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## ANALYSIS OF CAR MARKET DEMAND OF SHANGHAI

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### ABSTRACT:

With the rapid development of our national economy, auto industry has been gradually growing as one of the pillar industries of our national economy, and it is becoming increasingly apparent that auto industry has pulled the national economy. As one of the main industries of auto industry, the car industry's development status and degree of prosperity has a self-evident effect on economy. Car demand is a very important standard that reflect the overall condition of car industry. This paper use Shanghai, the biggest city of China, as the example, and it has described the current situation of Shanghai car demand and their demand characteristic; It has analyzed various factors that affect car demand and use the per capita disposable income, consumption level in Shanghai and Shanghai GDP three factors to make up a Demand Forecasting Model. Then it forecasted the car demand of Shanghai of 2012.



**Keywords:** Request investigation; GDP; Per capita discretionary cashflow; Consumption level; Predict

### INTRODUCTION

#### The Research Background and Significance

With the advancement of our national economy, the vehicle business has step by step developed into one of the column enterprises of the national economy, its extent in the entire business, deals income, add up to benefit, add up to charges and other quickly enhance, the undeniably clear impact on invigorating the mechanical development. With the improvement of the vehicle is increasingly well known, request is expanding step by step, the yearly deals represented the extent of aggregate vehicle deals additionally expanded step by step. Truth be told, from the earliest starting point of 1995, traveler vehicles represented the market of our nation vehicle piece of the pie has jumped to the best, achieving 23%, ascending to 32% in 1998,2003, involve the car

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showcase in 2004, 42%, 2005 has achieved 45%, 2006, 2007, 2008 keep on being the primary main impetus of the car deals development. Subsequently, the status of vehicles in the entire car industry is developing. Be that as it may, China's vehicle advertise with the advancement of car industry, has not achieved a moderately steady state. Affected by different elements, the vehicle advertise is still truly insecure, and this shakiness and exceptional execution in vehicle request, specifically, the absence of viable interest. Despite the fact that our nation's vehicle request continued rising pattern, include a great deal of intensity for the advancement of the car business and even the national economy, yet its development rate varies broadly, as of late was especially apparent, vehicle advertise is likewise demonstrating a condition of irregularity among free market activity. This paper accepts Shanghai for instance, the impact variables of vehicle showcase request examination; discover the viable expectation demonstrate, to give a manual for gauge future interest for autos in Shanghai, to give the fitting premise to settling on financial choice.

### **Development of Shanghai Car Market Demand of the Recent Ten Years**

Lately, with the fast development of China's national economy, the per capita extra cash increments interminably, the street transport foundation has been incredibly enhanced, the occupants' utilization structure by the little purchaser durables move up to huge customer sturdy products, straightforwardly driving the vehicle utilization request development. From the business amount, the city of Shanghai in 2001, vehicle showcase offers of just 288800 units, to 2011 to accomplish yearly offers of 1742000 autos, ten years expanded in excess of multiple times, in 2009 after the single yearly deals are essentially kept up at in excess of 1000000 vehicles, the improvement speed rapidly. However, the development rate from the perspective, the advancement circumstance of vehicle showcase isn't hopeful; the interest has been in a condition of change of good and bad times, yet from a general perspective, or in the steady development.

### **An Overview of Relevant Theories of Economics**

#### **1) Demand theory**

On financial matters importance alludes to, in a specific timeframe, the majority of a ware might be cost and in these value levels, the connection between the quantity of purchasers are eager and ready to purchase. Request can be isolated into individual and market request. Singular interest alludes to a purchaser interest for a specific item. While the market request is alludes to the buyer the majority of a specific ware total interest, the market request is the rundown of individual interest. The reason for the difference in market request is different, notwithstanding the cost of the product itself, and the progressions of buyer propensities, shopper pay level, social salary conveyance reasonable degree; other pertinent item substitute or correlative merchandise value changes; social populace and its creation; the eventual fate of customer ware value desires, etc.

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## 2) Supply theory:

On financial aspects importance supply alludes to ventures (makers) in a given timeframe, the measures of merchandise at each value level are eager and ready to move. As the supply, is an unquestionable requirement have available to be purchased want, two is must have the supply limit, the two are essential. In the undertaking supply both new items, including the last generation stock. It ought to be focused on that, supply here isn't the one at a predetermined value supply, yet to supply all at each conceivable value dimension of the unique. So with the comparable connection between supply requests, the monetary importance of supply is additionally reflected in the cost of the relating. Changes in supply could prompt supply variance, however not alternately, supply change is an adjustment in the supply of. On the supply can't change the conditions, the supply can fluctuate with the difference in cost

## Conclusion

In this paper, taking the city of Shanghai from 2002 to 2011, the per capita extra cash, utilization level, the GDP information as the premise, this paper investigates the interest of Shanghai vehicle advertise in the course of recent years, the general end is: the interest of vehicle showcase is always growing, with the improvement of the national economy, the per capita discretionary cashflow and utilization level is additionally rising, request circumstance of vehicle showcase likewise continuously is reinforcing. However, the relentless development of vehicle advertise flourishing and auto vehicle request is identified with numerous variables, including monetary factors(GDP, per capita discretionary cashflow of urban occupants, vehicle credit loan fees, urban inhabitants per capita funds balance toward the end), arrangement factors, the city foundation development, oil costs and other macroeconomic elements and vehicle producer, vehicle, vehicle items the miniaturized scale components and vehicle showcase customers. The financial factor assumes an essential job in the interest of auto vehicle request, straightforwardly influences the extent of. In the following couple of years, China's vehicle request in the impact of the monetary development, individuals' expectations for everyday comforts enhance, vehicle costs bit by bit clear, a wide range of new sort recorded and other positive factors and value good and bad times, movement clog, stopping deficiencies and also the money related emergency and other negative factors, the aggregate body in spite of the fact that request will be influenced to a specific degree, however the interest pattern of the aggregate will at present continue rising pattern. Vehicle of things to come market will increasingly prosperous.

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