

ROUNDING THE CORNER

MARCH 2024 

The prior year for the U.S. automotive industry was the start of a return to “normal,” as new vehicle sales defied expectations amid improved supply chain conditions, increased production, and exciting new product launches. An uptick in incentives from historical lows and a rebound in fleet deliveries further bolstered industry gains. Nonetheless, new vehicle demand was tempered by rising interest rates and inflationary pressure, as well as production challenges for several automakers amid labor strikes.

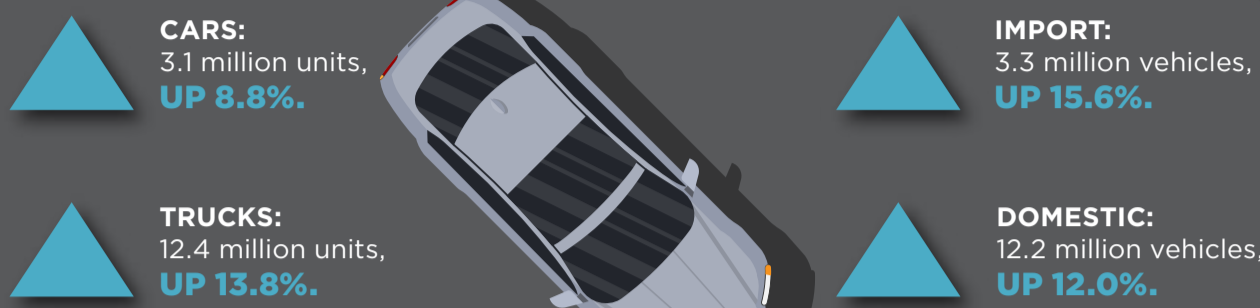
BETTER LIGHT THAN NEVER

Sources: National Automobile Dealers Association [“NADA”], Cox Automotive

2023 Seasonally Adjusted Annual Rate (“SAAR”) in Dec. 2023: **15.8 million units, UP 16.0%** vs. Dec. 2022, and **UP 3.2%** vs. Nov. 2023 SAAR

SAAR BY LIGHT VEHICLE SEGMENT

Full-year 2023 vs. 2022



SALES

Full-year 2023 vs. 2022

TOTAL NEW LIGHT VEHICLES:
15.5 million units,
UP 12.4%.

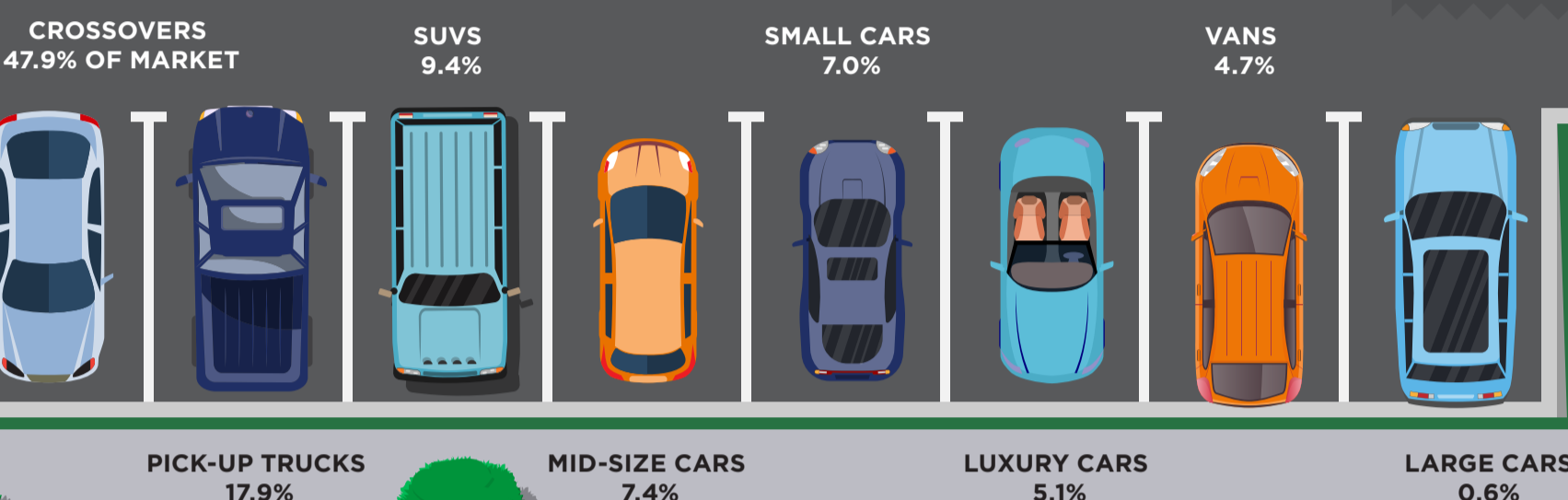
RETAIL:
13.0 million units,
UP 9.5%.

FLEET:
2.5 million units,
UP 32.0%.

Thank You!

U.S. MARKET SHARE BY VEHICLE SEGMENT - 2023

Light trucks (crossovers, pick-ups, SUVs, and vans) approximately 80.0% of market in 2023, **UP 0.8%** from 2022. Crossovers remained the most popular segment, **UP 2.6%** from the prior year.



Source: NADA

OEM INCENTIVE SPENDING - DEC. 2023 VS. 2022:



Source: J.D. Power

Average interest rate for new vehicle loans: **6.9%** in Dec. 2023, **UP 46 basis points** from Dec. 2022.

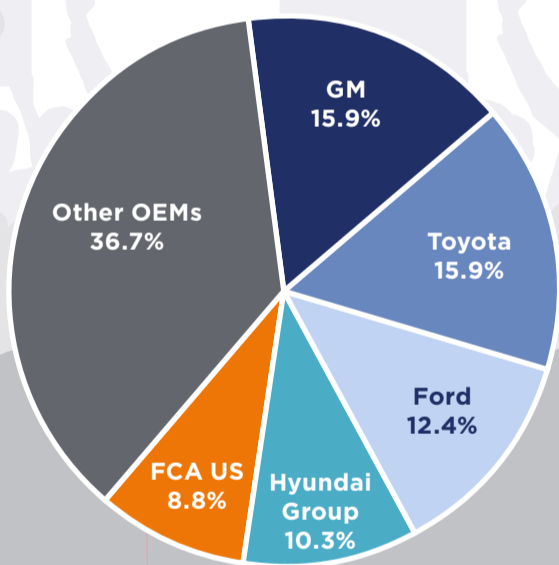
“CRASH” OF THE TITANS

Sources: NADA, Cox Automotive

U.S. PERFORMANCE OF AUTOMOTIVE MANUFACTURERS IN Q4 AND FULL-YEAR 2023

Despite operational challenges from the six-week United Auto Workers union strike, General Motors (“GM”) maintained its crown as U.S. leader in new vehicle sales in 2023 with affordable truck and SUV offerings, as well as robust fleet sales. However, Toyota narrowed the gap and increased its market share in Q4 2023 due to a strong rebound in production following the global semiconductor shortage.

U.S. MARKET PERFORMANCE OF AUTOMAKERS IN Q4 AND FULL-YEAR 2023



GOING “CAR”

Sources: IHS Markit, U.S. DOT Federal Highway Administration

AVERAGE VEHICLE AGE AND TRAFFIC VOLUME

Older vehicles on the road prove beneficial to the aftermarket automotive sector, as aging and heavily driven vehicles generally require repairs and replacement parts.

Dec. 2023:
263.7 billion vehicle miles,
UP 2.2%, from Dec. 2022.

TRAVEL ON ALL ROADS AND STREETS:
Cumulative 2023:
3.3 trillion vehicle miles,
UP 2.1%, vs. 2022.

SHIFTING TO NEUTRAL

Sources: Cox Automotive, Kelley Blue Book

USED VEHICLE MARKET

The used vehicle market in the U.S. continued to stabilize in 2023 as new vehicle inventory supply improved. However, the lasting effects of lower new vehicle sales in 2021 and 2022 are expected to still keep used vehicle supply constrained.

CERTIFIED PRE-OWNED SALES:

Dec. 2023:
228,237 units,
UP 1.3% vs. Dec. 2022.

Full-year 2023:
2.6 million units,
UP 6.6% vs. 2022.

AVERAGE TRANSACTION PRICE (“ATP”) - DEC. 2023:

Used vehicles:
\$26,446,
DOWN 3.0%
vs. Dec. 2022.

New vehicles:
\$48,759,
DOWN 2.4%
vs. Dec. 2022.

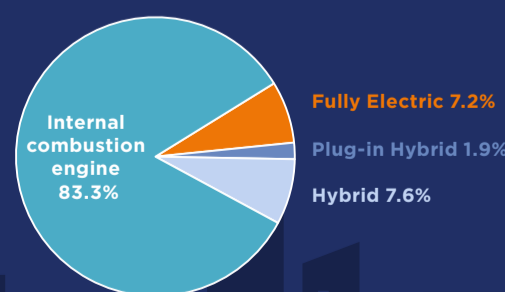
DEALS ON WHEELS

Sources: NADA, Kelley Blue Book, Cox Automotive

U.S. ELECTRIC VEHICLE (“EV”) MARKET

The EV market in the U.S. enjoyed notable growth in 2023 due to new product launches, improved vehicle inventory, increased incentives, and more leasing options. However, growth was still slower than expected, primarily due to the higher cost of EVs versus their internal combustion engine rivals.

MARKET SHARE BY POWERTRAIN - 2023



EV SALES:
EV sales in the U.S. broke EV records by nearly exceeding 1.2 million units in 2023, **UP 46.8% vs. 2022.**

EVs represented 7.6% of all new vehicle sales in the U.S. in 2023, **UP from 5.9% in 2022.**

In 2023, Tesla remained the leader in EV sales in the U.S. with a 55% share of the EV market, **DOWN from 65% in 2022.**

ATP of new EVs - Dec. 2023: \$53,611, **DOWN 12.8% in Dec. 2022.**

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