

Auto

Apr NEV sales beat; Price war continues

Chinese automakers including BYD, NIO, Xpeng, Li Auto, Zeekr, Aion, Deepal, Neta, Leap, Xiaomi etc reported their Apr 2024 sales volumes on 1 May 2024. Total sales volume combined rose 43% YoY (ranging from -31% to +546%) and 2% MoM (ranging from -14% to +32%).

■ **Li Auto, Xpeng miss, NIO beat.** It appears to us that the weak sales of the *Mega* has spread into Li Auto's other models. Although Li Auto's deliveries of 25,787 units in Apr (-11% MoM) slightly surpassed Aito, the Aito *M9* large SUV delivered more than 13,000 units last month, higher than the Li *L9*. Li Auto cut its prices by RMB18,000-20,000 for its L series and RMB30,000 for the *Mega* on 20 Apr 2024. It is interesting to watch Li Auto's May and Jun sales volume after the price cuts. We project its Jun sales volume to exceed 50,000 units, which could give investors more confidence to forecast more than 0.5mn units for FY24E.

NIO's deliveries rose 32% MoM to almost 16,000 units in Apr, partially due to its rising rebates, especially for the ICE replacement purchases. Xpeng only sold about 9,400 units last month, with the *X9* deliveries falling to less than 2,000 units.

■ **Zeekr posted all-time sales, BYD on track.** Zeekr recorded its all-time high monthly sales volume of about 16,000 units in Apr amid strong order backlog for the facelifted *001*. We project its 4-seat *009*'s GPM to be 35-45%. BYD posted its 2nd highest monthly sales volume 0.31mn units last month. We are of the view that BYD is still on track to achieve our sales forecast of 3.6mn units in FY24E. Xiaomi delivered about 7,000 units in its first month, with about 88,000 orders backlog in total. Xiaomi is likely to squeeze into the top 10 OEM in terms of BEV sales in 3Q24, should its production ramp up. HIMA (Harmony Intelligent Mobility Alliance, including Aito and Luxeed now) sold almost 30,000 units in Apr. A new brand Stelato (backed by Huawei and BAIC Group) made its premiere at the Beijing Auto Show and its first model, the *S9*, will start deliveries around Jun 2024.

■ **2024 NEV sales likely beat.** We project NEV retail sales volume in Apr 2024 to reach 0.68mn units, with market share of about 43%, higher than our prior forecast. Unlike last year when the NEV market share rose gradually MoM, the substantial price cuts for NEVs after the Chinese New Year lifted the NEV market share by about 10ppts in one month. Although it is still a bit difficult to predict when the NEV market share would exceed 50%, the total NEV wholesale volume will likely beat our prior forecast of 11mn units in 2024, especially with the recent stimulus measures.

Valuation Table

Units	Apr 2024	YoY %	MoM %	YTD	YTD YoY %
BYD	312,048	49.0%	3.5%	936,446	23.6%
NIO	15,620	134.6%	31.6%	45,673	21.2%
Li Auto	25,787	0.4%	-11.0%	106,187	35.7%
Xpeng	9,393	32.7%	4.1%	31,214	23.3%
Xiaomi	7,058	N/A	N/A	7,058	N/A
Zeekr	16,089	98.6%	23.6%	49,148	110.6%
Leap	15,005	72.0%	3.0%	48,415	151.7%
Neta	9,017	-18.6%	8.4%	33,451	-10.2%
Aion	28,113	-31.5%	-13.6%	102,266	-14.3%
Deepal	12,744	64.3%	-2.3%	52,828	98.9%
HIMA	29,632	546.3%	-6.6%	115,474	610.9%

Source: Company data, CMBIGM estimates

OUTPERFORM
(Maintain)

China Auto Sector

Ji SHI, CFA

(852) 3761 8728

shiji@cmbi.com.hk

Wenjing DOU, CFA

(852) 6939 4751

douwenjing@cmbi.com.hk

Stocks Covered:

Name	Ticker	Rating	TP (LC)
Li Auto	LI US	BUY	48
Li Auto	2015 HK	BUY	187
NIO	NIO US	HOLD	6.2
Xpeng	XPEV US	HOLD	10.5
Xpeng	9868 HK	HOLD	41
Geely	175 HK	BUY	14
GWM	2333 HK	BUY	14
GWM	601633 CH	BUY	32
BYD	1211 HK	BUY	262
BYD	002594 CH	BUY	285
GAC	2238 HK	BUY	5.5
GAC	601238 CH	BUY	14
EVA	838 HK	BUY	1.5
Yongda	3669 HK	BUY	2.7
Meidong	1268 HK	BUY	4

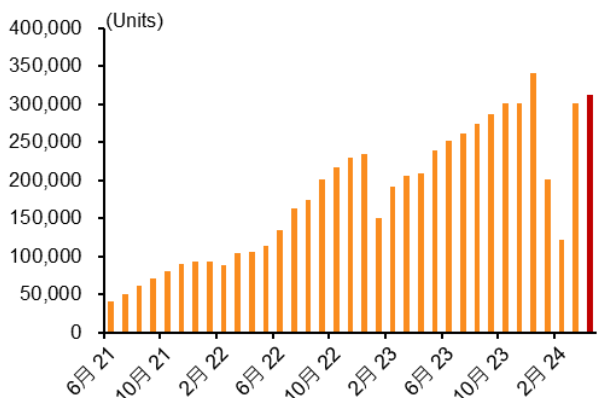
Source: Bloomberg, CMBIGM

Related Reports:

["China Auto Sector – Jan NEV sales in line; more catalysts after CNY" – 2 Feb 2024](#)

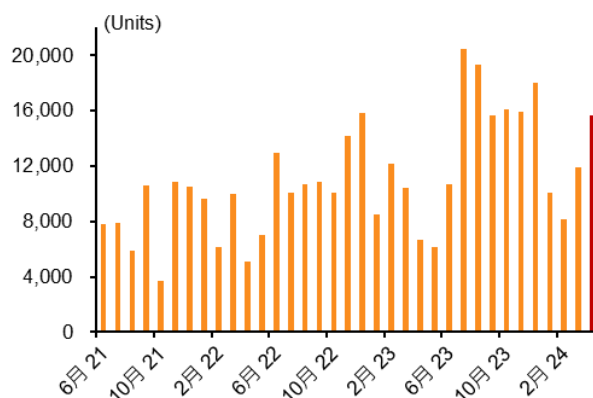
["Auto - Feb NEV sales fell; more new models from Mar" – 4 Mar 2024](#)

Figure 1: BYD's monthly NEV delivery



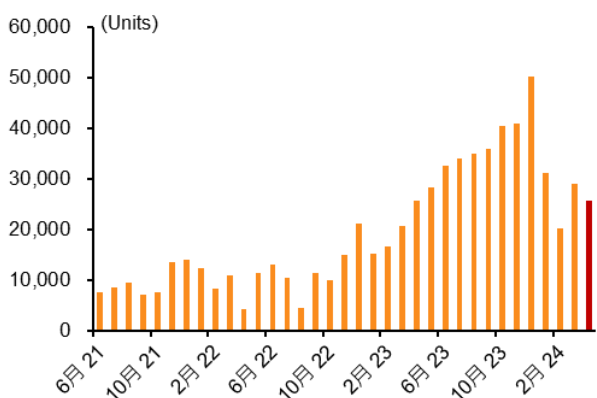
Source: Company data, CMBIGM

Figure 2: NIO's monthly delivery



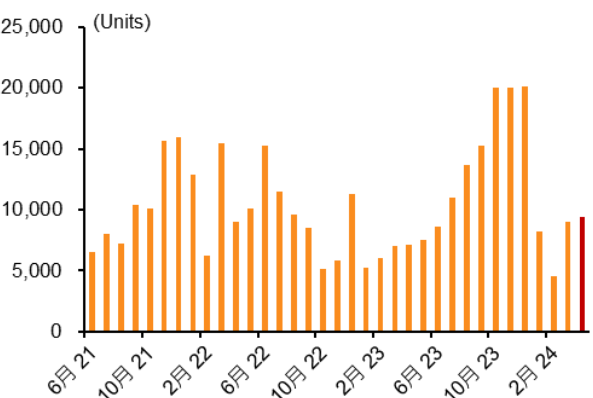
Source: Company data, CMBIGM

Figure 3: Li Auto's monthly delivery



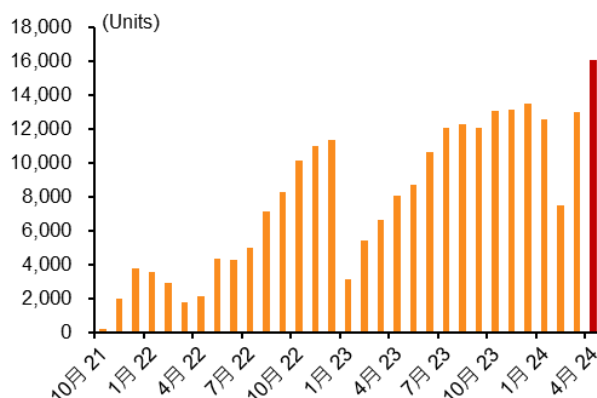
Source: Company data, CMBIGM

Figure 4: Xpeng's monthly delivery



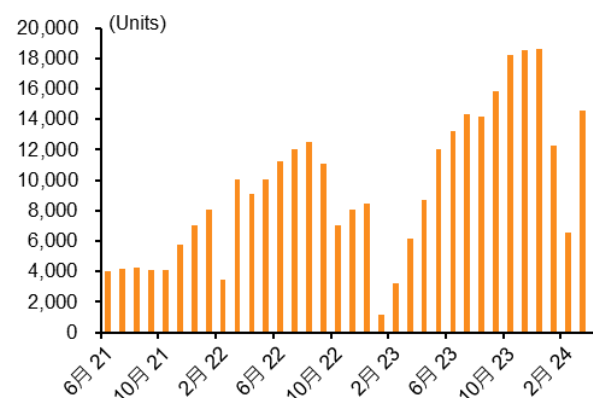
Source: Company data, CMBIGM

Figure 5: Zeekr's monthly delivery



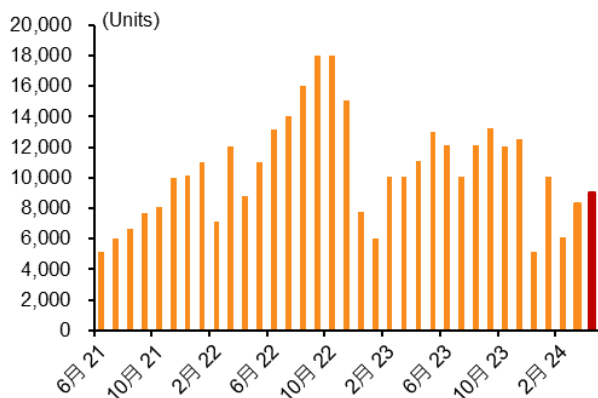
Source: Company data, CMBIGM

Figure 6: Leap's monthly delivery



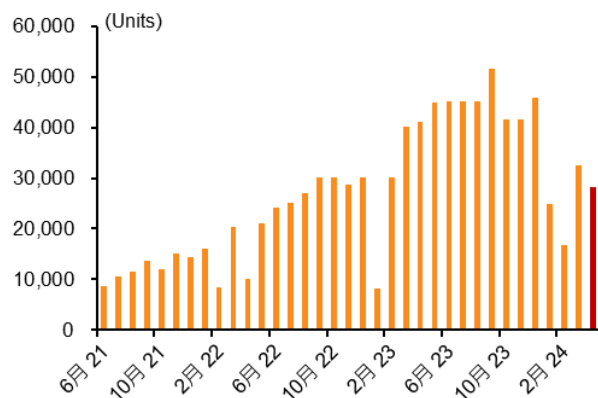
Source: Company data, CMBIGM

Figure 7: Neta's monthly delivery



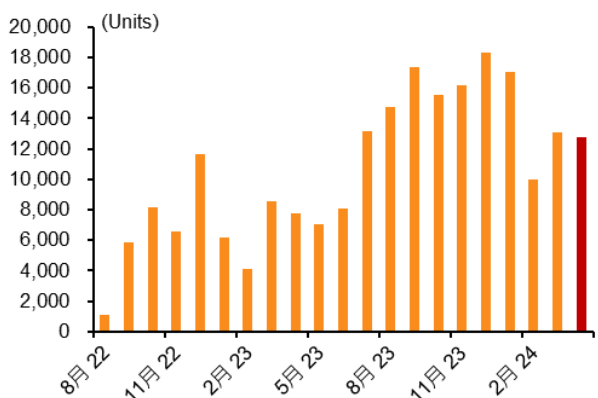
Source: Company data, CMBIGM

Figure 8: Aion's monthly NEV delivery



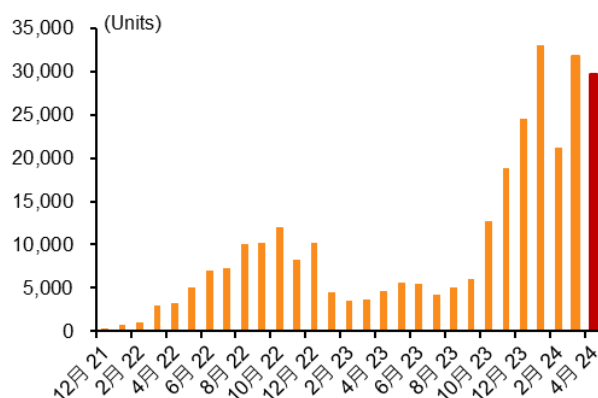
Source: Company data, CMBIGM

Figure 9: Deepal's monthly delivery



Source: Company data, CMBIGM

Figure 10: HIMA's monthly NEV delivery



Source: Company data, CMBIGM

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CMB International Global Markets Limited

Address: 45/F, Champion Tower, 3 Garden Road, Hong Kong, Tel: (852) 3900 0888 Fax: (852) 3900 0800

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