



Segment Y
Automotive Intelligence Pvt Ltd

ASIA MONTHLY MOTORCYCLE REPORT

January 2009

INDIA



MOTOR CYCLE TRENDS

1. New bike from Bajaj Auto: XCD 135 DTS-Si
2. Mahindra Kinetic getting ready to launch scooters
3. Bajaj Auto preparing to introduce KTM, Kawasaki range
4. BSA Motors notches up 1,000 e-scooter bookings
5. TVS introduces new Scooty variant
6. Electrotherm introduces new e-bike
7. Hero Honda boosts production at Haridwar plant
8. Two-wheeler sales down over 15% in December



Segment Y
Automotive Intelligence Pvt Ltd

1. Bajaj Auto launches XCD 135 DTS-Si

On January 21st, Bajaj Auto introduced a new variant of the XCD motorcycle, the XCD 135 DT-Si. The new bike comes with a detuned version of the 134cc four-stroke, single-cylinder, air-cooled engine found in the Discover 135 and features



Bajaj XCD 135 DTSi

Bajaj's proprietary Digital Twin Spark-Swirl induction (DTS-Si) technology. The XCD 135, which has been priced at INR 45,000 (€712), also features a five-speed gearbox, an auto choke, gas-filled rear shock absorbers, a digital speedometer, an LED taillight, electric start and a front disc brake. While the bike will initially be produced at Bajaj's Aurangabad plant in Maharashtra, production will later be shifted to the company's Pantnagar facility in Uttarakhand. Bajaj Auto is planning to

supplement the XCD 135 with two new bikes in the 125-135cc category, in addition to three new models in the 150+cc class. Bajaj is also looking at a gearless scooter of 100-150cc, which has been tentatively named 'Blend', sometime in 2010.

2. Mahindra to relaunch Kinetic Flyte, Nova

Six months after the announcement of utility vehicle major Mahindra & Mahindra's acquisition of two-wheeler manufacturer Kinetic comes the news that the new joint venture, Mahindra Kinetic Scooters & Motorcycles is set to launch two upgraded products from the erstwhile Kinetic Motor range, the Flyte and the Nova. The Flyte, which was developed in collaboration with Taiwan-based two-wheeler giant SYM, comes with a 125cc engine, while the Nova gets a 135cc mill. Both units are four-stroke, air-cooled, single cylinder units. While exact details about the upgrades the scooters will come with is not yet known, it seems apparent that prices will stay the same as earlier - i.e., around the INR 41,000 (€650) mark. The new scooters will be manufactured at the joint venture's Pithampur plant, in the state of Madhya Pradesh. They are expected in showrooms by the end of this month or early February with Mahindra Kinetic branding.



Kinetic SYM Flyte

3. Bajaj to launch Kawasaki, KTM bikes

Two-wheeler manufacturer Bajaj is preparing to launch models from KTM and Kawasaki's international ranges in India within the next 12-18 months. The onslaught is expected to begin with the Kawasaki Ninja 250R, followed by the KTM Duke and RR. While the Ninja will be imported as a completely-built unit (CBU), the KTM models may be assembled at Bajaj Auto's facility in Chakan, in the state of Maharashtra. Bajaj is currently also developing its own 250-300cc motorcycle in collaboration with an unnamed European bike design firm and KTM, in which the Indian company has a 30% stake.



Segment Y
Automotive Intelligence Pvt Ltd

4. **BSA Motors announces prices, receives 1,000 bookings**

Since its launch in November 2008, BSA Motors, a subsidiary of leading bicycle manufacturer Tube Investments of India (TII), has notched up bookings of 1,000 units of its e-scooters. The company has also announced the prices for its five offerings: the Smile, Diva, Street Rider, Roamer and Roamer Plus have been priced at INR 28,600 (€453), INR 30,800 (€487), INR 31,600 (€500), INR 33,900 (€536) and INR 36,600 (€579), respectively.

5. **TVS launches Scooty Streak**

On January 8th, Indian two-wheeler major TVS launched a new variant of its Scooty scooter model in the country, call the Streak. Based on the Scooty Pep+ platform,



TVS Scooty Streak

the Streak adds TVS' proprietary LiTech technology to the single cylinder, four-stroke, 88cc engine, which is said to benefit driveability and fuel economy. Other differences include redesigned body panels, LED taillights, a re-contoured seat, anti-skid tyres and all-aluminium shock absorbers. The new scooter also comes with an external fuel filler at the rear, in addition to regular Scooty features such as a mobile phone charging point, a low-effort centre stand and a lockable storage compartment at the front. It is equipped with 3.00x10 tyres front and rear and has drum brakes at both ends. The Scooty Streak has been priced at INR 35,800 (€566) and will be

offered in five colours, unlike the 99-colour palette that is offered with the regular Scooty Pep+. With the Streak, the Scooty range goes up to four models, the others being the Pep+, Teenz and Teenz Electric.

6. **Electrotherm unveils Yo Electron**

Indian electric bike manufacturer Electrotherm has unveiled a new model called the Yo Electron for the domestic market. Featuring a new quick-charge battery which requires 3-4 hours to get completely topped up, the Yo Electron will be produced at the company's new manufacturing facility in Kutch, in the state of Gujarat. The plant, which involved an investment of INR 600 million (€9.5 million), has an installed capacity of 288,000 units. Electrotherm has so far sold around 60,000 e-bikes in the Indian market, primarily in Gujarat.

7. **Hero Honda ups capacity at Haridwar facility**

At a time when most manufacturers are downsizing their staff and production capacity, Indian two-wheeler market leader Hero Honda is in expansion mode, with the company increasing production at its facility in Haridwar, in the state of Uttarakhand, from 2,000 units per day to 3,000 units. The company is optimistic about the market in 2009, in spite of the fact that December saw a 10% decline in sales over the same period in 2007, at 215,931 units. Hero Honda plans to launch five new models, across various market segments, in the first nine months of the year.



Segment Y
Automotive Intelligence Pvt Ltd

8. Bike sales plummet in December

The last month of 2008 saw overall two-wheeler sales in India nose-diving 15.4% to 461,302 units, compared with 545,485 units in the same period last year. The slide was stemmed to an extent by scooter sales – the motorcycle segment slipped 22.9% with only 335,820 units sold, as against 435,925 units in the year-ago period. Market leader Hero Honda's slipped 10% to 215,931 units, while the biggest drop was recorded by Bajaj Auto, whose sales were down 33% to 119,000 units.

THAILAND

MOTOR CYCLE TRENDS

1. AP Honda launches Wave 110i
2. Bike sales up 7% in 2008

1. Honda Wave 110i introduced in Thailand

In the second week of January, AP Honda, the Japanese automaker's Thai division, introduced the Wave 110i underbone in the country. Featuring a 110cc, four-stroke engine, the Wave 110i is said to provide 25% better performance and 18% better fuel economy compared to a carburetted Wave 100, thanks to the company's proprietary Programmed fuel injection (PGM-FI) technology. The new underbone is compliant with Thailand's Level 6 emission norms and is compatible with E20 fuel as well. The Wave 110i will be available in three variants – the NF110TM, with front disc brakes and electric start, the NF110R, with front disc brakes and kick start and NF110K, with drum brakes all round and kick start. Prices start at THB 34,000 (€749) for the NF110K. AP Honda is targeting sales of 400,000 units of the Wave 110i per year in the Thai market, where the company enjoys a 65% overall share.



Honda Wave 110i

2. Thailand sees motorcycle sales jump 7% in 2008

Sales of two-wheelers in Thailand were up by 7% last year, as compared to 2007. This is attributed primarily to steeper fuel prices and gradual standardisation of fuel injection technology among motorcycles, scooters and underbones. Higher disposable incomes for rural populations and ready availability of vehicle finance helped stimulate growth as well. Total two-wheeler registrations went up to 1.7 million, with Honda – the market leader for the last twenty years – accounting for 1.15 million units alone. Yamaha came a distant second with 440,000 units and Suzuki took third place with 84,000 units. The rest of the sales were accounted for by Kawasaki, JRD, Platinum and Tiger, among other makes.



MALAYSIA

MOTOR CYCLE TRENDS

1. Aprilia expands range in Malaysia with Shiver
2. Vespa Malaysia launches GTV 250 & GTS 300super
3. Boon Siew Honda introduces icon 110 scooter

1. Aprilia Shiver launched in Malaysia

Towards the end of December, Italian motorcycle manufacturer Aprilia introduced its Shiver naked bike in Malaysia. The new motorcycle - which will compete with the likes of the Yamaha Fazer, Honda Hornet and Ducati Monster in the Malaysian market - comes with a 750cc fuel-injected 90° V-twin engine featuring a double overhead camshaft and liquid cooling. The Shiver happens to be the first motorcycle in its class to come with ride-by-wire technology, which helps achieve a smoother, more consistent throttle response. . It also comes with a three-way catalytic converter, radial front disc brakes, a modular trellis/aluminium frame for torsional rigidity and an aluminium swingarm. 120/70-17 tyres are standard fitment up front, while 180/55-17 rubber does service at the back. Aprilia Malaysia has not yet announced the pricing strategy for the Shiver, which will be available in showrooms within a few weeks.



Aprilia Shiver

2. New Vespa models launched in Malaysia

On December 28th, Italian scooter giant Piaggio introduced two new Vespa models in Malaysia - the GTV 250 & the GTS 300super. The two models feature four-valve, four-stroke, water-cooled engines of 244cc and 278cc capacities, respectively. Electronic fuel injection is common to both, as well as electric start and a continuously variable transmission (CVT). The two scooters comes with 120/70-12 tubeless tyres at the front and 130/70-12 rubber at the rear as well as ventilated disc brakes at both ends. Among the unique features of the GTV 250 is the low-slung headlight and mini-fairing, while the GTS 300super carries on with a traditional headlamp and is furnished with a variable ignition system and three engine mapping options. The GTV 250 and GTS 300super have been priced at MYR 29,299 (€6,220) and MYR 29,479 (€6,259), respectively and are now available through Vespa's dealership network of eighteen outlets in Johor, Kuala Lumpur, Melaka, Penang and Selangor.



Vespa GTV 250



Segment Y
Automotive Intelligence Pvt Ltd

3. Boon Siew Honda unveils icon 110

On January 21st, Boon Siew Honda, the Malaysian arm of the Japanese automobile giant, unveiled the icon 110 scooter in the country. The Malaysian version features a carburetted four-stroke engine, unlike the Thai model, which comes with fuel injection. It joins the Click in the company's automatic transmission range in Malaysia. With the icon, Boon Siew Honda is aiming to push its market share in the automatic segment from the current 1-2% to an estimated 4-6%. The icon comes with 80/90-14 tyres up front and 90/90-14 tyres at the rear, while a front disc/rear drum brake combination comes as standard. It also features a side stand switch, which automatically deactivates the ignition when the side stand is deployed to prevent the scooter from being ridden with the stand extended. The company has set a sales target of 28,000 units for the icon, which has been priced at MYR 4,688 (€995). The icon 110 will be available in Boon Siew showrooms across Malaysia from February 5th.



Honda icon 110

INDONESIA

MOTOR CYCLE TRENDS

1. Kanzen to launch Roadtwin 200
2. TVS Indonesia may get loan from IFC
3. 6.2 million two-wheelers sold in Indonesia in 2008

1. Kanzen Roadtwin 200 headed for Indonesia launch

Indonesian two-wheeler manufacturer Kanzen has announced that it will soon launch a new motorcycle, the Roadtwin 200, though the exact timing of the launch and the detailed specifications of the bike are yet unknown. It is expected that when launched, the Roadtwin 200 will face stiff competition from established players in the segment such as the Honda Tiger Revolution and the Bajaj Pulsar 200 DTSi. The Tiger and the Pulsar 200 retail at around IDR 15 million (€1,025) in the Indonesian market.

2. TVS Indonesia may get USD 12 million loan

The US-based International Finance Corporation (IFC) is expected to sanction a loan of USD 12 million (€9.2 million) to Indian two-wheeler major TVS Motors' Indonesian operations. The funds will be channelled into product development, dealership expansion and working capital requirements. This will be the second loan from IFC to TVS Indonesia – in 2007, the firm had loaned USD 20 million (€15.4



Segment Y
Automotive Intelligence Pvt Ltd

million) to the bike maker. TVS Indonesia has a plant in the Suryacipta Industrial Estate in Karawang, with an installed capacity of 300,000 units.

3. Record number of bikes sold in Indonesia

2008 saw 6.2 million two-wheelers being sold in Indonesia, implying a 32% rise over 2007's figure, when 4.68 million units were sold. Honda maintained its market lead with 2.87 million units, implying a market share of 46%. Yamaha came a close second, with 2.46 million units, or a 39% share. As always, four-stroke bikes with engine capacities of 125cc or less dominated sales, driven by their inherent fuel efficiency and low maintenance costs. Around 80% of all bike sales were financed. However, in spite of the positive results shown up on 2008's sales chart, it is expected that sales will dive in 2009 - by as much as 30-40% - driven by the slowing economy and the cascading effects of the global recession.

VIETNAM

MOTOR CYCLE TRENDS

1. American firm to supply electric motors to Sufat
2. Vietnam in preferential tariff agreement with Laos

1. Sufat to source electric scooter motors from KMA

Vietnam-based two-wheeler maker Sufat is in the process of developing an electric scooter that will integrate an electric motor developed by US-based KLD Motors America (KMA). KMA's high-frequency, low RPM, transmission-less motor system is designed to be more responsive and flexible than conventional electric vehicle motors. With KMA's motor, Sufat expects the electric scooter to hit a top speed of 80-90 kmph, which is unprecedented in the budget e-scooter segment. The core technology behind KMA's new motor is innovative nano-crystalline composite material to conduct energy more efficiently than traditional, iron-core motors.



2. Vietnam-Laos preferential tariff to cover bikes

Vietnam and Laos have inked an agreement under which both countries will strive to reduce and ultimately abolish tariffs on certain items imported from each other. Under the terms of the agreement, which was formally signed in Hanoi on January 17th, Vietnam will abolish import tariffs on 16 items from Laos, including motorcycle engines and related components. In return, Laos will abolish import tariffs on 87 Vietnamese items, including fully-built motorcycles and related parts.



Segment Y
Automotive Intelligence Pvt Ltd

OCEANIA

MOTOR CYCLE TRENDS

1. Link International awarded Pirelli distributorship in Australia
2. 2009 Triumph Bonneville range arrives in Australia
3. Lifan launches Metro LF50QT-2A in New Zealand
4. Harley Davidson expands Sportster range in Australia
5. Australia sees rise in bike sales

1. Pirelli appoints new distributor in Australia

Tyre giant Pirelli has awarded the distributorship for two-wheeler tyres in Australia to Link International, a leading motorcycle part importer and distributor. Starting February 2009, Link International will start dispensing Pirelli products on an official basis across the country. Link International already has several high-profile automotive brands in its portfolio, including Vee Rubber Tyres and Tubes, Motul Oil, RK Chains, Excel Rims, JT Sprockets, JT Braking Disc Rotors, Ferodo Brake Pads, Polisport Plastics, Hiflo Oil and Air Filters, Roadstar Batteries, Cobra Cruiser Exhausts and Accessories, Ariete Grips, Keiti Tank Pads, Marchesini, BMC Filters, YSS Suspension, Alpina Wheels, C.C. Products and Rockwell Fasteners.

2. Triumph Australia announces 2009 Bonneville range

Triumph Australia has announced the imminent launch of the 2009 Bonneville range. To be made available in end-February or early March, the Bonneville will be offered in two new variants – the SE and the 650 Bonneville T100 50th Anniversary



Triumph Bonneville SE

While the former comes with additional features such as a tachometer, chromed tank badges and brushed alloy engine casings over a standard Bonneville, the T100 50th Anniversary Edition will be offered with a unique two-tone Meriden Blue/Exotic Orange paint job and hand-painted gold pinstripes. The latter will be limited to a global run of only 650 units. The regular Bonneville gets new handlebars, 25mm lower seat height, lighter 17-inch cast alloy wheels, shorter mudguards and the Thruxton's silencer. The standard Bonneville T100 new handlebar clamps, restyled footrests, black clock surrounds and a white Triumph logo on the seat. The Bonneville, SE and T100 have been priced at AUD 12,490 (€6,308), AUD 13,490 (€6,813) and AUD 13,990 (€7,065), respectively.



Segment Y
Automotive Intelligence Pvt Ltd

3. Lifan Metro LF50QT-2A arrives in New Zealand

Chinese motorcycle major Lifan has launched the Metro LF50QT-2A scooter in New Zealand. It features a four-stroke, 49.4cc, single cylinder powerplant that pushes out just under 3PS of power. Weighing in at just 93.5 kg dry, the Metro has been designed with short urban commutes in mind. The claimed fuel efficiency, at 2.2l/100km, is also a selling point. The Lifan Metro comes with identical 3.00x10 tyres front and rear, while braking is taken care of by a ventilated disc up front and a conventional drum set-up at the rear. The luggage compartment under the seat can accommodate a full-face helmet, while an open storage area is provided at the front. An added advantage of the Metro is that a dedicated motorcycle license is not required for this scooter – a car license will do. Priced at NZD 1,899 (€772), the Lifan Metro LF50QT-2A is one of the cheapest motorised vehicles available in the country today.



Lifan Metro LF50QT-2A

4. Harley Davidson announces Iron 883

American cruiser manufacturer Harley Davidson has launched the latest model in its Dark Custom line, the Iron 883, in Australia. Part of the company's Sportster range of bikes, the Iron 883 comes with an air-cooled 883cc V-Twin engine mated to a five-speed transmission and belt final drive. The engine, which sports a black powder-coated look, features Electronic Sequential Port Fuel Injection (ESPFI). Alloy wheels, staggered exhaust pipes, short fenders and matte-finish black or silver paint define the look of the bike. Shod with 100/90-19 tyres up front and 150/80-16 rubber at



Harley Davidson Iron 883

the rear, the Iron 883 weighs in at 251 kg dry. Harley Davidson Australia is yet to announce prices for the Iron 883, but it is expected to be close to the US price of USD 7,899 (€6,076) or thereabouts.

5. Two-wheeler sales up 3.2% in Australia

Motorcycle and scooter sales were up 3.2% in Australia in 2008 to 134,112 units, compared to the previous year. In 2007, sales totalled 129,966 units. Last year's sales were driven primarily by rising fuel prices towards the beginning of the year and by the general economic slowdown towards the end, as buyers moved away from fuel-guzzling cars and SUVs. Freedom from inner-city traffic congestion and free parking also stimulated bike sales. It is interesting to note that car sales in Australia in 2008 were down by 3.6% - a figure similar to the hike experienced by motorcycle sales.