



# **Consumer Goods & Services**

## ***Appliances***

**March 2019**

# Electronics Categories

Air  
Conditioners



Refrigerators



Deep Freezers



Television



Microwave  
Oven



Water  
Dispensers



Washing  
Machine





# Industry | Fundamentals & Growth Drivers

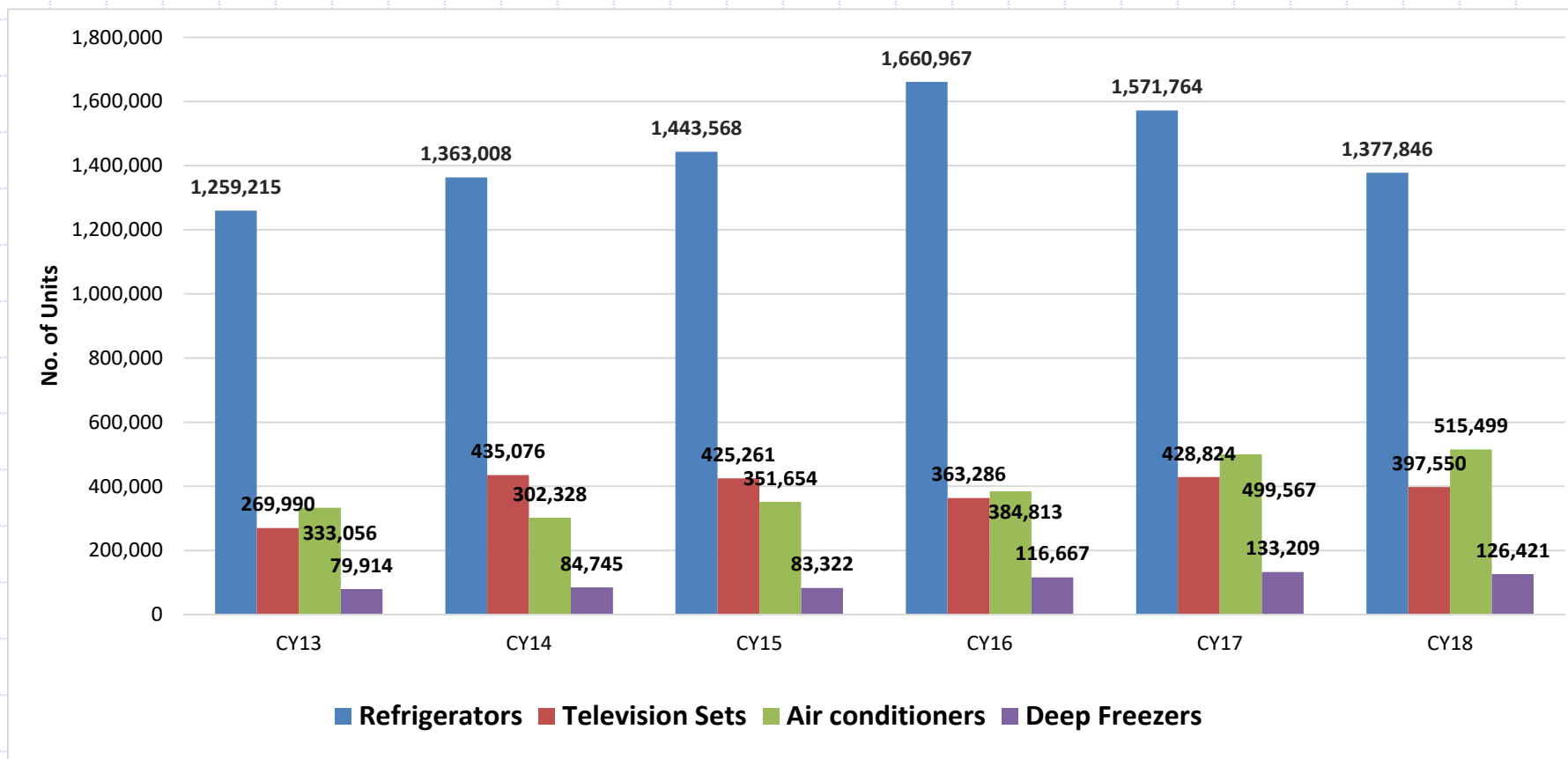
## **Household Appliances Industry Growth depends on:**

- Populations Growth
- Urbanization
- Increase in Disposable Income

## **Key Statistics**

- Pakistan is the sixth most populated country in the world with an estimated population of ~200 millions
- The average population growth is ~2 %
- Population in the Urban Sector has grown at an average of 1%
- Population in urban areas has increased from ~ 39% in 2015 to ~ 41% in 2017 of total population
- Per Capita Income has grown by ~6% in FY17/18
- Approximately ~ 2%– 3% of income is spent on household equipment, furnishing and house maintenance

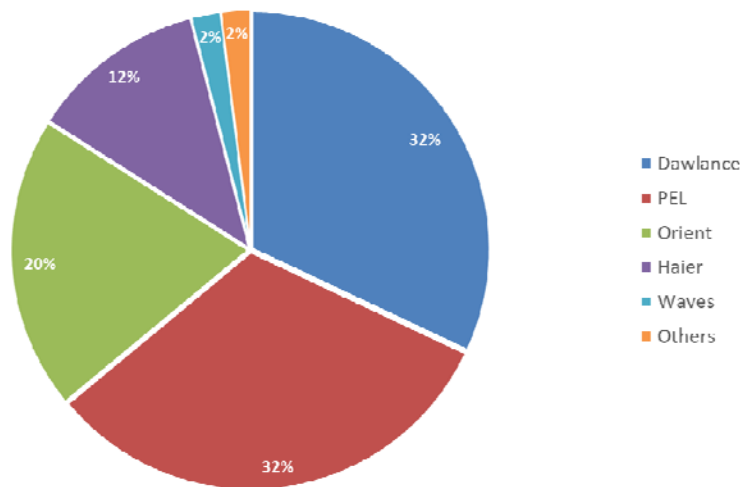
# Industry Dynamics | Local Production



- In line with the Macro Economic factors production has witnessed a decline
- Refrigerators, Television Sets and Deep Freezers witnessed a decline of 12% 7% and 5% respectively, whereas, Air Conditioners posted a growth of 3%
- Refrigerators production has witnessed a decline for second consecutive season

# Key Players| Market Share

Refrigerators Market Share - CY18



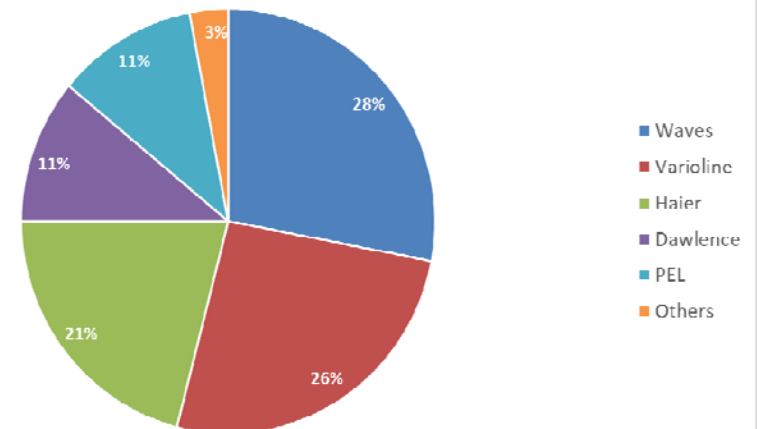
## Refrigerator:

- Over 80% market share resides with Top 3 players; signifying high concentration
- PEL and Dawlence remain in Competition to become Market leader

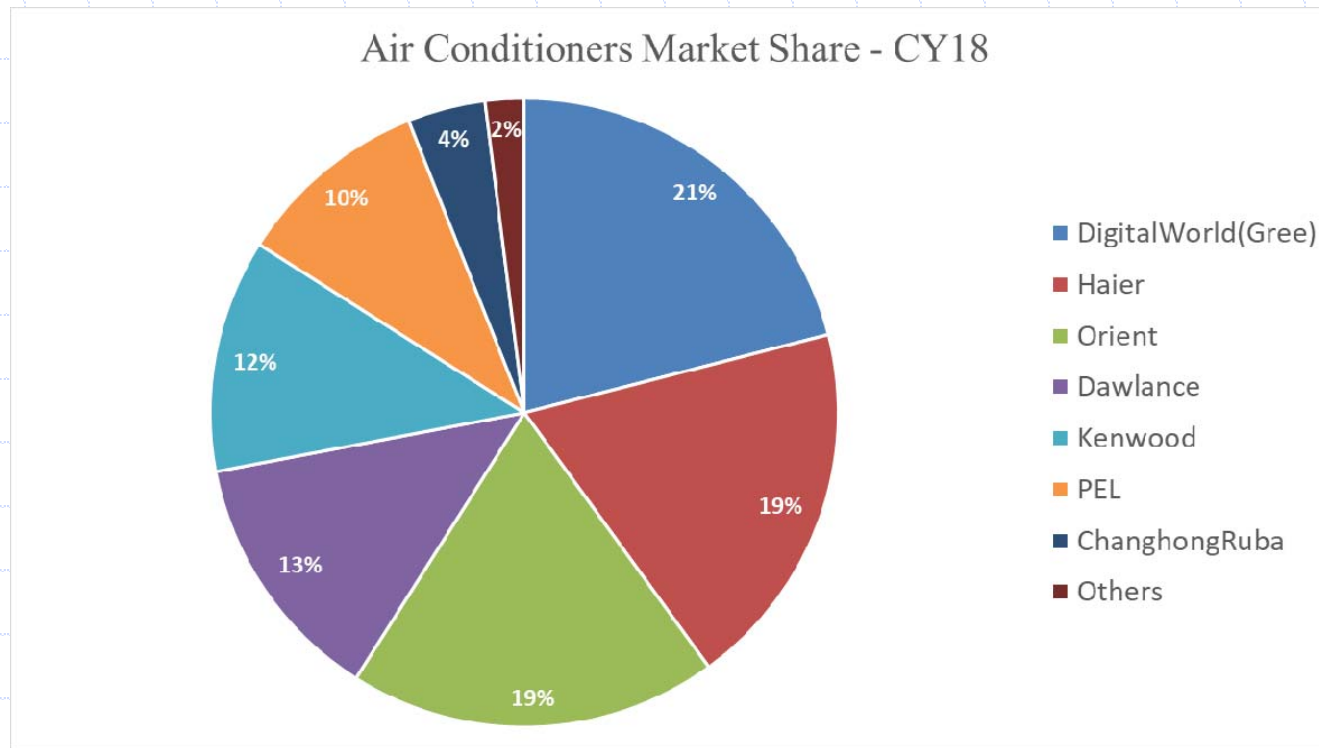
## Deep Freezers:

- 75% market share resides with Top 3 players; signifying high concentration
- Dawlence re-emerged in the market in 2017 regaining it's historic share of 11% and has maintained market share in 2018.
- Top Gainers for the period in CY17 are Dawlence and Haier while Waves and PEL lost Market Shares. The Market share were maintained in CY18.

Deep Freezers Market Share - CY18



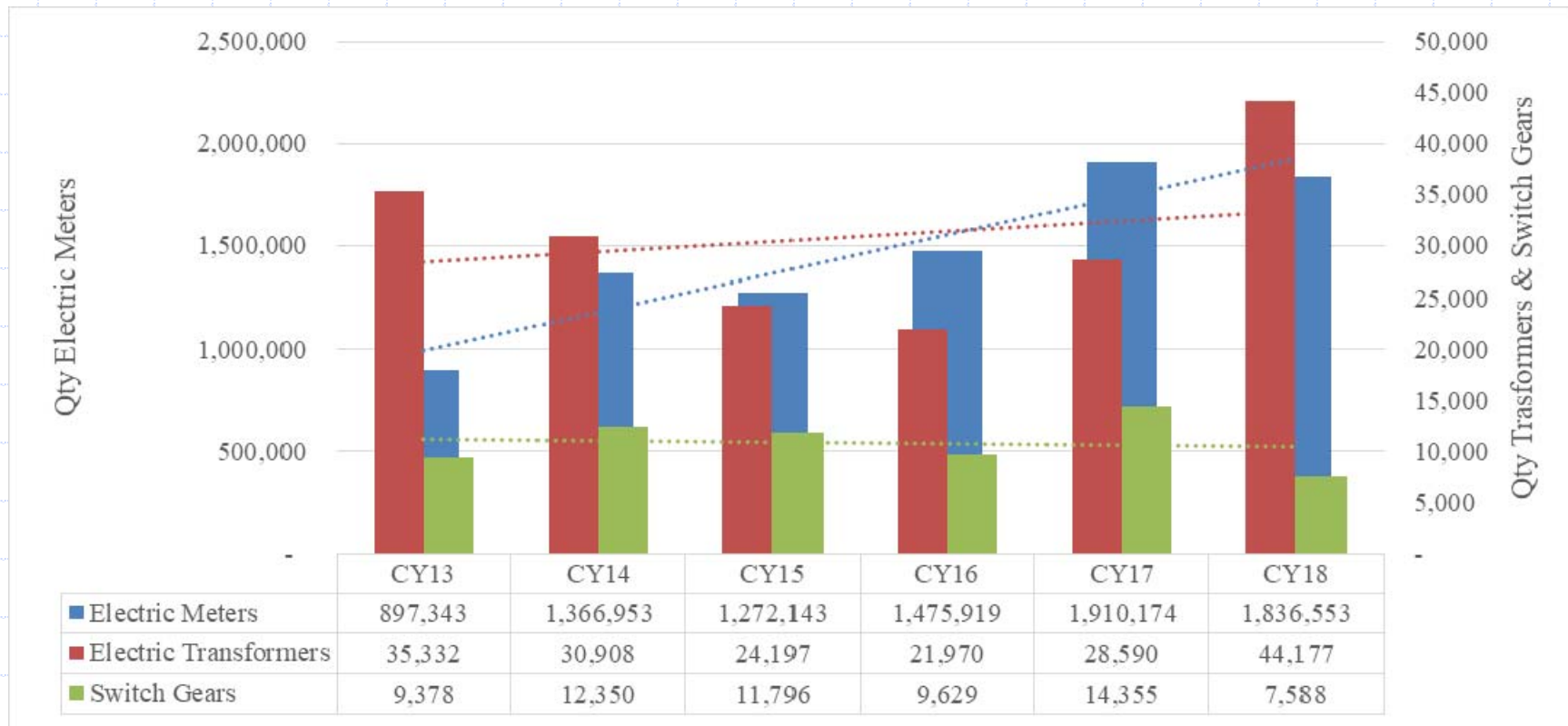
# Key Players| Market Share



## Air Conditioner:

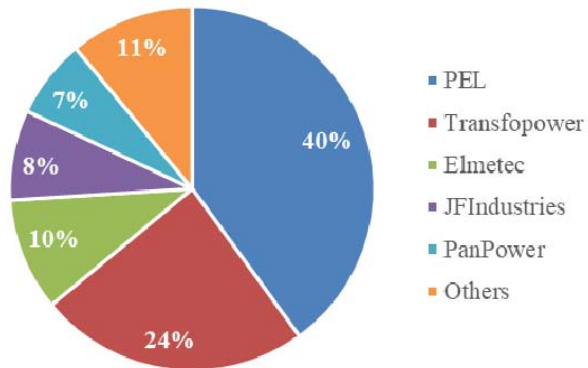
- Higher degree of diversification exists in the Industry compared to other segments
- Gree remains Market Leader in Air Conditioner Segments

# Electrical Engineering | Production

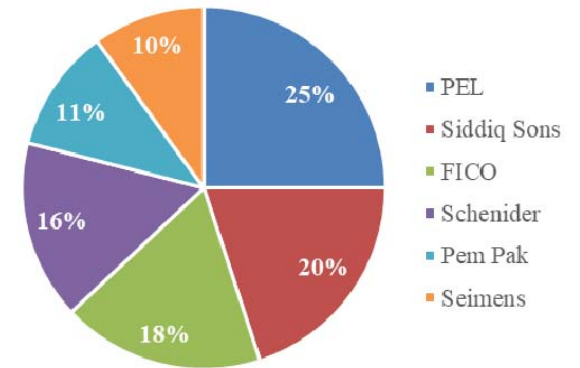


# Electrical Engineering |Key Players

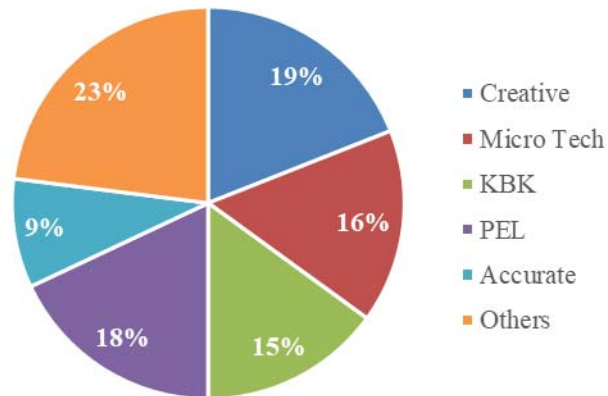
Electric Transformers Market Share - CY18



Switch Gears Market Share - CY18



Energy Meters Market Share - CY18





# Regulatory Structure

Customs Tariff		
Description	FY18*	FY18*
	CBU	AC Parts
Customs Duty	20%	16%
Additional Custom Duty	1%	0%
Regulatory Duty	40%	0%
Sales Tax	17%	17%
Additional Sales Tax	3%	0%
Income Tax	6%	5%
Cumulative Duty Factor	106.9%	40.2%

- Additional Custom Duty 1% & Regulatory Duty 10% on some parts impact added in Custom Duty against Parts
- \*As per the mini-budget presented Duty on the import of various items on CBU parts is proposed to be reduced to 5% or withdrawn.



# Bibliography

1. Pakistan Economic Survey 2017 – 18
2. Pakistan Bureau of Statistics
3. Household Integrated Economic Survey (HIES) 2015 – 16
4. Industry Sources
5. Pakistan Customs 2018-19

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