

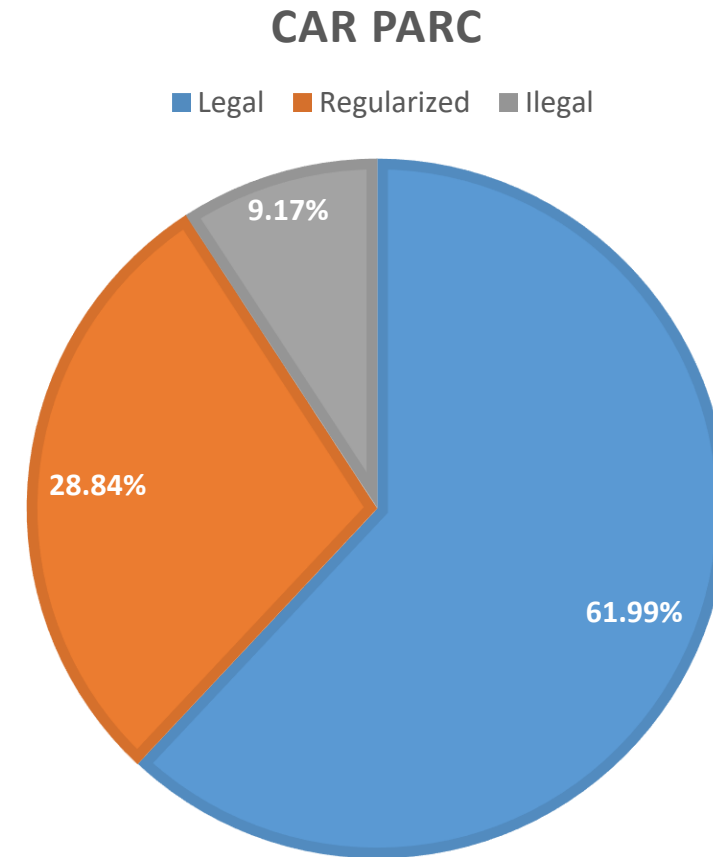


# Mexican Car Parc and Market

- E-AUTO
  - Establish in 2008
  - 24 years experience in automotive aftermarket
    - Former Marketing Executive of: Gates Rubber, Federal-Mogul, Schaeffler and BPI
  - Marketing agency focused on the automotive market
  
- Melgar de México
  - Establish in 1996
  - Does market studies mainly for automotive market
  - Mexican car parc study since 1997

# Car Parc by Legal Status

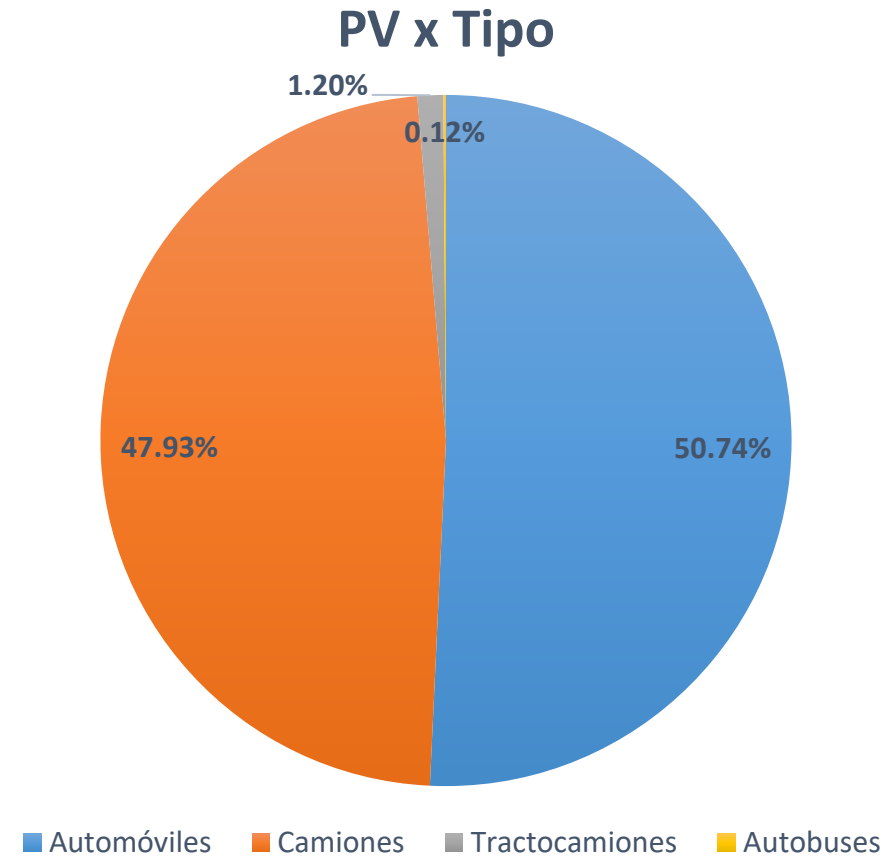
Status	Million	%
Legal	21.16	62.0%
Regularized	9.84	28.8%
Illegal	3.13	9.2%
<b>Total</b>	<b>34.13</b>	<b>100.0%</b>



Source: Melgar de México, 2021 Car Parc Study

# Car Parc by Type

Type	Million	%
Autos	17.32	50.7%
Trucks	16.36	47.9%
Tracto	0.41	1.2%
Integral Busses	0.04	0.1%
<b>Total</b>	<b>34.13</b>	<b>100.0%</b>



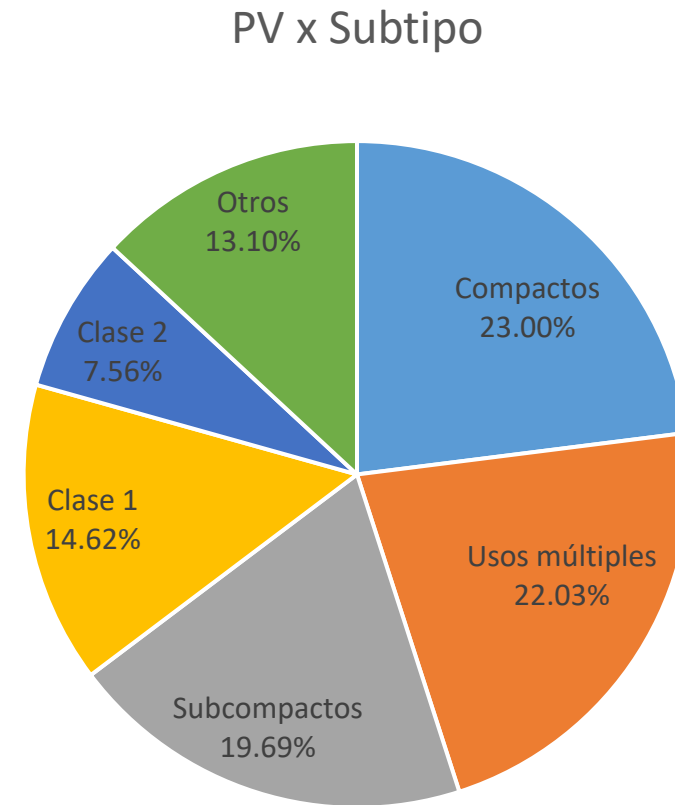
Source: Melgar de México, 2021 Car Parc Study

# Car Parc by Subtype

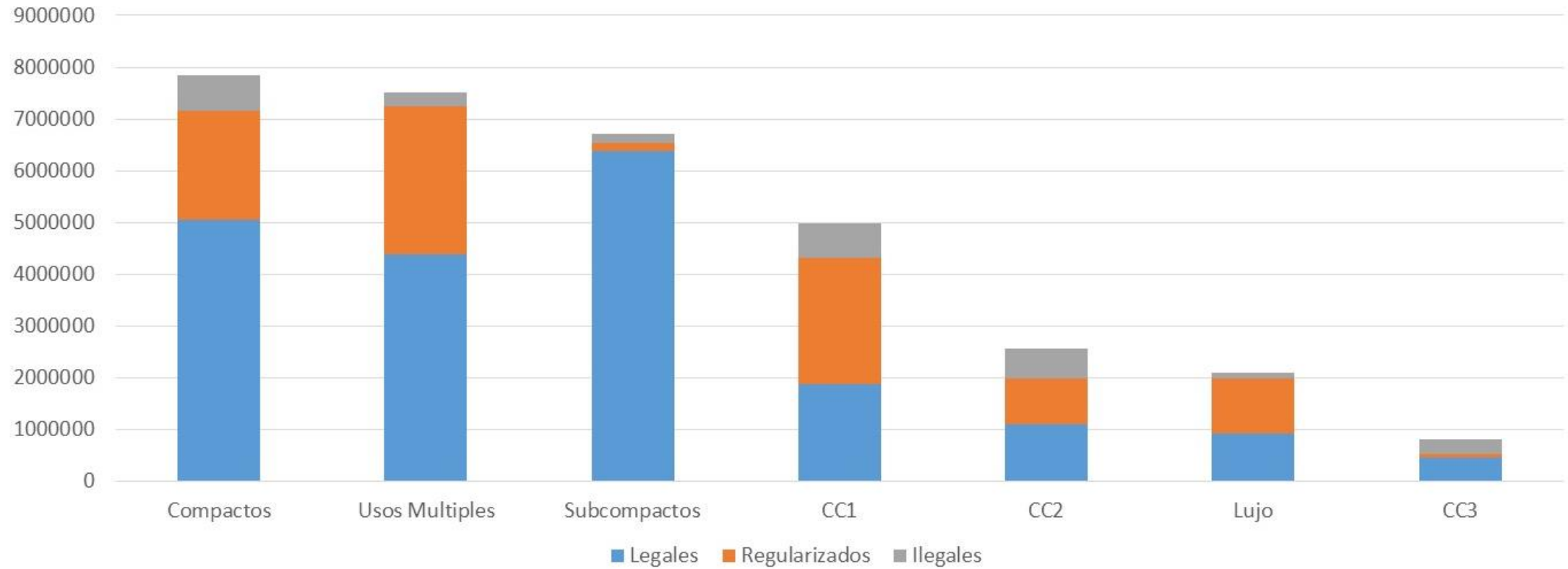
Subtype	Million	%
Compact	7.85	23.0%
Subcompact	6.72	19.7%
Multiple Uses LT	7.52	22.0%
Class 1 - LT	4.99	14.6%
Class 2 - LT	2.58	7.6%
Other	4.47	13.1%
<b>Total</b>	<b>34.13</b>	<b>100.0%</b>

- Other: sport cars, luxury cars, trucks from class 3 to 8 including trailers and integral busses.
- Multiple Uses includes SUV
- Class 1 LT like Ford F-150 and smaller
- Class 2 LT like Ford f-250, Silverado 2500
- Class 3 LT like Ford F-350, Ram 3500

Source: Melgar de México, 2021 Car Parc Study



# Car Parc by Subtype and Legal Status



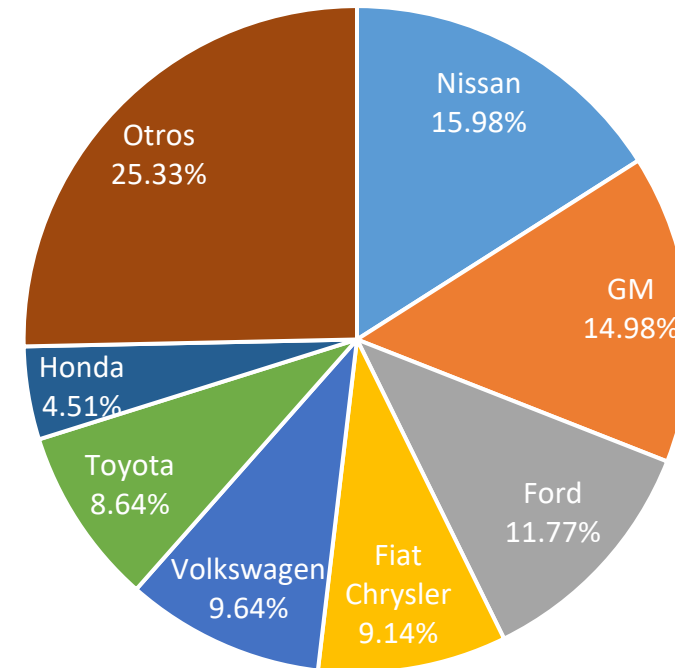
ESTUDIO MELGAR DE MÉXICO-EPVM: ESTADÍSTICA DEL PARQUE VEHICULAR EN MÉXICO



# Car Parc by Make

Region	Million	%
Nissan	5.43	15.9%
GM	5.08	14.9%
Ford	3.99	11.7%
Fiat Chrysler	3.31	9.7%
VW	3.27	9.6%
Toyota	2.93	8.6%
Honda	1.53	4.5%
Other	8.59	25.2%
<b>Total</b>	<b>34.13</b>	<b>100.0%</b>

PV x Armadora



# Car Parc by Make and Legal Status



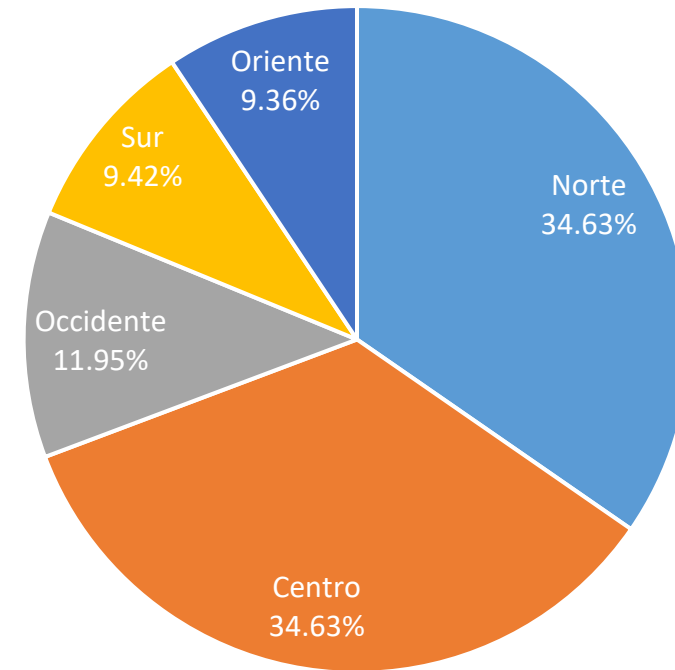
ESTUDIO MELGAR DE MÉXICO-EPVM: ESTADÍSTICA DEL PARQUE VEHICULAR EN MÉXICO



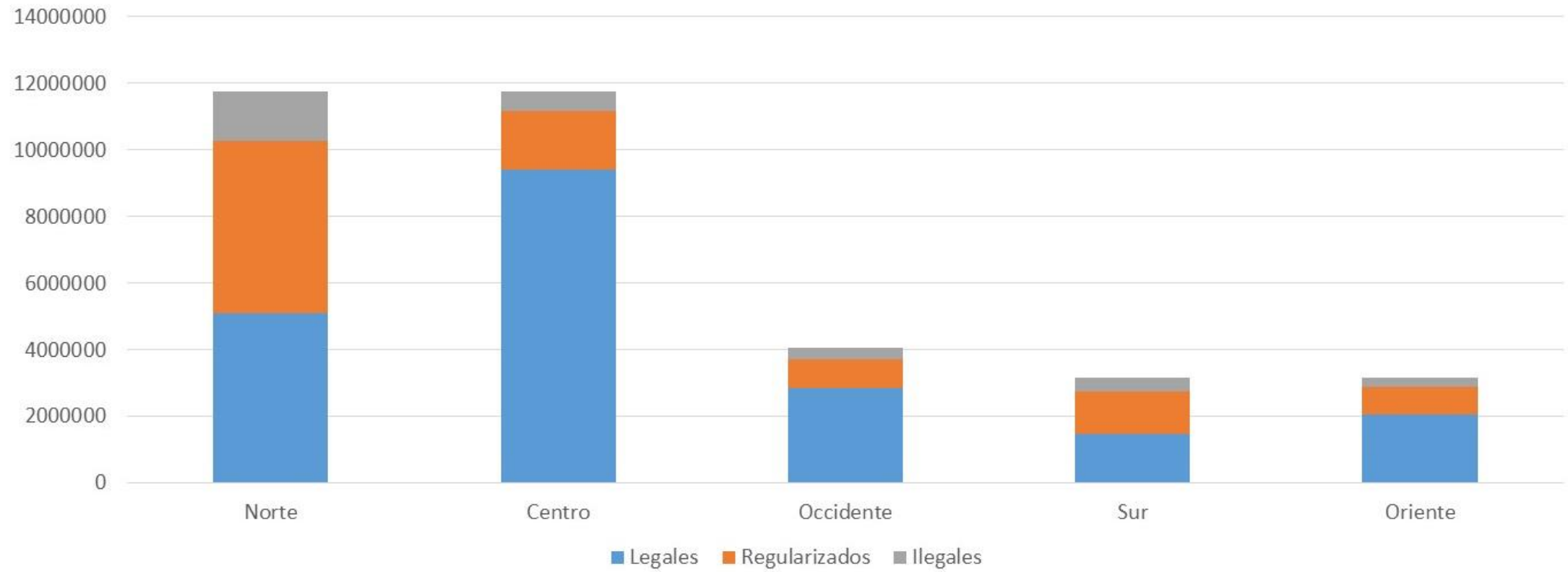
# Car Parc by Region

PV x Región

Region	Million	%
North	11.86	34.7%
Center	11.80	34.6%
West	4.07	11.9%
South	3.21	9.4%
East	3.19	9.3%
<b>Total</b>	<b>34.13</b>	<b>100.0%</b>

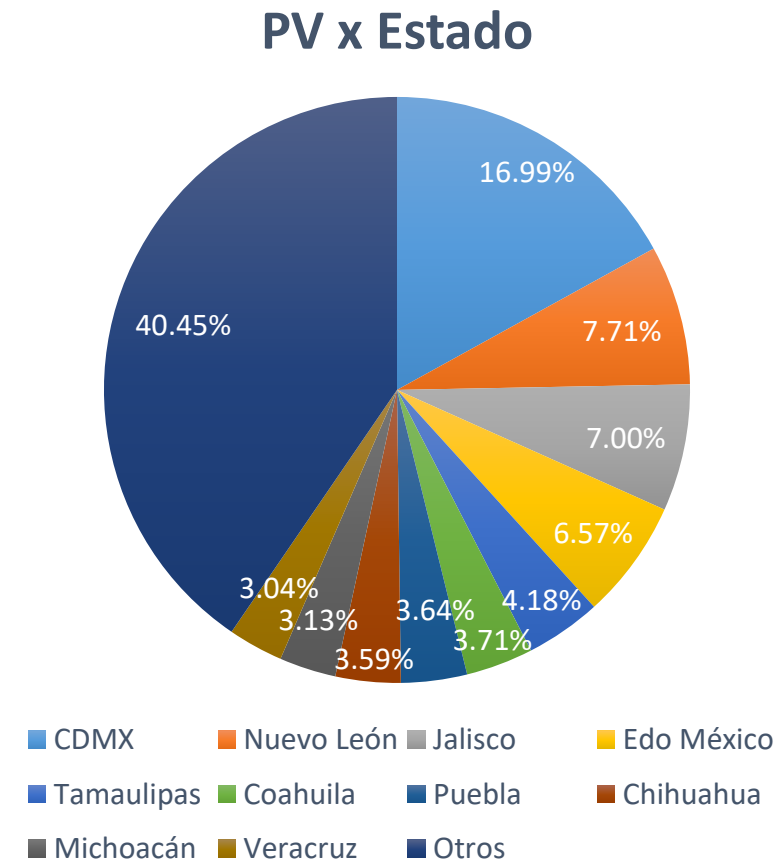


# Car Parc by Region and Legal Status



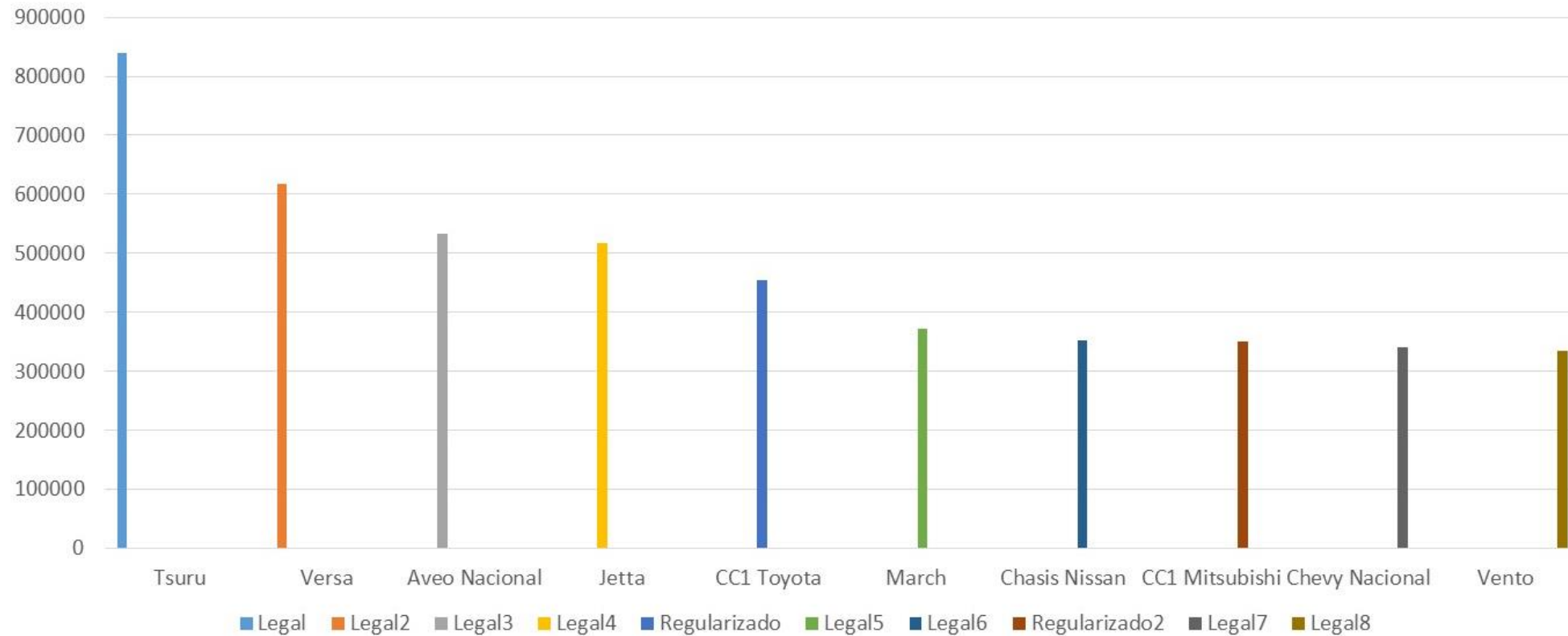
# Car Parc by State

Make	Million	%
CDMX	5.80	17.0%
Nuevo León	2.63	7.7%
Jalisco	2.39	7.0%
Estado de México	2.24	6.6%
Tamaulipas	1.43	4.2%
Coahuila	1.27	3.7%
Puebla	1.24	3.6%
Chihuahua	1.23	3.6%
Michoacán	1.07	3.1%
Veracruz	1.04	3.0%
Other	13.81	40.5%
<b>Total</b>	<b>34.13</b>	<b>100.0%</b>

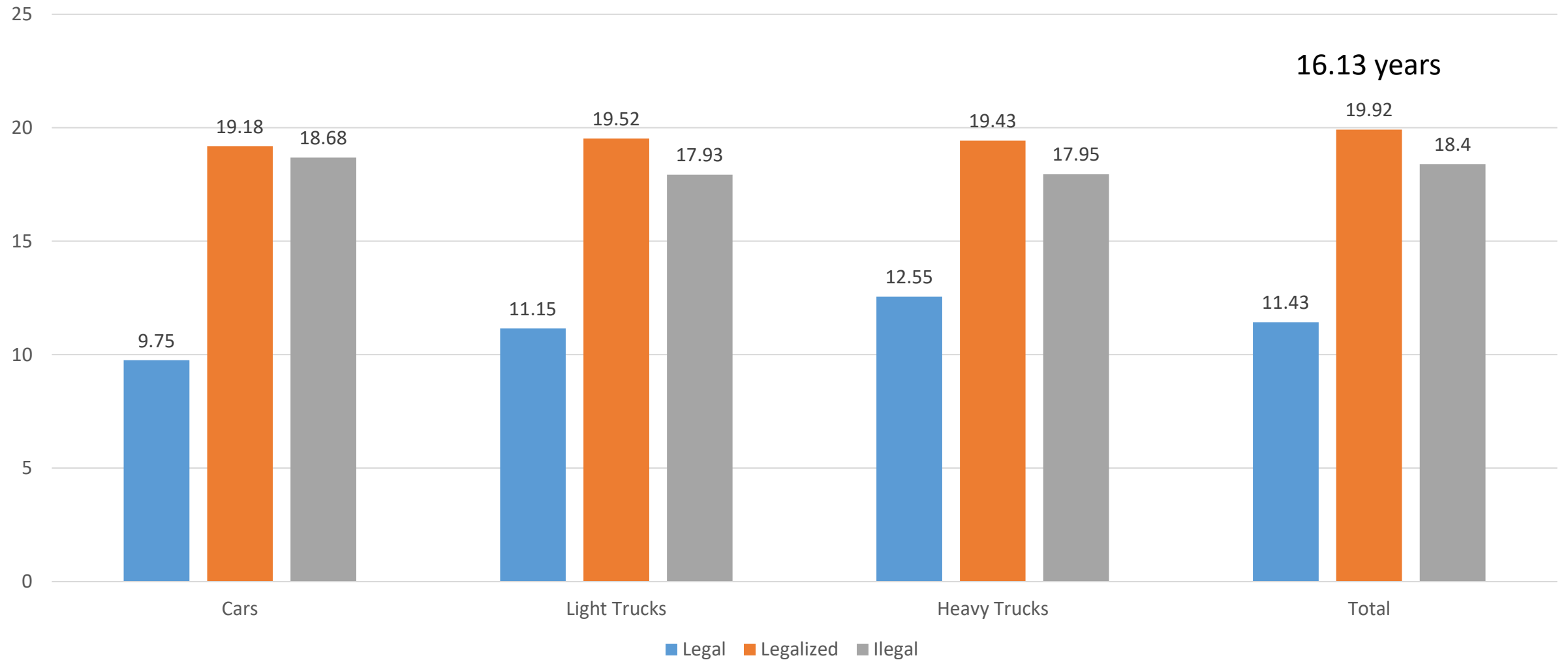


Source: Melgar de México, 2021 Car Parc Study

# Top 10 models



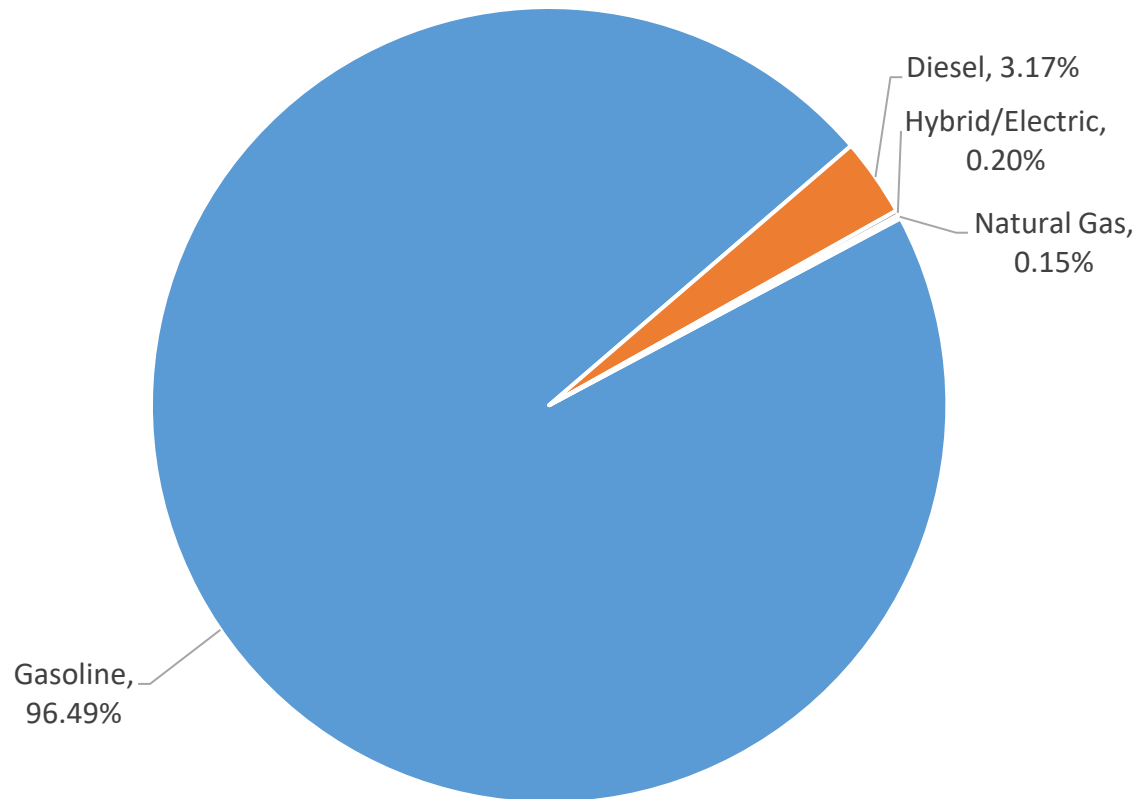
# Car parc Average Age



Source: Melgar de México, 2021 Car Parc Study

# Car Parc by Energy Source

Car Parc



- Diesel 3.17% share, they are LD, MD and HD trucks. In cars just VW has this technology.
- Hybrid and electric vehicles 0.2% share.

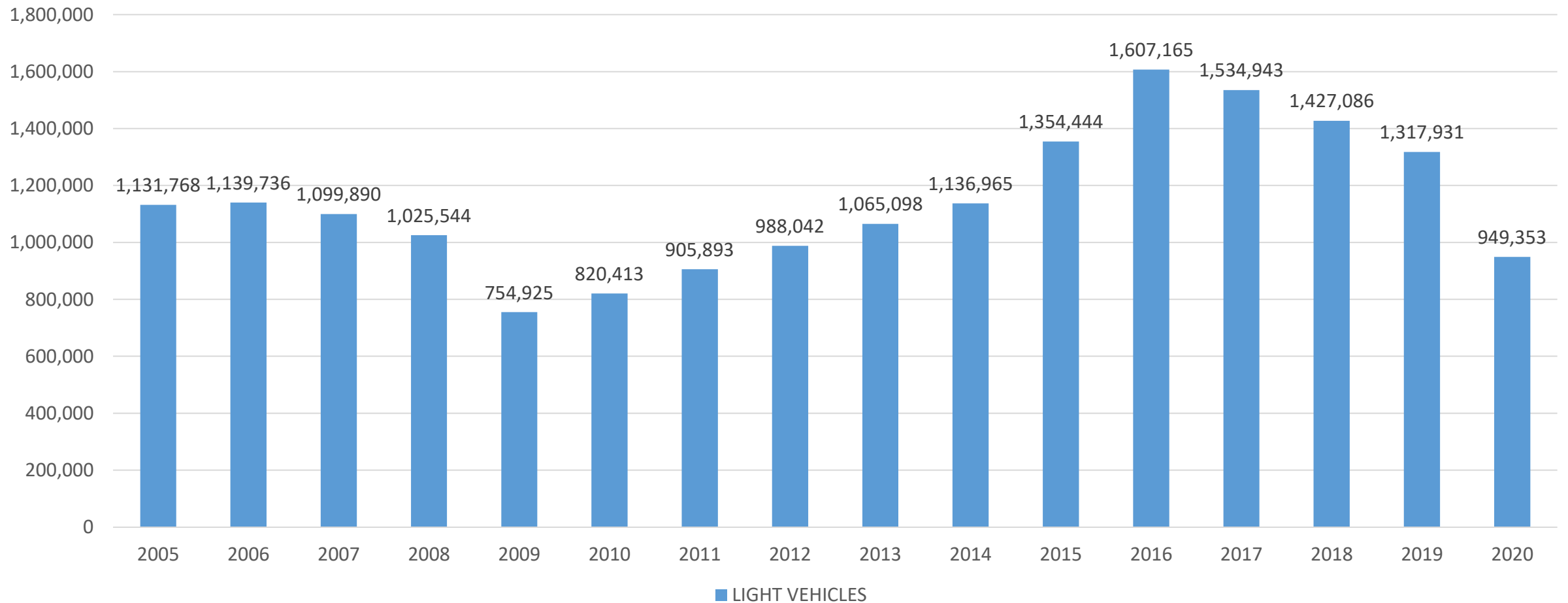
Source: Melgar de México, 2021 Car Parc Study



# Light Vehicles Sales



## New Light Vehicles Sales

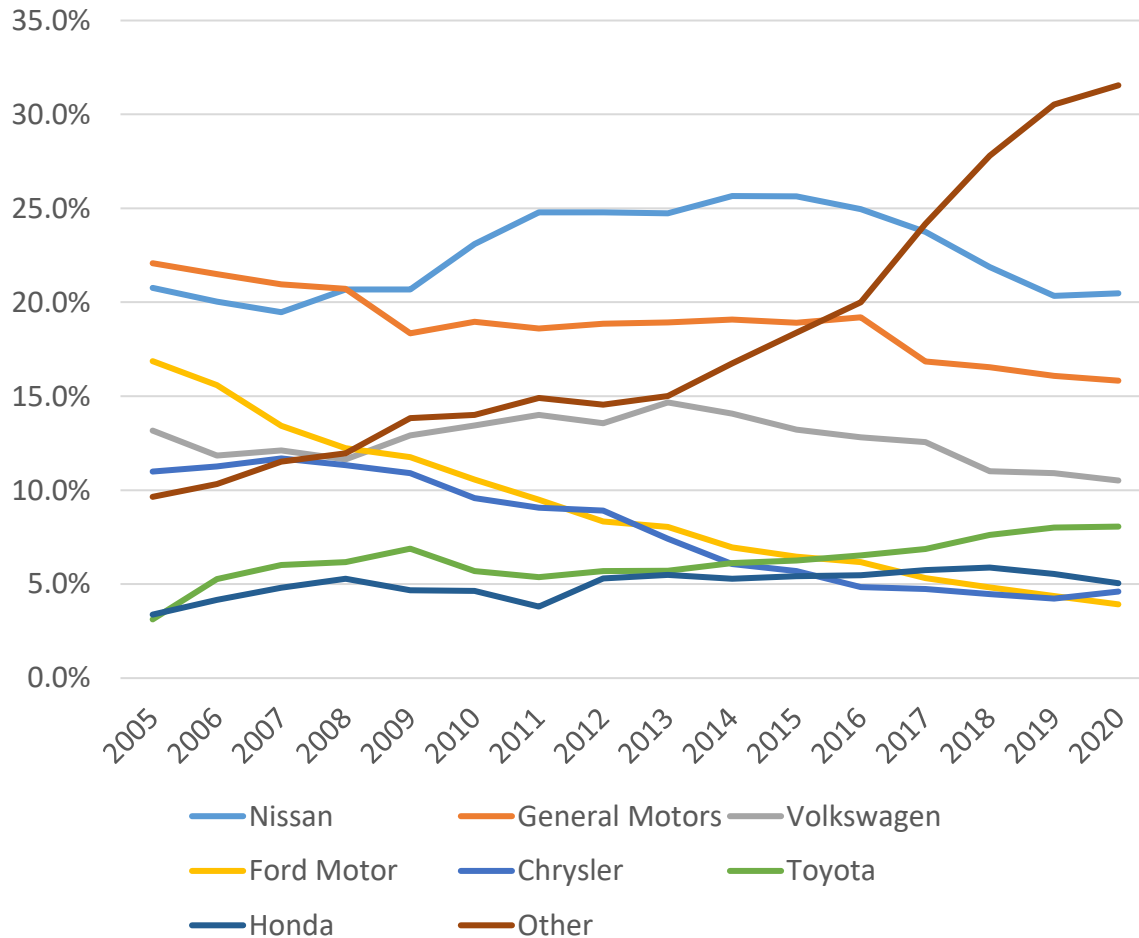


Source: INEGI, Registro Administrativo de la Industria Automotriz

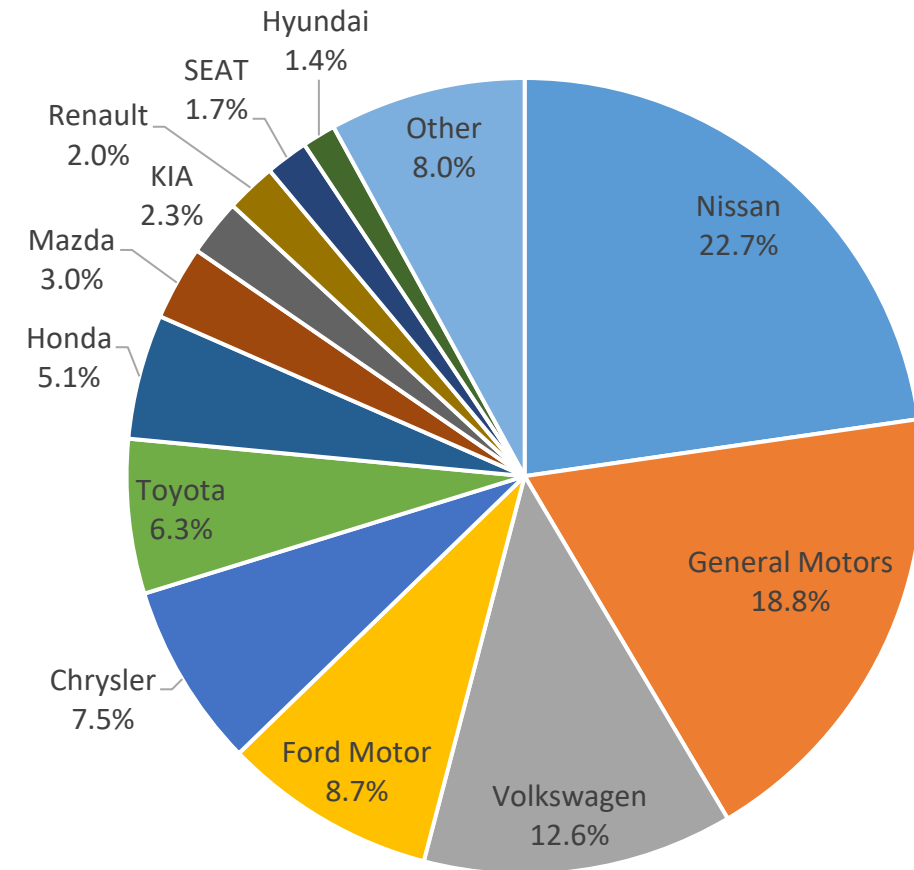
# Light Vehicle Sales - Market Share by Make



Market Share by Make by Year

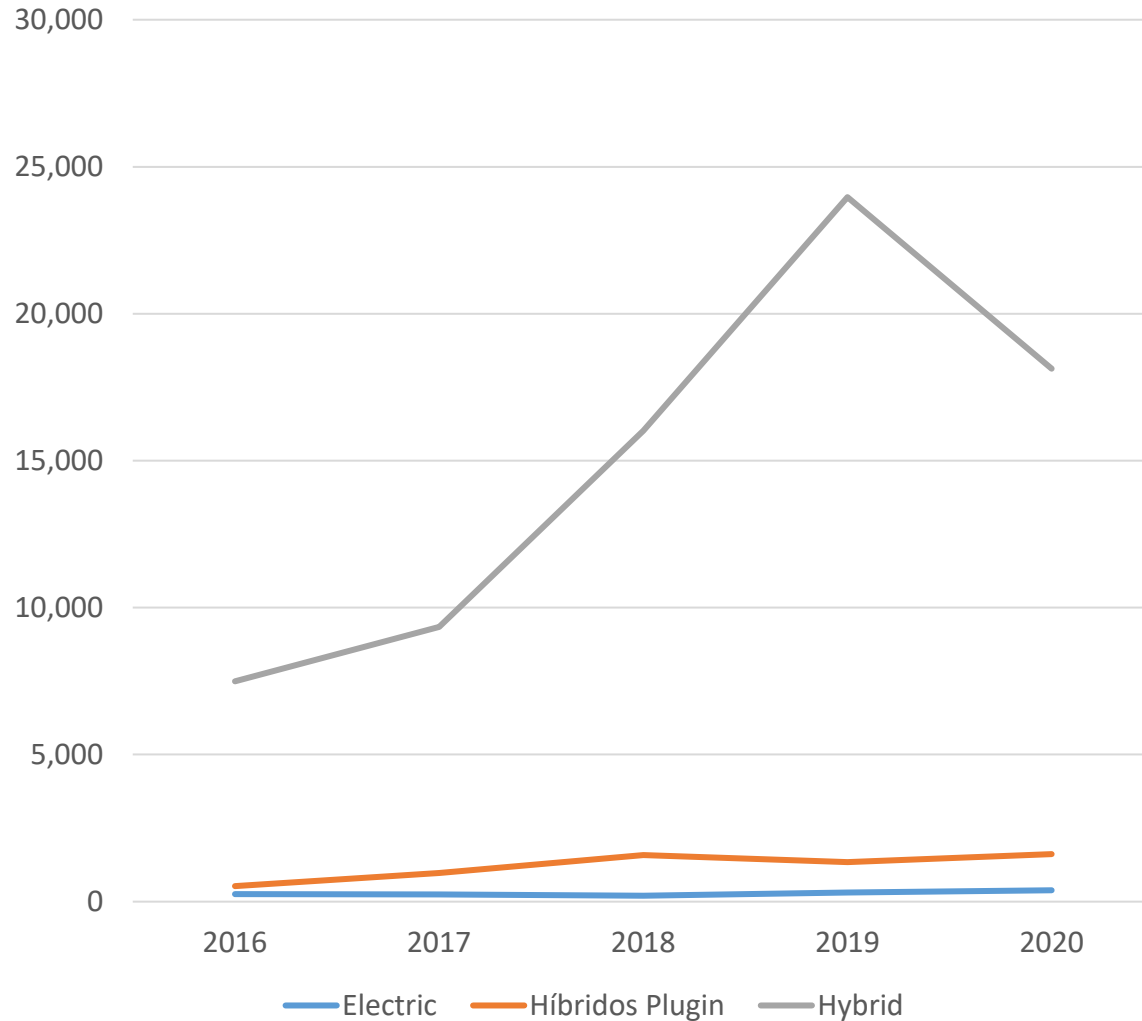


Market Share by Make 2005-2020



Source: INEGI, Registro Administrativo de la Industria Automotriz

# Hybrid and Electric Vehicles Sales



Market Share of Electric and Hybrid Vehicles

Year	Electric	Hybrid Plugin	Hybrid
2016	0.02%	0.03%	0.47%
2017	0.02%	0.06%	0.61%
2018	0.01%	0.11%	1.12%
2019	0.02%	0.10%	1.82%
2020	0.04%	0.17%	1.91%

Source: INEGI, Registro Administrativo de la Industria Automotriz

# Sales by Vehicle 2005-2020



VEHICLE	TOTAL
Volkswagen-Jetta	802,847
General Motors-Aveo	714,056
Nissan-Tsuru	686,215
Nissan-Versa	667,260
Nissan-PICKUP NISSAN	527,669
Nissan-Sentra	439,608
Nissan-March	404,944
General Motors-Chevy	366,287
Volkswagen-Vento	352,517
Nissan-Tiida	304,488
General Motors-Spark	301,133
Honda-CR-V	294,272
Nissan-NP300	273,299
Volkswagen-Gol	247,057
Mazda-Mazda 3	237,277
General Motors-Beat	222,772
Nissan-Xtrail	214,859
SEAT-Ibiza	200,767
General Motors-Sonic	176,229
Chrysler-Attitude	160,203

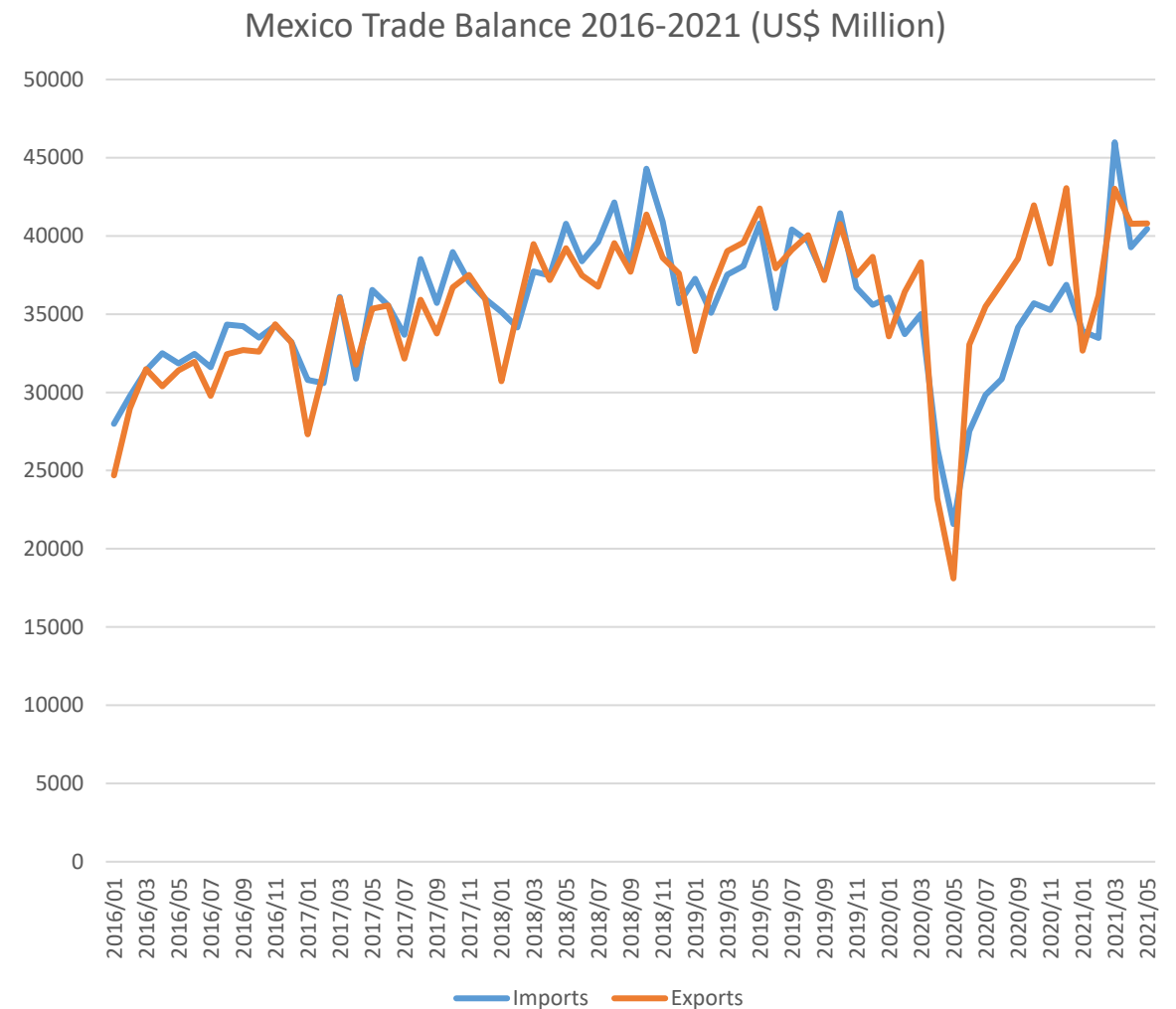
VEHICLE	TOTAL
Toyota-Corolla	160,105
Toyota-Yaris	157,809
General Motors-Trax	146,348
Toyota-Hilux	145,788
Toyota-Rav4	145,644
Honda-Civic	143,517
Nissan-Urvan	142,993
Ford Motor-Ranger Crew Cab	141,096
General Motors-Matiz	140,384
KIA-KIA Río	139,882
Volkswagen-Pointer	131,839
Ford Motor-Escape	128,447
General Motors-Silverado 2500	126,737
General Motors-Tornado Pickup	123,315
Ford Motor-Lobo	121,819
Ford Motor-Ecosport	119,338
Volkswagen-Bora	117,393
Chrysler-Journey	115,379
Nissan-Platina	109,675
Honda-Honda City	107,410

Source: INEGI, Registro Administrativo de la Industria Automotriz

# Impact of the new USMCA



- No change perceived since is a updated NAFTA
- USA/China trade problems
  - Exportations increased
- Mexican economy impacted by new government actions and policies
  - GDP decreasing since current government
    - 2018 +2.18%
    - 2019 -0.17%
    - 2020 -8.53%
  - Decrease in direct investments
  - Facing capital flight





# Exchange Rate 2000 - 2021



Year	Average	Yearly Change
2000	9.456	
2001	9.339	-1.2%
2002	9.664	3.5%
2003	10.787	11.6%
2004	11.287	4.6%
2005	10.893	-3.5%
2006	10.903	0.1%
2007	10.927	0.2%
2008	11.145	2.0%
2009	13.501	21.1%
2010	12.632	-6.4%
2011	12.424	-1.6%
2012	13.173	6.0%
2013	12.769	-3.1%
2014	13.297	4.1%
2015	15.871	19.4%
2016	18.675	17.7%
2017	18.910	1.3%
2018	19.237	1.7%
2019	19.261	0.1%
2020	21.493	11.6%
2021	20.153	-6.2%

Source: DOF, Tipo de Cambio



# Exchange Rate 2018-2021



- 4.8% increase since 2018

Year	Average	Yearly Change
2018	19.237	1.7%
2019	19.261	0.1%
2020	21.493	11.6%
2021	20.153	-6.2%

# USA and China Supply



- Exportations to USA have increased
  - Substitution of Chinese products
- All my customers (aftermarket brands) are ...
  - facing supply problems
  - cost increases, in some cases more than 50%
  - demand at 2019 levels
- Brands looking for best costs and taking care of quality
- Chinese brands entering into the market (not just products)

Q & A

Gracias



# Thank you!

Luis Melgar

+52 55 4450 0004

lmelgar@yahoo.com

Salvador Fajardo

+52 55 3335 5620

sfajardo@e-auto.com.mx