

## AUTOMOBILES

Q2FY24 Preview

18 October 2023

## Expect healthy traction

- Aggregate PV revenue growth likely to remain strong at 15% YoY for our coverage in Q2 but margin pressure set to continue
- Weak exports still a drag on the 2W segment; volume data shows TVSL outdoing peers as rural economy displays signs of revival
- CV and tractor segments sending mixed signals; we remain positive on AL and MM but maintain SELL on ESCORTS

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**Passenger vehicles (PV):** We expect healthy 15%+ YoY aggregate revenue growth for PV OEMs under our coverage (MSIL and MM) in Q2FY24. Their focus remains on high-end products, typically in the SUV segment. MSIL had two launches in H1FY24 (Jimny and Fronx) and bookings indicate a healthy trend. MM continues to shift focus from earnings to volume growth given new capacities that can help address the long wait periods. Gross margin recovery is likely to average close to 100bps for our coverage due to abating raw material cost and supply constraints. EBITDA margins are also expected to recover, with MSIL forecast to see a ~75bps YoY and QoQ pickup due to better operating efficiencies.

**Two-wheelers (2W):** Volume data shows softness across the 2W pack (ex-TVSL) in Q2, largely due to poor exports. Even so, gross margins for our coverage are expected to rebound YoY due to supply chain issues in the base quarter. Launches in the high-end segment and better volumes in the 100-110cc category point to rural recovery.

**Commercial vehicles (CV):** CVs are seeing a healthy revival, with AL's volumes having advanced 10% YoY and 21% QoQ in Q2 (also aided by the bus segment). We expect higher volumes to fuel healthy revenue growth both YoY and sequentially. AL's gross margin is forecast to remain flat QoQ but recover YoY due to the absence of supply chain impediments. EIM's CV segment has fared well, with volumes rising 11% QoQ (flat YoY), and TTMT's (Not Rated) volumes have increased in mid-single digits QoQ while staying flat YoY in Q2.

**Tractors:** Volumes in the tractor segment dropped QoQ and YoY despite gathering pace towards the end of Q2. ESCORTS' volumes fell 17% QoQ (-7% YoY) and hence we estimate a 10% sequential revenue decline to Rs 21bn. MM's tractor volumes contracted 22% QoQ and 2% YoY. VSTT's tractor sales fell 2% QoQ (-15% YoY) but the tipper segment offset the fall, which should translate to flat sequential revenue.

**Positive on MM and AL:** We maintain BUY on AL (TP Rs 210) and MM (Rs 1,824) while retaining SELL on ESCORTS (Rs 2,343). We await further recovery in 2Ws before turning positive on the segment.

## Recommendation snapshot

Ticker	Price	Target	Rating
AL IN	177	210	BUY
BJAUT IN	5,141	4,837	HOLD
EIM IN	3,501	3,601	HOLD
ESCORTS IN	3,340	2,343	SELL
HMCL IN	3,173	3,009	HOLD
MM IN	1,577	1,824	BUY
MSIL IN	10,751	10,533	HOLD
TVSL IN	1,609	1,440	HOLD
VSTT IN	3,682	3,464	HOLD

Price & Target in Rupees | Price as of 17 Oct 2023



**Fig 1 – BOBCAPS Auto Universe: Q2FY24 preview**

Y/E March	Net Sales (Rs mn)			EBITDA (Rs mn)			EBITDA Margin (%)			Adj. PAT (Rs mn)		
	Q2FY24E	YoY (%)	QoQ (%)	Q2FY24E	YoY (%)	QoQ (%)	Q2FY24E	YoY (bps)	QoQ (bps)	Q2FY24E	YoY (%)	QoQ (%)
AL	98,868	19.6	20.7	10,848	101.9	30.7	11.0	447	84	6,380	234.0	54.1
BJAUT	122,600	20.2	18.9	25,183	43.9	28.9	20.5	339	159	20,237	17.7	21.6
EIM	39,360	15.9	0.9	10,130	26.1	0.0	25.7	208	(22)	8,208	33.5	(10.2)
ESCORTS	20,905	11.0	(10.2)	2,511	64.5	(23.2)	12.0	391	(203)	2,090	30.3	(26.1)
HMCL	92,736	2.2	5.8	12,177	17.3	0.9	13.1	169	(63)	8,448	18.0	(14.2)
MM	241,956	16.1	0.6	31,212	25.0	(3.5)	12.9	92	(55)	8,448	18.0	(14.2)
MSIL	358,874	19.9	11.0	35,876	29.6	20.3	10.0	75	77	25,682	24.6	3.3
TVSL	82,568	14.4	14.4	8,978	21.9	17.6	10.9	67	29	5,185	27.2	10.9
VSTT	2,830	20.9	15.0	395	22.6	24.7	14.0	20	109	308	35.4	(6.6)
<b>Total</b>	<b>1,060,697</b>	<b>16.5</b>	<b>9.0</b>	<b>137,311</b>	<b>33.1</b>	<b>11.2</b>	<b>12.9</b>	<b>162</b>	<b>27</b>	<b>84,986</b>	<b>28.6</b>	<b>3.3</b>

Y/E March	Sales Volume (units)			Realisation (Rs mn/vehicle)			Gross profit margin (%)		
	Q2FY24E	YoY (%)	QoQ (%)	Q2FY24E	YoY (%)	QoQ (%)	Q2FY24E	YoY (bps)	QoQ (bps)
AL	49,846	10.0	20.6	2.0	8.7	0.1	26.5	446	8
BJAUT	1,053,953	(8.4)	2.6	0.1	31.2	0.2	30.2	361	214
EIM	229,280	10.5	0.7	0.2	4.9	0.2	43.6	214	31
ESCORTS	22,024	(7.1)	(17.1)	0.9	19.5	3.5	30.0	242	(17)
HMCL	1,416,526	(0.8)	4.7	0.1	3.0	1.0	30.4	233	(26)
MM	302,139	10.6	0.3	0.8	5.0	0.3	24.9	143	20
MSIL	552,055	6.7	10.8	0.7	12.4	0.2	27.5	60	29
TVSL	1,089,359	4.5	14.3	0.1	14.4	14.4	25.6	177	19
VSTT	12,170	15.8	14.9	0.2	4.3	0.1	32.0	287	36
<b>Total</b>	<b>4,727,352</b>	<b>0.6</b>	<b>6.5</b>	<b>0.2</b>	<b>15.8</b>	<b>2.3</b>	<b>27.9</b>	<b>182</b>	<b>37</b>

Source: Company, BOBCAPS Research

**Fig 2 – Maruti Suzuki India (MSIL)**

Particulars	Q2FY24E	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	Comment
Sales volume	552,055	517,395	6.7	498,030	10.8	
Realisations/Vehicle (Rs mn)	0.65	0.58	12.4	0.65	0.2	
Sales (Rs mn)	358,874	299,308	19.9	323,269	11.0	
EBITDA (Rs mn)	35,876	27,689	29.6	29,830	20.3	
EBITDA margin (%)	10.0	9.3	75bps	9.2	77bps	
Gross profit (Rs mn)	98,679	80,507	22.6	87,952	12.2	
Gross margin (%)	27.5	26.9	60bps	27.2	29bps	
Adj PAT (Rs mn)	25,682	20,615	24.6	24,851	3.3	

Source: Company, BOBCAPS Research

- MSIL's domestic volumes grew 7% YoY in Q2. The focus on the SUV segment continues (now forming ~35% of volumes compared to ~21% in Q2FY23), which would aid margins. We also expect the impact of Q1 price hikes to be fully reflected this quarter while easing commodity prices will further boost margins.
- The response to launches has been strong and should help MSIL beat industry volume growth.
- We continue to value the stock at 25x FY25E EPS, a marginal discount to its 10Y average, for an unchanged TP of Rs 10,533. Retain HOLD.

**Fig 3 – Volume snapshot**

Segment	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
PV (incl. utility vehicles)	440,271	407,764	8.0	394,057	11.7
CV (incl. vans)	42,460	46,436	(8.6)	40,755	4.2
Domestic	482,731	454,200	6.3	434,812	11.0
Exports	69,324	63,195	9.7	63,218	9.7
<b>Total</b>	<b>552,055</b>	<b>517,395</b>	<b>6.7</b>	<b>498,030</b>	<b>10.8</b>

Source: Company, BOBCAPS Research

**Fig 4 – Mahindra & Mahindra (MM)**

Particulars	Q2FY24E	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	Comment
Sales volume	3,02,139	2,73,193	10.6	3,01,147	0.3	
Realisations/Vehicle (Rs mn)	0.80	0.76	5.0	0.80	0.3	
Sales (Rs mn)	2,41,956	2,08,393	16.1	2,40,561	0.6	
EBITDA (Rs mn)	31,212	24,964	25.0	32,351	(3.5)	
EBITDA margin (%)	12.9	12.0	92bps	13.4	(55bps)	
Gross profit (Rs mn)	60,247	48,903	23.2	59,412	1.4	
Gross margin (%)	24.9	23.5	143bps	24.7	20bps	
Adj PAT (Rs mn)	8,448	7,161	18.0	9,847	(14.2)	

Source: Company, BOBCAPS Research

- MM's domestic automotive segment volumes are likely to grow 18% YoY in Q2 with PVs leading the way. Given the company's focus on high-end product sales, the availability of semiconductors holds the key to uninterrupted supply. The addition of new capacities will ease the waiting period for PVs.
- MM's tractor volumes softened 2% YoY due to flat domestic growth and a continued decline in exports.
- We maintain BUY with an SOTP-based TP of Rs 1,824/sh (unchanged), valuing core operations at 17x FY25E EPS and adding Rs 283/sh as the value of subsidiaries.

**Fig 5 – Volume snapshot**

Segment	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
PV	114,742	92,413	24.2	100,172	14.5
CV (incl. 3W)	89,954	78,992	13.9	79,032	13.8
Tractors	86,849	88,922	(2.3)	111,875	(22.4)
Domestic	291,545	260,327	12.0	291,079	0.2
Exports	10,594	12,866	(17.7)	10,068	5.2
<b>Total</b>	<b>302,139</b>	<b>273,193</b>	<b>10.6</b>	<b>301,147</b>	<b>0.3</b>

Source: Company, BOBCAPS Research

**Fig 6 – Bajaj Auto (BJAUT)**

Particulars	Q2FY24E	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	Comment
Sales volume	10,53,953	11,51,012	(8.4)	10,27,407	2.6	
Realisations/Vehicle (Rs mn)	0.12	0.09	31.2	0.12	0.2	
Sales (Rs mn)	1,22,600	1,02,027	20.2	1,03,098	18.9	
EBITDA (Rs mn)	25,183	17,496	43.9	19,539	28.9	
EBITDA margin (%)	20.5	17.1	339bps	19.0	159bps	
Gross profit (Rs mn)	37,069	27,165	36.5	28,971	28.0	
Gross margin (%)	30.2	26.6	361bps	28.1	214bps	
Adj PAT (Rs mn)	20,237	17,194	17.7	16,648	21.6	

Source: Company, BOBCAPS Research

- BJAUT's volumes continued to decline (-8% YoY) in Q2 as lower domestic 2W sales (-19%) offset a strong revival in domestic 3W sales (+81%). Exports contracted in both segments.
- The revival in 3Ws indicates steady recovery in rural demand. In 2Ws, BJAUT remains focused on the >125cc segment and launched the high-end *Triumph Speed 400* in Q2.
- With the recovery in 3W demand and the company's high-end focus in 2Ws, we expect strong gross and EBITDA margin improvement.
- We continue to value the stock at 17x FY25E EPS – in line with the 10Y average – for an unchanged TP of Rs 4,837. Maintain HOLD.

**Fig 7 – Volume snapshot**

Segment	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
2-wheelers	505,320	621,134	(18.6)	542,931	(6.9)
3-wheelers	132,236	73,241	80.5	98,625	34.1
Domestic	637,556	694,375	(8.2)	641,556	(0.6)
Exports	416,397	456,637	(8.8)	385,851	7.9
<b>Total</b>	<b>1,053,953</b>	<b>1,151,012</b>	<b>(8.4)</b>	<b>1,027,407</b>	<b>2.6</b>

Source: Company, BOBCAPS Research

**Fig 8 – Hero Motors (HMCL)**

Particulars	Q2FY24E	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	Comment
Sales volume	1,416,526	1,428,168	(0.8)	1,352,574	4.7	■ HMCL recorded healthy volume growth in scooters (+14% YoY) but motorcycle sales stayed tepid (-2%) in Q2. The slow but steady recovery in rural markets will aid growth. Exports reversed their southbound trend with a strong uptick (+35%/+49% YoY/QoQ).
Realisations/Vehicle (Rs mn)	0.07	0.06	3.0	0.06	1.0	
Sales (Rs mn)	92,736	90,754	2.2	87,673	5.8	
EBITDA (Rs mn)	12,177	10,383	17.3	12,063	0.9	■ HMCL launched X440 (in collaboration with Harley Davidson) and Karizma XMR (210cc) in Q2, the full impact of which will be visible in H2FY24.
EBITDA margin (%)	13.1	11.4	169bps	13.8	(63bps)	
Gross profit (Rs mn)	28,174	25,452	10.7	26,864	4.9	■ We expect 200bps+ YoY expansion in gross margin to 30% from a combination of price hikes and softening raw material cost. The focus on premium products will help HMCL safeguard margins.
Gross margin (%)	30.4	28.0	233bps	30.6	(26bps)	
Adj PAT (Rs mn)	8,448	7,161	18.0	9,847	(14.2)	■ We maintain our core business valuation at 13x FY25E EPS – in line with long term average – and retain HOLD with an SOTP-based TP of Rs 3,009 (unchanged).

Source: Company, BOBCAPS Research

**Fig 9 – Volume snapshot**

Segment	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
Motorcycles (incl. exports)	1,307,048	1,332,324	(1.9)	1,262,640	3.5
Scooters (incl. exports)	109,478	95,844	14.2	89,934	21.7
<b>Total</b>	<b>1,416,526</b>	<b>1,428,168</b>	<b>(0.8)</b>	<b>1,352,574</b>	<b>4.7</b>
Domestic	1,363,940	1,389,114	(1.8)	1,317,250	3.5
Exports	52,586	39,054	34.6	35,324	48.9

Source: Company, BOBCAPS Research

**Fig 10 – TVS Motor (TVSL)**

Particulars	Q2FY24E	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	Comment
Sales volume	1,089,359	1,042,418	4.5	953,244	14.3	■ TVSL's domestic 2W segment registered steady volume growth of 5% YoY in Q2 but the 3W segment softened 12%. Exports stayed weak for both segments.
Realisations/Vehicle (Rs mn)	0.08	0.07	14.4	0.07	14.4	
Sales (Rs mn)	82,568	72,192	14.4	72,179	14.4	■ A prudent mix tilted towards high-end models and smoother raw material supply should support margins, but we expect this to be partly offset by other expenditure.
EBITDA (Rs mn)	8,978	7,365	21.9	7,638	17.6	
EBITDA margin (%)	10.9	10.2	67bps	10.6	29bps	■ The launch of Apache RTR 310 in the last leg of Q2FY24 will be reflected in H2 sales.
Gross profit (Rs mn)	21,157	17,217	22.9	18,361	15.2	
Gross margin (%)	25.6	23.8	177bps	25.4	19bps	■ We continue to value the core business at 25x FY25E EPS – in line with the long-term average – and TVS Credit at Rs 33/sh (consensus value), for our TP of Rs 1,440 (unchanged). Maintain HOLD.
Adj PAT (Rs mn)	5,185	4,075	27.2	4,677	10.9	

Source: Company, BOBCAPS Research

**Fig 11 – Volume snapshot**

Segment	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
Motorcycles (incl. exports)	493,427	476,780	3.5	462,821	6.6
Scooters & Mopeds (incl. exports)	551,615	515,127	7.1	455,661	21.1
3-wheelers (incl. exports)	44,317	50,511	(12.3)	34,762	27.5
Domestic	812,337	744,300	9.1	725,830	11.9
Exports	277,022	298,118	(7.1)	227,414	21.8
<b>Total</b>	<b>1,089,359</b>	<b>1,042,418</b>	<b>4.5</b>	<b>953,244</b>	<b>14.3</b>

Source: Company, BOBCAPS Research

**Fig 12 – Eicher Motors (EIM)**

Particulars	Q2FY24E	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	Comment
Sales volume	229,280	207,564	10.5	227,706	0.7	<ul style="list-style-type: none"> <li>EIM's volumes are expected to grow 11% YoY in Q2 with domestic sales up 15% but exports down 20%. We estimate that models up to 350cc may show a sedate 12% YoY rise in volumes owing to increased competition, whereas those over 350cc are likely to rise marginally.</li> </ul>
Realisations/Vehicle (Rs mn)	0.17	0.16	4.9	0.17	0.2	
Sales (Rs mn)	39,360	33,972	15.9	39,012	0.9	
EBITDA (Rs mn)	10,130	8,036	26.1	10,127	0.0	
EBITDA margin (%)	25.7	23.7	208bps	26.0	(22bps)	<ul style="list-style-type: none"> <li>For VECV, total sales are forecast to grow 11% YoY with a higher contribution from Volvo on a weak base.</li> </ul>
Gross profit (Rs mn)	17,176	14,098	21.8	16,901	1.6	
Gross margin (%)	43.6	41.5	214bps	43.3	31bps	<ul style="list-style-type: none"> <li>Margins are projected to show healthy traction YoY on cost benefits.</li> </ul>
Adj PAT (Rs mn)	8,208	6,148	33.5	9,139	(10.2)	<ul style="list-style-type: none"> <li>We expect intense competition to pose a challenge to EIM and retain HOLD with an unchanged TP of Rs 3,601, based on 25x FY25E P/E.</li> </ul>

Source: Company, BOBCAPS Research

**Fig 13 – Volume snapshot**

Segment	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
Up to 350cc (incl. exports)	203,766	182,778	11.5	202,430	0.7
Exceeding 350cc (incl. exports)	25,514	24,786	2.9	25,276	0.9
Exports	19,564	24,697	(20.8)	20,535	(4.7)
<b>Total sales</b>	<b>229,280</b>	<b>207,564</b>	<b>10.5</b>	<b>227,706</b>	<b>0.7</b>
Domestic Sales	209,716	182,867	14.7	207,171	1.2

Source: Company, BOBCAPS Research

**Fig 14 – VECV volume snapshot**

Segment	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
Domestic	17,933	15,882	12.9	18,245	(1.7)
Exports	1,007	1,370	(26.5)	757	33.0
Volvo	611	364	67.9	569	7.4
<b>Total</b>	<b>19,551</b>	<b>17,616</b>	<b>11.0</b>	<b>19,571</b>	<b>(0.1)</b>

Source: Company, BOBCAPS Research

**Fig 15 – Ashok Leyland (AL)**

Particulars	Q2FY24E	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	Comment
Sales volume	49,846.0	45,295.0	10.0	41,329.0	20.6	<ul style="list-style-type: none"> <li>AL's volumes grew 10% YoY in Q2, driven largely by the MHCV segment (which grew in high single digits) while the LCV segment remained flat in domestic markets. LCVs, however, have shown recovery in export markets, albeit on a lower base.</li> </ul>
Realisations/Vehicle (Rs mn)	1.98	1.82	8.7	1.98	0.1	
Sales (Rs mn)	98,868	82,660	19.6	81,893	20.7	
EBITDA (Rs mn)	10,848	5,373	101.9	8,298	30.7	
EBITDA margin (%)	11.0	6.5	447bps	10.1	84bps	<ul style="list-style-type: none"> <li>The bus segment is a clear winner for AL, with volumes nearly doubling YoY. We believe the government's initiative to resolve financial troubles at state transport corporations along with defence orders will lend a boost to sales.</li> </ul>
Gross profit (Rs mn)	26,173	18,194	43.9	21,611	21.1	
Gross margin (%)	26.5	22.0	446bps	26.4	8bps	<ul style="list-style-type: none"> <li>We continue to assign a 20x P/E multiple on FY25E earnings and maintain our SOTP value at Rs 210. Retain BUY.</li> </ul>
Adj PAT (Rs mn)	6,380	1,910	234.0	4,140	54.1	

Source: Company, BOBCAPS Research

**Fig 16 – Volume snapshot**

Segment	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
CV (MHCV & LCV)	42,650	40,315	5.8	36,030	18.4
Bus	4,295	2,200	95.2	3,077	39.6
Domestic	46,945	42,515	10.4	39,107	20.0
Exports	2,901	2,780	4.4	2,222	30.6
<b>Total</b>	<b>49,846</b>	<b>45,295</b>	<b>10.0</b>	<b>41,329</b>	<b>20.6</b>

Source: Company, BOBCAPS Research

**Fig 17 – Escorts Kubota (ESCORTS)**

Particulars	Q2FY24E	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	Comment
Sales volume	22,024	23,703	(7.1)	26,582	(17.1)	ESCORTS recorded a volume decline of 7% YoY in Q2 as domestic/export sales softened by 4%/33%. Domestic retail demand across regions was mixed, with recovery in the last leg of the quarter after the monsoon pattern was clear (September sales equalled those in both July and August).
Realisations/Vehicle (Rs mn)	0.95	0.79	19.5	0.92	3.5	
Sales (Rs mn)	20,905	18,835	11.0	23,277	(10.2)	
EBITDA (Rs mn)	2,511	1,527	64.5	3,269	(23.2)	The company took a price increase in May, which will be reflected in Q2, and followed with another hike in September (to reflect in H2FY24).
EBITDA margin (%)	12.0	8.1	391bps	14.0	(203bps)	
Gross profit (Rs mn)	6,274	5,197	20.7	7,026	(10.7)	In terms of commodity prices, steel constitutes less than 20% of the total material cost. The bulk of the costing comes from tyres and casting, where prices have softened.
Gross margin (%)	30.0	27.6	242bps	30.2	(17bps)	
Adj PAT (Rs mn)	2,090	1,604	30.3	2,828	(26.1)	We continue to value the stock at 20x FY25E EPS for a TP of Rs 2,343 (unchanged). Maintain SELL.

Source: Company, BOBCAPS Research

**Fig 18 – Volume snapshot**

Segment	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
Domestic	20,473	21,396	(4.3)	25,226	(18.8)
Exports	1,551	2,307	(32.8)	1,356	14.4
<b>Total</b>	<b>22,024</b>	<b>23,703</b>	<b>(7.1)</b>	<b>26,582</b>	<b>(17.1)</b>

Source: Company, BOBCAPS Research

**Fig 19 – VST Tillers Tractors (VSTT)**

Particulars	Q2FY24E	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	Comment
Sales volume	12,170	10,507	15.8	10,596	14.9	VSTT recorded a mixed bag with strong volumes in the tillers segment but tractors losing their shine as sales dropped 15% YoY in Q2.
Realisations/Vehicle (Rs mn)	0.23	0.22	4.3	0.23	0.1	
Sales (Rs mn)	2,830	2,342	20.9	2,461	15.0	
EBITDA (Rs mn)	395	322	22.6	317	24.7	Other expenditure may stay inflated as the company continues to expand in the northern region. We expect gross margin to expand YoY due to better cost management, but EBITDA margin to stay flat.
EBITDA margin (%)	14.0	13.8	20bps	12.9	109bps	
Gross profit (Rs mn)	905	681	32.8	778	16.3	We continue to value VSTT at 20x FY25E EPS and maintain HOLD for an unchanged TP of Rs 3,464.
Gross margin (%)	32.0	29.1	287bps	31.6	36bps	
Adj PAT (Rs mn)	308	227	35.4	330	(6.6)	

Source: Company, BOBCAPS Research

**Fig 20 – Volume snapshot**

Segment	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
Power Tillers	10,729	8,819	21.7	9,124	17.6
Tractors	1,441	1,688	(14.6)	1,471	(2.0)
<b>Total</b>	<b>12,170</b>	<b>10,507</b>	<b>15.8</b>	<b>10,595</b>	<b>14.9</b>

Source: Company, BOBCAPS Research

**Fig 21 – Commodity and Currency trends**

Particulars	Q2FY24	Q1FY24	Q4FY23	Q3FY23	Q2FY23	Q1FY23	Q4FY22	Q3FY22	Q2FY22	Q1FY22	Q4FY21	Q3FY21
<b>Key Commodities</b>												
<b>Aluminium (USD/t)</b>	<b>2,159</b>	<b>2,264</b>	<b>2,400</b>	<b>2,336</b>	<b>2,356</b>	<b>2,882</b>	<b>3,255</b>	<b>2,756</b>	<b>2,646</b>	<b>2,396</b>	<b>2,094</b>	<b>1,920</b>
QoQ (%)	(4.6)	(5.7)	2.7	(0.8)	(18.3)	(11.5)	18.1	4.2	10.4	14.4	9.1	12.5
<b>Lead (USD/t)</b>	<b>2,171</b>	<b>2,117</b>	<b>2,140</b>	<b>2,110</b>	<b>1,967</b>	<b>2,200</b>	<b>2,326</b>	<b>2,325</b>	<b>2,334</b>	<b>2,125</b>	<b>2,011</b>	<b>1,904</b>
QoQ (%)	2.6	(1.1)	1.4	7.3	(10.6)	(5.4)	0.0	(0.4)	9.8	5.7	5.6	1.6
<b>Brent oil (USD/bbl)</b>	<b>85</b>	<b>76</b>	<b>82</b>	<b>84</b>	<b>88</b>	<b>96</b>	<b>83</b>	<b>71</b>	<b>65</b>	<b>62</b>	<b>55</b>	<b>48</b>
QoQ (%)	11.5	(7.1)	(3.3)	(3.7)	(8.3)	15.8	15.9	9.5	5.3	13.2	14.0	(3.4)
<b>Rubber (RS4) (INR/100kg)</b>	<b>14,910</b>	<b>15,458</b>	<b>14,277</b>	<b>14,681</b>	<b>16,268</b>	<b>17,338</b>	<b>16,703</b>	<b>17,651</b>	<b>17,338</b>	<b>16,869</b>	<b>15,857</b>	<b>15,233</b>
QoQ (%)	(3.6)	8.3	(2.8)	(9.8)	(6.2)	3.8	(5.4)	1.8	2.8	6.4	4.1	16.2
<b>Hot rolled steel (INR/t)</b>	<b>56,155</b>	<b>58,446</b>	<b>58,823</b>	<b>56,100</b>	<b>57,008</b>	<b>69,054</b>	<b>66,867</b>	<b>67,538</b>	<b>66,223</b>	<b>64,308</b>	<b>55,609</b>	<b>45,782</b>
QoQ (%)	(3.9)	(0.6)	4.9	(1.6)	(17.4)	3.3	(1.0)	2.0	3.0	15.6	21.5	16.8
<b>Cold rolled steel (INR/t)</b>	<b>59,448</b>	<b>61,531</b>	<b>63,915</b>	<b>61,515</b>	<b>64,205</b>	<b>77,008</b>	<b>73,719</b>	<b>74,227</b>	<b>77,379</b>	<b>75,169</b>	<b>65,594</b>	<b>54,720</b>
QoQ (%)	(3.4)	(3.7)	3.9	(4.2)	(16.6)	4.5	(0.7)	(4.1)	2.9	14.6	19.9	23.2
<b>Key Currencies</b>												
<b>USD/INR</b>	<b>82.7</b>	<b>82.2</b>	<b>82.3</b>	<b>82.2</b>	<b>79.8</b>	<b>77.2</b>	<b>75.2</b>	<b>74.9</b>	<b>74.1</b>	<b>73.7</b>	<b>72.9</b>	<b>73.8</b>
QoQ (%)	0.6	(0.1)	0.1	3.0	3.4	2.7	0.4	1.1	0.5	1.1	(1.2)	(0.8)
<b>EUR/INR</b>	<b>90.0</b>	<b>89.5</b>	<b>88.3</b>	<b>83.9</b>	<b>80.4</b>	<b>82.3</b>	<b>84.4</b>	<b>85.7</b>	<b>87.4</b>	<b>88.9</b>	<b>87.9</b>	<b>88.0</b>
QoQ (%)	0.6	1.3	5.2	4.4	(2.3)	(2.5)	(1.5)	(1.9)	(1.7)	1.1	(0.1)	1.3
<b>GBP/INR</b>	<b>104.6</b>	<b>102.8</b>	<b>99.9</b>	<b>96.5</b>	<b>93.9</b>	<b>97.0</b>	<b>100.9</b>	<b>101.0</b>	<b>102.1</b>	<b>103.1</b>	<b>100.5</b>	<b>97.5</b>
QoQ (%)	1.7	3.0	3.5	2.7	(3.2)	(3.9)	(0.1)	(1.0)	(1.0)	2.6	3.1	1.5
<b>JPY/INR</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>
QoQ (%)	(4.4)	(0.2)	6.8	0.9	(3.1)	(8.0)	(1.8)	(2.1)	(0.1)	(2.0)	(2.6)	0.9
<b>EUR/USD</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>
QoQ (%)	(0.2)	(0.9)	5.0	1.5	(5.4)	(5.1)	(1.9)	(3.0)	(2.2)	0.1	1.0	2.0
<b>GBP/USD</b>	<b>1.3</b>	<b>1.3</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.3</b>	<b>1.3</b>	<b>1.3</b>	<b>1.4</b>	<b>1.4</b>	<b>1.4</b>	<b>1.3</b>
QoQ (%)	1.1	4.3	3.4	(0.1)	(6.3)	(6.3)	(0.5)	(2.2)	(1.5)	1.4	4.3	2.3

Source: Company, BOBCAPS Research



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