

Auto

May NEV retail share to hit 45%; NIO beat

Chinese automakers including BYD, NIO, Xpeng, Li Auto, Aion, Deepal, Neta, Leap, and Xiaomi etc reported their May 2024 sales volumes during 1-2 Jun. Total sales volume combined rose 38% YoY (ranging from -22% to +234%) and 12% MoM (ranging from +6% to +43%).

■ **NIO beat, Li Auto in-line, Xpeng could be restocking.** Li Auto delivered about 35,000 units (+36% MoM) in May, with about 13,000 units from the L6, which also implied that the other models' total deliveries declined MoM in May, based on our calculations. We estimate that the L6's sales volume could exceed 20,000 units in Jun and its current order backlog could support for at least two months. Despite that, the combined sales volumes for the L9, L8 and L7 still need to rise about 7,000 units MoM in order to reach a total sales volume of 50,000 units in June.

NIO delivered about 20,500 units (+32% MoM) in May, the highest in history. Its new order intake could be even higher than its deliveries in May, based on our channel checks, thanks to the incentives for its BaaS scheme. NIO cut such incentives a bit from Jun which could drag its sales from Jul 2024, as the previous generous incentives could have pulled some demand ahead. Xpeng delivered about 10,000 units (+8% MoM) in May. We are of the view that Xpeng has probably started to push inventories to dealers, as its retail sales volume during 1-26 May was only about 6,700 units based on the insurance data.

■ **BYD on track, Aion restocking.** BYD posted its second highest monthly wholesale volume of 0.33mn units last month, with slight inventory restocking on our estimates. We are of the view that BYD is still on track to achieve our sales forecast of 3.6mn units in FY24E. GAC Aion's sales volume rose 43% MoM to about 40,000 units in May, with an inventory addition of about 6,000-7,000 units on our estimates. Leap appears to regain the traction with its May sales volume (about 18,000 units) close to its average monthly volume in 4Q23. Xiaomi delivered about 8,600 units last month, slightly below our prior expectation, but still on track to surpass 10,000 units in Jun 2024 as management previously guided.

■ **NEV market share to reach 45% on a retail basis in May.** We project NEV retail sales volume in May 2024 to rise 10% MoM to about 0.76mn units, with market share of about 45%, slightly lower than our prior forecast. That is mainly because the industry-wide retail sales volume could miss our prior projection, as the auto sales boost from the stimulus measures announced on 26 Apr 2024 was weaker than our prior expectation. Tesla's retail sales volume in China may jump 70% MoM to about 56,000 units in May on our estimates, thanks to its price cuts of RMB14,000 on 21 Apr.

NEV sales volume for selected OEMs

Units	May 2024	YoY %	MoM %	YTD	YTD YoY %
BYD	330,488	38.2%	5.9%	1,266,934	27.1%
NIO	20,544	233.8%	31.5%	66,217	51.0%
Li Auto	35,020	23.8%	35.8%	141,207	32.5%
Xpeng	10,146	35.2%	8.0%	41,360	26.0%
Xiaomi	8,630	N/A	22.3%	15,688	N/A
Leap	18,165	50.6%	21.1%	66,580	112.8%
Neta	10,113	-22.4%	12.2%	43,564	-13.4%
Aion	40,073	-11.0%	42.5%	142,339	-13.4%
Deepal	14,371	104.7%	12.8%	67,199	100.1%

Source: Company data, CMBIGM estimates

OUTPERFORM (Maintain)

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Stocks Covered:

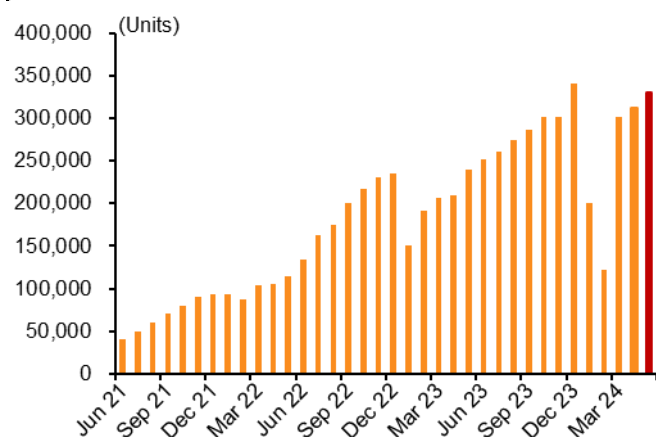
Name	Ticker	Rating	TP (LC)
Li Auto	LI US	BUY	26
Li Auto	2015 HK	BUY	101
NIO	NIO US	HOLD	6.2
Xpeng	XPEV US	HOLD	10
Xpeng	9868 HK	HOLD	39
GWM	2333 HK	BUY	14
GWM	601633 CH	BUY	32
BYD	1211 HK	BUY	262
BYD	002594 CH	BUY	285
GAC	2238 HK	BUY	5.5
GAC	601238 CH	BUY	14
EVA	838 HK	BUY	1.5
Yongda	3669 HK	BUY	2.7
Meidong	1268 HK	BUY	4

Source: Bloomberg, CMBIGM

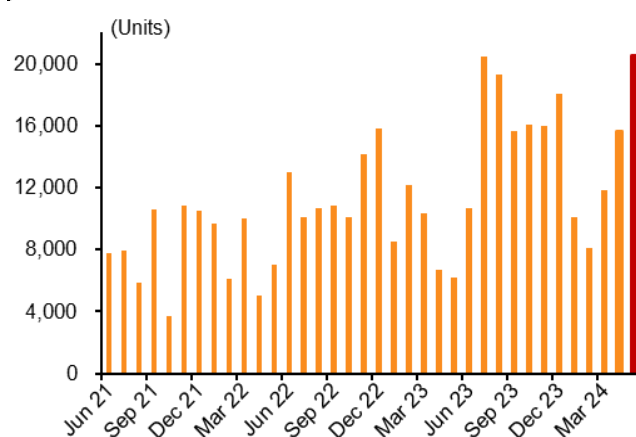
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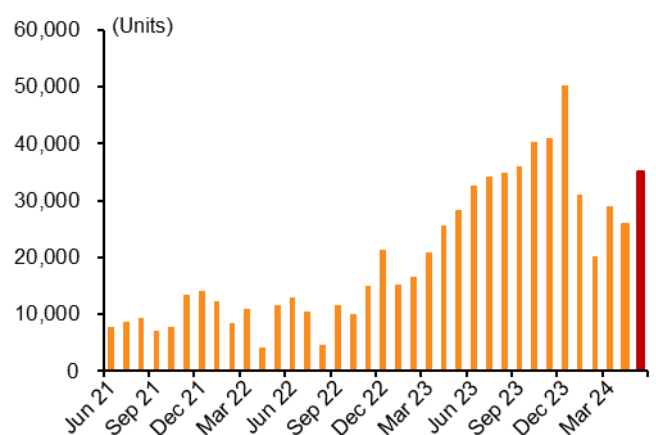
["China Auto Sector - Feb NEV sales fell; more new models from Mar" - 4 Mar 2024](#)

Figure 1: BYD's monthly NEV delivery

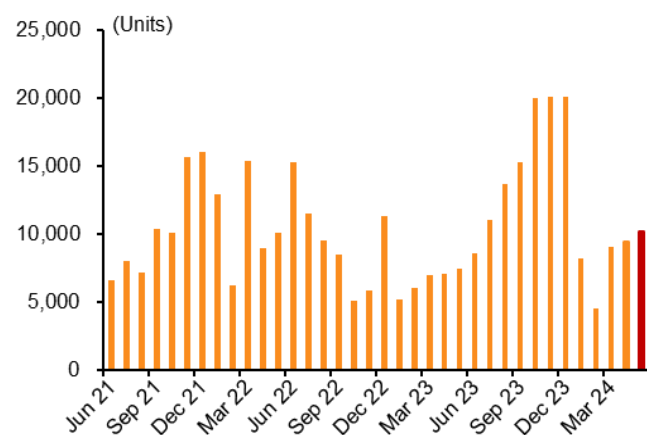
Source: Company data, CMBIGM

Figure 2: NIO's monthly delivery

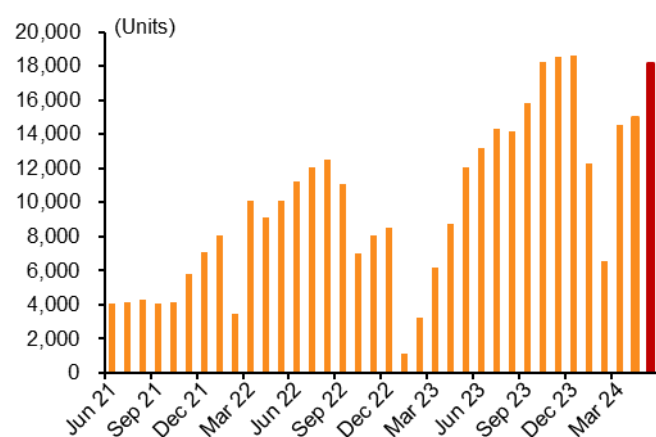
Source: Company data, CMBIGM

Figure 3: Li Auto's monthly delivery

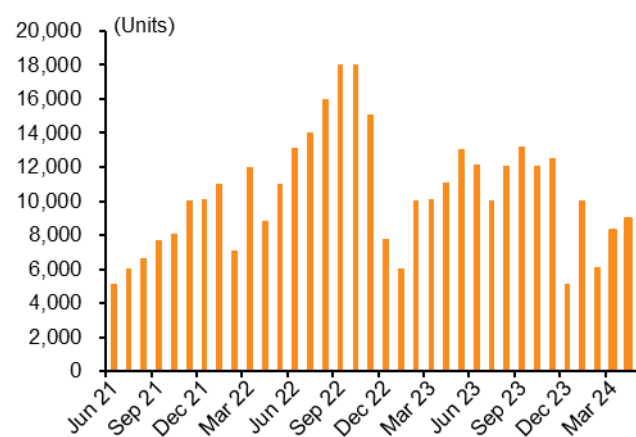
Source: Company data, CMBIGM

Figure 4: Xpeng's monthly delivery

Source: Company data, CMBIGM

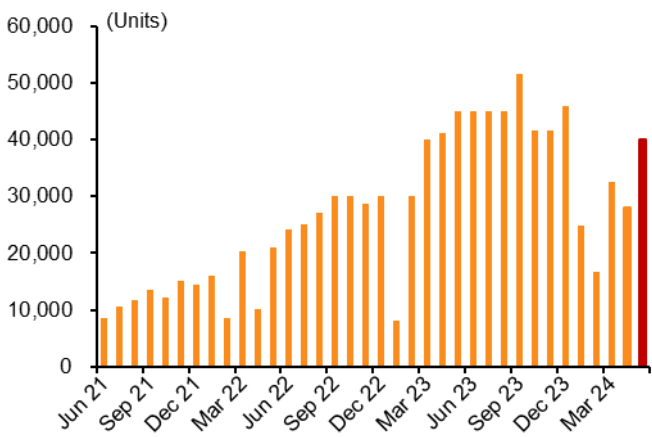
Figure 5: Leap's monthly delivery

Source: Company data, CMBIGM

Figure 6: Neta's monthly delivery

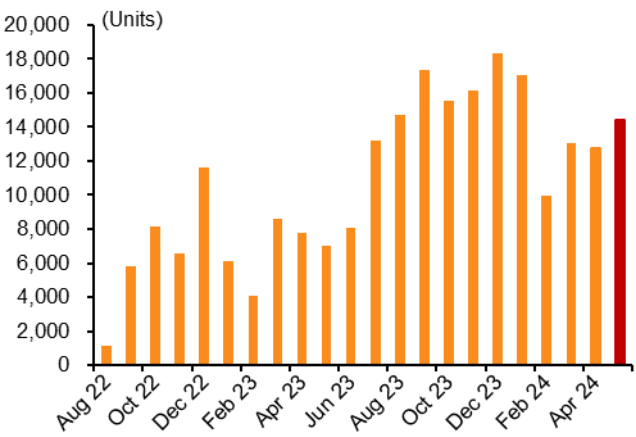
Source: Company data, CMBIGM

Figure 7: Aion’s monthly NEV delivery



Source: Company data, CMBIGM

Figure 8: Deepal’s monthly delivery



Source: Company data, CMBIGM

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