

# Auto

## Jan 2025 NEV sales to fall MoM despite solid Dec leading indicators

We summarize the Dec 2024 leading indicators as below, including the number of leads, customer flows and new orders generated, for Tesla, NIO, Li Auto, Xpeng, BYD and Aion. Note that such data are based on a sample size of 96 stores (15-18 stores for each brand) in 15 cities in China. The following data reflect same-store metrics, and the metrics on a company level could be better than these figures, as most players are still expanding their sales network.

The solid trend of leading indicators extended into Dec 2024, as we had expected, given the pre-buying effect before the Chinese government's trade-in subsidy expiration. We expect NEV retail sales volume to fall 30-40% MoM in Jan 2025, despite some local governments' extended subsidy policies and rising incentives from some NEV makers.

■ **Number of leads: Tesla and BYD led the MoM increase.** Total per-store number of leads for the six brands remained flat MoM in Dec 2024 (Figure 1). The number fell 14% MoM for Xpeng due to a high comparison base in Nov amid the launch of the P7+, which was offset by the increases for Tesla (+6%) and BYD (+4%) thanks to higher incentives. Number of leads for NIO, Li Auto and GAC Aion remained largely stable MoM (-2%~2%) in Dec.

The conversion ratio from leads to store visits improved by 0.5ppts MoM in Dec for both Tesla and Xpeng while it fell 0.7ppts MoM for Li Auto (Figure 2). Li Auto has had the lowest conversion ratio among all the six brands since Sep 2024.

■ **Customer flow: Tesla and BYD remained resilient.** The trend of customer flow per store was largely in line with the changes in number of leads in Dec (Figure 3). The customer flow for Xpeng fell 12% MoM in Dec amid a high base, while that of Tesla, BYD and Aion rose 6%, 1% and 3% MoM last month, respectively.

The overall conversion ratio from store visits to order generation for the six brands improved MoM in Dec (Figure 4), with NIO and Li Auto's rising the most (both +1.0ppt MoM). BYD still had the highest conversion ratio of 16% in Dec, about twice the lowest one (Li Auto's 8%). Xpeng's conversion ratio rose from the lowest (7%) in Jul 2024 to almost the same level as Tesla's in Dec (12-13%), thanks to the launches of the *Mona M03* in Aug and the *P7+* in Nov.

■ **Overall new orders improved in Dec.** Total per-store new orders generated based on our sample stores rose 4% MoM and 11% YoY last month (Figure 5). NIO's new orders rose the most MoM (+12%) in Dec after its 11% MoM decline in Nov. Xpeng was the only brand to show a MoM decline in new orders (-8%) in Dec after its 35% MoM increase in Nov. We believe new orders in Dec 2024 have little indication for Jan 2025 sales volume, as most orders may have been fulfilled in Dec with most NEV makers' sales volumes hitting all-time highs. In Jan 2024, new orders per store for the six brands fell 29% MoM and China's total NEV retail sales volume declined 26% MoM.

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#### Stocks Covered:

Name	Ticker	Rating	TP (LC)
Li Auto	LI US	BUY	30
Li Auto	2015 HK	BUY	117
NIO	NIO US	HOLD	5
Xpeng	XPEV US	BUY	16
Xpeng	9868 HK	BUY	62.4
Geely	175 HK	BUY	19
GWM	2333 HK	BUY	17
GWM	601633 CH	BUY	35
BYD	1211 HK	BUY	350
BYD	002594 CH	BUY	382
GAC	2238 HK	BUY	3.3
GAC	601238 CH	BUY	10
Leapmotor	9863 HK	BUY	40
Yongda	3669 HK	BUY	1.8
Meidong	1268 HK	BUY	2.8
Tuhu	9690 HK	BUY	26
Minth	425 HK	BUY	21
EVA	838 HK	BUY	1.4

Source: Bloomberg, CMBIGM

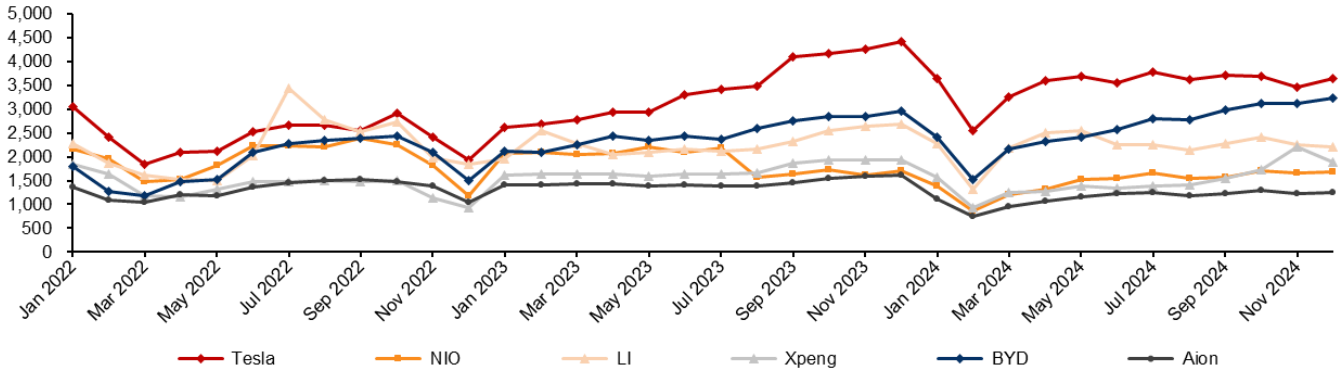
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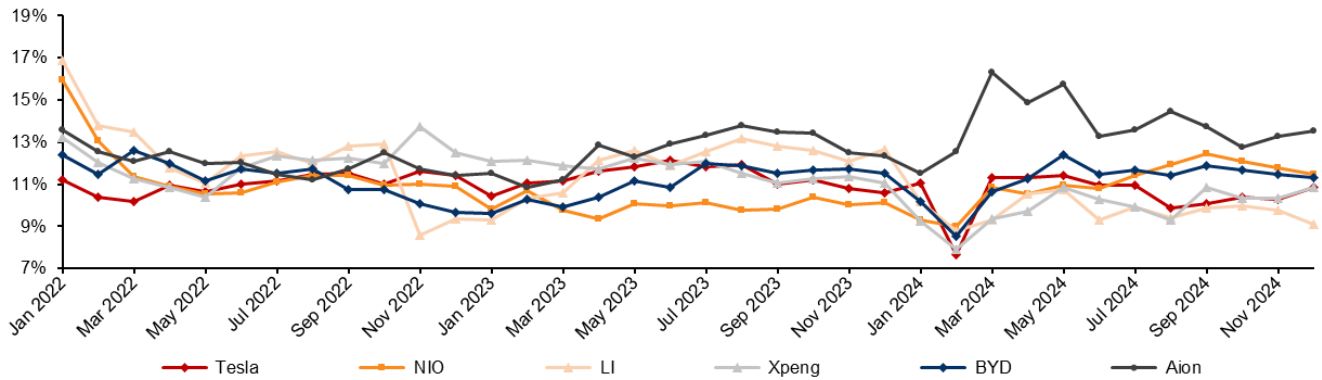
["China Auto Sector - Nine out of 11 NEV makers hit record-high sales" – 2 Jan 2025](#)

**Figure 1: Number of leads per store on average for each brand**



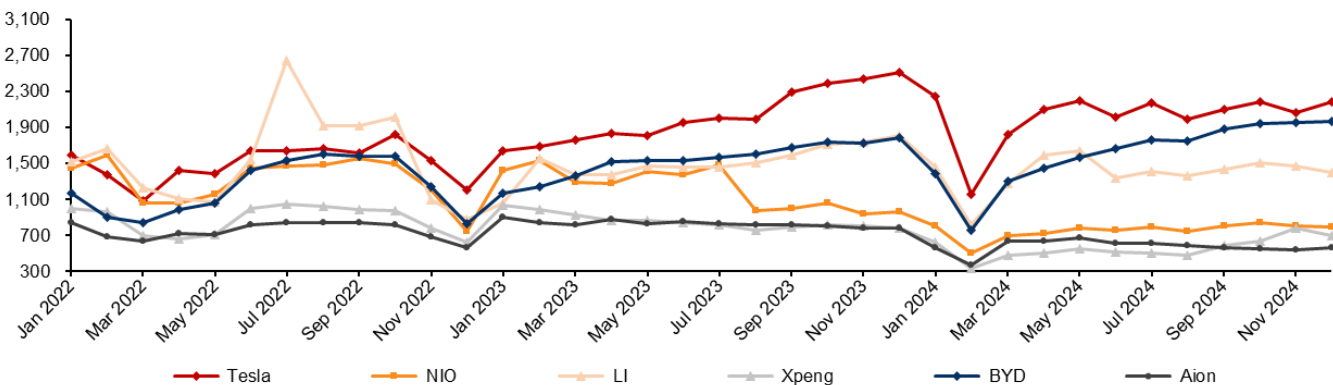
Source: Thinkercar, CMBIGM

**Figure 2: Conversion ratio from leads to store visits for each brand**



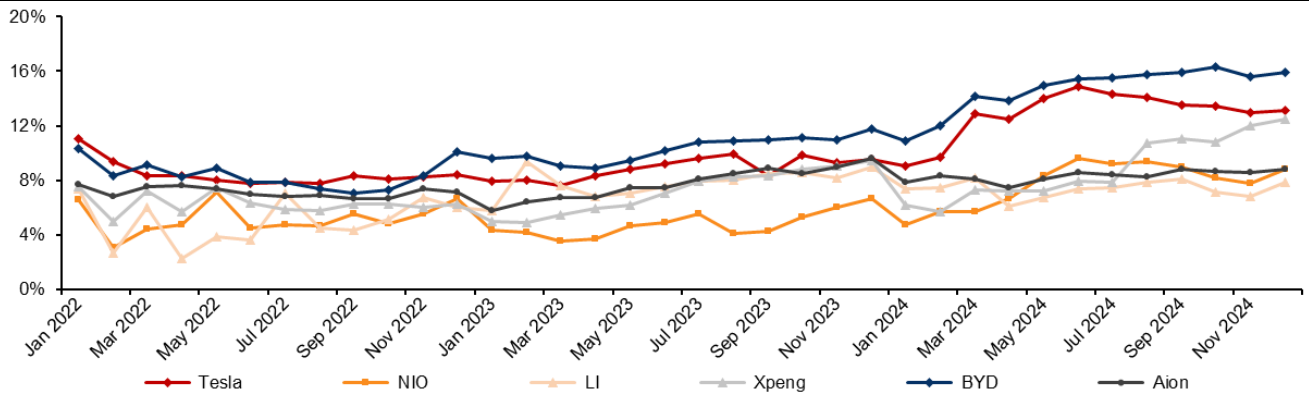
Source: Thinkercar, CMBIGM

**Figure 3: Customer flow per store on average for each brand**



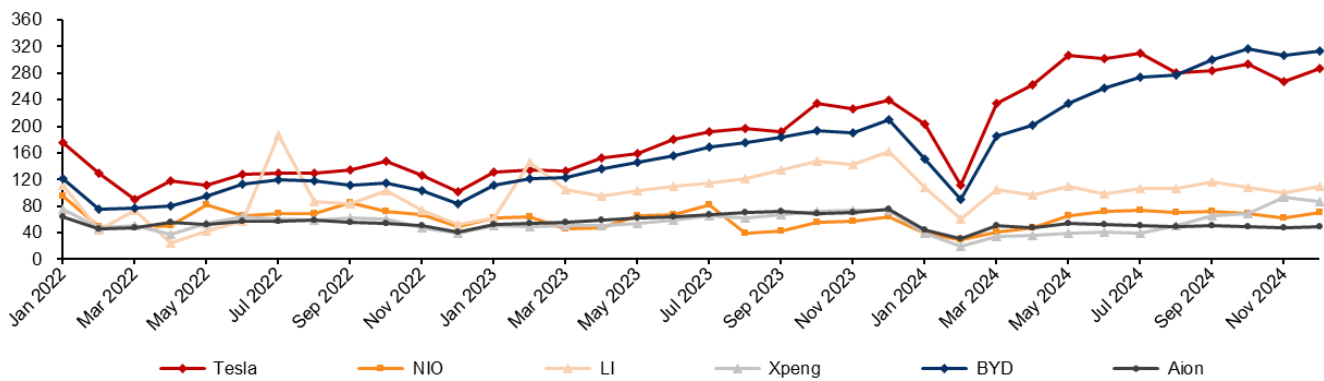
Source: Thinkercar, CMBIGM

**Figure 4: Conversion ratio from store visits to new order generation for each brand**



Source: Thinkercar, CMBIGM

**Figure 5: New orders per store on average for each brand**



Source: Thinkercar, CMBIGM

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