWOO BUS	-	-	-
TATA DAEWOO	884	766	15.4%
TTL	381,027	306,462	24.3%

Export

	2023 APR	2022 APR	COMPARISON
HYUNDAI	103,318	87,446	18.2%
KIA	96,955	71,632	35.4%
GM KOREA	36,340	16,832	115.9%
KG MOBILITY	4,316	3,301	30.7%
RENAULT KOREA	7,779	17,990	-56.8%
DAEWOO BUS	-	-	-
TATA DAEWOO	397	211	88.2%
TTL	249,105	197,412	26.2%

<Source : KAMA>

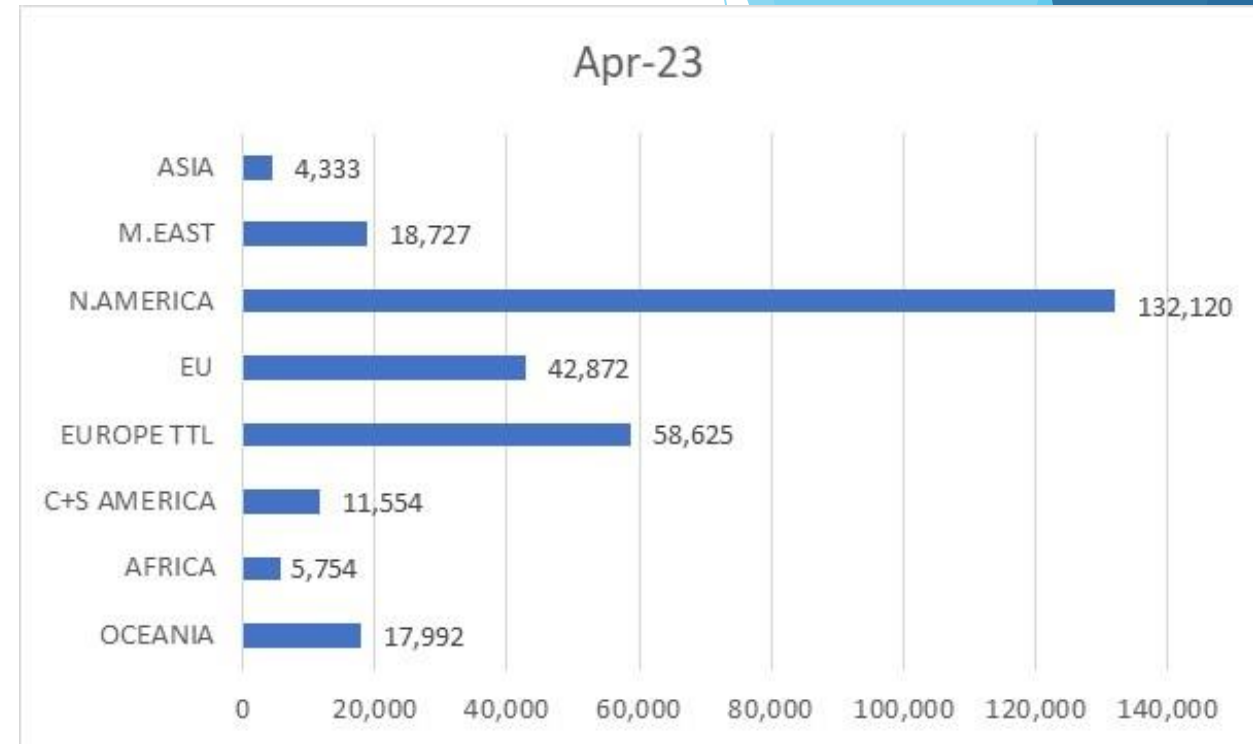
Topic (3): Export Result ex Korea in March & April [by Destination]



Total: 262,914 units

TOP 10 →

1	U.S.A.	113,571
2	CANADA	20,562
3	AUSTRALIA	14,322
4	U.K.	10,702
5	GERMANY	10,474
6	FRANCE	9,154
7	SAUDI ARABIA	8,196
8	ISRAEL	6,863
9	SPAIN	5,929
10	NETHERLANDS	4,161



Total: 249,105 units

TOP 10 →

1	U.S.A.	111,097
2	CANADA	17,616
3	AUSTRALIA	16,330
4	GERMANY	10,107
5	U.K.	8,267
6	FRANCE	7,814
7	ISRAEL	6,595
8	SAUDI ARABIA	3,852
9	NETHERLANDS	3,722
10	TURKEY	2,699

Topic (4): Export Result of Main Export Countries in April '23

FE	Japan	363,639 units	(15.7% up)
	South Korea	249,105 units	(26.2% up)
	China	376,000 units	(170% up)
S.E.Asia	Thailand	79,940 units	(43.5% up)
	Indonesia	32,238 units	(11.0% down)
South Asia	India	40,940 units	(12.0% down)
Middle East	Turkey	75,412 units	(1.0% down)
C.America	Mexico	253,335 units	(5.0% up)
Africa	South Africa	30,756 units	(13.4% up)

Topic (5): Domestic Production Result in FY2022 (April '22 – March '23)

Total 8,100,959 units
(7.4% up compared with FY 2021)

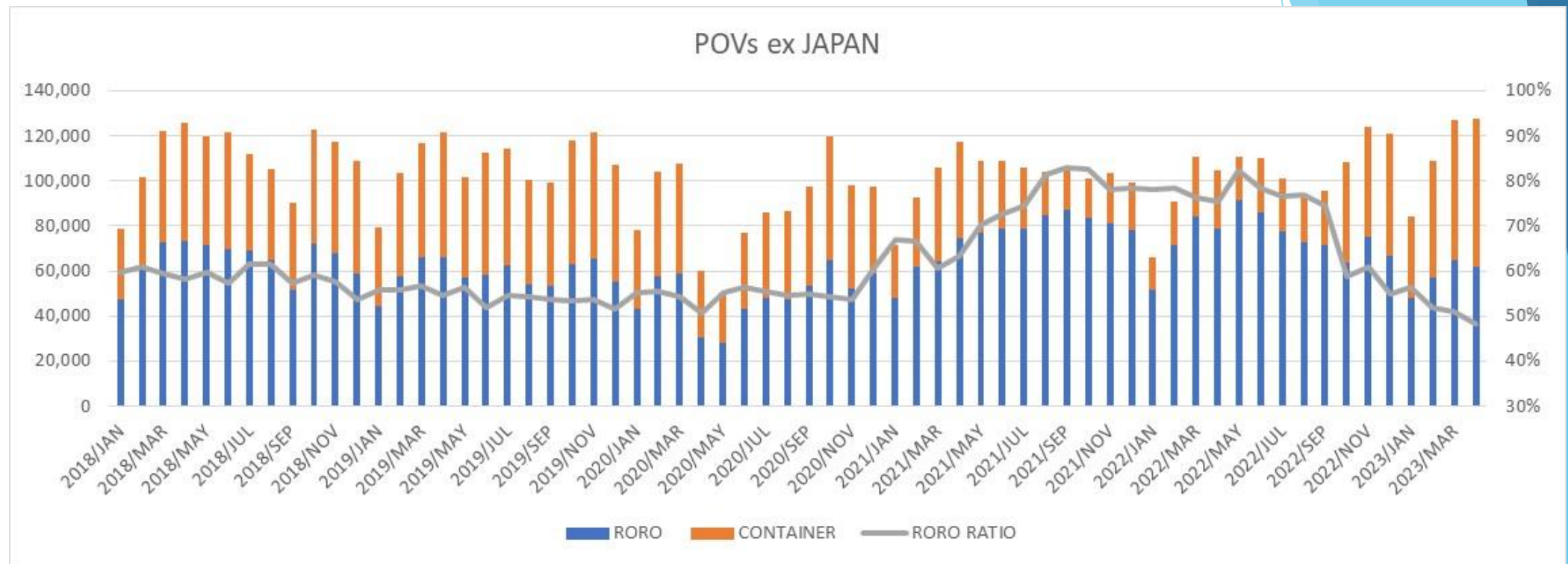
BY MAKER

	UNIT	PERCENTAGE BREAKDOWN	COMPARISON WITH FY2021
TOYOTA	2,786,801	34.4%	0.9%
NISSAN	596,694	7.4%	33.8%
HONDA	643,338	7.9%	1.4%
MAZDA	764,424	9.4%	9.8%
MITSUBISHI	457,253	5.6%	8.7%
SUZUKI	954,151	11.8%	13.7%
DAIHATSU	871,818	10.8%	3.3%
SUBARU	575,021	7.1%	26.3%
HINO	129,974	1.6%	-4.9%
OTHERS*	321,485	4.0%	2.1%
TTL	8,100,959	100.0%	7.4%

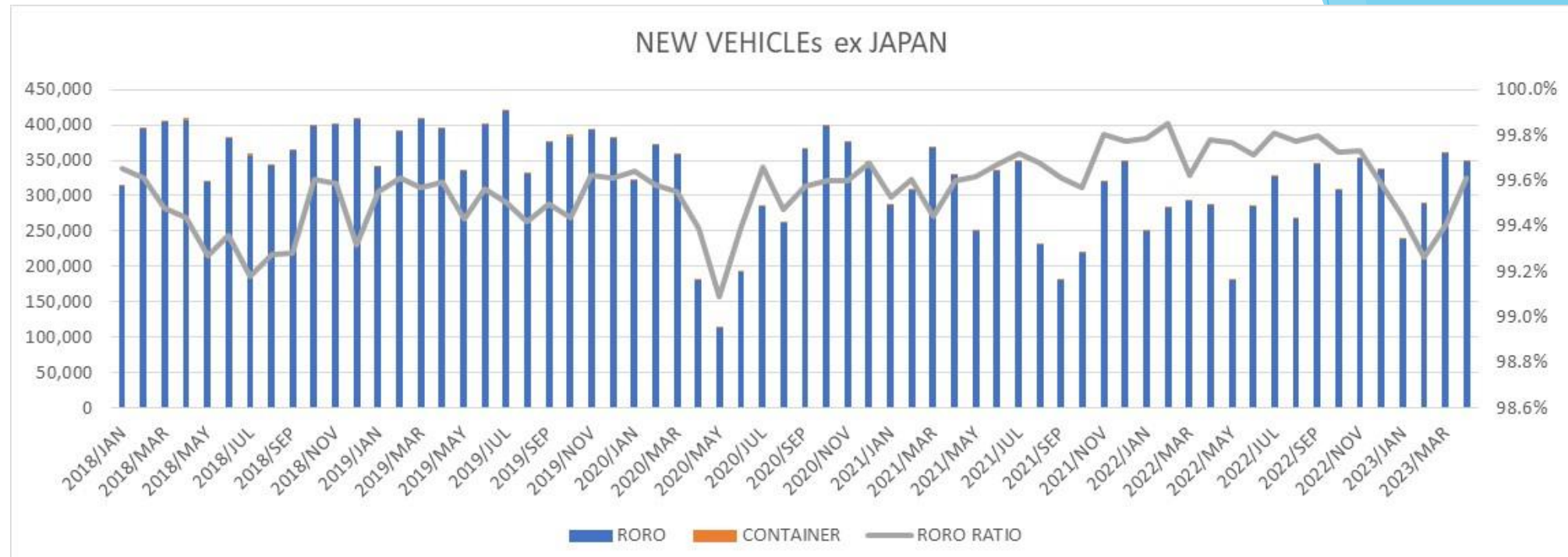
<Source: Makers' HP, JAMA>

* OTHERS = ISUZU + MITSUBISHI FUSO + UD TRUCKS + OTHERS

Brokers' Comments:



Above graph shows total volume of POVs ex Japan carried by RORO vessels and container vessels, and the ratio carried by RORO vessels. As you can see from line graph, the ratio carried by RORO vessels increased from the beginning of 2021, with the peak of 83% in SEP/2021, although there was almost no fluctuation in the range 55-60% by the end of 2020. As you know well, the increase was due to tight space of container vessels. However, once the space situation of container vessels improved and freight rate of container vessels went down, many POVs returned to container vessels again due to tight space on RORO vessels and the ratio carried by RORO vessels now is almost the same level as the previous average.



In case of new vehicles, the steady ratio carried by RORO vessels continues without being affected by the situation of container vessels because of period contract between car makers and carriers and still cheaper cost of RORO vessels than container vessels if we count all related costs not only freight rate but also vaning costs, handling costs etc. and efficiency of loading/discharging operation. We suppose that these points are the reason why car makers in Japan continue to mainly use RORO vessels even if they cannot have sufficient space from carriers in the required positions although we assume that car makers are studying to utilize container vessels.

Opposite from Japan, some (or many) new vehicles ex China are loaded on other than RORO vessels recently in order to secure some spaces. So many people working in car carriers and having business related to export of Chinese vehicles say that they do not feel the current big increase of Chinese exports. We could not find the ratio carried by RORO vessels and container vessels for Chinese vehicles. Anyway the most important point is that Chinese export volume is dramatically increasing.

It was 2 mil units increase from 1.0 mil in 2019 to 3.1 mil in 2022 although export volume ex Japan in 2022 was still 1 mil units less than 2019. Due to this increase of Chinese vehicles, total export volume from FE (Japan, China, Korea) in 2022 was already 1 mil units more than pre-covid period in 2019. (Korea was almost at the same level between 2019 and 2022.) If we consider that Japanese volume recovers step by step as actually the volume prospects of some car makers are getting stronger recently and we consider the further increase of Chinese volume although we are not sure until when this increase continues, the volume from FE is supposed to continue to increase for a while.

	NB delivery		25 years old		Total	
	VSL	RT	VSL	RT	VSL	RT
end 2022					767	4,211,550
end 2024	54	387,950	89	423,230	732	4,176,270
end 2025	64	496,500	37	177,500	759	4,495,270
end 2026	29	238,300	12	52,340	776	4,681,230
end 2027	3	27,000	12	532,220	767	4,176,010

On the other hand, please find above which shows expected total PCTC tonnage for coming years which is calculated based on 767 units with 4,211,550 RT (more than 1,000 RT vessels) at the end of 2022 and end of life at 25 years old.

As everybody knows, many new built vessels will be delivered during 2024-2025. However, if we assume that vessels will retire at 25 years old, the increase of RT capacity at the end of 2025 compared to the end of 2022 is 283,720 units.

(We suppose that the figures will not increase later so much from this because available slots in each shipyard are almost full until 2026 and slots are mainly available in/after 2027.) If each vessel manages 4 voyages in one year, additional RT capacity on a yearly basis is 1,134,880 units (283,720 units x 4 voyages) equivalent to about 700,000-750,000 actual units depending on cargo dimension. It is felt a very big increase in capacity, but it might not be a big increase if we consider that the export volume from Japan in 2022 is still 1 mil units lower than pre-covid and further increase of Chinese volume is expected although we are not sure until when this increase continues and there are some impacts of speed reduction caused by EEXI.

Furthermore, some more vessels will be retired in 2026 after passing 3 years from implementation of CII system.

We are afraid of a slow down of sales caused by recession etc., but if current situation continues, the author supposes that the tight tonnage situation will continue for the coming few years.

(END)

Note:

Information on the MTC CAR MARKET REPORT has been collected from various sources, and is believed to be correct.

However, Marine Trader Co., Ltd. cannot guarantee their accuracy, and will not be held any responsibility for inaccuracy.