
Sinotrust Analyzed the 150k-190k Yuan Passenger Car Market Outlook

Beijing, May 9, 2012----At the Automotive Market Video Conference hosted by the China Automobile Dealers Association and jointly organized by Sinotrust, the China Passenger Cars Association and *Auto Sohu*, Ms. Wang Zhi, Deputy Director of Research & Consulting Department of Sinotrust Automotive Marketing Solutions delivered a keynote speech themed *150k-190k Yuan Market, Next Focus?*

According to Wang, the distribution of passenger car prices in the narrow sense over the years has manifested two peaks, one 70k-150k yuan price segment featuring small and compact vehicles and the other priced at 190k-260k yuan led by mainstream mid and high grade vehicles between which there is a market gap with prices at 150k-190k yuan. This price segment registered a steady growth in its market share among the overall passenger car market in the narrow sense from 2.2% in 2001 to 10% in 2011, and starting from 2010, the sales volume of this market segment exceeded 1 million units for the first time.

The models in this price segment mainly cover three market segments: one is Japan-S.Korea-led SUVs that stand out in cost-effectiveness and styling benchmarked with those compact SUVs represented by CRV; one is Japan-S.Korea-dominated midsize sedans which also boast cost-effectiveness as their selling point benchmarked with the mainstream mid and high grade sedans represented by Accord and Camry; and the last is the compact sedans mainly of Germany and Japan origins with family sedans remaining the majority.

In Wang's opinion, the market with vehicles selling at 150k-190k yuan is poised to be a very dynamic segment. In the Japan-S.Korea-led SUV segment, benchmarked with the CRV, Tiguan and RAV4 with a much higher price, the small SUVs at the same price boast development opportunities in the future. Distinct from the commercial feelings of mainstream SUVs priced much higher, those small SUVs with a price between 150k and 190k yuan is more suitable for the fashionable and young first-time buyers. And in the segments of Japan-S.Korea-dominated midsize sedans and that of the compact sedans mainly of Germany and Japan origins, benchmarked respectively with the Accord, Camry, Teana and Corolla, Golf A6 and new Sagitar that are much pricier, the HB/NB sedans priced at the same level enjoy growth outlook in that they deliver better quality and performance. Moreover, as far as the new round of technical upgrading is concerned, this market niche with sedans priced at 150k-190k yuan also proves to be the ideal destination for new technology.

In the future, the development of this segment depends on the improvement of those first-time buyers' group purchasing capability, effective distinguishing of its products from those in both upward and downward competitive markets as well as precise positioning of the target market.

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Sinotrust is a leading supplier of marketing solutions to the Chinese automotive market. With offices in Beijing, Shanghai and Guangzhou, we have a team of over 260 skilled professionals devoted to our automotive marketing solutions. Our Automotive Marketing Solutions integrate information, services and technology to provide marketing research services, marketing consulting & business strategy services and database marketing services, helping automotive companies position their products correctly, identify target markets accurately and conduct effective marketing so as to develop sustainable and profitable customer relationship.

About Sinotrust

Sinotrust is a leading supplier of marketing solutions and credit solutions in China. We collect, analyze and manage information about markets, consumers and businesses to provide marketing research, business information, consulting and database marketing services through integration of information, services and technology. Our products and services help you make better marketing and credit decisions and develop profitable customer relationships.

We employ about 600 people in our offices in Beijing, Shanghai and Guangzhou, supporting organization clients from automotive, financial services, insurance, retail, telecommunications, IT, manufacturing, consumer products and trade sectors. Over 80% of the Fortune 500 companies operating in China are using different products and services of ours.

At the beginning of 2007, Experian, the leading global information services company, made a strategic investment in Sinotrust with both capital and know-how. The investment keeps on improving our service capabilities.

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