

Press Coverage of PAMA's First Quarter Vehicle Production and Sales Data dated 14 October 2026

**BUSINESS
RECORDER**
Founded by M.A. Zuberi

Pakistan car sales rise 43% in Q1 FY2026-27

- Sales decline nearly 10% in September 2026



By [Gohar Ali Khan](#)

Car sales in Pakistan rose 43% year-on-year in the first quarter of FY2026-27, with analysts attributing the hike to an improving macroeconomic environment that boosted vehicle demand.

Car sales surged by 43% to 41,872 units, while sales of jeeps and pickups decreased by 34% to 8,608 units in July-September 2026. Sales of trucks increased by 53% to 2,516 units.

However, sales of buses went down 5% to 211 units. Moreover, sales of farm tractors also went up by 38% to 4,109 units.

Sales of two- and three-wheelers, including motorbikes and rickshaws, increased by 28% to 553,994 units, according to Pakistan Automotive Manufacturers Association (PAMA) data released on Tuesday evening.

Car sales declined by nearly 10% from 12,126 units in September 2025 to 10,939 units in September 2026.

Speaking about automotive production and sales figures during the first quarter of FY27, PAMA director general Razi-ur-Rahman said in a statement, “This renewed sales momentum is on the back of easing of inflationary pressures and an improving macroeconomic environment. During the first quarter of FY27, the industry has experienced varying trajectories across segments.”

“While overall industry volumes are steadily recovering, there is perceptible hesitation on part of the players in the market. The Original Equipment Manufacturers (OEMs) as well as the buyers are hesitant to take investment decisions. The lack of clarity about the auto policy continues to dominate the market sentiment,” he said.

Auto sales rebound in Q1 amid policy uncertainty

[Business](#)

By [Shahid Shah](#)

October 14, 2026



Workers assemble cars inside the Hyundai Motor India Ltd. plant at Kancheepuram district in the southern Indian state of Tamil Nadu, October 4, 2012. — Reuters/File

KARACHI: Passenger car sales in Pakistan jumped 43 per cent year-on-year (YoY) in the first quarter of FY27, but unresolved clarity on the auto policy and sales tax is making manufacturers and buyers hesitant to invest, the Pakistan Automotive Manufacturers Association (PAMA) data said on Tuesday.

PAMA Director General Raziur Rahman stated that July-September figures point to a resurgence of customer interest in member companies' products. Barring light commercial vehicles (LCVs), jeeps and pickups, all categories rebounded, helped by easing inflation and an improving macroeconomic environment.

Passenger car production rose 32 per cent YoY in the quarter. LCVs, jeeps and pickups posted a nominal 1 percent rise in production, but sales fell a sharp 34 per cent. Trucks and buses grew 54 per cent in production and 46 per cent in sales on strong domestic demand. Farm tractor sales surged 38 per cent, even as production contracted 15 per cent, while two and three wheelers grew 28 per cent in both production and sales.

PAMA said the recovery is tempered by “perceptible hesitation” among market players, with the lack of policy clarity dominating sentiment. The industry has drawn confidence from an October 7 Senate committee meeting, where Haroon Akhtar Khan, adviser to the prime minister on industries and production, assured members that the policy will be approved within two weeks. PAMA said it now expects a fair taxation regime in that time frame, warning that a tariff structure unattractive to long-term investors will signal preparation for ‘Nationalisation 2.0’.

Month-on-month (MoM) indicators were mixed. Passenger car production rose 28 per cent, but sales fell 20 per cent, which PAMA attributed to continuing uncertainty over sales tax. Truck and bus production rose 2.0 per cent and sales 7.0 per cent. Farm tractor production and sales surged 72 per cent and 73 per cent respectively after the announcement of the Punjab Green Tractor Scheme. Two and three wheelers saw production up 16 per cent and sales up 14 per cent.

PAMA also flagged a surge in imports amid the policy vacuum. It said imports of completely built units (CBUs) appeared to have been brought forward in anticipation of the policy, alongside a steep rise in used car imports, with 2,276 units arriving in September alone. Both trends, it warned, will add pressure on the balance of payments, could force the State Bank of Pakistan to take corrective action, and would hurt the value addition sector needlessly.

The association welcomed the stance of Dr Rubina Ather, a member of the Tariff Policy Board, who opposed additional customs duties on tyres and some motorcycle parts. Company-wise data compiled by Topline Research showed a divergent picture among carmakers. Indus Motor Company was the only assembler to record growth in September, with sales up 31 per cent year-on-year and 3 per cent month-on-month to 4,142 units. Corolla, Yaris and Cross sales rose 34 per cent to 3,563 units, while Fortuner and IMV sales climbed 16 per cent to 579 units.

Honda Atlas Cars sales

fell 8 per cent YoY and 19 per cent MoM to 2,128 units. Pak Suzuki Motor Company sales dropped 46 per cent YoY and 36 per cent MoM to 4,862 units, with Alto down 29 per cent at 3,354 units and Cultus down 68 per cent at 138 units. Hyundai Nishat Motors sales declined 25 per cent YoY but rose 19 per cent MoM to 884 units.

Topline analyst Sania Irfan said the monthly weakness among several assemblers is linked to delayed clarity on the sales tax policy for hybrid and plug-in hybrid vehicles, which restricted invoicing by companies. Two and three wheeler sales hit a record 202,502 units in September, up 27 per cent YoY, while tractor sales rose 2.3 times year-on-year to 1,815 units and truck and bus sales grew 13 percent to 933 units.

Looking ahead, Irfan said Topline expected positive momentum in auto sales in FY27, with double-digit growth supported by new variants and the entry of new brands.

Quarterly auto sales rise despite sluggish September

[Aamir Shafaat Khan](#)

Published October 14, 2026

Updated about 6 hours ago



KARACHI: Despite a 12 per cent year-on-year and 3pc month-on-month drop in sales of cars, SUVs, pickups and vans to 15,104 units in September, cumulative sales rose 19pc in 1QFY27 to 50,480 units.

Sania Irfan of Topline Securities attributed the decline in total sales to delayed clarity on the HEV/PHEV sales tax policy, which restricted companies' invoicing.

Indus Motor Company (IMC) sales rose 31pc YoY and 3pc MoM to 4,142 units in September, making it the only company to record sales growth during the month. The YoY growth was primarily driven by Corolla, Yaris, and Cross sales, which collectively increased by 34pc YoY to 3,563 units. Fortuner and IMV sales also rose 16pc YoY to 579 units. Total IMC's sales in 1QFY27 surged by 34pc YoY to 13,260 units.

Honda Atlas Cars Limited (HACL) recorded an 8pc YoY and 19pc MoM decline in sales to 2,128 units in September. City and Civic clocked in at 2,021 units, up 2pc YoY but down 21pc MoM.

Meanwhile, BR-V and HR-V sales witnessed a 68pc YoY decline and 34pc MoM rise to 107 units. HACL sold 7,401 units in 1QFY26, up by 52pc YoY.

Sania said Pakistan Suzuki Motor Company Ltd (PSMCL) reported September sales of 4,862 units, down 46pc YoY and 36pc MoM. Alto sales stood at 3,354 units, down 29pc YoY, while Cultus sales declined 68pc YoY to 138 units in September. As a result, PSMCL sales rose 14pc YoY to 22,615 units in 1QFY27.

Hyundai Nishat Motors (HNM) recorded a 25pc YoY decline and 19pc MoM rise to 884 units in September, while its 1QFY27 sales plunged by 35pc YoY to 2,336 units, she said.

According to the Pakistan Automotive Manufacturers Association (PAMA), production and sales of Sazgar's Haval and Tank models were nil in August. Based on July and September data, the 1QFY27 sales stood at 3,137 units, down by 12pc.

Two- and three-wheeler sales reached an all-time high of 202,502 units during September, up 27pc YoY and 14pc MoM, while 1QFY27 sales went up to 553,994 from 431,542 units in the same period last fiscal. Atlas Honda achieved the highest ever monthly sales record of 167,100 units in September, breaking its old all-time high of 163,048 units recorded in April 2026.

Tractor sales stood at 1,815 units in September, up 130pc YoY and 73pc MoM, while July-September FY27 sales surged 38pc to 4,109 units YoY.

Truck and bus sales grew by 13pc YoY and 7pc MoM to 933 units during September, while a 46pc rise YoY in sales was recorded in 1QFY27 to 2,727 units.

Pakistan Automotive Manufacturers Association (PAMA) Director-General Razi ur Rahman said the 1QFY27 results reflected a resurgence in customer interest.

Apart from the LCV, Jeep and pickup segments, all vehicle categories demonstrated a noticeable rebound on the back of easing inflationary pressures and an improving macroeconomic environment.

“While overall industry volumes are steadily recovering, there is perceptible hesitation on the part of the players in the market. The assemblers as well as the buyers are hesitant to take investment decisions,” he said.

Rising imports of completely built-up (CBU) units amid uncertainty over the Auto Policy may put pressure on the country’s balance of payments, prompting the State Bank to take corrective action, Mr Razi said.

Published in Dawn, October 14th, 2026