

Automotive Update and Outlook

Industry Update (Sales), Announced Investment, & Looking Forward

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MAGMA Advisory Council Meeting, 14 March 2025



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Industry Update: Car Sales

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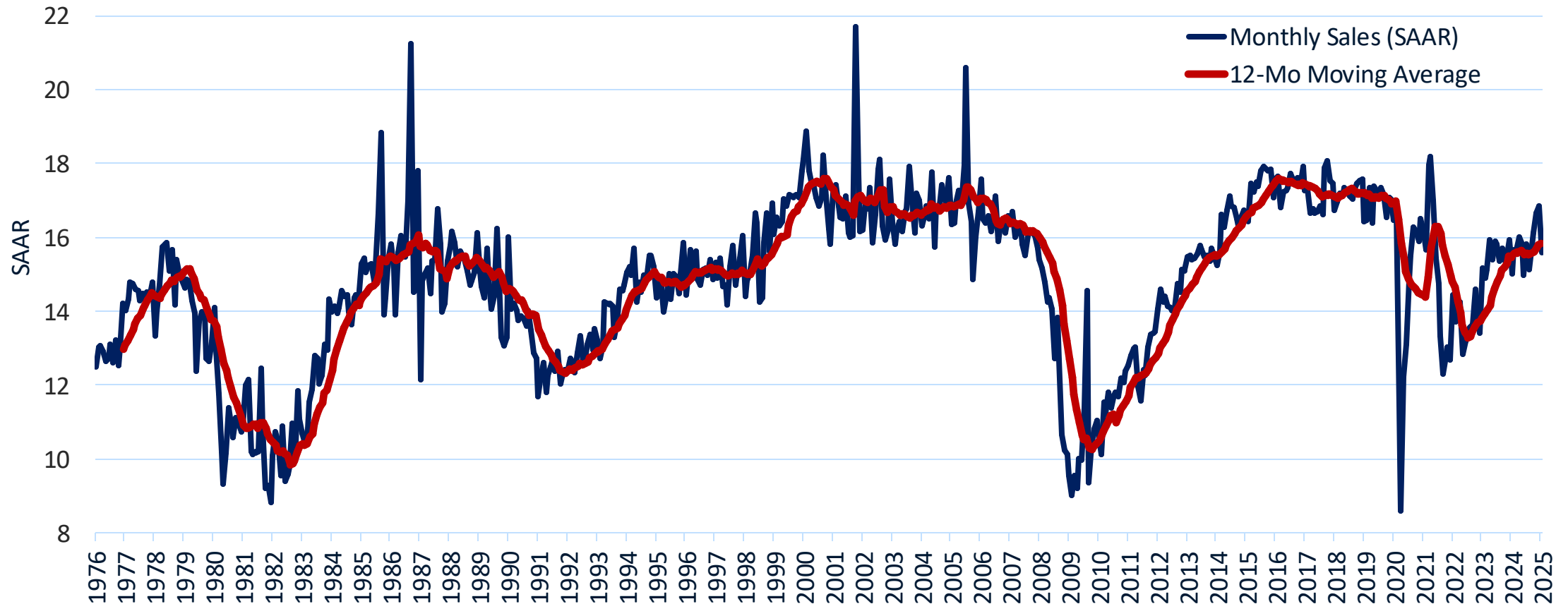


Looking Back

12-month moving average of U.S. light vehicle monthly sales trends upward in the end of 2024

Monthly Sales (SAAR)

1976 – January 2025



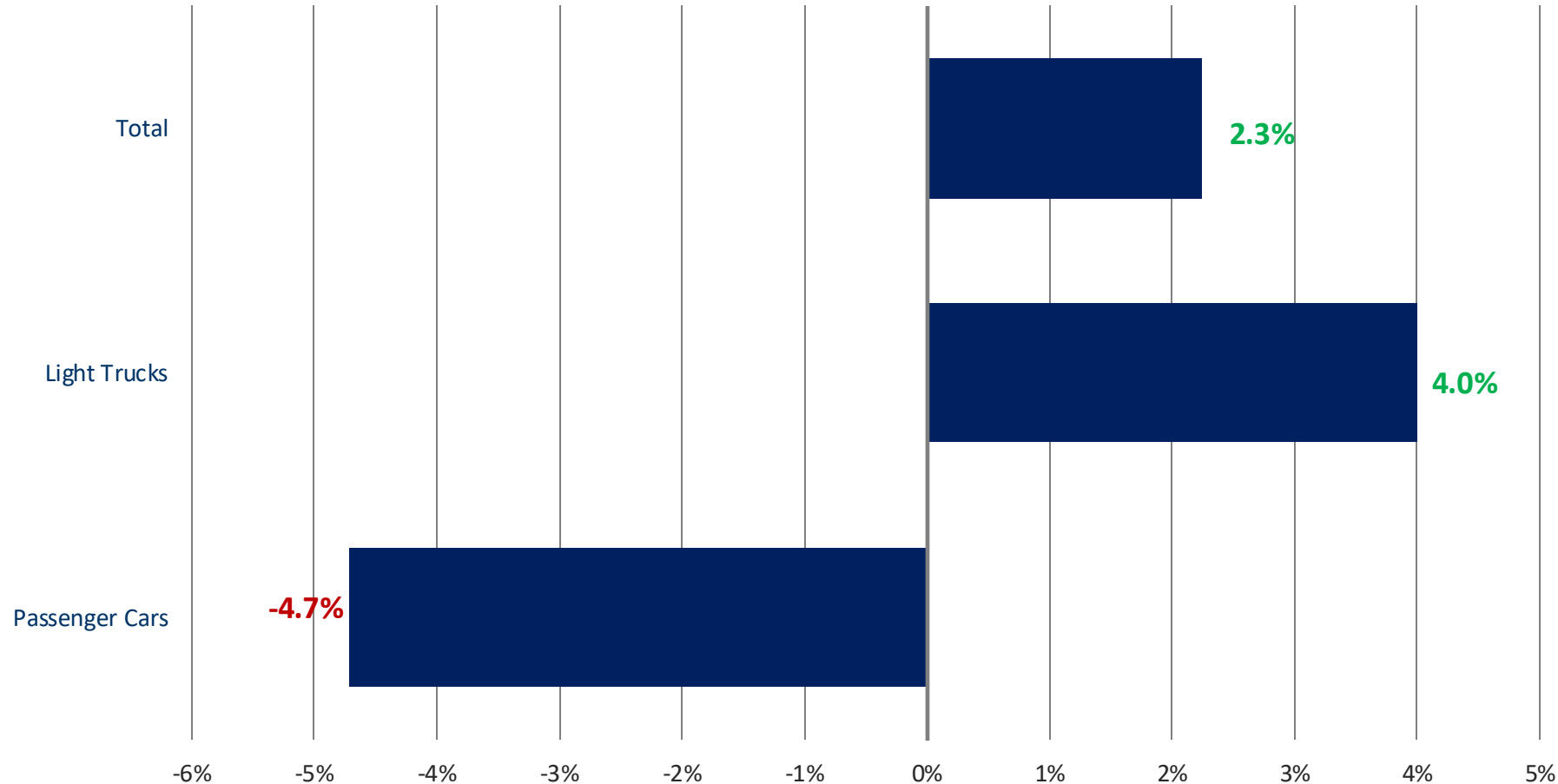


Looking Back

U.S. Light-Duty Vehicle Sales Performance in 2024

U.S. Light Vehicle Sales

Percent Change: 2024 vs. 2023



15,850,078	Total
348,788	
100%	

12,880,325	Truck
495,682	
81.3%	

2,969,753	Cars
-146,894	
18.7%	

Top: YTD

Middle: YTD Change

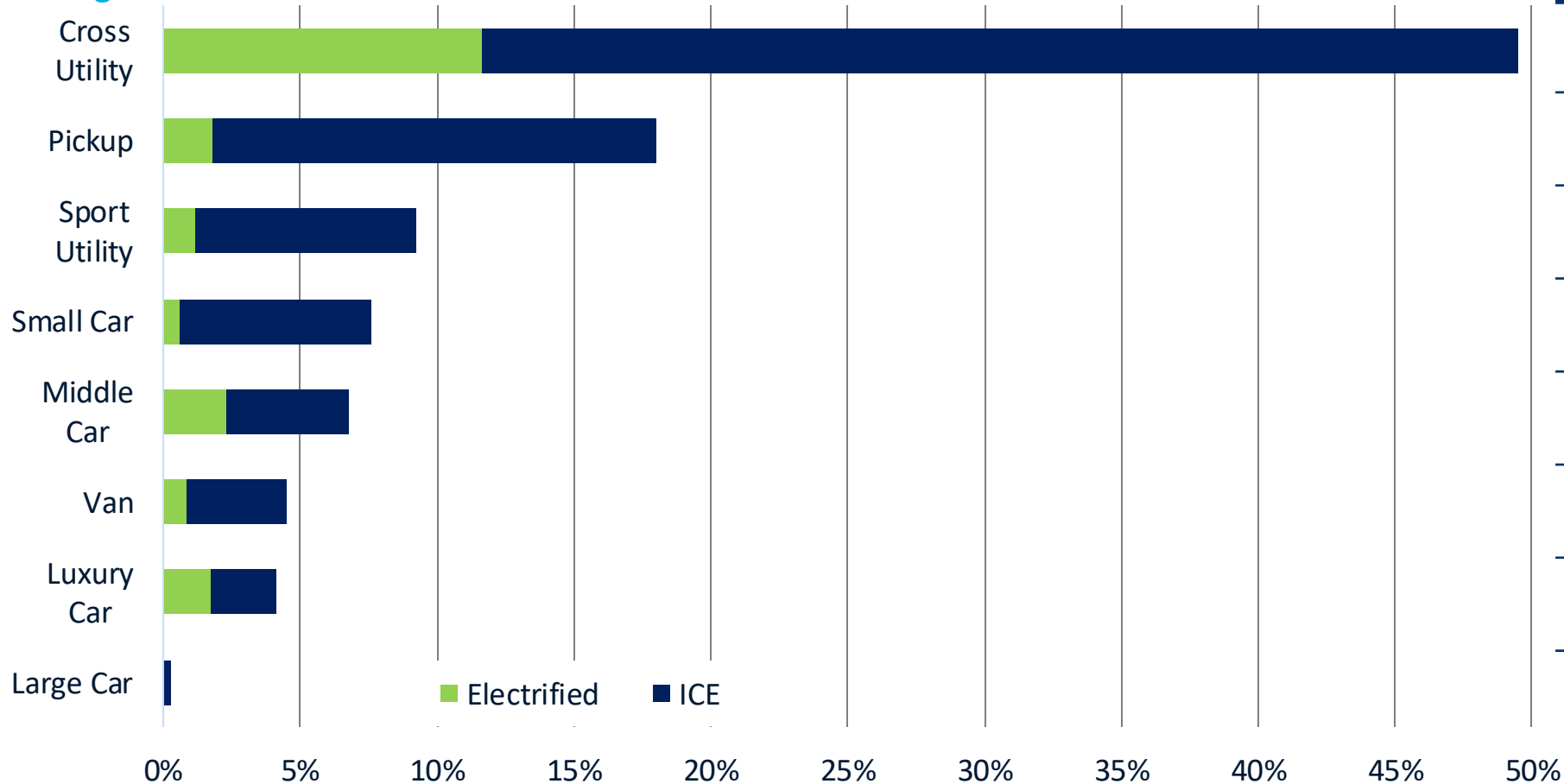
Bottom: YTD Market Share



Looking Back

CUV's dominate U.S. light vehicle sales in 2024

Market Share: Segment Breakdown
U.S. Light Vehicle Sales 2024



Electrified Share of Segment
2024

Cross Utility	23.4%
Pickup	9.8%
Sport Utility	12.5%
Small Car	7.7%
Middle Car	34.2%
Van	18.2%
Luxury Car	42.1%
Large Car	0.0%

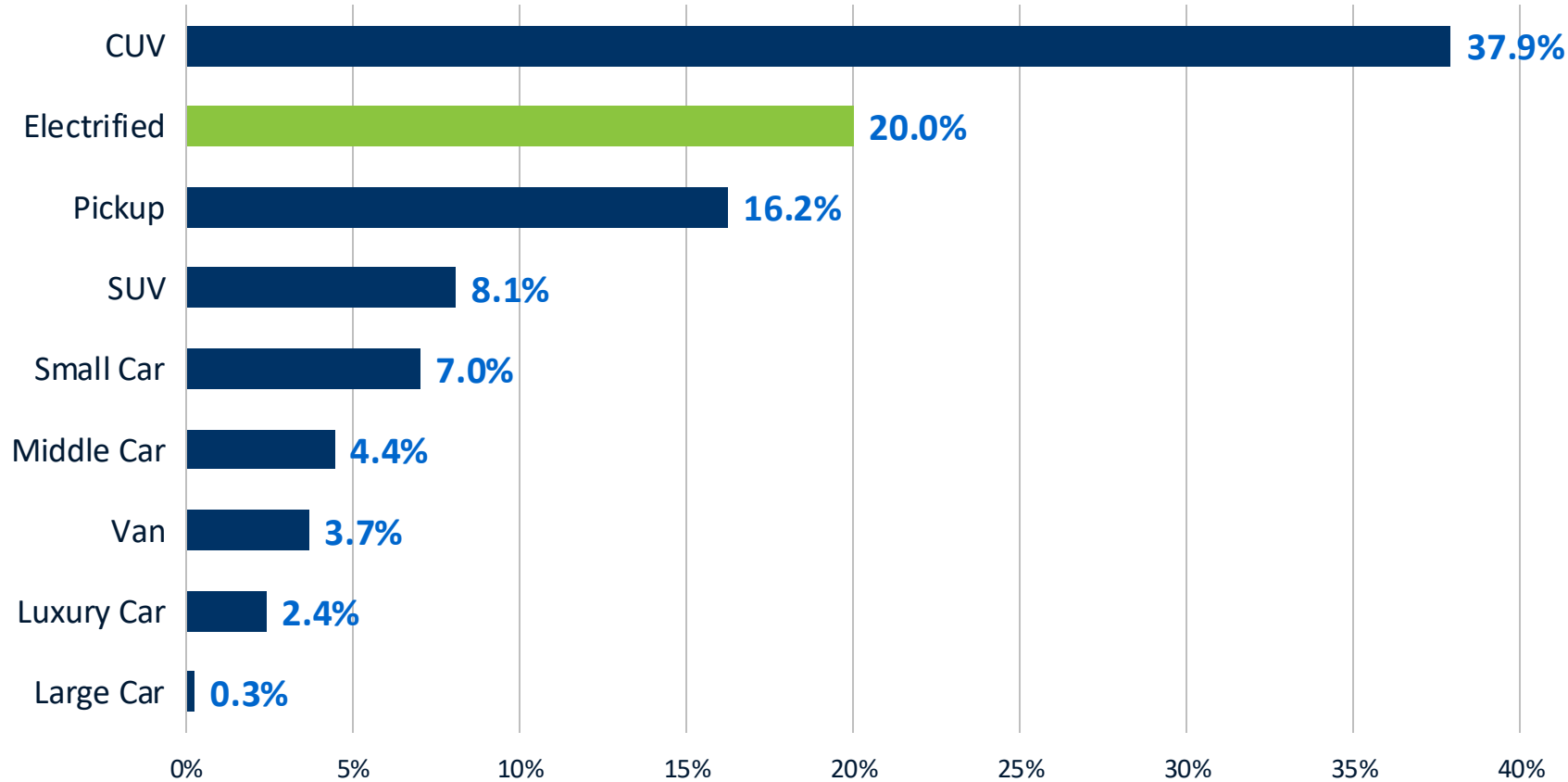
Note: Electrified Segment consists of BEVs, HEVs, PHEVs, and fuel cell vehicles
Source: Wards Intelligence Reports and CAR Research



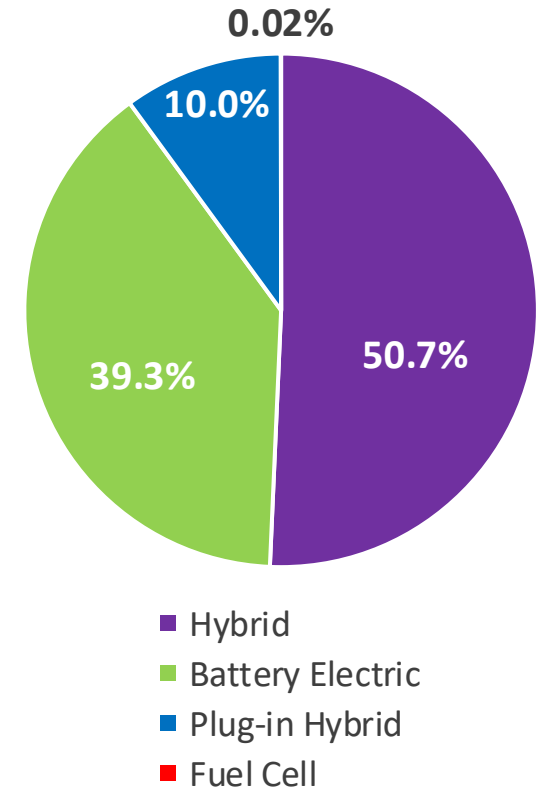
Looking Back

Electrified vehicles take up **20.0%** of the LV market

Market Share: Segment Breakdown U.S. Light Vehicle Sales 2024



Electrified Vehicle Share 2024



Note: Electrified Segment consists of BEVs, HEVs, PHEVs, and fuel cell vehicles; all other segments are sales exclusive of Hybrid models

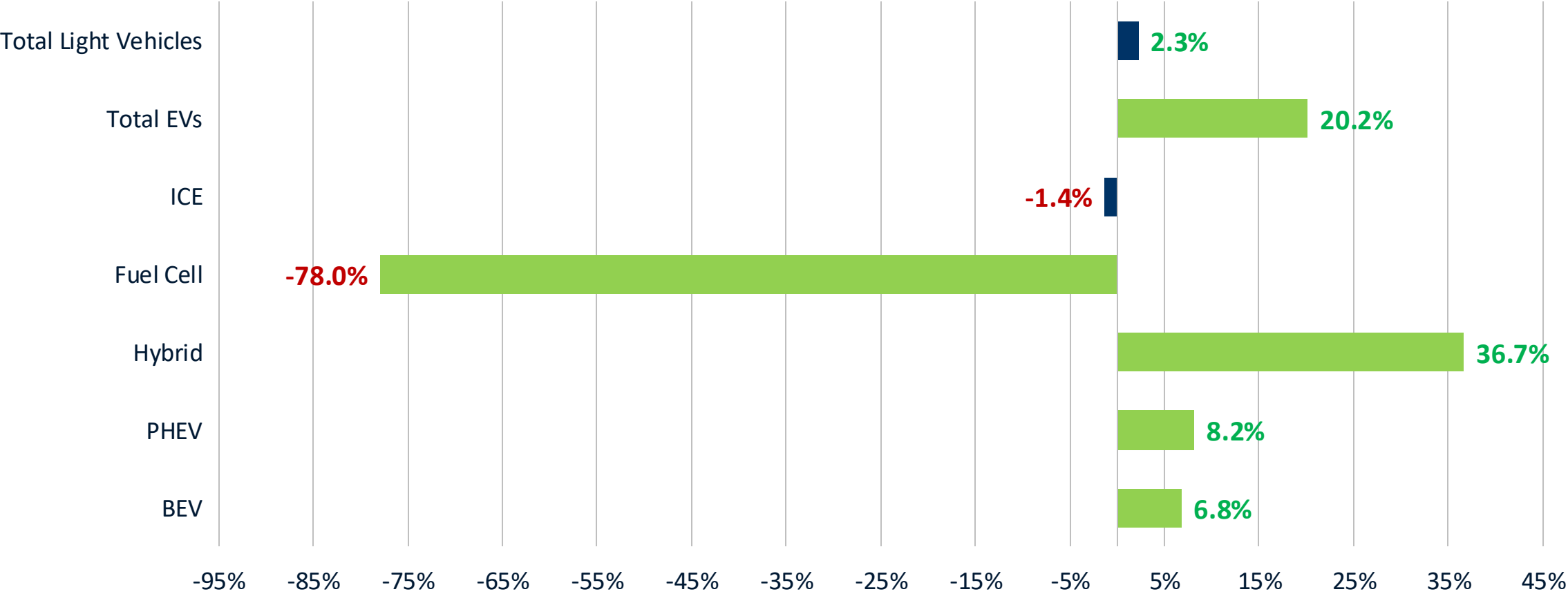
Source: Wards Intelligence Reports and CAR Research



Looking Back

Electrified vehicle sales drove market growth in 2024

Segment Breakdown: U.S. Light Vehicles Sales Percent Change
2024 vs. 2023



Source: Wards Intelligence Reports and CAR Research

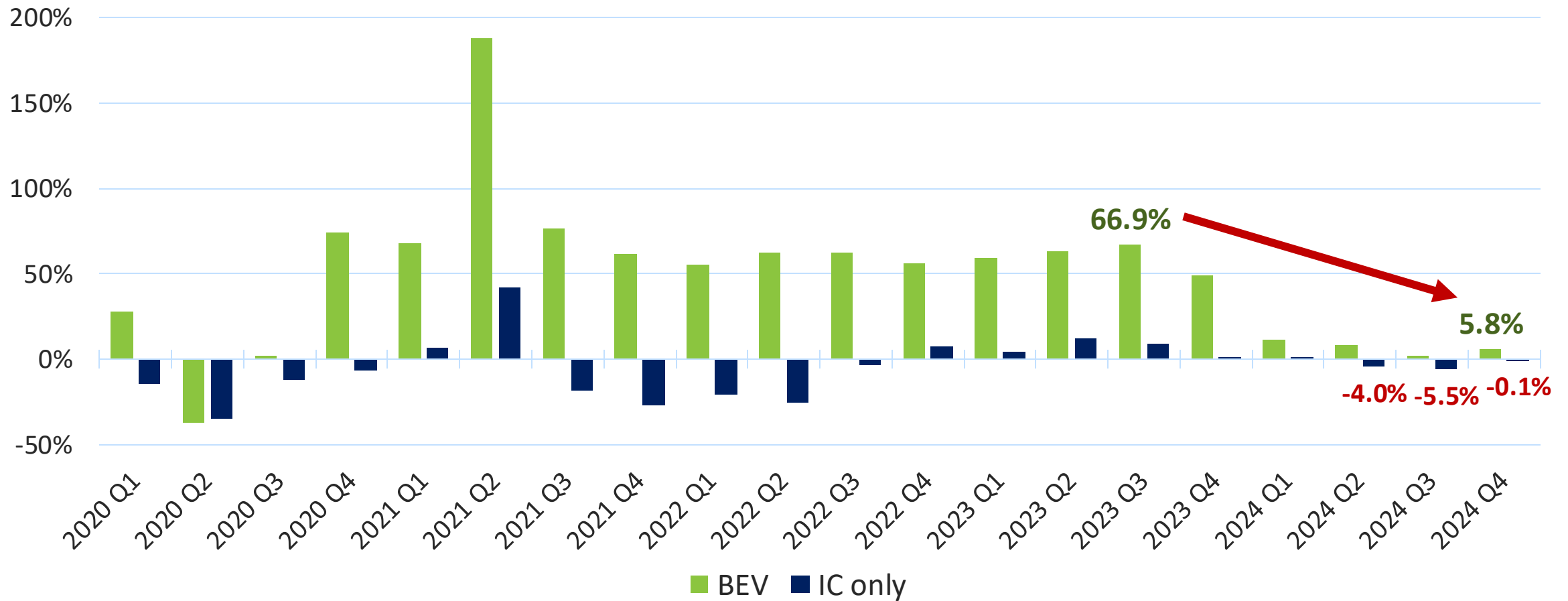


Looking Back

BEV sales slowing... but still growing!

U.S. BEV vs ICE Sales

YoY % Change by Quarter



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Book of Deals: *Automotive Investment Announcements*

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CAR Book of Deals

Methodology Purpose

The Center for Automotive Research (CAR) Book of Deals was created in 2003 to track economic development deals between automotive companies and state governments. Today, The Book of Deals functions as an inventory of North American investment projects, as announced by automakers and automotive suppliers. To populate the Book of Deals, CAR monitors media, governmental, and company sources regularly. These sites are reviewed Individually - the data is not scraped automatically. Announcement details should be treated as estimates based on publicly available information. Please contact us if there are any corrections, missing information, or announcements that should be included.

Coverage

The Book of Deals tracks announced automotive investments occurring in the United States, Canada, and Mexico. Capital investments, such as establishing a new office, installing new machinery, and expanding an assembly line, are included. Corporate mergers and acquisitions, changes to employment levels, and investment activity from related industries (agricultural vehicles, construction equipment, aftermarket parts) are not recorded in the Book of Deals. The Book of Deals is based on publicly available data. Announcements of lesser value than the typical OEM investments, particularly those from smaller supplier firms, may not be included. All investment amounts are in USD, unless specified otherwise.



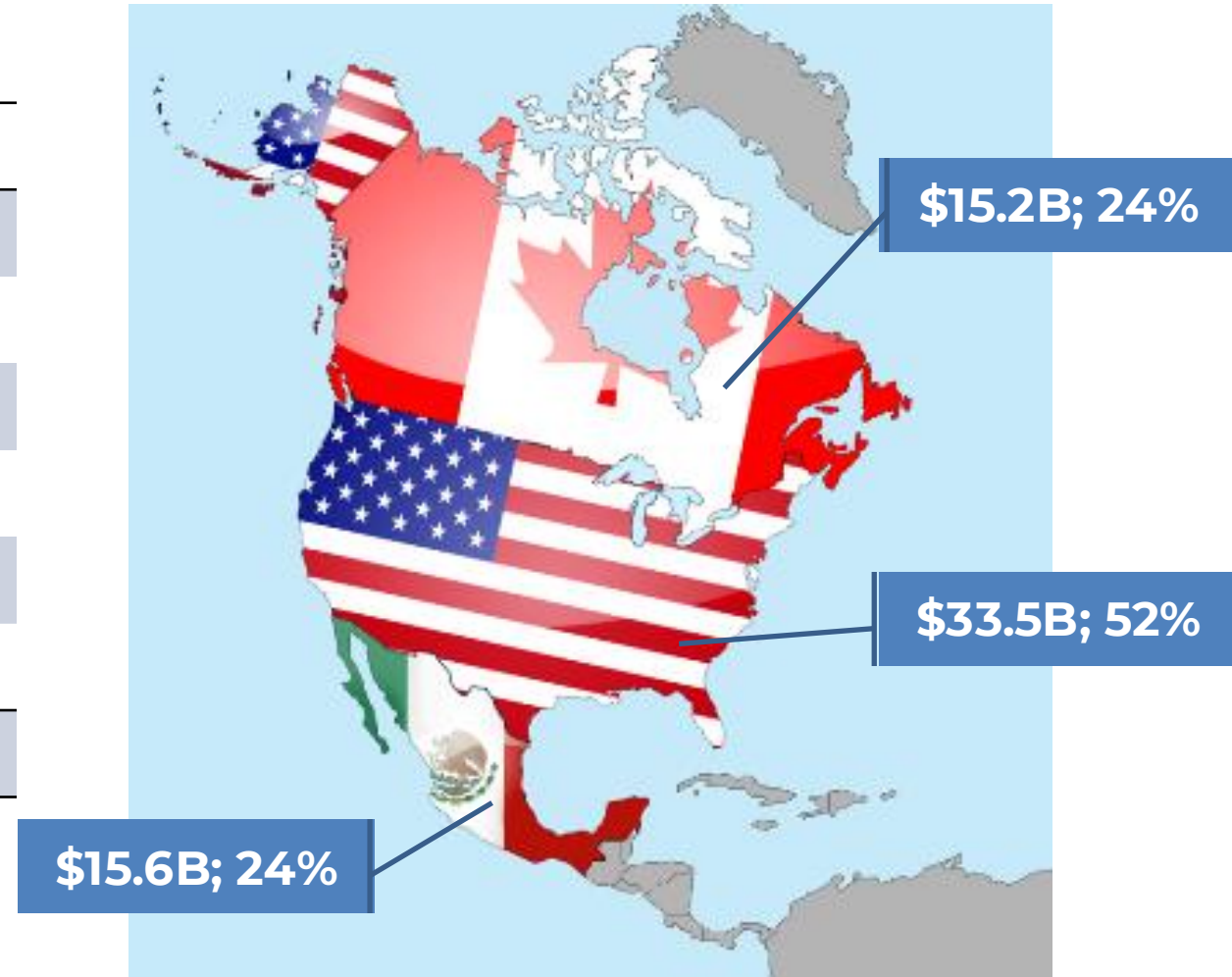
2024 in Review



Automaker and Supplier Announced Investment

2024 in Review

Region	Investment Amount (\$USD)
Canada	\$15.2B
United States	\$33.5B
<i>U.S. Great Lakes</i>	\$11.9B
<i>U.S. South</i>	\$12.4B
<i>U.S. Other</i>	\$9.3B
Mexico	\$15.6B
Total	\$64.4B

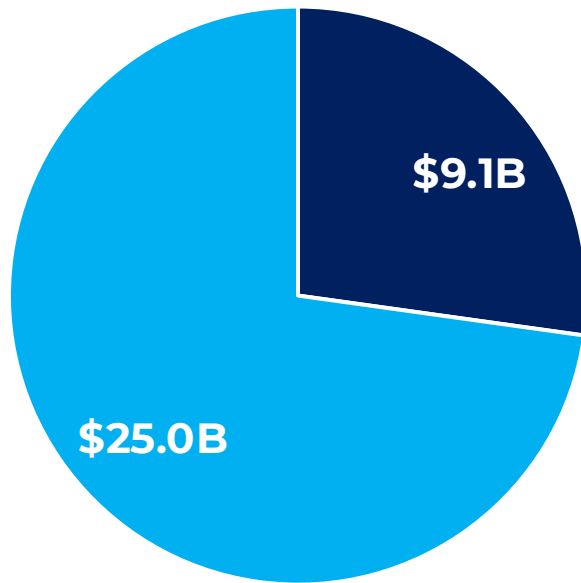




Automaker and Supplier Announced Investment

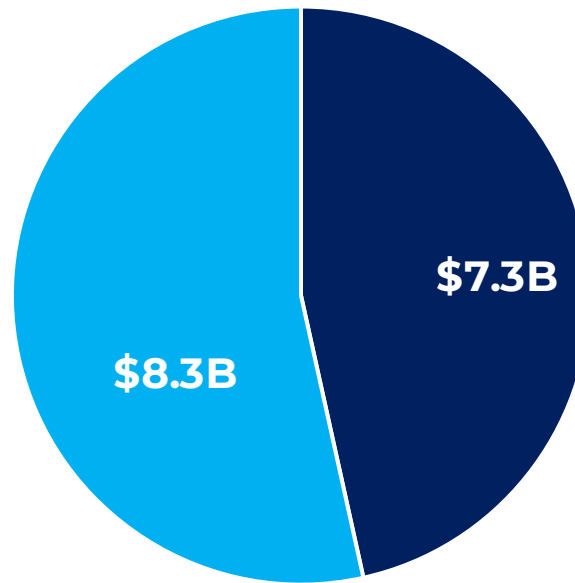
2024 in Review

United States
Total: \$33.5B



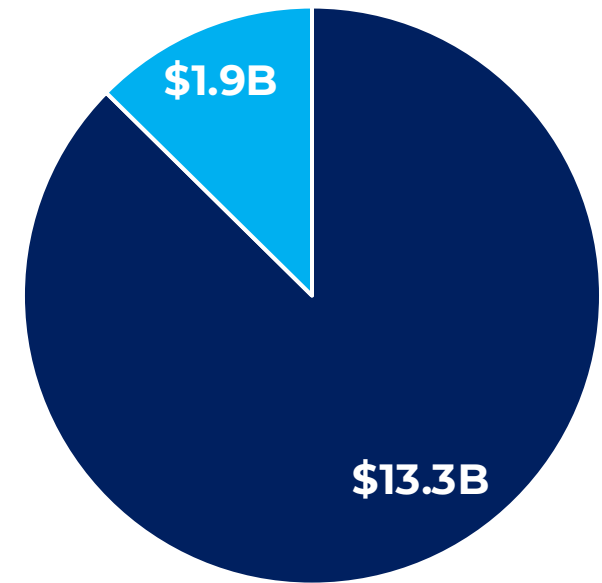
■ Automaker ■ Supplier

Mexico
Total: \$15.6B



■ Automaker ■ Supplier

Canada
Total: \$15.2B

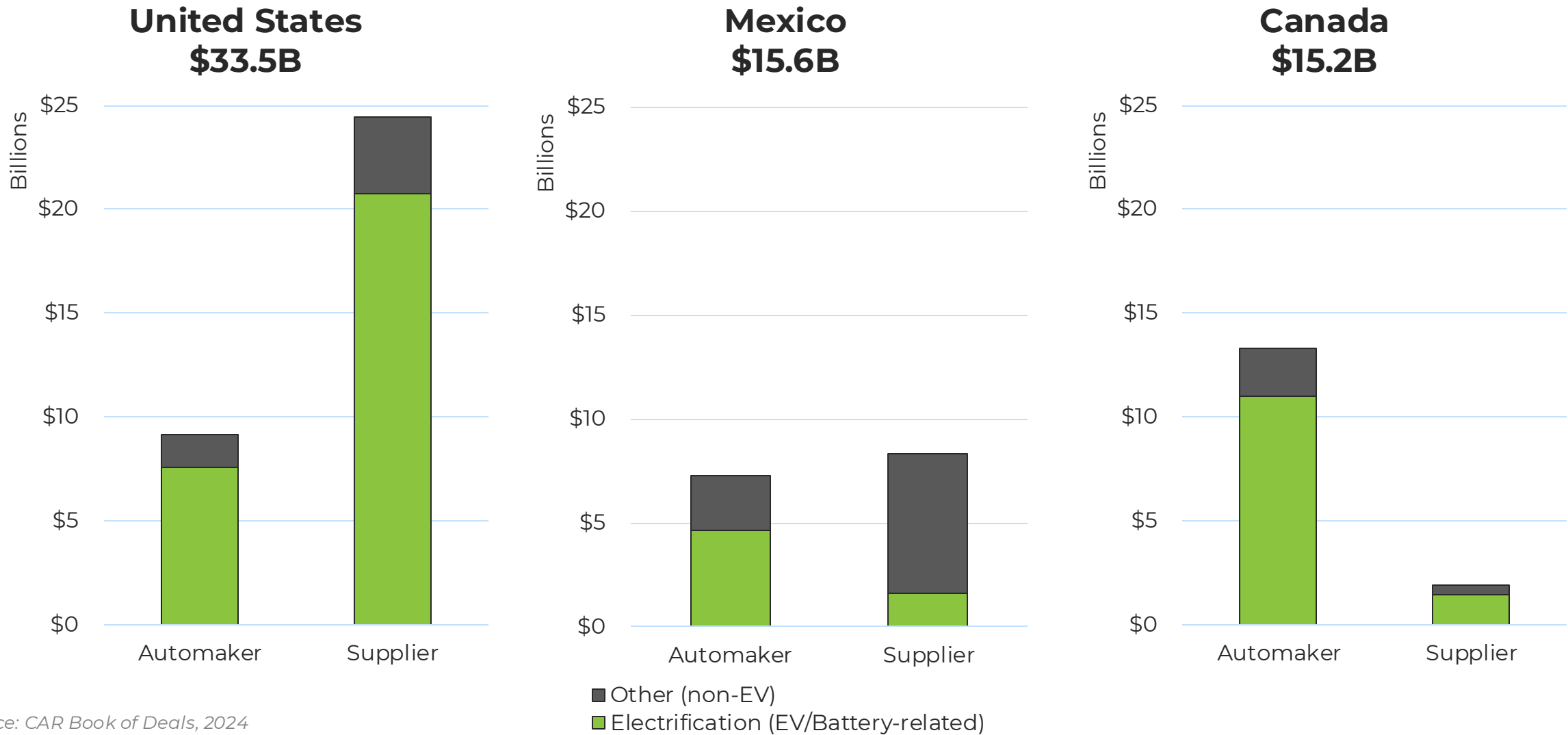


■ Automaker ■ Supplier



Automaker and Supplier Announced Investment

2024 in Review



Source: CAR Book of Deals, 2024

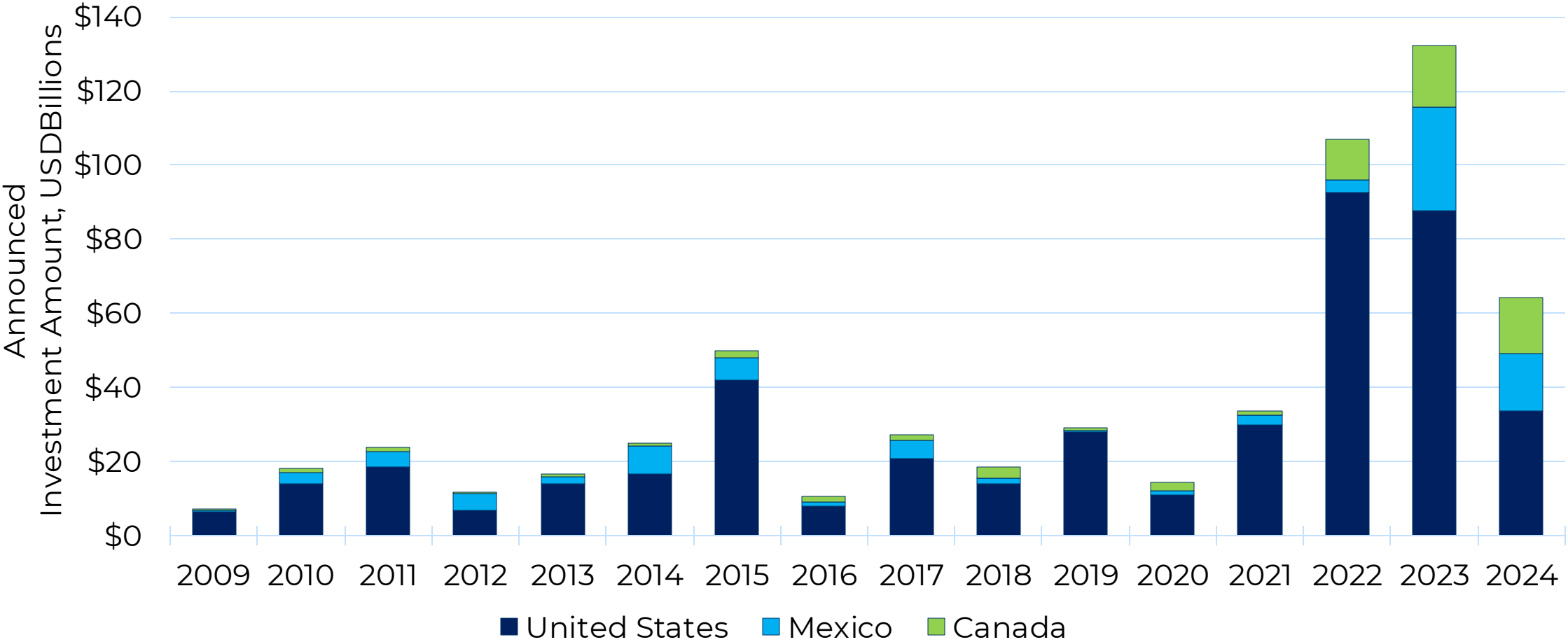


Long Term Trends



Announced Automotive Investment

2009 – 2024, North America: Dollars

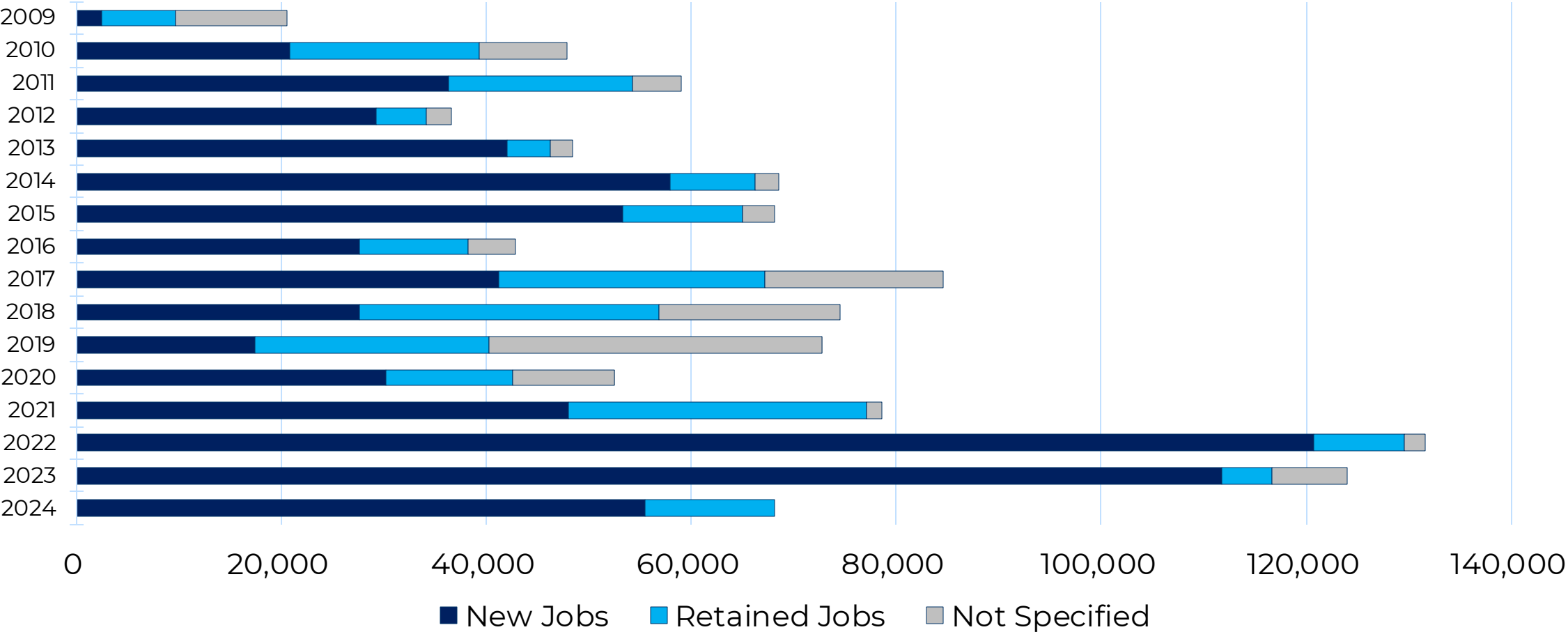


Source: CAR Book of Deals, 2024



Announced Automotive Investment

2009 – 2024, North America: Expected Jobs

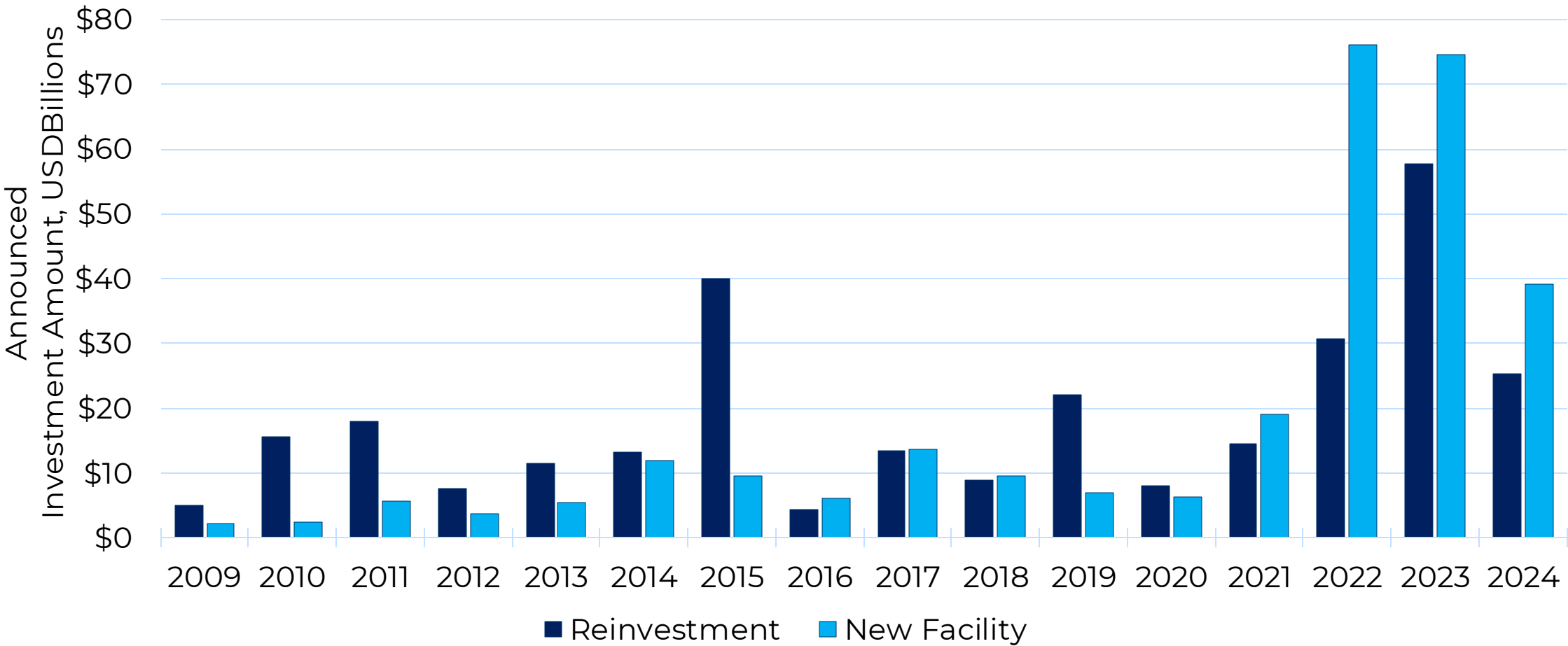


Source: CAR Book of Deals, 2024



Announced Automotive Investment

2009 – 2024, North America: Reinvestment vs New Facilities

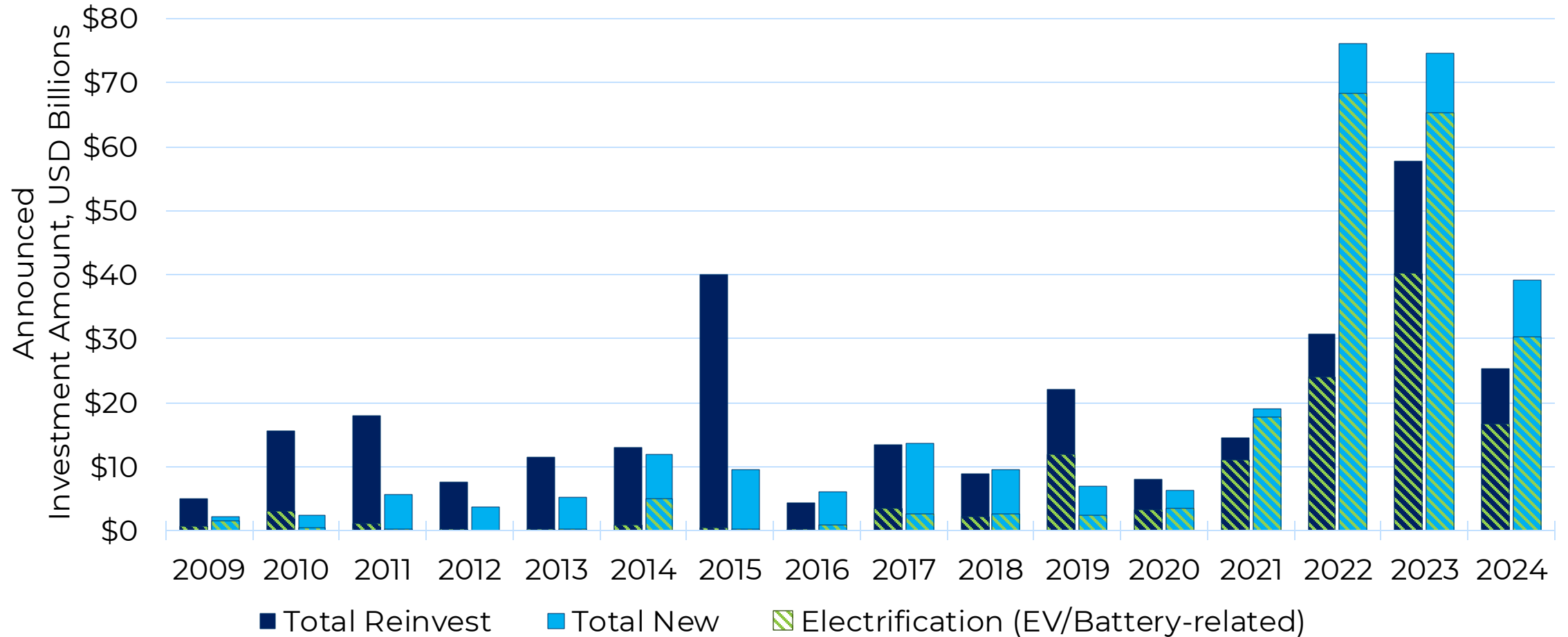


Source: CAR Book of Deals, 2024



Announced Automotive Investment

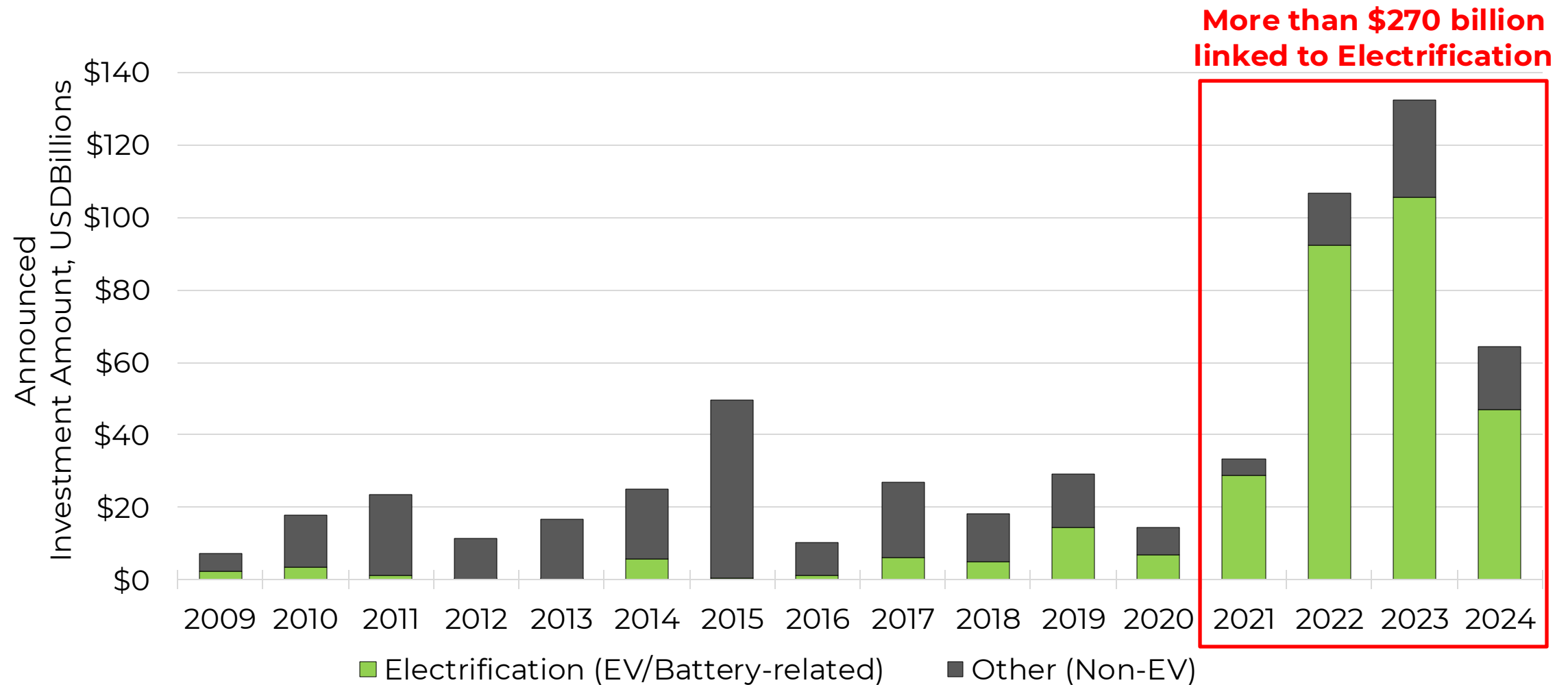
2009 – 2024, North America: Reinvestment vs New Facilities





Announced Automotive Investment

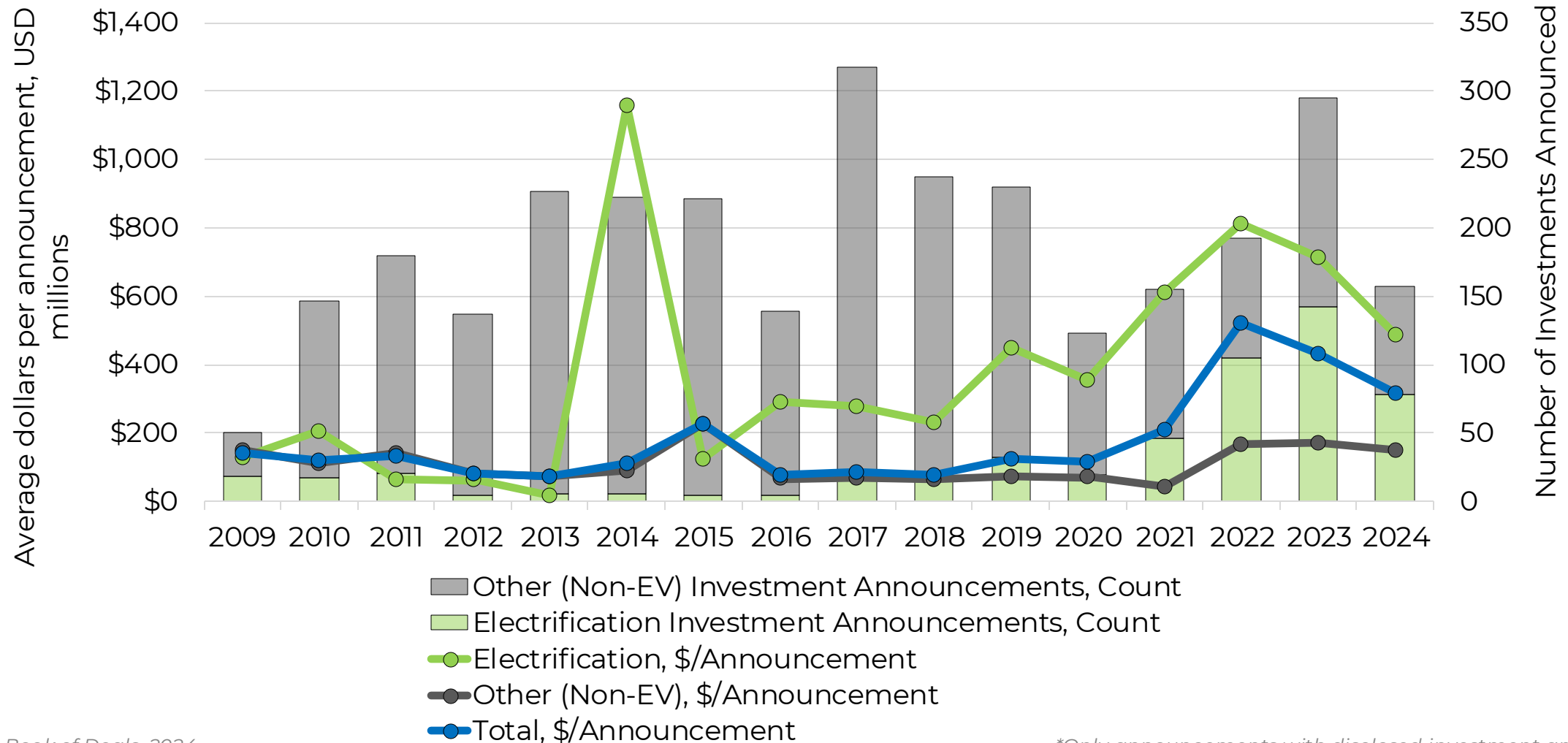
2009 – 2024, North America: EV and Battery-Related





Announced Automotive Investment

2009 – 2024, North America: Electrification vs Non-EV*



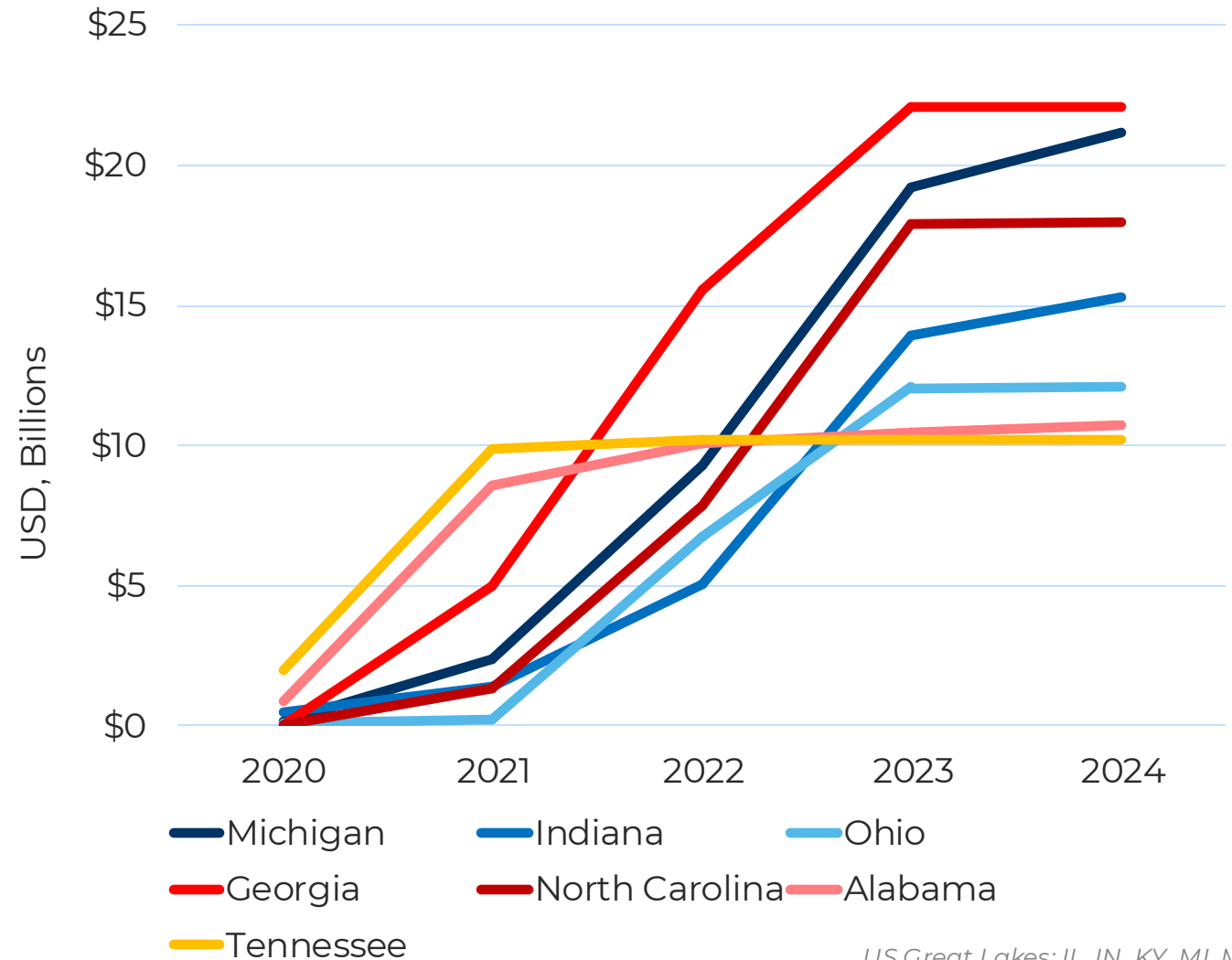
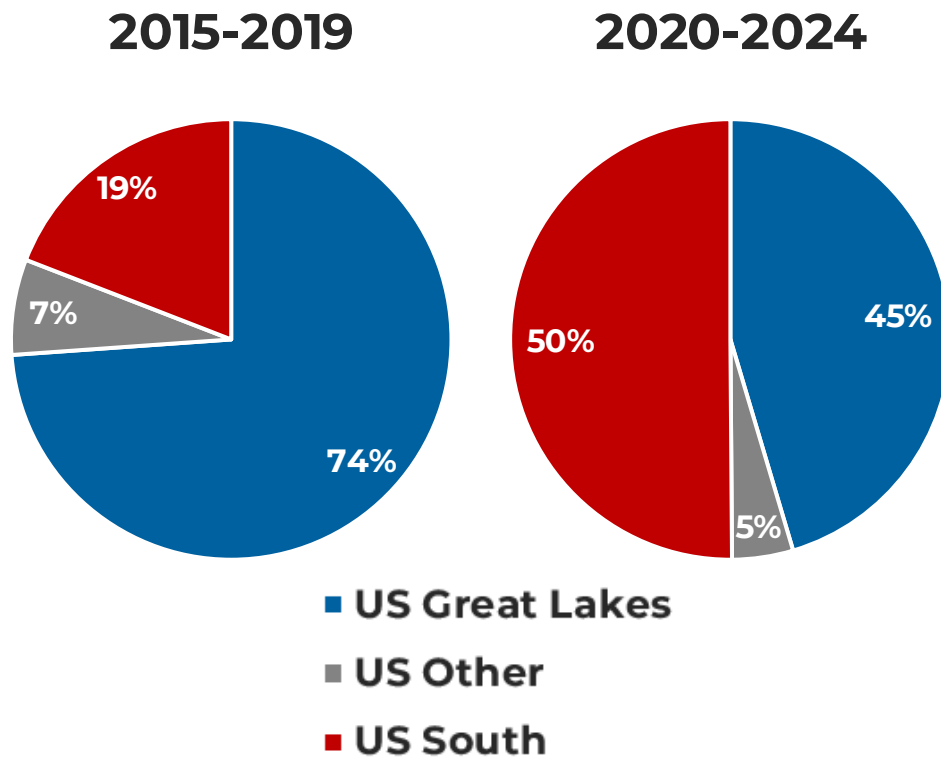
Source: CAR Book of Deals, 2024

*Only announcements with disclosed investment amounts included



Running Total of Automaker Announced Investment

2020 – 2024: Growth of investment announced in the South



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Looking Forward to 2025

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2025 U.S. Sales Forecasts:

Units in Millions

 CENTER FOR AUTOMOTIVE RESEARCH	16.1 (1/25)	 edmunds	16.2 (12/24)
Morgan Stanley	16.3 (1/25)		16.2 (12/24)
	16.3 (12/24)		16.2 (12/24)
	16.1 (11/24)	 GlobalData.	16.1 (12/24)

The consensus estimate currently calls for ~16.2 million SAAR for 2025, i.e., up ~2% from 2024 levels; however, ***there is downside risk in our view.***

Several publicly traded auto suppliers are beginning to caution about prevailing production forecasts and are now assuming a 1-2% decline yr/yr – suggesting that SAAR forecasts may be overly optimistic.



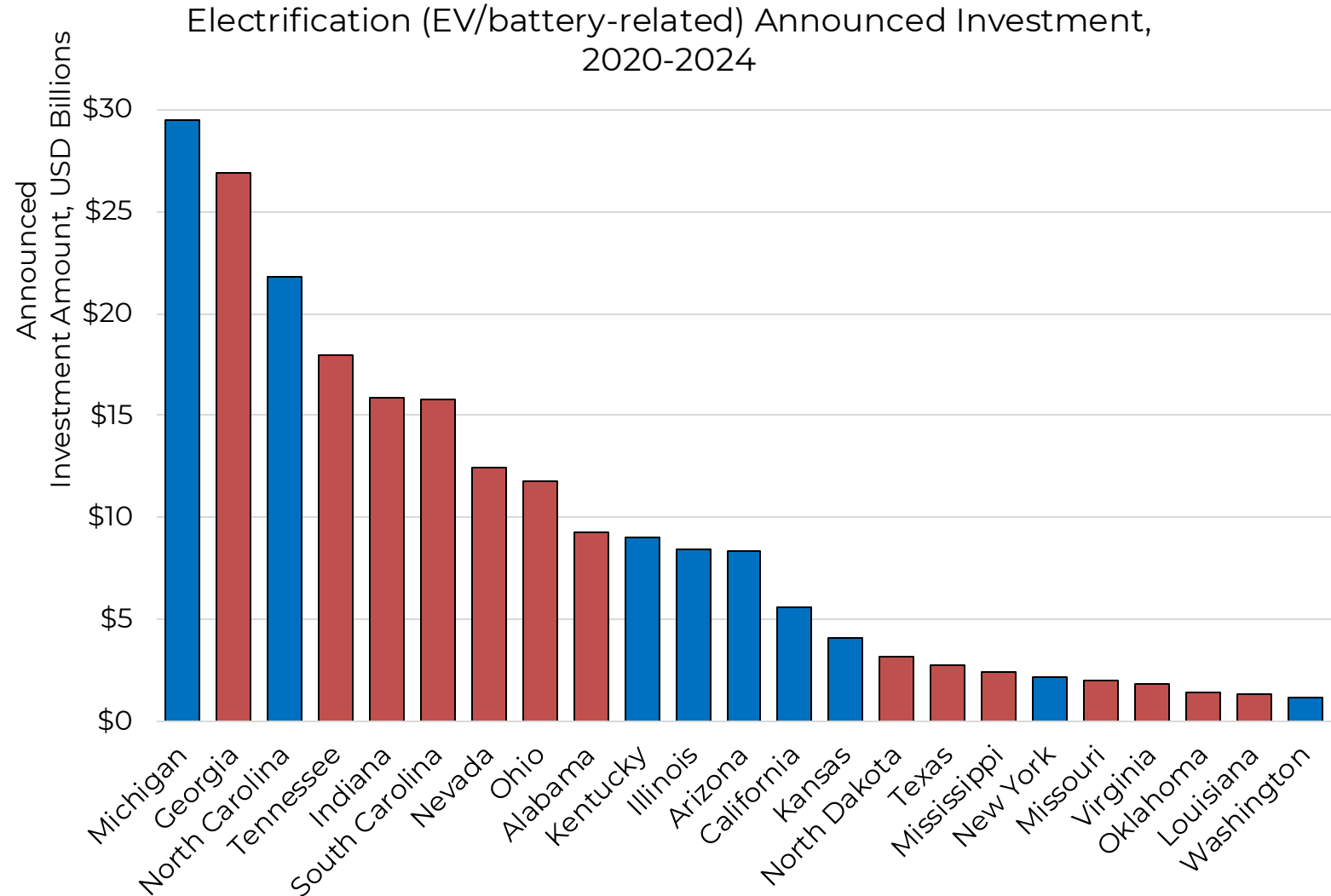
Looking Forward – Investment Announcements

Risk to Announced Investment

- Slowdown in EV adoption
- Potential reduction or loss of EV incentives
- Sales volumes down compared to pre-pandemic levels
- Affordability remains a concern

Uncertainty

- Clean Energy Transition
 - EV Sales Incentives
 - EV Infrastructure Funding
 - EV and Battery Manufacturing Incentives
 - Hydrogen
- Trade
 - Tariffs
 - Retaliation





Looking Forward – Investment Announcements

Less total announced investment in 2025 than 2024

- More re-announcement or re-commitment to previously announced projects
- Less investment in EV and Battery-related projects
- Tariffs weigh on total announced investment

Areas of increased investment

- Reallocation of production and potential increased investment to avoid tariffs
- Reinvestment in ICE powertrain and flexible production
- Increased investment announced in ADAS and AV technology
- More partnerships and collaboration



Investor Sentiment & The Risks

Investor Sentiment / Earnings Season: “What we’re watching for”

- All eyes are on the Trump Administration... tariffs or *threat* of tariffs.
 - We don’t know really – BUT *he typically does what he says*.
- Investors are actively seeking to “re-price” risk... it’s not just trade policy either.
 - “Peak Auto” – TBD. How to grow (and invest) without industry sales or production growth.
 - Divergent global EV trajectories.
 - What about AVs – TSLA investors expect more.
 - Everything, everywhere, all at once... isn’t sustainable anymore.
 - Pressure to explore strategic initiatives / consolidation.
 - Suppliers: mix will be key (geography, aluminum and steel exposure, EVs vs. ICE); scale and financial strength

THANK YOU



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