



# OVERDRIVE

## AVID Sales Performance & Outlook

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### “AVID REMAINS FIRM IN Q1 2018”

“AVID capped off the first quarter with 22,758 units sold. Despite given market challenges, we remain resolute that the stabilizing market condition and the influx of new products and services will serve as ample boost as we wind-up for a stronger 2018.”

**Ms. Ma. Fe Perez-Agudo**

President, Association of Vehicle Importers and Distributors

## PERFORMANCE & DRIVERS

As the market adjusts to the impact of higher auto excise taxes due to the implementation of the Tax Reform for Acceleration and Inclusion (TRAIN) Law, AVID sales stymied by 2% from 23,317 units sold in the first quarter of 2017 to 22,758 units sold in the same period this year. Nevertheless, the association’s Q1 performance gives an indication of the industry’s stability amid the transitional or short-term effects of TRAIN on consumer sentiment and purchase behavior.

The Passenger Car (PC) segment, which appears to be less volatile among the two segments, experienced a slight slowdown—from 9,247 units sold in 2017 to 9,189 units sold in Q1 of 2018. Hyundai continues to rally for the segment as it posted a 4% growth while accounting for 68% of total PC sales.

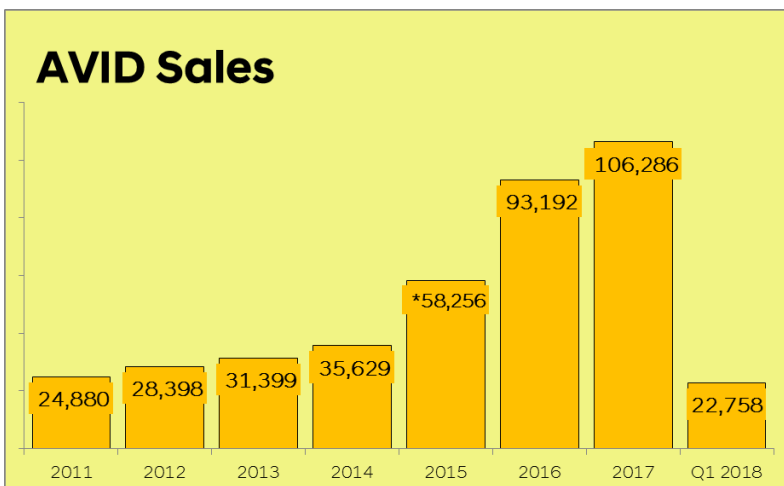
On the other hand, Light Commercial Vehicles (LCV) totaled 13,569 units sold— 4% less against the 14,070 units sold in the first quarter of 2018. Ford leads the segment, recording the highest sales of 6,273 units in Q1 2018.

## OUTLOOK

Anchored on the ‘Build, Build, Build’ program, the government is confident that it will achieve its target of 7-8% GDP growth in 2018. Infrastructure spending and private consumption is expected to sustain positive growth due to TRAIN. The lowering of personal income tax has translated to higher purchasing power while the foregone projected revenues will be offset by higher excise levies on petroleum and automobiles, among others.

The spike in prices of goods and services resulted in 4.3% inflation as of March 2018, possibly dampening consumers’ auto-buying intentions. Despite this, AVID maintains a rosy outlook behind the steady and strong demand for the excellent products that each member company offers. Expect AVID to capitalize on these trends as it catapults itself to greater heights in 2018.

## OVERVIEW CHARTS



\*Ford Group Philippines, Inc. (FGPI) joined AVID in May 2015; FGPI figures represent sales from May 2015 onwards.  
Suzuki Philippines, Inc. (SPI) joined AVID in July 2015; SPI figures represent sales from July 2015 onwards.

AVID Members	1st Quarter (units)	
	2017	2018
Auto Nation Group, Inc.	451	356
British Bespoke Automobiles, Inc.	1	-
British United Automobiles, Inc.	45	67
DBPHILS Motorsports, Inc.	5	10
Ford Group Philippines, Inc.	7,773	6,448
Hyundai Asia Resources, Inc.	8,841	8,731
Motor Image Pilipinas, Inc.	676	844
PGA Cars, Inc.	135	144
Scandinavian Motors Corporation	31	28
Suzuki Philippines, Inc.	4,051	4,917
The Covenant Car Company, Inc.	1,308	1,213
<b>Total</b>	<b>23,317</b>	<b>22,758</b>

