SECTOR UPDATE

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EV/Mobility Team

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Autos (OVERWEIGHT)

December global wholesales; Focusing on AI internalization; Hybrids a cash cow

- Hyundai Motor's (HMC) and Kia's global wholesale volumes in December fell 0.6% and 1.6% y-y, respectively, though their domestic volumes were supported by there being two more business days y-y. Their sales volumes slumped again in Europe.
- HMC and Kia target 2026 global wholesales of 4.16m units (up 0.5%) and 3.35m units (up 6.8%), respectively. The US and Indian markets are expected to be key drivers of growth.
- Now that the physical AI era has arrived, HMC's and Kia's stock performances will likely be more influenced by the speed at which they deploy physical AI rather than by their sales volume.

AT A GLANCE

Hyundai Motor	(005380 KS, 308,000)	
Target price	KRW400,000	29.9%
BUY		
Kia	(000270 KS, 122,500)	
Target price	KRW150,000	22.4%
BUY		

WHAT'S THE STORY?

HMG's 2026 new year address highlights internalization of AI capabilities: Internalizing core AI capabilities is now essential for survival, Hyundai Motor Group (HMG) Chairman Chung Eui-sun emphasized in his new year address. The group plans to leverage its strengths in the areas of data, capital, and manufacturing to foster synergies across its businesses during this transformative era for software-defined vehicles (SDVs), AI, and future mobility.

- **HMG shaping up to be a robotics dream team:** HMC and Kia this year will mass produce AI-ready devices, enabling real-world data accumulation. 42dot will be responsible for developing autonomous driving inference models and SDV architecture. The robotics ecosystem will be built on two pillars: Boston Dynamics (developing general-purpose robots) and HMG Robotics Lab (handling the mass-production of service robots). Within the value chain, Hyundai Mobis will mass produce robot actuators, while Hyundai AutoEver will oversee robot control and system integration (SI).
- **Surprise partnership with Google DeepMind:** During its Media Day at CES 2026, HMG announced a partnership with Google DeepMind. While collaborating with Nvidia on inference chips and training for the production version of Atlas humanoids, the group plans to work with Google DeepMind on inference models. Atlas will be tested out at Hyundai Motor Group Metaplant America (HMGMA) in 2026, targeting mass-production in 2027. The group intends to deploy 30,000 units by 2028.

(Continued on the next page)

HMC: Hyundai Motor's (HMC) global wholesale volume fell 6.8% m-m and 0.6% y-y to 328,000 units in December. Domestic sales rebounded y-y thanks to two more selling days, but overseas sales were hit by weakness in Europe and inventory adjustment.

- **In Korea,** HMC sold 63,000 units (up 2.7% m-m and 2.2% y-y) for a 54% share of the non-import market. Sales of the Grandeur and Genesis totaled 21,000 units (up 18.4% m-m and 26.5% y-y), accounting for 34% (up 4.5%pts m-m) of HMC's total vehicle sales. The recovery in Grandeur ICE/HEV sales (up 79% m-m and 61% y-y) was driven by promotions ahead of the expiration of the Individual Consumption Tax in 2026. Sedan sales came to 27,000 units (up 20% m-m and 8.4% y-y), despite Genesis sedan models and the Ioniq 6 showing sustained weakness.
- HMC's sales of SUVs and MPVs combined came to 27,000 units (down 9.4% m-m but up 5.4% y-y). The Palisade, Venue, and Nexo—each of which received a model year update earlier in 2025—saw strong new-model momentum, but Ioniq sales kept falling amid sustained EV sales weakness. Key model sales included: Tucson (4,923 units; down 8.6% m-m and 25.5% y-y), Santa Fe (3,511 units; down 11% m-m and 44% y-y), Kona (3,007 units; up 9.6% m-m and 15.4% y-y), and Palisade (5,618 units; up 9.6% m-m and 162% y-y). Genesis models sold 9,680 units (down 16% m-m but up 0.7% y-y).
- HMC sold 20,610 xEVs in December (down 1.3% m-m but up 15.3% y-y). While hybrids accounted for 19,752 units (up 15.5% m-m and 23% y-y), or 95.8% (up 13.9%pts m-m) of xEVs, EV sales totaled 505 units (down 84.5% m-m and 72% y-y), continuing the slowdown seen since October. The Ioniq 5, Ioniq 6, and Ioniq 9 sold 102 units (down 85% y-y), 13 units (down 85.2% y-y), and 133 units (72.5% m-m) respectively. The Genesis EV lineup posted 64 units (down 52% y-y).

Overseas, HMC's wholesale volume came to 266,000 units (down 8.8% m-m and 1.2% y-y). The lackluster results were attributable to year-end inventory adjustments and weak sales in Europe.

- Seasonally adjusted annualized vehicle demand in the US came in at 15.9m units (up 0.6% m-m and down 7% y-y) in December. The month had one more y-y business day, but EV demand fell sharply after the September expiry of IRA subsidies.
- US incentives rose: J.D. Power and GlobalData estimate that manufacturers' incentives per vehicle sold in the US averaged USD3,433 (up 4.5% m-m and 2.3% y-y) in December, following two months of plunges through October and November. EV incentives fell to USD11,414 (down 4% m-m and 0.5% y-y). The slowdown in EV demand was shifting toward hybrid vehicle demand.
- In the US, HMC's retail sales came to 87,397 units (up 6.2% m-m and 0.9% y-y). Following the IRA subsidy expiry in September, EV sales nosedived. Sales of Ioniq 5, 6, and 9 came in at 2,279 units (down 50.4% y-y), 459 units (down 62% y-y), and 380 units, respectively. Hybrid sales were up 71% y-y, offsetting EV weakness. Backed by sales of the Palisade HEV (launched in October), hybrid-driven growth continued in 2H. In 2025, US sales grew 7.9% y-y to 984,000 units—specifically, EV and hybrids up 7% and 36% y-y, each—30% of which were xEVs. Key models in December: Tucson (22,193 units; up 10% y-y), Santa Fe (14,440 units; up 8.5% y-y), and Palisade (11,692 units; up 13.5% y-y). Genesis sales totaled 8,467 units (up 6% m-m and 3.8% y-y), remaining solid. This model's sales in 2025 hit 82,000 units (up 9.8% y-y).

4Q25 volume and 2026 guidance: HMC's 4Q global wholesales volume totaled 1.03m units (down 0.8% q-q and 3.4% y-y). Regional mix deteriorated, with volumes in the US and Korea shrinking

1% and 6.4% y-y, respectively. The Korean won's continued depreciation resulted in the average exchange rate of KRW1,452 (up 4.7% q-q and 3.7% y-y). The firm's 2026 global sales target is 4.158m units (up 0.5% y-y) while our estimate is 4.335m units (up 4.8% y-y). A key point to watch for Hyundai's performance in the US market is its hybrid production and sales at the Meta Plant.

We expect HMC's global wholesale volume to remain flat y-y at 0.31m units in January, when hybrid sales in the US should offset sluggish sales in the European market.

Kia: Kia's global wholesale volume fell 9.8% m-m and 1.6% y-y to 237,000 units hit by sluggish sales in Europe and slowdown in domestic EV sales (due to the depletion of electric vehicle subsidies).

- **In Korea,** Kia sold 45,000 units (down 6.5% m-m and 3.2% y-y) for a 38.6% share of the non-import market. Sedan sales reached 11,000 units (down 9.4% m-m and 1% y-y), affected by poor sales of the Morning (1,413 units; down 46% y-y). Other models put in solid results: K5 (3,062 units; up 45.5% y-y), and Ray (4,531 units; up 7.5% m-m and 7.4% y-y).
- Kia's sales of SUVs and MPVs combined came to 30,000 units (down 1.7% m-m and 5.3% y-y). Excluding the Sorento (9,476 units; down 5.7% m-m but up 7.3% y-y) and the Niro (1,314 units; down 4.7% m-m but up 10.8% y-y), key models all suffered a y-y fall in sales volume. The Tasman pickup, launched in March, sold 352 units (down 40.5% m-m).
- Kia sold 17,517 xEVs in December (down 10.6% m-m and 6.3% y-y). Hybrids accounted for 16,636 units (up 4.7% m-m but down 5.1% y-y), or around 95% of xEVs. EV sales totaled 881 units (down 76.2% m-m and 24.4% y-y), all model sales hurt by the depletion of EV subsidies. The EV3, EV4, EV5, and EV6 sold 137 units (down 70% y-y), 81 units (down 76% m-m), 104 units (down 84% m-m), and 83 units (down 46.5% y-y), respectively. The PV5, Kia's first PBV model, sold 227 units (down 76% m-m) in December after a sharp rise to 1,814 units in October and 962 units in November from 161 in August and 672 in September.

Overseas, Kia's wholesale volume was down 10.6% m-m and 1.2% y-y to 192,000 units. Sales in the US and India remained strong, but European sales remained weak throughout the year.

4Q25 volume and 2026 guidance: Kia's 4Q global wholesales volume totaled 763,000 units (down 2.9% q-q and 0.7% y-y). Growing sales in India and the US (up 4.9% YoY) negated the weakness in Korean and European markets. The company's 2026 global sales target is 3.35 million units (up 6.8% y-y), while our estimate stands at 3.3m units (up 5.2% y-y).

In 2026, the US market should see robust sales, driven by increasing demand for hybrids, HEV lineup expansion (from four to six models; including Telluride, Seltos, and K4), addition of the Sportage HEV at the Meta Plant and a 50% y-y increase in Telluride production capacity. In India, sales momentum should remain strong thanks to the GST tax cut and the start of production for the second-generation Seltos. In Europe, sales were anemic in 2025 but should rebound in 2026, with the introduction of the Seltos (ICE/HEV), the launch of EV4 and EV5, and the release of the K4 (HEV).

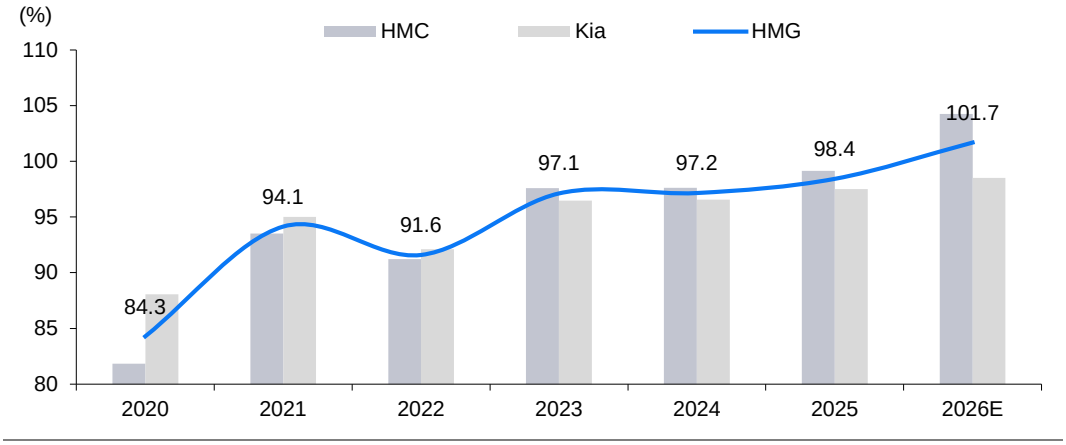
We expect Kia's global wholesale volume to stay flat at 240,000 units in November on strong hybrid demand in the US and improving demand in emerging markets.

HMC/Kia: Annual sales target

('000 units)	HMC					Kia					HMG				
	2022	2023	2024	2025	2026E	2022	2023	2024	2025	2026E	2022	2023	2024	2025	2026E
Sales target															
Domestic	732	781	704	710	700	562	583	530	550	565	1,294	1,364	1,234	1,260	1,265
Overseas	3,591	3,540	3,539	3,464	3,458	2,588	2,604	2,670	2,658	2,775	6,179	6,144	6,209	6,122	6,233
Total	4,323	4,321	4,243	4,174	4,158	3,150	3,200	3,200	3,216	3,350	7,473	7,521	7,443	7,390	7,508
Sales															
Domestic	689	762	705	713	720	539	564	540	546	560	1,228	1,326	1,245	1,259	1,280
Overseas	3,254	3,455	3,437	3,425	3,615	2,359	2,518	2,543	2,584	2,740	5,613	5,973	5,980	6,009	6,355
Total	3,943	4,217	4,142	4,138	4,335	2,902	3,087	3,089	3,136	3,300	6,845	7,304	7,231	7,274	7,635
Chg (% y-y)															
Domestic	-5.2	10.6	-7.5	1.1	1.0	0.7	4.6	-4.2	1.1	2.6	-2.7	8.0	-6.1	1.1	1.7
Overseas	2.8	6.2	-0.5	-0.3	5.5	5.3	6.7	1.0	1.6	6.0	3.8	6.4	0.1	0.5	5.7
Total	1.3	6.9	-1.8	-0.1	4.8	4.5	6.4	0.1	1.5	5.2	2.7	6.7	-1.0	0.6	5.0
Achievement rate (%)															
Domestic	94.1	97.6	100.1	100.4	102.9	95.9	96.7	101.9	99.2	99.1	94.9	97.2	100.9	99.9	101.2
Overseas	90.6	97.6	97.1	98.9	104.5	91.2	96.7	95.3	97.2	98.7	90.8	97.2	96.3	98.2	102.0
Total	91.2	97.6	97.6	99.1	104.2	92.1	96.5	96.5	97.5	98.5	91.6	97.1	97.2	98.4	101.7

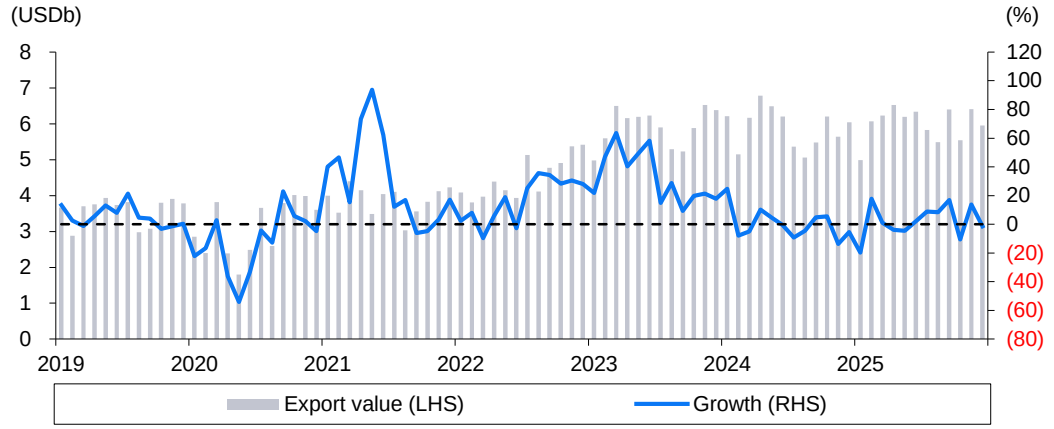
Note: 2026 sales based on Samsung Securities' estimates, and y-y growth rate based on sales
Source: Company data, Samsung Securities

HMC/Kia: Sales targets vs achievements



Note: 2026 sales are Samsung Securities' estimates
Source: Company data, Samsung Securities

Korea: US-bound export value (December: -1.5% y-y)



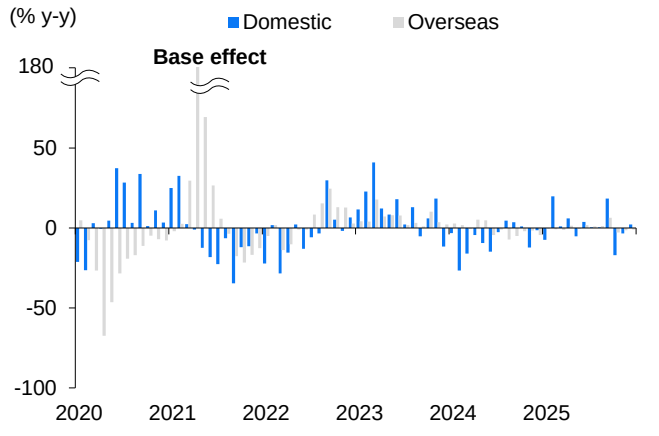
Source: CEIC, Samsung Securities

Shipments, by automaker

	HMC					Kia				
	Dec 2025	Dec 2024	Nov 2025	Chg (% y-y)	(Chg, % m-m)	Dec 2025	Dec 2024	Nov 2025	Chg (% y-y)	(Chg, % m-m)
Domestic	62,666	61,323	61,008	2.2	2.7	44,831	46,332	47,925	-3.2	-6.5
Oversea	265,727	268,967	291,350	-1.2	-8.8	191,841	194,123	214,516	-1.2	-10.6
Total	**328,393**	**330,290**	**352,358**	**-0.6**	**-6.8**	**236,672**	**240,455**	**262,441**	**-1.6**	**-9.8**

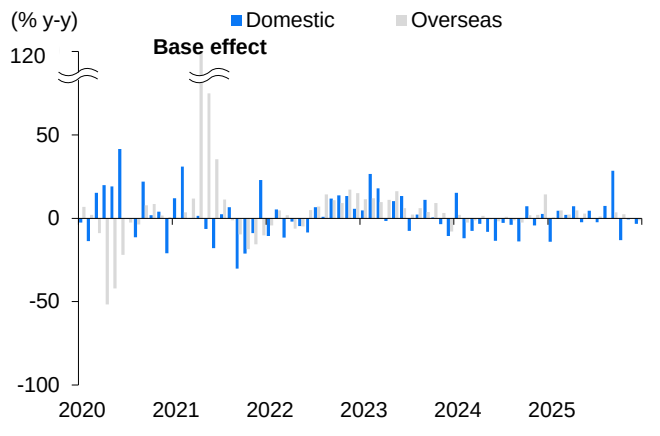
Source: Company data, Samsung Securities

HMC: Monthly change in wholesale volume



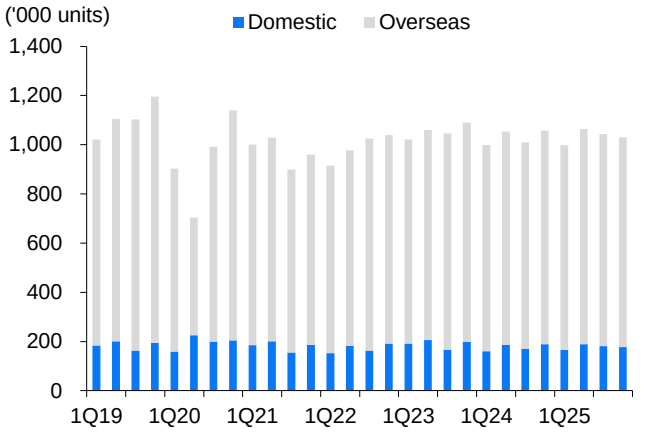
Source: Company data, Samsung Securities

Kia: Monthly change in wholesale volume



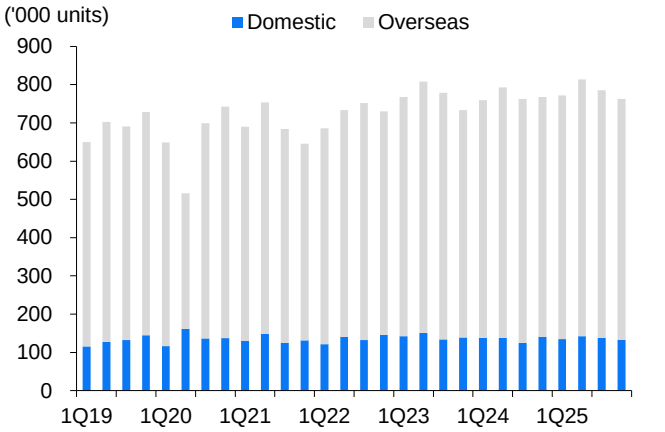
Source: Company data, Samsung Securities

HMC: Quarterly wholesale volume



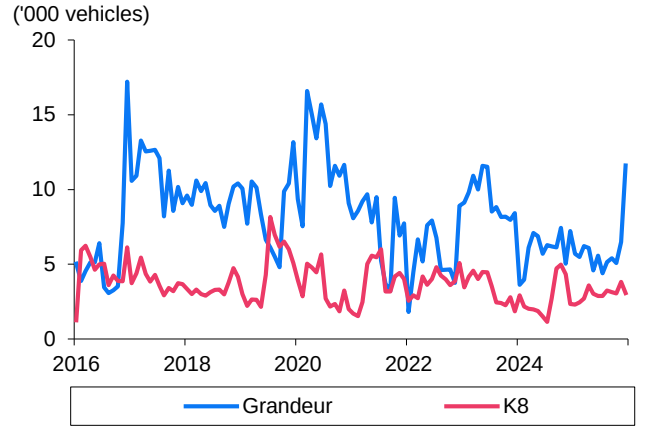
Source: Company data, Samsung Securities

Kia: Quarterly wholesale volume



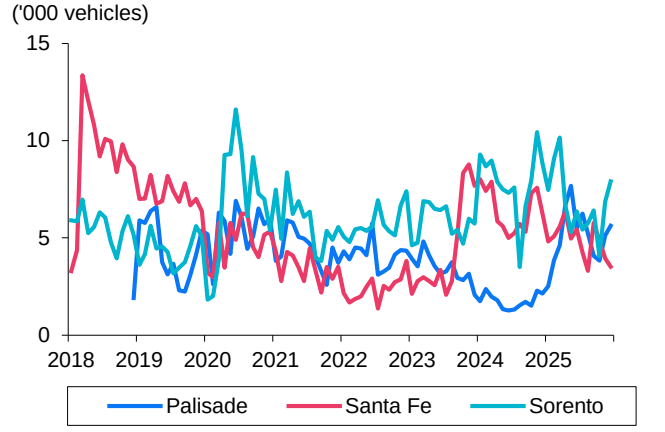
Source: Company data, Samsung Securities

Domestic sales: Grandeur (HMC) vs K8 (Kia; previously K7)



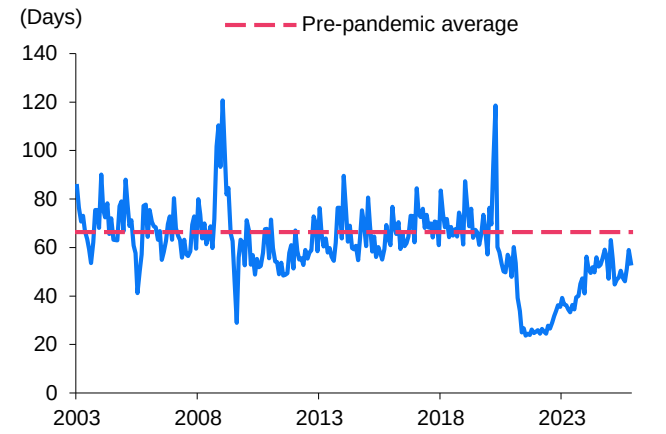
Note: Known as the K7 through end-2020 and the K8 from 2021
Source: Company data, Samsung Securities

Domestic sales: Palisade + Santa Fe (HMC) vs Sorento (Kia)



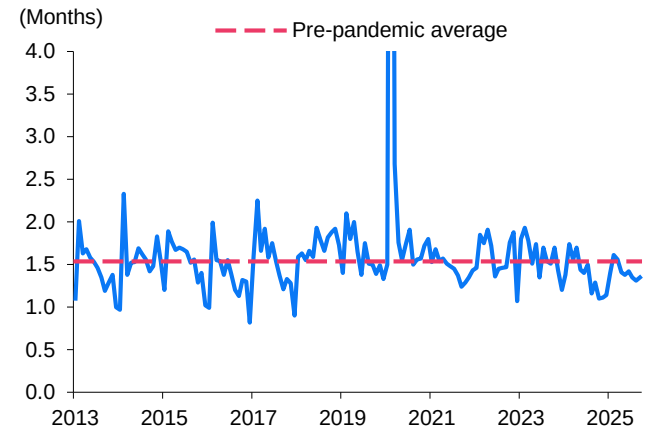
Source: Company data, Samsung Securities

US: Average dealer inventories



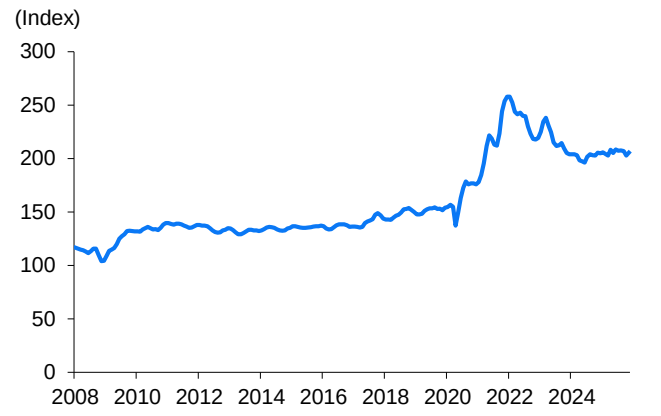
Source: Auto Data Bowl, Samsung Securities

China: Average dealer inventories



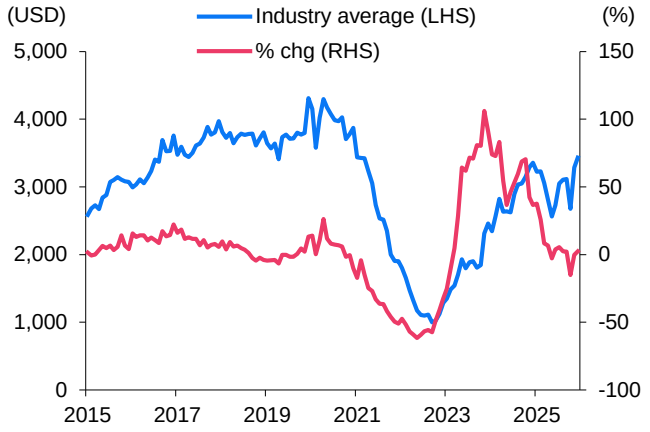
Source: Auto Data Bowl, Samsung Securities

US: Used vehicle value index



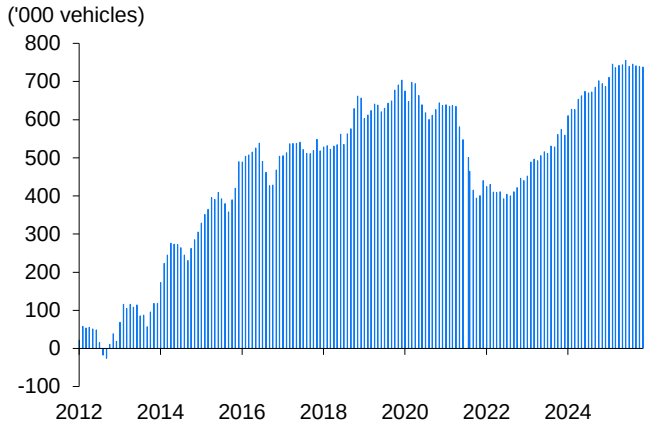
Source: Manheim, Samsung Securities

US: Average incentives per vehicle



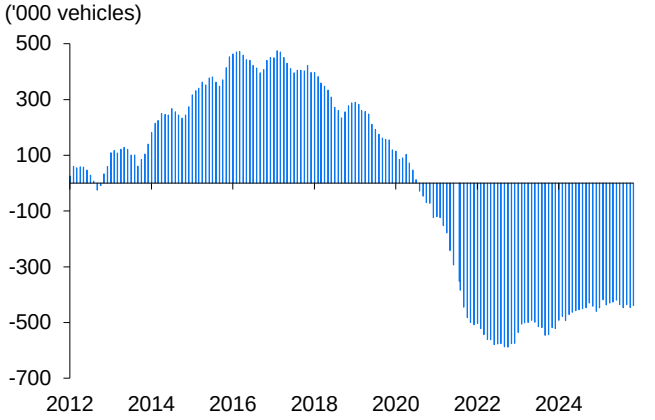
Source: Auto Data Bowl (TrueCar until 2022, J.D. Power and GlobalData as of 2023), Samsung Securities

HMC: Global inventory (shipments less retail sales)



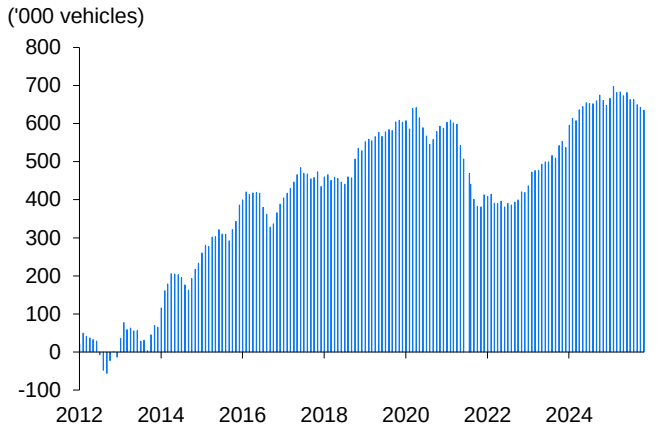
Note: As of Nov 2025
Source: Company data, Samsung Securities

Kia: Global inventory (shipments less retail sales)



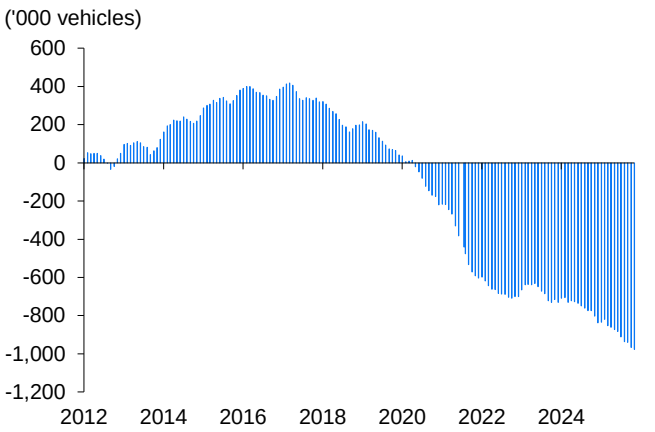
Note: As of Nov 2025
Source: Company data, Samsung Securities

HMC: Global inventory ex China (shipments less retail sales)



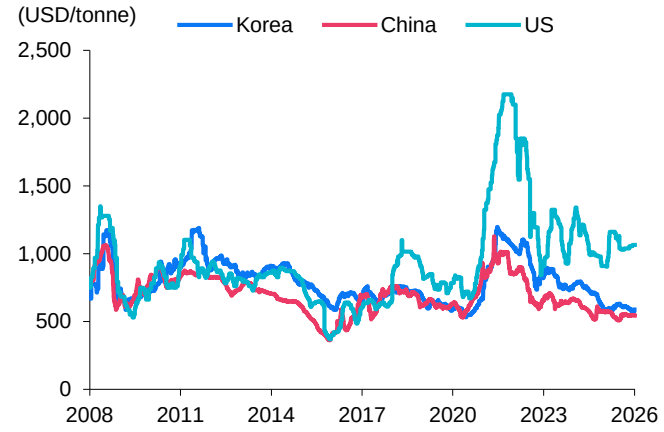
Note: As of Nov 2025
Source: Company data, Samsung Securities

Kia: Global inventory ex China (shipments less retail sales)



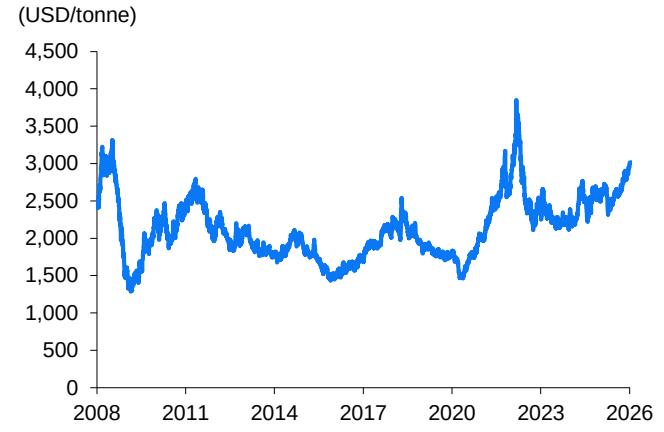
Note: As of Nov 2025
Source: Company data, Samsung Securities

Cold rolled steel price



Source: Bloomberg, Samsung Securities

Aluminum price

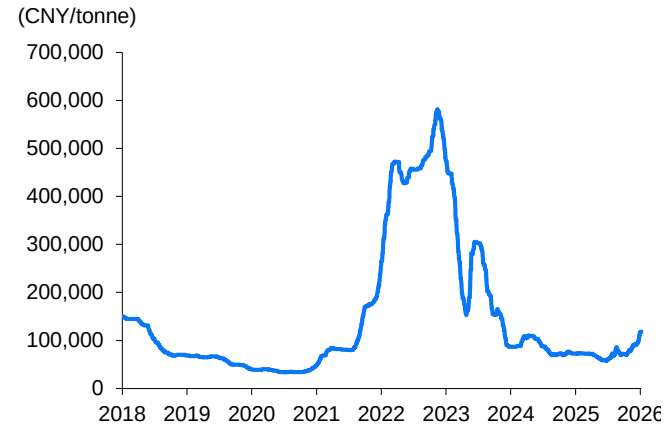


Source: Bloomberg, Samsung Securities

Iron ore price

Source: Bloomberg, Samsung Securities

Lithium carbonate price



Source: Bloomberg, Samsung Securities

HMC: December shipments, by model

(Units)	Dec 2025	Dec 2024	Chg (% y-y)	Nov 2025	Chg (% m-m)
Domestic shipments					
Sedans	27,054	24,951	8.4	22,525	20.1
Avante	6,777	6,462	4.9	5,459	24.1
Sonata	4,462	6,687	(33.3)	5,897	(24.3)
Grandeur	11,598	7,212	60.8	6,499	78.5
G70	157	168	(6.5)	148	6.1
G80	3,412	3,536	(3.5)	3,721	(8.3)
G90	635	705	(9.9)	557	14.0
Ioniq 6	13	181	(92.8)	244	(94.7)
SUVs/MPVs	26,885	25,514	5.4	29,682	(9.4)
Casper	1,685	1,637	2.9	2,292	(26.5)
Venue	2,077	415	400.5	1,468	41.5
Kona	3,007	2,606	15.4	2,743	9.6
Tucson	4,923	6,605	(25.5)	5,384	(8.6)
Nexo	353	48	635.4	511	(30.9)
Ioniq 5	102	611	(83.3)	690	(85.2)
Ioniq 9	133	-	n/a	484	(72.5)
Santa Fe	3,511	6,249	(43.8)	3,947	(11.0)
Palisade	5,618	2,142	162.3	5,124	9.6
GV60	9	44	(79.5)	66	(86.4)
GV70	2,977	2,598	14.6	3,770	(21.0)
GV80	2,490	2,559	(2.7)	3,203	(22.3)
LCV	7,059	8,836	(20.1)	6,688	5.5
HCV	1,668	2,022	(17.5)	2,113	(21.1)
Total domestic shipments (A)	**62,666**	**61,323**	**2.2**	**61,008**	**2.7**
Total overseas shipments (B)	**265,727**	**268,967**	**(1.2)**	**291,350**	**(8.8)**
Total global shipments (A+B)	**328,393**	**330,290**	**(0.6)**	**352,358**	**(6.8)**

Source: Company data, Samsung Securities

HMC: December retail sales in US, by model

(Units)	Dec 2025	Dec 2024	Chg (% y-y)	Jan-Dec 2025	Jan- Dec 2024	Chg (% y-y)
Elantra	11,375	11,585	-1.8	148,200	136,698	8.4
Ioniq 5	2,279	4,595	-50.4	47,039	44,400	5.9
Ioniq 6	459	1,209	-62.0	10,478	12,264	-14.6
Ioniq 9	380	-	-	5,189	-	-
Kona	6,784	5,846	16.0	74,814	82,172	-9.0
Palisade	11,692	10,298	13.5	123,929	110,055	12.6
Santa Cruz	1,610	2,042	-21.2	25,499	32,033	-20.4
Santa Fe	14,440	13,309	8.5	142,404	119,010	19.7
Sonata	5,856	7,642	-23.4	60,094	69,343	-13.3
Tucson	22,193	20,172	10.0	234,230	206,126	13.6
Venue	1,862	1,799	3.5	29,805	24,607	21.1
Genesis	8,467	8,159	3.8	82,332	75,003	9.8
Total	**87,397**	**86,657**	**0.9**	**984,018**	**911,805**	**7.9**

Source: Company data, Samsung Securities

Kia: December shipments, by model

(Units)	Dec 2025	Dec 2024	Chg (% y-y)	Nov 2025	Chg (% m-m)
Domestic shipments					
Sedans	11,414	11,526	(1.0)	12,600	(9.4)
Morning	1,413	2,608	(45.8)	1,512	(6.5)
Ray	4,531	4,219	7.4	4,216	7.5
K3	0	0	n/a	0	n/a
EV4	81	0	n/a	338	(76.0)
K5	3,062	2,105	45.5	3,827	(20.0)
K8	2,157	2,354	(8.4)	2,569	(16.0)
K9	170	240	(29.2)	138	23.2
RV	30,238	31,914	(5.3)	30,760	(1.7)
EV3	137	461	(70.3)	684	(80.0)
EV5	104	0	n/a	667	(84.4)
EV6	83	155	(46.5)	392	(78.8)
EV9	64	109	(41.3)	186	(65.6)
Carnival	5,929	7,235	(18.1)	5,305	11.8
Seltos	4,873	5,512	(11.6)	4,640	5.0
Niro	1,314	1,186	10.8	1,379	(4.7)
Sportage	7,906	8,428	(6.2)	6,868	15.1
Sorento	9,476	8,828	7.3	10,047	(5.7)
Tasman	352	0	n/a	592	(40.5)
Mohave	0	0	n/a	0	n/a
Commercial vehicles	2,925	2,630	11.2	3,896	(24.9)
PV5	227	0	n/a	962	(76.4)
Military vehicles	254	262	(3.1)	669	(62.0)
Total domestic shipments (A)	**44,831**	**46,332**	**(3.2)**	**47,925**	**(6.5)**
Total overseas shipments (B)	**191,841**	**194,123**	**(1.2)**	**214,516**	**(10.6)**
Total global shipments (A+B)	**236,672**	**240,455**	**(1.6)**	**262,441**	**(9.8)**

Source: Company data, Samsung Securities

Kia: October retail sales in US, by model

(Units)	Dec 2025	Dec 2024	Chg (% y-y)	Jan-Dec 2025	Jan- Dec 2024	Chg (% y-y)
EV9	1,019	1,951	-47.8	15,051	22,017	-31.6
EV6	745	2,111	-64.7	12,933	21,715	-40.4
K4/Forte	13,595	11,911	14.1	140,514	139,778	0.5
K5	6,109	5,639	8.3	72,751	46,311	57.1
Soul	2,454	3,650	-32.8	50,133	52,397	-4.3
Niro	3,145	1,792	75.5	31,182	30,094	3.6
Seltos	4,825	3,737	29.1	56,798	59,958	-5.3
Sportage	16,869	15,427	9.3	182,823	161,917	12.9
Sorento	7,339	9,432	-22.2	94,772	95,154	-0.4
Telluride	12,158	12,488	-2.6	123,281	115,504	6.7
Carnival	6,745	5,165	30.6	71,917	49,726	44.6
Total	**75,003**	**73,303**	**2.3**	**852,155**	**794,571**	**7.2**

Source: Company data, Samsung Securities

(Appendix) Valuations: Global automakers

Company	Currency	Price	Performance (%)			Market cap		PER (x)			PBR (x)			ROE (%)		
			1M	3M	1Y	(Local b)	(USDb)	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Automakers																
Toyota	JPY	3,399	12.1	19.7	8.0	53,687.2	341.9	9.8	12.7	10.7	1.2	1.2	1.1	13.1	9.7	10.7
Honda	JPY	1,558	2.5	2.2	1.5	8,226.2	52.4	7.5	13.0	8.2	0.5	0.5	0.5	7.7	4.0	5.9
Nissan	JPY	392.7	6.0	9.2	(18.2)	1,458.5	9.3	n/a	n/a	89.8	0.2	0.3	0.3	(1.2)	(6.2)	0.7
Tata	INR	373.8	5.7	(13.8)	(21.9)	1,376.5	15.3	6.4	11.1	7.3	1.3	1.1	1.0	23.3	6.9	12.7
Maruti Suzuki	INR	17,259.0	6.0	9.2	44.6	5,426.3	60.1	37.7	34.5	29.6	n/a	5.0	4.6	16.3	16.4	17.4
GM	USD	81.0	6.5	34.7	56.4	75.5	75.5	7.9	7.0	6.6	1.2	1.0	0.9	13.7	15.0	13.5
Ford	USD	13.3	2.4	5.3	35.0	53.2	53.2	12.4	9.0	8.1	1.1	1.1	1.0	9.0	12.6	12.5
Stellantis	USD	11.4	(5.2)	6.4	(8.9)	33.0	33.0	19.0	6.0	4.4	0.4	0.4	0.3	(0.6)	4.6	6.6
Tesla	USD	438.1	(3.7)	1.9	6.7	1,456.9	1,456.9	271.8	200.0	146.2	18.0	16.8	15.4	6.5	7.2	8.6
Rivian	USD	19.4	8.1	42.2	17.7	23.8	23.8	n/a	n/a	n/a	5.4	9.7	34.0	(58.6)	(91.3)	(183.5)
Lucid	USD	11.2	(16.9)	(55.0)	(66.1)	3.6	3.6	n/a	n/a	n/a	1.8	2.3	3.1	(93.1)	(127.2)	(169.5)
Nikola	USD	0.0	169.2	(36.4)	(99.6)	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Canoo	USD	0.0	(32.7)	(96.5)	(99.7)	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nio	USD	5.1	2.0	(33.2)	11.0	12.7	12.7	n/a	n/a	n/a	25.0	36.4	26.7	(182.4)	80.8	(2.2)
Xpeng	USD	20.4	2.2	(11.4)	74.5	19.5	19.5	n/a	59.8	28.3	4.5	4.3	3.7	(4.5)	6.8	13.7
Li Auto	USD	17.3	(3.1)	(30.4)	(30.3)	18.5	18.5	63.7	23.4	15.6	2.2	2.0	1.9	3.7	7.6	10.3
Volkswagen	EUR	107.3	0.0	14.1	21.9	53.6	62.6	9.7	4.8	3.9	0.3	0.3	0.3	3.5	5.7	6.8
Porsche	EUR	47.5	(0.6)	11.9	(14.3)	43.3	50.6	99.2	20.2	17.1	2.0	1.9	1.8	2.4	9.8	11.2
Mercedes-Benz Group	EUR	61.8	0.6	11.6	17.7	59.5	69.6	11.1	9.0	7.5	0.6	0.6	0.6	5.5	6.9	7.9
BMW	EUR	96.4	0.0	10.8	26.3	59.6	69.7	9.0	8.5	7.4	0.6	0.6	0.6	7.1	7.2	7.8
Renault	EUR	36.4	(2.3)	1.6	(21.1)	10.8	12.6	n/a	4.8	4.8	0.5	0.4	0.4	(21.5)	8.7	8.3
Ferrari	EUR	316.3	(7.1)	(25.9)	(22.0)	56.6	66.2	35.4	32.5	29.9	14.2	12.5	11.1	41.8	39.1	37.5
Great Wall	HKD	14.3	(3.1)	(16.1)	8.2	188.3	24.2	8.6	7.2	6.3	1.2	1.1	1.0	14.9	15.7	15.6
BYD	HKD	96.3	(2.9)	(12.0)	11.9	949.4	121.9	21.8	16.5	13.6	3.4	2.9	2.6	16.5	18.8	19.5
Dongfeng	HKD	8.7	(5.2)	(8.9)	153.2	71.9	9.2	780.6	120.1	67.3	0.4	0.4	0.4	0.1	0.3	0.6
BAIC	HKD	2.0	(5.8)	(8.0)	(10.1)	15.7	2.0	25.1	17.1	9.3	0.2	0.2	0.2	1.0	1.4	2.5
Guangzhou	HKD	4.1	1.8	20.5	28.9	78.9	10.1	n/a	93.3	54.3	0.3	0.3	0.3	(3.6)	(0.7)	0.1
Geely	HKD	17.6	1.4	(9.0)	24.3	192.0	24.7	9.6	8.2	6.8	1.6	1.4	1.2	17.3	17.5	17.9
SAIC	CNY	15.3	(1.2)	(10.9)	(15.3)	175.4	25.1	15.0	12.5	10.5	0.6	0.6	0.5	4.0	4.7	5.3
Changan	CNY	11.8	0.3	(3.3)	(7.2)	104.1	14.9	20.2	15.3	12.9	1.5	1.4	1.3	7.3	9.0	10.3
HMC	KRW	305,000	(3.0)	38.6	43.2	62,451.1	43.2	6.8	6.4	6.0	0.7	0.6	0.6	9.8	9.6	9.5
Kia	KRW	122,100	(0.8)	17.2	21.3	47,669.4	33.0	6.1	5.6	5.2	0.8	0.7	0.7	13.5	13.7	13.3

(Continued on the next page)

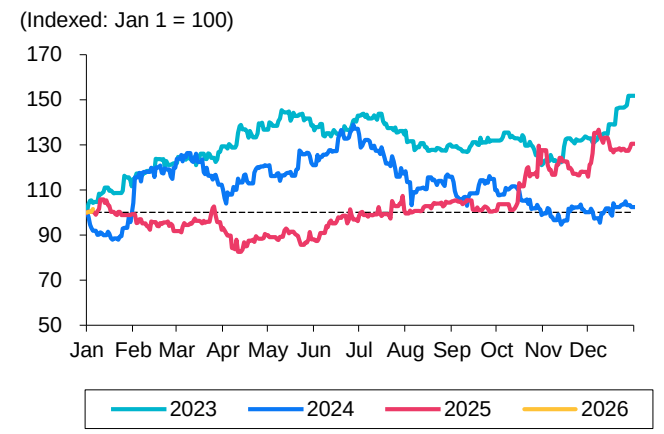
(Appendix) Valuations: Global parts makers, tire makers, ride-hailing firms, and ETFs

Company	Currency	Price	Performance (%)			Market cap		PER (x)			PBR (x)			ROE (%)		
			1M	3M	1Y	(Local b)	(USDb)	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Parts makers																
Continental	EUR	67.9	4.8	17.0	43.3	13.6	15.9	23.2	10.2	8.9	2.3	2.0	1.8	7.1	19.5	18.1
Valeo	EUR	12.2	5.8	14.3	34.7	3.0	3.5	10.7	7.9	5.5	0.8	0.7	0.7	7.0	9.8	13.2
Autoliv	EUR	103.0	2.0	(4.6)	15.1	7.8	9.1	12.6	10.9	9.5	3.6	3.3	2.8	30.3	31.0	33.0
Faurecia	EUR	14.0	8.7	21.4	66.2	2.8	3.2	n/a	12.7	6.5	0.7	0.7	0.6	(3.5)	6.4	10.5
JCI	USD	122.3	7.1	12.4	53.0	74.7	74.7	32.8	26.6	22.9	5.6	5.6	5.1	15.1	20.5	21.9
Magna	USD	54.7	11.5	11.6	32.5	15.4	15.4	10.3	9.2	8.1	1.2	1.1	1.0	12.0	12.5	13.0
BorgWarner	USD	46.6	7.7	4.2	48.0	10.0	10.0	9.9	9.1	8.3	1.6	1.4	1.3	16.3	15.8	15.7
Visteon	USD	96.9	(2.6)	(19.9)	11.0	2.6	2.6	10.6	10.0	9.0	1.7	1.6	1.4	18.0	16.2	15.4
Denso	JPY	2,181	8.9	1.2	(1.5)	6,347.4	40.4	14.2	12.4	10.9	1.2	1.2	1.1	8.4	9.5	10.5
Nidec	JPY	2,092	1.0	(19.9)	(26.7)	2,494.9	15.9	13.2	13.6	11.3	1.4	1.3	1.2	10.8	10.2	11.1
Toyota Ind.	JPY	18,005	3.8	7.7	40.0	5,866.8	37.4	20.1	25.1	20.0	1.0	1.0	1.0	4.7	4.3	5.0
Sumitomo E.	JPY	6,710	0.5	59.8	135.1	5,327.3	33.9	31.8	20.1	19.2	2.3	2.1	2.0	7.5	11.7	10.4
Aisin Seiki	JPY	3,004	11.3	17.7	69.0	2,280.1	14.5	21.7	14.6	11.7	1.2	1.1	1.0	5.1	7.6	9.2
Mobis	KRW	371,500	2.9	25.1	50.7	33,707.2	23.3	8.5	7.6	6.9	0.7	0.6	0.6	8.4	8.7	8.8
Hyundai AutoEver	KRW	311,500	11.1	103.2	135.4	8,542.6	5.9	44.7	37.3	33.4	4.6	4.2	3.8	10.9	11.8	12.0
Wia	KRW	74,900	11.5	51.0	90.6	2,036.9	1.4	14.4	11.4	9.8	0.6	0.5	0.5	3.9	4.8	5.3
Hanon	KRW	2,995	(20.9)	2.4	(20.0)	2,045.1	1.4	166.5	19.2	11.2	0.8	0.8	0.7	0.7	4.7	6.5
Mando	KRW	60,600	1.8	78.5	50.0	2,845.6	2.0	19.6	12.2	10.6	1.1	1.1	1.0	5.8	8.8	9.5
Huayu	CNY	20.2	0.8	(1.7)	19.1	63.6	9.1	9.3	8.7	8.2	1.0	0.9	0.8	10.7	10.7	10.7
Nexteer	HKD	6.9	14.1	(18.8)	120.9	17.2	2.2	16.3	13.0	11.2	1.0	1.0	0.9	6.4	7.7	8.3
Tire makers																
Bridgestone	JPY	3,530	0.9	3.2	32.2	5,038.7	32.1	17.0	11.4	9.8	1.3	1.2	1.2	7.4	10.8	11.8
Sumitomo R.	JPY	2,431	9.4	36.8	36.3	639.5	4.1	13.1	9.8	8.4	0.9	0.9	0.8	7.5	9.4	10.0
Yokohama	JPY	6,030	(0.0)	9.7	77.4	1,003.4	6.4	10.2	8.9	8.1	1.0	0.9	0.9	10.3	11.2	11.1
Michelin	EUR	28.7	2.2	(8.2)	(8.5)	19.7	23.0	11.9	10.1	8.7	1.1	1.0	1.0	9.0	10.1	11.1
Goodyear	USD	8.9	4.0	15.5	1.0	2.6	2.6	14.0	8.1	6.0	0.6	0.6	0.5	5.0	7.4	9.2
Hankook	KRW	57,500	(8.0)	49.2	45.4	7,122.8	4.9	6.0	5.3	4.9	0.6	0.6	0.5	10.2	10.6	10.7
Kumho	KRW	5,710	(8.5)	21.2	19.2	1,640.3	1.1	7.5	4.7	4.5	0.9	0.7	0.6	12.2	16.7	14.7
Nexen	KRW	7,700	(0.6)	29.8	27.5	752.0	0.5	6.5	5.4	4.9	0.4	0.4	0.4	6.1	7.1	7.4
Cheng Shin	TWD	29.4	(6.1)	(19.5)	(40.5)	95.3	3.0	19.5	17.4	18.3	1.1	1.1	1.0	5.6	5.8	5.8
Ride hailing																
UBER	USD	82.9	(9.3)	(14.2)	28.3	172.2	172.2	13.9	20.1	16.9	5.9	4.9	4.0	41.5	22.9	23.0
LYFT	USD	19.8	(13.8)	(10.0)	38.7	8.1	8.1	16.3	13.0	11.8	11.2	9.6	5.6	30.1	38.5	38.4
ETF																
Global X Autonomous	USD	30.5	0.8	3.8	30.3	0.3	0.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ARK Autonomous Tech	USD	118.4	3.4	1.6	45.7	1.8	1.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
iShares Self-Driving EV	USD	38.5	0.2	2.7	28.5	0.2	0.2	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Kraneshares Electric Vehicle	USD	31.3	2.0	0.0	46.9	0.1	0.1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Evolve Automobile InDecation	CAD	25.8	(6.9)	(9.6)	20.8	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: As of Jan 4 close

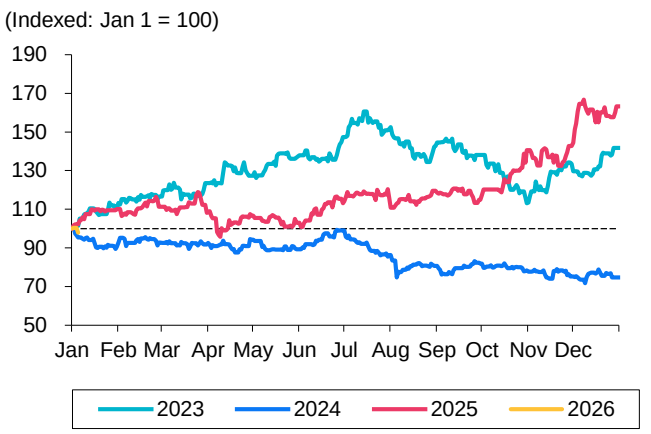
Source: Bloomberg, Samsung Securities

Korean auto index



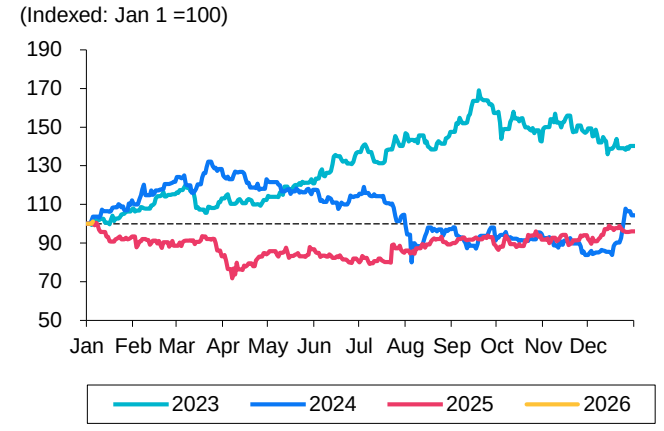
Note: Average of HMC and Kia
Source: Bloomberg, Samsung Securities

Korean auto parts index



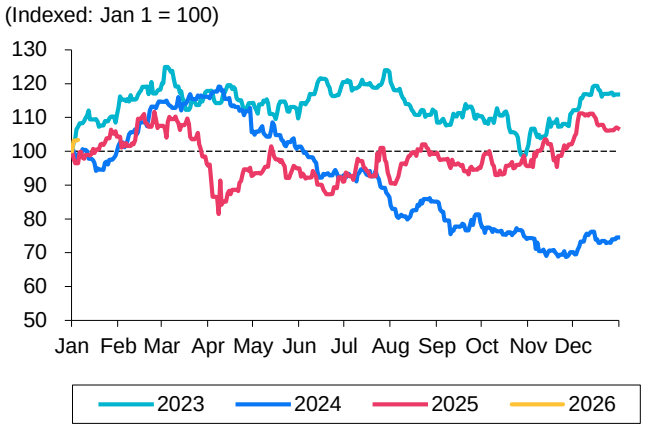
Note: Average of 9 covered auto parts firms, including Mobis, AutoEver, and Mando
Source: Bloomberg, Samsung Securities

Japanese auto index



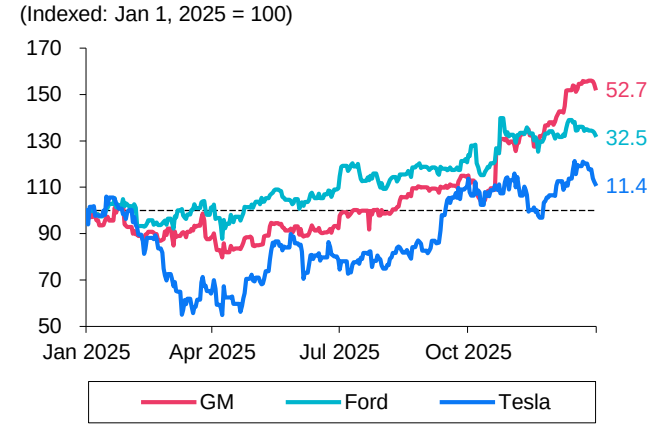
Note: Average of Toyota, Honda, and Nissan
Source: Bloomberg, Samsung Securities

European auto index



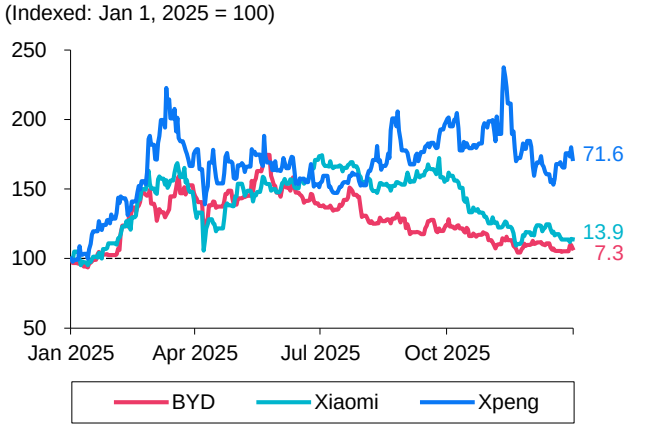
Note: Average of VW, Stellantis, BMW, and MBG
Source: Bloomberg, Samsung Securities

US auto index



Source: Bloomberg, Samsung Securities

China auto index



Source: Bloomberg, Samsung Securities

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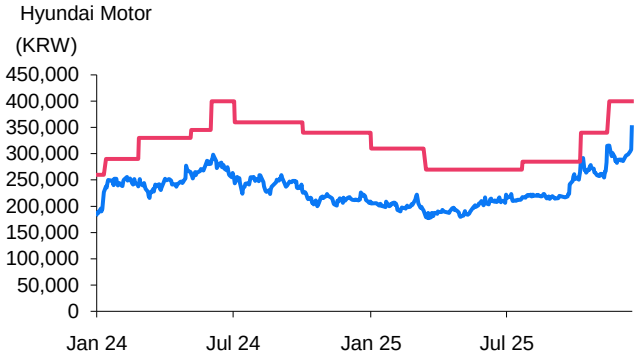
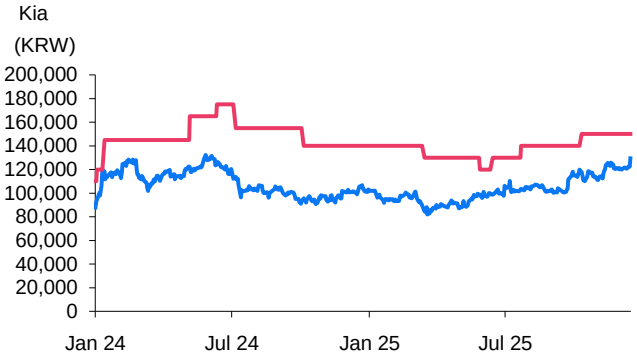
Target price changes in past two years





Rating changes over past two years (adjusted share prices)

Hyundai Motor												
Date	2023/10/26	2024/2/5	3/20	5/29	6/25	7/26	10/25	2025/1/24	4/7	8/14	10/31	12/8
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	260000	290000	330000	345000	400000	360000	340000	310000	270000	285000	340000	400000
Gap* (average)	-28.49	-15.25	-26.19	-21.52	-31.63	-32.30	-37.27	-34.90	-26.06	-20.49	-20.69	
(max or min)**	-12.69	-11.90	-16.06	-16.96	-25.50	-28.06	-33.38	-28.39	-17.41	-7.02	-7.35	
Kia												
Date	2023/8/4	2024/1/26	2/5	5/29	7/4	7/29	10/28	2025/4/7	6/20	7/7	8/14	11/3
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	110000	120000	145000	165000	175000	155000	140000	130000	120000	130000	140000	150000
Gap* (average)	-24.00	-12.23	-19.81	-24.20	-31.41	-34.54	-30.66	-30.49	-17.88	-21.50	-24.00	
(max or min)**	-9.09	-0.42	-11.38	-19.82	-27.83	-27.68	-23.79	-23.38	-15.75	-15.08	-14.36	

Note: * [(average, maximum, or minimum share price over duration of target price minus target price) / target price] x 100%
** Maximum/minimum share price if new target is higher/lower than market close on the business day prior to target price change

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HOLD	Expected to increase/decrease in value by less than 15% within 12 months
SELL	Expected to decrease in value by 15% or more within 12 months

Industry

OVERWEIGHT	Expected to outperform market by 5% or more within 12 months
NEUTRAL	Expected to outperform/underperform market by less than 5% within 12 months
UNDERWEIGHT	Expected to underperform market by 5% or more within 12 months

* Note: Effective Jul 27, 2023, BUY, HOLD, and SELL criteria are based on expectations of share-price moves of 15% or more within 12 months

Percentage of ratings in 12 months prior to 2025.12.31

BUY(85.8%)·HOLD(14.2%)·SELL(0%)

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