

S Korea October Car Sales up as Production Recovers From Strikes

SEOUL—South Korea's car sales rose in October as production recovered at the country's top two auto makers following labor strikes in the summer.

The combined car sales of the country's five car makers—Hyundai Motor Co. (005380.SE), Kia Motors Corp. (000270.SE), GM Korea Co., SsangYong Motor Co. (003620.SE) and Renault Samsung Motors Corp.—rose 8.8% to 732,815 vehicles last month compared with a year earlier, data provided by the companies Thursday showed.

Hyundai Motor and Kia Motors led the others in export figures. Hyundai's overseas sales were up 15.7% on the year to 350,703 units and Kia's rose 11.5% to 190,838 units.

Hyundai sold a total of 412,189 autos in October, while Kia sold 231,438.

“Hyundai and Kia will likely continue to show solid performance in terms of sales during the months of November and December with strikes behind them and no further plant expansion work scheduled,” said Mirae Asset Securities analyst Kim Yoon-ki.

Unionized workers at Hyundai Motor and Kia Motors went on strike several times this year over pay and working conditions, causing production losses mainly during the months of July and August. After months of negotiations, unions reached an agreement with Hyundai in August and Kia the following month.

Hyundai's and Kia's sales in Europe haven't been hindered by the region's economic troubles so far, Mr. Kim said, though other analysts have said Europe's woes could block further growth in the auto makers' exports.

Renault Samsung Motors continued to perform weakly, mainly owing to a lack of new models. The company's sales last month fell 45% year-on-year to 11,353 units, with exports declining 48.3% and local sales decreasing 39.6%.

SsangYong Motor's total sales increased 22.8% from October 2011, with its domestic sales more than doubling to 4,184 units. GM Korea's overall sales fell 4.3% to 66,629 units.