

China Province Forecast

12-year sales forecasts for 31 China provinces

From 2002 to 2014, the passenger vehicle (PV) markets of individual China provinces grew faster and surpassed individual countries:

- **Shandong province:**
Moved from 35th- to 9th-largest PV market in the world — bigger than Italy or South Korea.
- **Fujian province:**
Moved from 66th to 36th place — larger than Norway, Peru, and Israel combined.
- **Qinghai province:**
Moved from 116th to 80th place — larger than Romania or Vietnam.

By 2020, seven provinces will sell more vehicles than Australia. If separated, China's provinces would comprise 19 of the 20 fastest growing passenger vehicle markets in the world between 2002 and 2014. You cannot plan for China without looking at the 31 provinces individually!

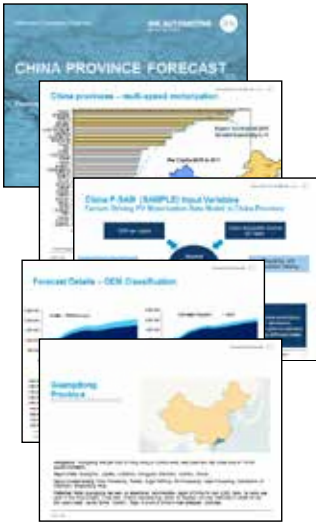
IHS Markit is the only company that provides a vehicle sales forecast for the 31 China provinces. Based on registration actuals, we have a unique ability to forecast new vehicle demand at the province level and for major metropolitan areas to produce critical planning insights. These insights enable clients to:

National sales companies (NSC)—Strategy and network planners and aftermarket suppliers:

- Define short- to mid-term sales strategies by province based on model and body type level
- Better understand growth patterns by province
- Expand the dealer network in the highest-growth areas
- Set up aftersales/aftermarket distribution network based on vehicles-in-operation by province

OEM headquarters—Regional sales and manufacturing strategic planners:

- Forecast long-term sales volume for the region
- Gain an independent third-party view of the market
- Better align and manage future production/distribution locations with projections of consumer demand



Forecast deliverables

The forecast leverages IHS Markit's Polk Chinese sub national registration data. Data are combined with the IHS Markit macro, consumer, and automotive forecast capabilities (sales, production, vehicles-in-operation) to create a forecast that reconciles top-down demand with bottom-up model-level demand by province.

The forecast includes:

- Passenger vehicle demand forecast for 31 provinces
- Three years of history and forecasts for the current year plus 12
- Full brand, nameplate, body type-level detail forecast per province
- Key macroeconomic drivers per province and datapoints on various vehicles-in operation and province growth indicators
- Extensive analysis in PDF and Tableau, with executive summaries, description of the methodological approach and forecast rationale for 31 individual provinces.
- Full brand coverage including foreign import brands, foreign joint-venture brands, and Chinese domestic brands

Current growth has led to massive new investments:

Audi China to open one dealership per week through 2017.

- Volkswagen.com, 11 July 2014

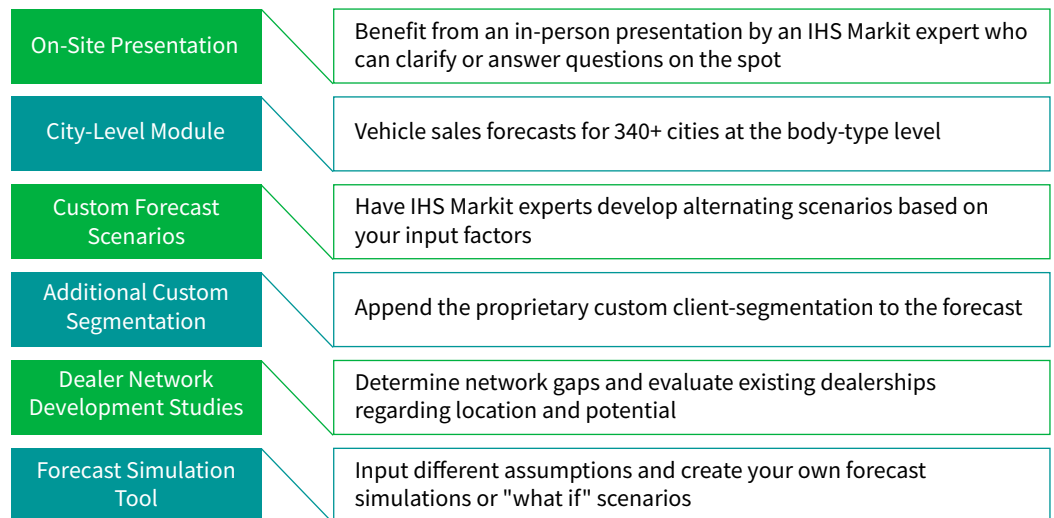
Ford opened 88 new car dealerships in China on a single day in June 2014.

- Automotive News, 23 June 2014

How do your plans compare?

In addition to the China Province Forecast, IHS Markit provides a host of optional add-on services to expand and enhance the insight.

China Province Forecast (optional add-on services)



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About IHS Markit

Automotive offerings and expertise at IHS Markit span every major market and the entire automotive value chain—from product planning to marketing, sales and the aftermarket. Headquartered in London, our automotive team is part of IHS Markit's information and analytics powerhouse that includes more than 12,000 colleagues in 150 countries, covering energy, chemical, aerospace and defense, maritime, financial, technology, media and telecommunications. For additional information, please visit www.ihsmarket.com or email automotive@ihsmarket.com.